

**Comprehensive  
Annual  
Financial  
Report**

For the Fiscal Year Ended  
June 30, 1999

Kathy Augustine  
State Controller

# Kathy Augustine

## State Controller



The Office of State Controller was created when Nevada became a state in 1864. The Controller is one of Nevada's six constitutional officers elected statewide to a four-year term.

Ms. Augustine was sworn in as Nevada's first female State Controller on January 4, 1999. She serves as a member of both the State Board of Finance and the State Transportation Board of Directors.

As Chief Fiscal Officer of the State, she is empowered to represent the State in fiscal matters and is critical in maintaining a checks-and-balance system in state finances.

The Controller ensures compliance with Federal revenue laws and administers the state accounting system in order to provide fair, accurate, consistent, and timely financial reporting in accordance with standards set forth by the Governmental Accounting Standards Board. Her office also prepares the Comprehensive Annual Financial Report, pays employee salaries and processes claims against the state.

**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 1999**

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**State of Nevada**  
**Office of State Controller**  
Carson City, Nevada 89701-4786

**Kathy Augustine**  
State Controller

**Office: (775) 684-5777**  
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January 14, 2000

**To the Citizens, Governor  
and Legislators of the  
State of Nevada:**

I am pleased to present the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 1999. This is my first financial report since being elected Nevada State Controller. Responsibility for the accuracy, completeness and fairness of this financial presentation rests with my office. I am confident the information reported is accurate in all material respects and is reported in a manner which fairly presents the financial position and results of operations of the State. The report also includes all disclosures necessary to enable the reader to gain an understanding of Nevada's financial activities.

The Comprehensive Annual Financial Report is presented in three sections: Introduction, Financial and Statistical. The Introductory Section includes this letter, our government organization chart, major initiatives, and a report on our economic outlook. The Financial Section includes the independent auditor's reports, the general purpose financial statements, and the combining, individual fund and account group statements and schedules. Trend information on fiscal, social and demographic measures on a multi-year basis is included in the Statistical Section.

This report has been prepared in accordance with generally accepted accounting principles (GAAP) for governments as promulgated by the Governmental Accounting Standards Board (GASB). The independent accounting firm of Kafoury Armstrong & Co. has also audited the accompanying financial statements in accordance with generally accepted governmental auditing standards and their opinion appears in the Financial Section. We received an unqualified opinion on the general-purpose financial statements this year.

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governments for their Comprehensive Annual Financial Reports (CAFR) which meet the GFOA standards. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. The Controller's Office believes this current report conforms to the Certificate of Achievement Program requirements and is being submitted as such to the GFOA.

**Reporting Entity** - Nevada, named the “Silver State” due to the vast quantities of silver mined from the Comstock Lode in the 1800s, is bordered by California, Oregon, Idaho, Utah and Arizona. The State lies in the Great Basin, an arid region east of the Sierra Nevada Mountains, where the average annual rainfall is less than ten inches. Approximately 87.2 percent of our 110,000 square miles of valleys and north-south mountain ranges is under federal ownership.

The economy and tax base of the State are dependent upon the interrelated gaming and tourism industries, as well as upon federal activities, mining, warehousing, manufacturing, and agriculture. Nevada has experienced one of the fastest rates of population growth in the nation. The 1990 census showed a 55% increase over 1980 and the 1999 forecast of 1.96 million people indicates that Nevada’s population has grown almost 60% since 1990.

The State operates under a constitution, approved in 1864, that provides for a full range of services. These services include education, health and social services, highway maintenance and construction, law enforcement, judicial, public safety, business regulation, and resource development. State agencies and entities included in this report are those for which the State is considered financially accountable. There are several occupational licensing boards where the State’s accountability is limited to State officials making appointments to the licensing boards. The State does not exercise financial or administrative control over these boards so they are excluded in this report.

The following State agencies issue independent financial reports:

- Colorado River Commission
- Department of Museums, Library and Arts’ Museums and History Fund
- Employers Insurance Company of Nevada
- Housing Division
- Legislative Counsel Bureau’s Legislative and Contingency Funds
- Legislators’ Retirement System
- Public Employees’ Retirement System
- Risk Management’s Self Insurance and Insurance Premiums Funds
- University and Community College System of Nevada

Copies of these independently audited reports are available upon request from the State agency.

**Internal Controls** - State management is responsible for designing and encouraging adherence to policies and controls that safeguard resources. Internal controls are designed to provide reasonable, but not absolute assurance regarding:

- The safeguarding of assets against loss from unauthorized use or disposition, and
- The reliability of the financial records in preparing financial statements and maintaining accountability of assets.

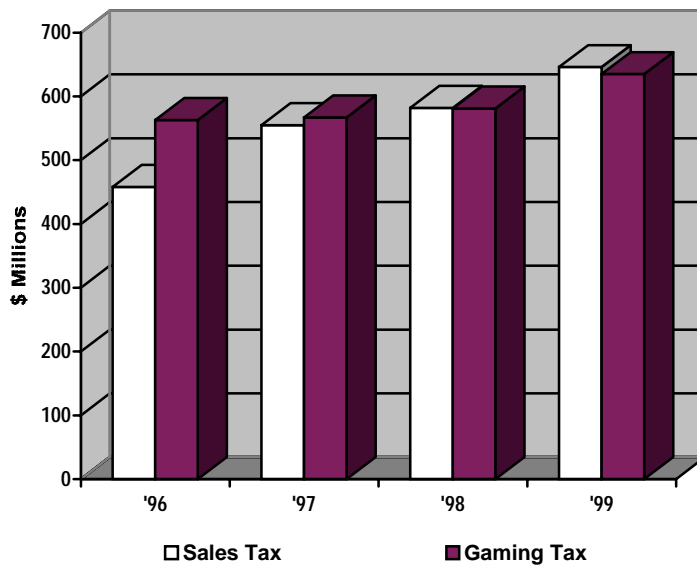
Such controls require judgment by management that the costs of controls should not exceed benefits derived.

In addition to internal controls, the State also maintains budgetary controls to ensure compliance with the biennial financial plan as enacted by the Legislature through the appropriation and authorized expenditure acts. Budgetary controls also contain a system of encumbering purchase orders to ensure appropriations are not exceeded.

**General Government Functions** - The following schedule presents a summary of revenues and other financing sources for the fiscal years ended June 30, 1999 and 1998, of the general fund, special revenue funds, debt service funds, capital projects funds, and expendable trust funds (expressed in thousands). Net transfers from and to other funds are included as other financing sources.

	1999		1998		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 2,143,301	50.7%	\$ 1,983,447	57.2%	\$ 159,854	8.1%
Intergovernmental	1,036,944	24.6	950,533	27.4	86,411	9.1
Licenses, fees and permits	222,274	5.3	204,653	5.9	17,621	8.6
Sales and charges for services	55,298	1.3	50,427	1.5	4,871	9.7
Interest	164,919	3.9	164,843	4.8	76	0.0
Other revenues	45,855	1.1	47,932	1.4	(2,077)	-4.3
Other financing sources	555,196	13.1	63,860	1.8	491,336	769.4
	<u>\$ 4,223,787</u>	<u>100.0%</u>	<u>\$ 3,465,695</u>	<u>100.0%</u>	<u>\$ 758,092</u>	<u>21.9</u>

The increase in taxes was due to growth in the economy and population rather than new State taxes or increased tax rates. Taxes represent almost 60% of the resources available to the State for general government functions with sales taxes and gaming taxes approximately 60% of total taxes. The following chart graphically depicts sales and gaming taxes over the past four years.



The chart shows that sales taxes have increased 41% over the past four years while gaming taxes have increased 13%. Sales tax growth increased in 1999 to 11% compared with a 5% growth rate in 1998. Gaming tax growth increased to 9% over a 3% growth rate in 1998.

The next largest source, intergovernmental revenues, are predominantly federal funds. Interest derived from the investment of idle cash remained constant. Other financing sources show an increase, due primarily to an increase in proceeds from the sale of bonds. This was anticipated because debt financing does not occur on a uniform basis. Table II in the statistical section shows a ten-year time profile of resources for general government.

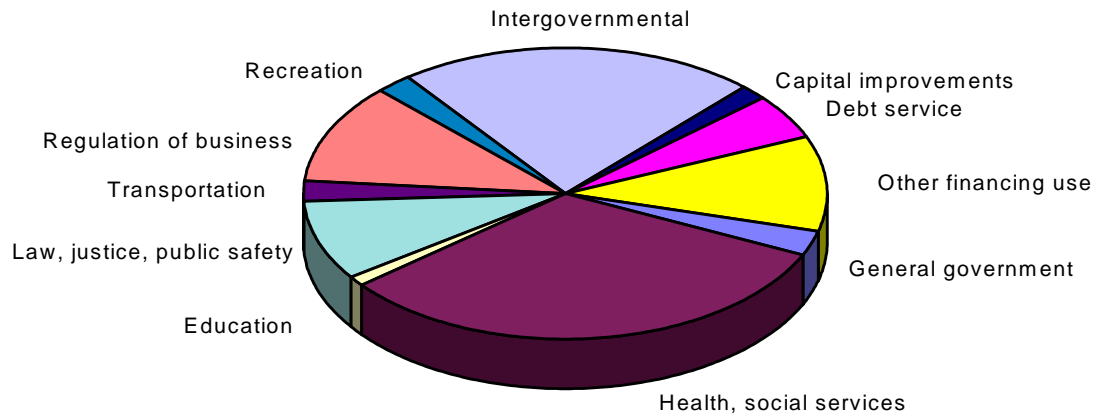
The following schedule presents a summary of general funds, special revenue funds, debt service funds, capital projects funds, and expendable trust funds expenditures and other financing uses for the fiscal years ended June 30, 1999 and 1998. Net transfers to and from the University System are the other financing use.



### Expenditures and Other Financing Use

(Expressed in thousands)

	1999		1998		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 111,116	2.9%	\$ 97,606	2.8%	\$ 13,510	13.8%
Health, social services	1,236,991	32.2	1,179,553	34.5	57,438	4.9
Education	42,027	1.1	30,476	0.9	11,551	37.9
Law, justice, public safety	338,518	8.8	341,970	10.0	(3,452)	-1.0
Regulation of business	82,127	2.1	67,816	2.0	14,311	21.1
Transportation	433,118	11.3	331,302	9.7	101,816	30.7
Recreation	85,378	2.2	91,436	2.7	(6,058)	-6.6
Intergovernmental	854,172	22.2	767,476	22.5	86,696	11.3
Capital improvements	67,327	1.7	46,849	1.4	20,478	43.7
Debt service	192,433	5.0	157,868	4.6	34,565	21.9
Other financing uses	402,384	10.5	302,878	8.9	99,506	32.9
	\$ 3,845,591	100.0%	\$ 3,415,230	100.0%	\$ 430,361	12.6

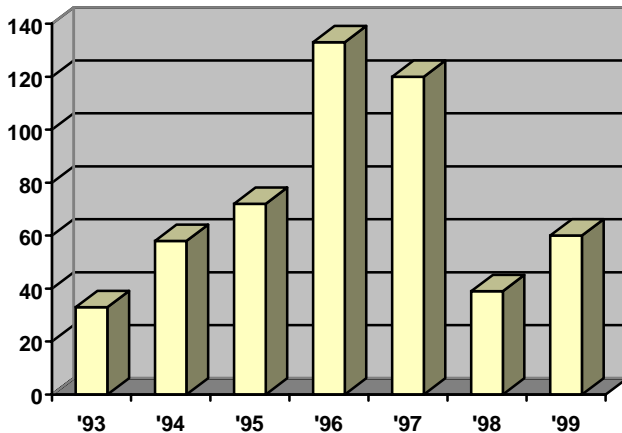


Expenditures for general governmental functions increased by approximately 14% over 1998 as shown in the preceding table. This is primarily due to \$10 million in costs related to the 1999 legislative session. Expenditures for transportation increased by \$102 million primarily due to additional construction projects in 1999.

The increase in intergovernmental expenditures is primarily due to a: \$29 million increase in payments to local school districts driven by a 5% increase in public school enrollment, a \$16 million increase in payments to local school districts for class size reduction, and \$10 million to Clark County for a county regional wetlands park at the Las Vegas Wash.

Swings in capital improvement expenditures occur due to the biennial cycle of the Legislature and their subsequent authorization of projects. The 22% increase in debt service was anticipated. The other financing uses consist of net transfers to the University System (a component unit). Student enrollment in the University System increased by 6% last year.

### Unallocated Reserves



An important indicator of fiscal health is “unallocated reserves”, which include the undesignated fund balance in the General Fund and the “rainy day” fund balance. The accompanying chart depicts those balances. Table III, in the statistical section, provides a ten year comparison. The “rainy-day” fund balance remained at \$128.8 million while the General Fund’s undesignated fund balance increased by \$20 million, resulting in a combined balance of \$60 million in 1999.

**Proprietary Operations - Internal Service Funds** - The internal service funds charge and recover costs from State agencies for services such as building maintenance, printing, insurance, data processing, and motor pool. Rates charged to State agencies for the operation of internal service funds are adjusted in following years to offset gains and losses. In 1999, these funds showed a net loss of \$683,735. The Self Insurance Fund had a net income of \$9 million for the year. This income along with a prior period adjustment to claims expense reduced the fund deficit in the Self Insurance Fund to \$1 million. The increase in income was due to increased premiums and an additional assessment to participating entities in 1999. In addition, beginning January 1, 1999, certain benefits of the plan were changed to decrease costs and increase revenues.

**Proprietary Operations - Enterprise Funds** - The enterprise funds primarily reflect the activities of:

- The Colorado River Commission (CRC) consists of two funds. The Power Marketing Fund provides for the purchasing and selling of electrical power from Nevada’s share of the generating facilities at Hoover Dam and other power marketing related activities. The Power Delivery Fund provides for the construction and operation of certain electric power transmission and distribution facilities to serve the planned expansion of the Southern Nevada Water System.
- The Housing Division, which provides low interest loans to low and moderate income households.
- The Employers Insurance Company of Nevada, which provides benefits of medical care, disability compensation and rehabilitation services to Nevada workers who are injured or contract a disease in the course of their employment. Effective January 1, 2000, the Employers Insurance Company of Nevada did become a private domestic mutual insurance company owned by its policyholders.

Combined assets of enterprise funds decreased by \$430 million in 1999 with a corresponding decrease in combined liabilities of \$567 million, resulting in a net reduction to fund deficit of \$137 million. The fund deficit is due to a \$471 million retained earnings deficit in the Employers Insurance Company of Nevada. The deficit decreased due to net income of \$131 million realized by the Employers Insurance Company of Nevada. Laws enacted by the 1993 Legislature and management efficiencies are proving effective in reducing the Employers Insurance Company of Nevada retained earnings deficit which peaked at \$2,159 million on June 30, 1993. When the Employers Insurance Company of Nevada becomes a private company in the year 2000, this fund group will have a positive fund equity.

**Pension Trust Operations** - The Public Employees’ Retirement System (PERS) covers most public employees of the State and its political subdivisions, as well as other public employees. PERS net assets held in trust for pension benefits increased \$1,393 million in 1999; and PERS unfunded accrued liability, using the entry age normal cost method, decreased \$316 million to \$2,358 million on June 30, 1999. The funded ratio increased from 78.2% in 1998 to 82.5% in 1999. Under the present plan and actuarial method, the unfunded liability will be fully amortized over a period of 25 years beginning July 1, 1999. Additional information is available in the separately issued financial statements of the PERS Actuarial Section.

**Debt Administration** - The bond ratings from Moody's Investor Service and Standard and Poor's remained at Aa and AA respectively. These ratings reflect a good economic base and sound financial management. On June 30, 1999, outstanding bonded debt was (*expressed in thousands*):

General Obligation Bonds	\$ 2,210,319
Mortgage Revenue Bonds	<u>1,015,211</u>
	<u>\$ 3,225,530</u>

Only \$631 million of the \$2,210 million general obligation bonds are paid through a tax levy on property. The remaining \$1,579 million are serviced through user fees from enterprise fund operations, slot machine taxes, and revenues from local governments for the municipal bond bank and the water pollution control bonds.

The Constitution of the State limits the aggregate principal amount of the general obligation debt to 2% of the total reported assessed property value of the State. As of June 30, 1999, the debt limit and remaining capacity were as follows (*expressed in millions*):

Debt limit (2% of assessed value)	\$ 934.1
Less: Bonds and leases payable	<u>666.2</u>
Remaining debt capacity	<u>\$ 267.9</u>

Exempt from this limit are debts incurred for the protection, preservation and development of natural resources.

New bonds sold during the 1999 fiscal year were (*expressed in thousands*):

General Obligation University	10/01/1998A	\$ 55,000
General Obligation Capital Improvement	10/01/1998B	36,620
General Obligation Cultural Affairs	10/01/1998C	2,000
General Obligation Refunding Bonds	05/01/1999A	75,785
General Obligation Refunding Bonds	05/01/1999B	5,230
Nevada Municipal Bond Bank Projects 66 and 67	07/01/1998A	315,000
General Obligation Capital Improvement	07/01/1998B	110,000
General Obligation Natural Resources Bonds	07/01/1998C	10,300
General Obligation Water Pollution Control Matching Bonds	07/01/1998D	3,275
Housing Single Family Refunding Issue C	9/30/1998	27,960
Housing Single Family Refunding Issue A	2/17/1999	30,000
Housing Single Family Refunding Issue B	3/24/1999	30,000
Housing Multi-family Boulder Creek	7/29/1998	14,970
Housing Multi-family Vintage Hills	7/30/1998	6,028
Housing Multi-family Spanish Hills	9/29/1998	8,500
Housing Multi-family Autumn Ridge	12/2/1998	7,760
Housing Multi-family South Valley	12/2/1998	14,000
Housing Multi-family Capistrano Pines	12/3/1998	9,630
Housing Multi-family Casa Sorrento	12/3/1998	10,980
Housing Multi-family Campaigne Place	12/16/1998	8,000
Housing Multi-family Cheyenne Villas	12/16/1998	8,000
Housing Multi-family Hilltop Villas	12/16/1998	3,790
Housing Multi-family Stewart Villas	12/6/1998	3,895

**Capital Projects** - To keep pace with the demands of a growing population and economy, the State has a substantial capital project program. The following is a summary of major projects during 1999:

<i>(Expressed in millions)</i>	<i>Expended by June 30, 1999</i>	<i>Total Budget</i>
Construction of a 3,000 bed Prison, Indian Springs	\$28.0	\$90.5
Integrated Financial System	17.9	30.1
Clark County Armory	12.8	13.0
Construction of a 125-bed Housing Unit, Prisons-Carson City	7.3	7.4
Juvenile Treatment Facility – unincorporated Clark County	5.8	14.7
Southern Nevada Veterans Home	2.2	19.4

Not shown in the capital projects funds nor in the general fixed assets account group are the efforts of the Department of Transportation in improving and maintaining our highway infrastructure. During fiscal year 1999, the Department of Transportation awarded \$231 million in highway contracts. These contracts included the repair, replacement and rehabilitation of bridges, safety projects of railroad crossings and traffic signal systems, and reconstruction and new construction on Nevada’s highways.

**University and Community College System of Nevada Funds (University System)** - An elected eleven-member Board of Regents supervises the operation of the University System, comprised of two universities, four community colleges and a research institute. Revenues in the current operating funds increased by \$29 million to \$378 million. Expenditures and mandatory transfers of current operating funds were recorded at \$690 million, an increase of \$54 million. State support increased \$101 million to \$404 million. Enrollment data is available in Table XVII of the Statistical Section.

**Cash Management** – Cash, temporarily idle, is invested by the State Treasurer. All cash except for monies in pension trust funds, Unemployment Compensation Fund, Employers Insurance Company of Nevada Fund, and the University System are combined in the State Treasurer’s investment pool. Uncommitted balances are invested in collateralized repurchase agreements, bankers acceptances (only those eligible for discount with the Federal Reserve), commercial paper issued by U.S. corporations (rated A-1, P-1 or better), corporate bonds issued by U.S. corporations (rated A or better), and securities of the U.S. government with most maturities ranging from one day to five years.

The State Treasurer also operates a separate investment pool for local governments to take advantage of the greater interest earnings through pooled investments. The type of securities purchased and the investment policies are similar, but somewhat more restrictive than those of the State pool.

**Risk Management** - The State is self-financed against certain property and liability claims. The Risk Management Division manages the Self Insurance Fund for group health insurance. Revenues are generated through charges to employees and departments to pay for contracted insurance and self-funded plans. The Division also manages the Insurance Premiums Trust Fund to provide fidelity, property and workers’ compensation coverages. The Insurance Premiums Trust Fund is self-insured for general, civil and vehicle liability.

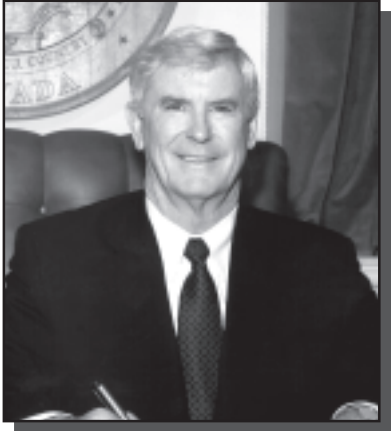
**Conclusion** - This report shows my commitment to inform and clearly demonstrate the financial condition of the State of Nevada to our citizenry and the financial community. Considerable effort and cooperation has been exhibited by all State agencies, the Legislature and the Judicial Branch of government. Without their efforts, this financial report could not have been produced. I extend my sincere appreciation to the leaders in State government for their stewardship, especially John P. Comeaux, Director, Department of Administration, and William D. Anderson, Economist, State of Nevada Budget and Planning Division, for their contribution of the major initiatives and economic review and outlook sections. I would also like to commend the efforts of our auditors, Kafoury, Armstrong & Co.

Respectfully Submitted,

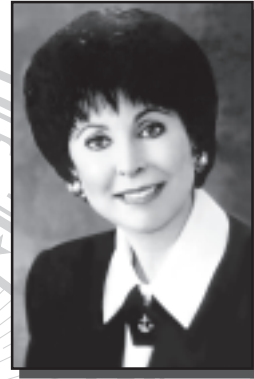


Kathy Augustine  
Nevada State Controller

# State of Nevada Constitutional Officers



Kenny C. Guinn  
*Governor*



Lorraine Hunt  
*Lieutenant Governor*



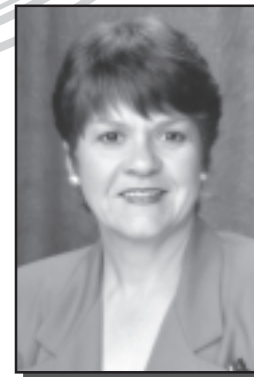
Dean Heller  
*Secretary of State*



Brian Krolicki  
*Treasurer*

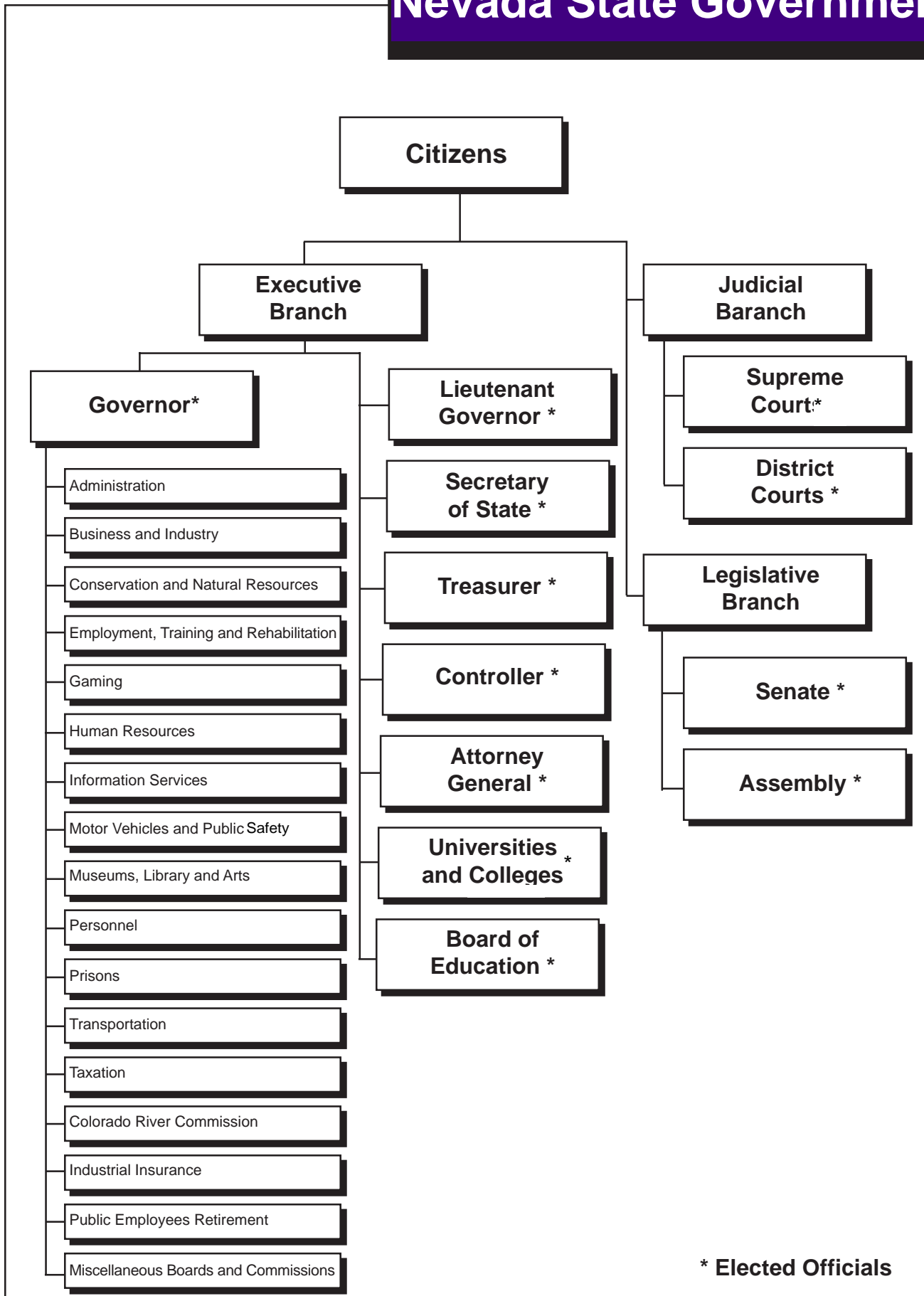


Kathy Augustine  
*Controller*



Frankie Sue Del Papa  
*Attorney General*

# Nevada State Government



# **MAJOR INITIATIVES**

John P. Comeaux  
Director, Department of Administration

Governor Kenny C. Guinn unveiled several major initiatives in education, cost savings, and state employees' health coverage, and the state is successfully rolling out two long-term projects in financial systems and industrial insurance:

## **EDUCATION**

The Millennium Scholarship will help fund college for high school graduates with a B average or better. Started to increase the small share of students who go on to college, the program begins with the current class of seniors. They can apply for the scholarship up to eight years after graduating from a Nevada high school, and use it in Nevada state community colleges and universities.

Also on the higher education front, a committee of legislators and university representatives will look at how other states fund higher education, and make recommendations for possible changes to Nevada's funding methods and formulas. They will report back in time for the next legislative session in 2001.

## **INTEGRATED FINANCIAL SYSTEM**

Nevada's new Integrated Financial System has met its preliminary goals. The new statewide accounting system went into production January 4, 1999 and is now processing all state payment claims. The new Nevada Department of Transportation (NDOT) accounting system also began processing NDOT business on January 4, 1999. The new payroll and personnel system distributed the first central payroll checks on April 2, 1999, and the first NDOT checks on April 7th. The state was very pleased with the results from both runs. The data looked good, the reports were correct, and the interfaces produced the anticipated results.

## **DEPARTMENT OF PRISONS**

The Department of Prisons received approval to open High Desert Prison in two phases; each consisting of housing for 1,008 inmates. The Southern Nevada Correctional Center was closed temporarily until it is needed again, probably during the 2001-2003 biennium. This closing will save the General Fund approximately \$8.1 million in the 1999-2001 biennium.

## **PUBLIC EMPLOYEES' BENEFITS PROGRAM**

The state's group insurance is re-formed as the Public Employees' Benefits Program. The executive officer may appoint officers for quality control, operations, accounting, and information technology systems. Previously some of these functions were located in the state's risk management division, and some were performed under contract.

## **WORKERS COMPENSATION**

The State Industrial Insurance System (SIIS) became the Employers Insurance Company of Nevada (EICON). Starting July 1, 1999, Nevada employers can obtain workers compensation insurance from private insurance companies, in addition to EICON and self-insured groups. And the way is being paved to privatize EICON in the 1999-2000 fiscal year.

The state is proud of its accomplishments in education, insurance, financial systems, and cost savings.

# ECONOMIC REVIEW AND OUTLOOK

William D. Anderson  
Economist, State of Nevada Budget and Planning Division

## INTRODUCTION

Simply put, the Nevada economy has boomed over the past year, led by the completion of a series of well-publicized major megaresort openings on the Las Vegas Strip. Job growth remains solid, visitor growth is surging, and the State's fiscal health continues to improve.

In the nation as a whole, there is no end in sight to the economic expansion, which officially began in March 1991. Job markets are healthy, the financial sector continues to post solid gains, and consumers are spending freely.

All told, the groundwork appears to have been laid to ensure continued economic growth well into the next century.

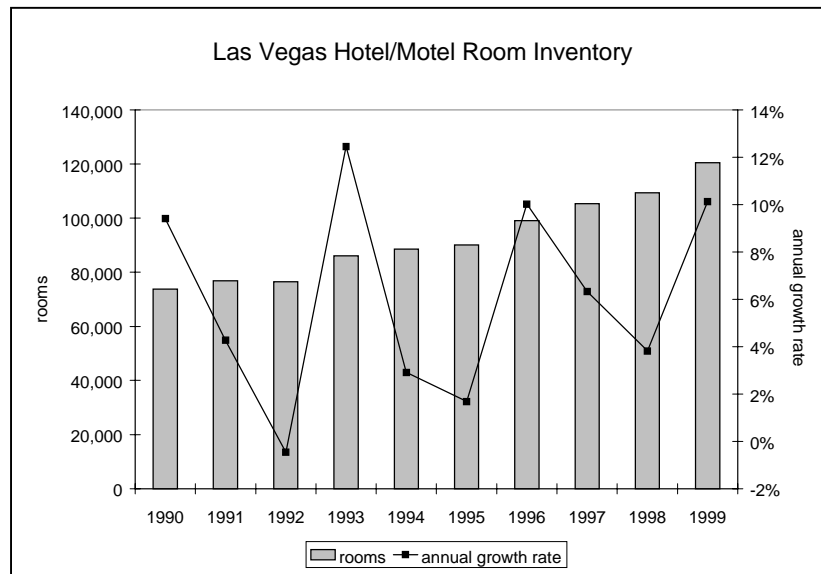
## REVIEW

Practically every measure of economic growth and expansion has been positive in Nevada:

- Nonfarm job growth totaled 4.9% during the first three quarters of 1999 as job levels approached the one million-mark. Nationally, growth came in at a much less-pronounced, but still encouraging, 2.3% during the same period.
- During the first half of 1999, personal income grew at a 9% clip in Nevada. Nationally, the gain was 5.4%.

Capacity in the gaming sector has surged of late. Since late-1998, four new megaresorts have opened on the Las Vegas Strip. As a result, room inventories in Las Vegas have skyrocketed. Specifically, there are over 120,000 hotel and motel rooms in the region, up 10.1% from a year ago (Chart 1).

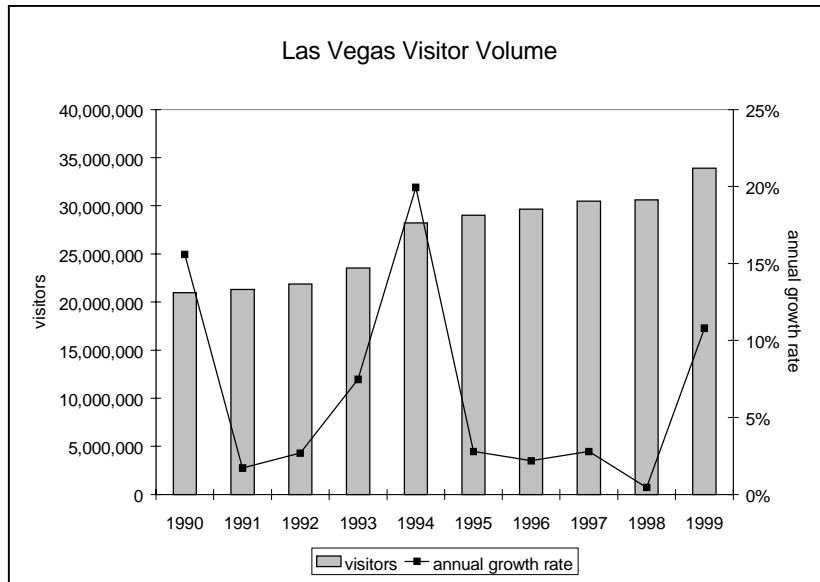
Chart 1



Relatively sluggish activity in the gaming sector in 1997, 1998, and during the first half of 1999 raised concerns about the ability of the industry to absorb the additional capacity. However, those fears have been proven to be premature. Visitors have flocked to Las Vegas to explore these new gaming and entertainment venues. Visitor volume has grown 10.8% through the first nine months of the year. Between 1995 and 1998, growth never exceeded 3%, and was just 0.5% in 1998 (Chart 2).

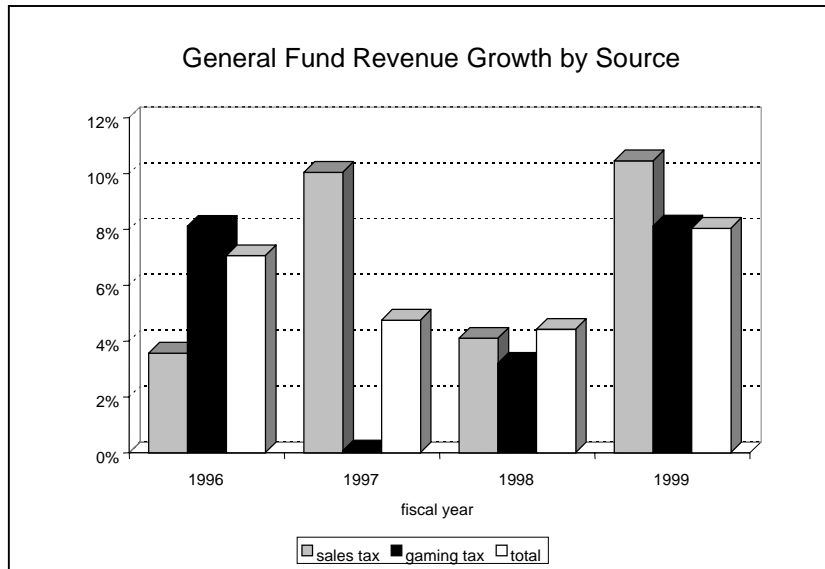


**Chart 2**



This growth is also reflected in financial results in the gaming sector. Total gaming win is up a strong 11.7% through the first nine months of 1999. In 1997 win growth came in at 5.1%, while growth was just 3.4% in 1998. The surge in gaming activity has also translated into solid gains in State revenues. Through the first four months of FY 2000, State tax collections from taxable gaming revenue (the percentage fee tax) are up 15.3%. In FY 1999, growth came in at 8.1% (Chart 3). This followed two consecutive years (FY 1997 and FY 1998), during which gaming tax collections grew in the low single-digits.

**Chart 3**



The current round of megaresort openings has also impacted the State's largest source of General Fund revenue, the sales tax. As new properties are built and opened, sales tax collections increase for a number of reasons, such as from the purchase of supplies and materials and from purchases from retail establishments located within these new megaresorts. Sales tax collections are up 8.7% through the first four months of FY 2000. In FY 1999, sales tax proceeds were up 10.5%. Prior to that, growth was below 5% in two of three years.

Clearly, the economic news of late in Nevada has been encouraging. However, uninterrupted solid economic growth is not costless. Along with the growing economy comes increased responsibilities in the form of expanding State programs to serve the population drawn to the State's prosperity. For instance:

- Growth in K-12 student enrollments has averaged between 5% and 6% annually in Nevada throughout the 1990s. Nationally, growth has averaged less than 2%.

- Prison inmate populations have grown at a 6.5% annual clip during the 1990s. Similar increases have been recorded in the parole and probation area.
- Although currently holding relatively steady, Temporary Assistance for Needy Families (TANF) caseloads are nearly three times greater than they were a decade ago.

So, while the news of late has been extremely favorable, serious issues will continue to arise as the State faces the growing demands upon its resource base.

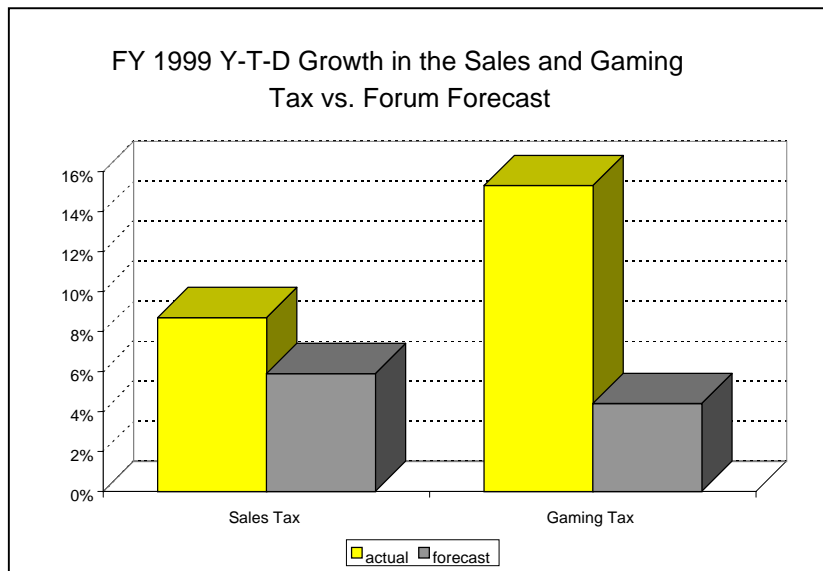
## OUTLOOK

Nevada is not immune to the national (and international) business cycle. Fortunately, there are few, if any, indicators pointing to a reversal of the U.S. economy's good fortune in the foreseeable future. Expectations are for continued growth in the national economy, paving the way for further encouraging gains in Nevada.

Indeed, FY 2000 is off to a good start in Nevada, both from the perspective of economic growth and on the fiscal front. Job growth remains relatively strong and should continue to be so into the foreseeable future. Retail activity, as measured by taxable sales, is up 7.1% through the first quarter of the fiscal year.

On the revenue side, growth in the State's two largest tax sources, the sales tax and the percentage fee tax, is coming in above that forecast by the Economic Forum (Chart 4). Specifically, the year-to-date growth in sales tax collections, at 8.7%, is considerably higher than the 5.9% growth rate forecast by the Forum for all of FY 1999. Growth in percentage fee collections, at 15.3% so far this year, is more than three times greater than that forecast by the Economic Forum.

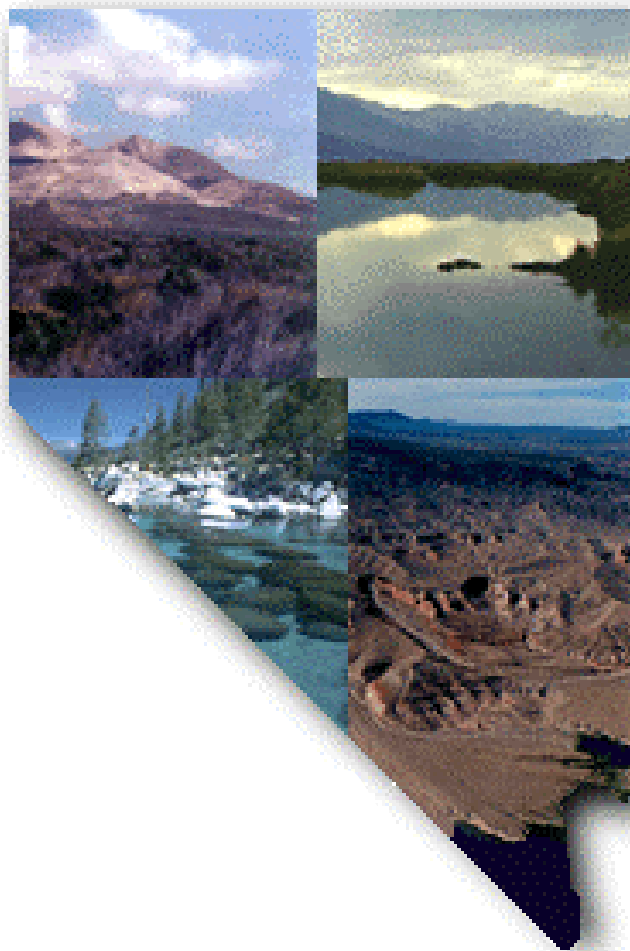
Chart 4



The impacts of the current round of megaresort openings should continue to be felt throughout FY 2000, resulting in continued solid economic growth and a healthy fiscal situation. However, most observers believe that the gaming sector will pause after the final property is opened in mid-2000 to assess the long-term ability of the industry to absorb the new capacity. Hence, there are no firm plans for any new projects equal in size to the properties recently opened beyond next summer. As a result, the State's economy is likely to continue to expand beyond FY 2000 in the absence of a national recession, but growth will likely ease from its current pace. On the revenue side, such an easing in economic growth will likely result in an underlying rate of growth in General Fund revenues of approximately 5%, down from previous years, but still quite solid.

# Financial Section

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Kathy Augustine  
State Controller

We have audited the accompanying general purpose financial statements of the State of Nevada as of and for the year ended June 30, 1999. These general purpose financial statements are the responsibility of the management of the State of Nevada. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Power Delivery Fund or Power Marketing Fund (collectively, the "Colorado River Commission"), the Housing Division Fund, or the Nevada State Insurance Fund which statements reflect 99.8 percent of the assets and 98.7 percent of the operating revenues of the Enterprise Funds. We also did not audit the University and Community College System, a discretely presented component unit. The statements not audited by us were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Enterprise Funds and the University and Community College System Funds is based solely on the reports of such other auditors.

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 general purpose 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 and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, such general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Nevada as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types and non-expendable trust funds 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 January 14, 2000 on our consideration of the State of Nevada's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The Year 2000 Information on page 54 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it. In addition, we do not provide assurance that the State of Nevada is or will become Year 2000 compliant, that the State of Nevada's Year 2000 remediation efforts will be successful in whole or in part, or that parties with which the State of Nevada does business are or will become Year 2000 compliant.

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

The statistical data listed in the statistical section of the foregoing table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of the State of Nevada. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and, accordingly, we express no opinion on it.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
January 14, 2000



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

The Honorable Kathy Augustine  
State Controller

We have audited the general purpose financial statements of the State of Nevada (the State), as of and for the year ended June 30, 1999, and have issued our report thereon dated January 14, 2000. 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. As described in our report dated January 14, 2000, portions of the audit of the general purpose financial statements were performed by other auditors, whose reports were furnished to us.

Compliance

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

Internal Control Over Financial Reporting

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

This report is intended for the information and use of the Nevada Legislature, the Legislative Auditor and management of the State. It is not intended to be and should not be used by anyone other than these specified parties.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
January 14, 2000

# General Purpose Financial Statements

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# STATE OF NEVADA

## Combined Balance Sheet

All Fund Types, Account Groups and Discretely Presented Component Unit

*June 30, 1999 with Comparative Totals for 1998 (Expressed in Thousands)*

	Governmental Fund Types				Proprietary
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
<b>Assets and Other Debits</b>					
<b>Assets:</b>					
Cash and pooled investments (Note 3)	\$ 236.411	\$ 531.228	\$ 35.087	\$ 146.612	\$ 233.168
Cash, pooled investments-nonexpendable trust (Note 3)	-0-	-0-	-0-	-0-	-0-
Investments (Note 3)	-0-	1,200.492	-0-	-0-	1,253.512
Collateral on loaned securities (Note 3)	179.975	112.854	11.097	1.846	157.541
Food stamp coupons	21.313	-0-	-0-	-0-	-0-
Receivables (Note 4)	446.727	60.772	387.742	10.242	108.343
Due from other funds (Note 5B)	44.530	48.508	10.595	22.999	4.260
Due from component unit (Note 5C)	331	879	-0-	-0-	22
Due from primary government (Note 5C)	-0-	-0-	-0-	-0-	-0-
Interfund receivables (Note 5A)	5.160	2	-0-	-0-	-0-
Inventory	-0-	9.047	-0-	-0-	1.508
Advances to other funds (Note 5A)	5.800	22	-0-	-0-	-0-
<i>Restricted assets (Note 6):</i>					
Cash	-0-	-0-	-0-	-0-	21.023
Non-cash	-0-	47.749	-0-	-0-	79.396
Loans receivable	-0-	-0-	-0-	-0-	805.533
Deferred charges and other assets	24.859	256	-0-	-0-	76.196
Land	-0-	-0-	-0-	-0-	3.004
Structures and improvements	-0-	-0-	-0-	-0-	13.787
Furniture and equipment	-0-	-0-	-0-	-0-	49.410
Accumulated depreciation	-0-	-0-	-0-	-0-	(30.914)
Construction in progress	-0-	-0-	-0-	-0-	63.194
<b>Other debits:</b>					
Amounts available in special revenue/debt service funds	-0-	-0-	-0-	-0-	-0-
Amount to be provided by other government	-0-	-0-	-0-	-0-	-0-
Amount to be provided for retirement of debt	-0-	-0-	-0-	-0-	-0-
<b>Total assets and other debits</b>	<b>\$ 965.106</b>	<b>\$ 2,011.809</b>	<b>\$ 444.521</b>	<b>\$ 181.699</b>	<b>\$ 2,838.983</b>
<b>Liabilities, Equity and Other Credits</b>					
<b>Liabilities:</b>					
Accounts payable and accruals	\$ 152.029	\$ 56.231	\$ 6.607	\$ 738	\$ 1,071.579
Bank overdraft	-0-	-0-	-0-	-0-	-0-
Contracts payable	1,013	23.828	-0-	23.773	-0-
Obligations under securities lending (Note 3)	179.975	112.854	11.098	1.846	157.541
Due to other funds (Note 5B)	288.519	53.877	-0-	737	1.709
Due to component unit (Note 5C)	8,862	623	210	33.758	-0-
Due to primary government (Note 5C)	-0-	-0-	-0-	-0-	-0-
Interfund payables (Note 5A)	-0-	4.507	-0-	-0-	17
Compensated absences (Note 8)	-0-	-0-	-0-	-0-	3.637
Deferred revenues and gains	115.324	8.959	387.276	-0-	773.034
Notes payable (Note 8)	-0-	-0-	-0-	-0-	-0-
Bonds payable, other obligations (Note 8)	-0-	-0-	7.765	-0-	1,121.512
Advances from other funds (Note 5A)	-0-	-0-	-0-	-0-	174
Obligations under capital leases (Note 8)	-0-	-0-	-0-	-0-	2.231
Claims and judgments	-0-	-0-	-0-	-0-	-0-
Arbitrage rebate liability (Note 8)	-0-	-0-	-0-	-0-	-0-
Other liabilities	13.390	47.749	-0-	-0-	58.525
<b>Total liabilities</b>	<b>759.112</b>	<b>308.628</b>	<b>412.956</b>	<b>60.852</b>	<b>3,189.959</b>
<b>Equity and other credits:</b>					
Investment in general fixed assets/plant	-0-	-0-	-0-	-0-	-0-
Contributed capital	-0-	-0-	-0-	-0-	5.201
<i>Retained earnings (deficit):</i>					
Reserved (Note 11)	-0-	-0-	-0-	-0-	111.919
Unreserved	-0-	-0-	-0-	-0-	(468.096)
<i>Fund balances:</i>					
<i>Reserved:</i>					
Encumbrances and contracts	2.756	211.679	-0-	92.621	-0-
Inventory	-0-	9.047	-0-	-0-	-0-
Advances	5.800	22	-0-	-0-	-0-
Balances forward	240.185	42.370	-0-	-0-	-0-
Other (Note 11)	25.764	1,369.292	31.565	-0-	-0-
<i>Unreserved:</i>					
Designated (Note 11)	-0-	-0-	-0-	28.226	-0-
Undesignated	(68.511)	70.771	-0-	-0-	-0-
<b>Total equity and other credits</b>	<b>205.994</b>	<b>1,703.181</b>	<b>31.565</b>	<b>120.847</b>	<b>(350.976)</b>
<b>Total liabilities, equity and other credits</b>	<b>\$ 965.106</b>	<b>\$ 2,011.809</b>	<b>\$ 444.521</b>	<b>\$ 181.699</b>	<b>\$ 2,838.983</b>

The notes to the financial statements are an integral part of this statement.

Exhibit 1

Fund Types	Fiduciary	Account Groups		Total -	Component	Totals -	
	Fund Types			(Memorandum Only)	Unit	(Memorandum Only)	
Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Obligations	Primary Government	University System	1999	1998
\$ 25.500	\$ 1,230.130	\$ -0-	\$ -0-	\$ 2,201.725	\$ 100.339	\$ 2,302.064	\$ 2,338.721
-0-	13.086	-0-	-0-	13.086	-0-	13.086	8.978
-0-	12,653.928	-0-	-0-	15,107.932	361.919	15,469.851	14,216.532
2.506	1,655.685	-0-	-0-	1,941.529	-0-	1,941.529	1,775.040
-0-	-0-	-0-	-0-	-0-	-0-	-0-	14.020
2.320	190.493	-0-	-0-	759.912	113.975	873.887	1,209.437
19,928	271.477	-0-	-0-	377.767	-0-	377.767	343.248
323	-0-	-0-	-0-	1,223	-0-	1,223	1,115
-0-	-0-	-0-	-0-	-0-	43.482	43.482	67.286
-0-	-0-	-0-	-0-	2	-0-	2	37.953
1.122	265	-0-	-0-	11.942	4.197	16.139	18.559
-0-	-0-	-0-	-0-	23	-0-	23	3.815
-0-	-0-	-0-	-0-	21.023	-0-	21.023	28.976
-0-	-0-	-0-	-0-	127.145	-0-	127.145	148.932
-0-	-0-	-0-	-0-	805.533	9.592	815.125	721.486
-0-	861	-0-	-0-	77.313	2,902	80.215	141.775
131	3	87.955	-0-	91.093	89.649	180.742	174.080
6.605	-0-	710.784	-0-	731.176	722.952	1,454.128	1,280.229
43.074	10.990	250.550	-0-	354.024	232.186	586.210	526.386
(30.699)	(1,791)	-0-	-0-	(63.404)	(382.389)	(445.793)	(405.295)
197	-0-	108.144	-0-	171.535	101.021	272.556	210.873
-0-	-0-	-0-	1,232.056	1,232.056	-0-	1,232.056	921.481
-0-	-0-	-0-	387.276	387.276	-0-	387.276	397.173
-0-	-0-	-0-	757.224	757.224	-0-	757.224	594.467
<u>\$ 71.007</u>	<u>\$ 16,025.127</u>	<u>\$ 1,157.433</u>	<u>\$ 2,376.556</u>	<u>\$ 25,107.135</u>	<u>\$ 1,399.825</u>	<u>\$ 26,506.960</u>	<u>\$ 24,775.267</u>
\$ 38.404	\$ 938.811	\$ -0-	\$ -0-	\$ 2,112.370	\$ 32.465	\$ 2,144.835	\$ 3,529.103
1.212	-0-	-0-	-0-	1,212	-0-	1,212	6.362
-0-	-0-	-0-	-0-	47.601	-0-	47.601	19.912
2.506	1,655.685	-0-	-0-	1,941.530	-0-	1,941.530	1,775.040
3,923	73.532	-0-	-0-	133.777	-0-	133.777	343.248
29	-0-	-0-	-0-	34.620	-0-	34.620	67.286
-0-	-0-	-0-	-0-	-0-	1,555	1,555	1,115
638	-0-	-0-	-0-	5.162	-0-	5.162	37.953
2,261	-0-	-0-	58.425	64.323	21.735	86.058	90.348
-0-	155	-0-	-0-	1,169.424	17.869	1,187.293	551.371
-0-	9.189	-0-	-0-	9.189	-0-	9.189	9.296
-0-	-0-	-0-	2,279.785	3,409.062	93.893	3,502.955	2,904.033
5,648	-0-	-0-	-0-	5.822	-0-	5.822	3.815
1,720	-0-	-0-	30.494	34.445	-0-	34.445	37.206
-0-	-0-	-0-	-0-	-0-	-0-	-0-	772
-0-	-0-	-0-	1,321	1,321	-0-	1,321	2,160
3,501	152.561	-0-	6,531	268.867	9.408	278.275	299.111
<u>59.841</u>	<u>2,829.933</u>	<u>-0-</u>	<u>2,376.556</u>	<u>9,238.724</u>	<u>176.925</u>	<u>9,415.649</u>	<u>9,678.131</u>
-0-	-0-	1,157.433	-0-	1,157.433	670.170	1,827.603	1,616.414
9.156	-0-	-0-	-0-	14.357	-0-	14.357	10.889
-0-	-0-	-0-	-0-	111.919	-0-	111.919	106.743
2,009	-0-	-0-	-0-	(466.087)	-0-	(466.087)	(600.708)
-0-	5	-0-	-0-	304.304	3.665	307.969	216.582
-0-	265	-0-	-0-	9.312	-0-	9.312	11.856
-0-	-0-	-0-	-0-	23	-0-	23	3.815
-0-	-0-	-0-	-0-	42.370	-0-	42.370	324.262
-0-	12,683.874	-0-	-0-	14,084.730	475.927	14,560.657	12,812.248
-0-	1,070	-0-	-0-	29.296	-0-	29.296	64.885
-0-	509.980	-0-	-0-	580.751	73.138	653.889	530.150
<u>11,165</u>	<u>13,195.194</u>	<u>1,157.433</u>	<u>-0-</u>	<u>15,868.408</u>	<u>1,222.900</u>	<u>17,091.308</u>	<u>15,097.136</u>
<u>\$ 71.006</u>	<u>\$ 16,025.127</u>	<u>\$ 1,157.433</u>	<u>\$ 2,376.556</u>	<u>\$ 25,107.132</u>	<u>\$ 1,399.825</u>	<u>\$ 26,506.957</u>	<u>\$ 24,775.267</u>

# STATE OF NEVADA

## Combined Statement of Revenues, Expenditures and Changes in Fund Balances All Governmental Fund Types and Expendable Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

(Expressed in Thousands)

*Exhibit 2*

	Governmental Fund Types				Fiduciary	Totals -	
	General	Special Revenue	Debt Service	Capital Projects	Fund Types	(Memorandum Only)	
					Expendable Trust	1999	1998
<b>Revenues</b>							
Gaming taxes, fees, licenses	\$ 614,148	\$ 21,116	\$ -0-	\$ -0-	\$ -0-	\$ 635,264	\$ 586,186
Sales taxes	645,560	-0-	-0-	-0-	-0-	645,560	581,991
Intergovernmental	793,704	216,753	19,193	563	6,731	1,036,944	950,533
Other taxes	285,236	283,395	80,822	-0-	213,024	862,477	815,270
Licenses, fees and permits	91,348	130,926	-0-	-0-	-0-	222,274	204,653
Sales and charges for services	30,983	23,820	-0-	-0-	495	55,298	50,427
Interest and investment income	44,818	88,940	1,774	279	29,108	164,919	164,843
Other	26,604	10,269	-0-	138	8,844	45,855	47,933
<b>Total revenues</b>	<b>2,532,401</b>	<b>775,219</b>	<b>101,789</b>	<b>980</b>	<b>258,202</b>	<b>3,668,591</b>	<b>3,401,836</b>
<b>Expenditures</b>							
<i>Current:</i>							
General government	68,295	42,157	359	183	122	111,116	97,606
Health and social services	1,014,112	42,032	-0-	-0-	180,847	1,236,991	1,179,553
Education and support services	40,075	767	-0-	-0-	1,185	42,027	30,476
Law, justice and public safety	228,650	108,710	-0-	-0-	1,158	338,518	341,970
Regulation of business	47,434	34,450	-0-	-0-	243	82,127	67,816
Transportation	-0-	433,118	-0-	-0-	-0-	433,118	331,302
Recreation and resource development	69,571	15,648	-0-	-0-	159	85,378	91,436
<i>Intergovernmental:</i>							
Education	685,825	81,523	-0-	-0-	-0-	767,348	696,543
Other	58,363	11,835	-0-	10,300	6,326	86,824	70,933
<i>Capital outlay</i>	-0-	-0-	-0-	67,327	-0-	67,327	46,849
<i>Debt service:</i>							
Principal	1,739	1,046	74,747	-0-	-0-	77,532	73,403
Interest, fiscal charges	1,487	216	112,084	-0-	-0-	113,787	84,296
Bond issuance costs	-0-	-0-	392	91	-0-	483	147
Arbitrage payments	47	217	367	-0-	-0-	631	22
<b>Total expenditures</b>	<b>2,215,598</b>	<b>771,719</b>	<b>187,949</b>	<b>77,901</b>	<b>190,040</b>	<b>3,443,207</b>	<b>3,112,352</b>
Excess (deficiency) of revenues over expenditures	316,803	3,500	(86,160)	(76,921)	68,162	225,384	289,484
<b>Other Financing Sources (Uses)</b>							
Proceeds from capital leases	60	265	-0-	-0-	-0-	325	30,583
Proceeds from sale of bonds	2,000	318,273	56,051	159,911	-0-	536,235	26,498
Proceeds from certificates of participation	-0-	-0-	-0-	14,836	-0-	14,836	-0-
Proceeds from sale of fixed assets	72	53	-0-	-0-	-0-	125	613
Operating transfers in (Note 5E)	64,049	114,676	86,616	13,262	858	279,461	195,169
Transfers from component unit (Note 5D)	360	878	41	-0-	-0-	1,279	281
Operating transfers out (Note 5E)	(116,516)	(137,295)	-0-	(14,601)	(7,524)	(275,936)	(189,179)
Transfers to component unit (Note 5D)	(292,324)	(5,131)	(56,099)	(50,109)	-0-	(403,663)	(303,159)
Proceeds of refunding bonds	-0-	-0-	82,938	-0-	-0-	82,938	309,098
Payment to refunded bond agent	-0-	-0-	(82,788)	-0-	-0-	(82,788)	(308,922)
<b>Total other financing sources (uses)</b>	<b>(342,299)</b>	<b>291,719</b>	<b>86,759</b>	<b>123,299</b>	<b>(6,666)</b>	<b>152,812</b>	<b>(239,018)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(25,496)	295,219	599	46,378	61,496	378,196	50,466
Fund balances, July 1	232,638	1,410,579	30,966	74,469	449,928	2,198,580	2,149,013
Residual equity transfer	(1,148)	(2,617)	-0-	-0-	-0-	(3,765)	(899)
<b>Fund balances, June 30</b>	<b>\$ 205,994</b>	<b>\$ 1,703,181</b>	<b>\$ 31,565</b>	<b>\$ 120,847</b>	<b>\$ 511,424</b>	<b>\$ 2,573,011</b>	<b>\$ 2,198,580</b>

The notes to the financial statements are an integral part of this statement.

# STATE OF NEVADA

## Combined Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual (Non-GAAP Budgetary Basis) General Fund and Special Revenue Funds

For the Fiscal Year Ended June 30, 1999  
(Expressed in Thousands)

**Exhibit 3**

	General Fund			Special Revenue Funds			Totals (Memorandum Only)		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	<b>Sources of Financial Resources</b>								
Fund balances, July 1	\$ 365,729	\$ 365,729	\$ -0-	\$ 451,753	\$ 451,753	\$ -0-	\$ 817,482	\$ 817,482	\$ -0-
<b>Revenues:</b>									
Sales taxes	570,879	580,195	9,316	-0-	-0-	-0-	570,879	580,195	9,316
Gaming taxes, fees, licenses	581,199	582,269	1,070	15,606	15,606	-0-	596,805	597,875	1,070
Federal	872,730	724,382	(148,348)	193,648	210,029	16,381	1,066,378	934,411	(131,967)
Other taxes	394,820	406,724	11,904	291,645	294,818	3,173	686,465	701,542	15,077
Sales, charges for services	96,706	94,318	(2,388)	26,001	27,159	1,158	122,707	121,477	(1,230)
Licenses, fees and permits	190,679	177,125	(13,554)	134,120	133,514	(606)	324,799	310,639	(14,160)
Interest	22,861	27,676	4,815	90,260	97,569	7,309	113,121	125,245	12,124
Other	224,808	173,647	(51,161)	17,081	29,578	12,497	241,889	203,225	(38,664)
<b>Other financing sources:</b>									
Proceeds from sale of bonds	-0-	-0-	-0-	3,249	3,249	-0-	3,249	3,249	-0-
Transfers from other funds	66,991	66,991	-0-	136,996	132,843	(4,153)	203,987	199,834	(4,153)
Reversions from other funds	-0-	1,071	1,071	-0-	94	94	-0-	1,165	1,165
<b>Total sources</b>	<b>3,387,402</b>	<b>3,200,127</b>	<b>(187,275)</b>	<b>1,360,359</b>	<b>1,396,212</b>	<b>35,853</b>	<b>4,747,761</b>	<b>4,596,339</b>	<b>(151,422)</b>
<b>Uses of Financial Resources</b>									
<b>Expenditures, encumbrances:</b>									
Constitutional agencies	77,887	57,010	20,877	64,807	47,176	17,631	142,694	104,186	38,508
Finance and administration	96,167	66,734	29,433	23,235	16,505	6,730	119,402	83,239	36,163
Education	753,569	721,343	32,226	87,305	82,498	4,807	840,874	803,841	37,033
Human services	1,475,893	1,134,682	341,211	78,790	42,364	36,426	1,554,683	1,177,046	377,637
Commerce and industry	77,590	58,269	19,321	56,734	48,688	8,046	134,324	106,957	27,367
Public safety	236,225	205,123	31,102	154,303	110,082	44,221	390,528	315,205	75,323
Infrastructure	135,674	78,363	57,311	509,404	451,830	57,574	645,078	530,193	114,885
Special purpose agencies	7,148	6,455	693	-0-	-0-	-0-	7,148	6,455	693
<b>Other financing uses:</b>									
Debt service transfers	-0-	-0-	-0-	28,778	27,365	1,413	28,778	27,365	1,413
Transfers to other funds	535,516	534,205	1,311	108,011	105,674	2,337	643,527	639,879	3,648
Refunds	-0-	2,061	(2,061)	-0-	-0-	-0-	-0-	2,061	(2,061)
Reversions to other funds	-0-	204	(204)	-0-	1,847	(1,847)	-0-	2,051	(2,051)
<b>Projected reversions</b>	<b>(130,708)</b>	<b>-0-</b>	<b>(130,708)</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>(130,708)</b>	<b>-0-</b>	<b>(130,708)</b>
<b>Total uses</b>	<b>3,264,961</b>	<b>2,864,449</b>	<b>400,512</b>	<b>1,111,367</b>	<b>934,029</b>	<b>177,338</b>	<b>4,376,328</b>	<b>3,798,478</b>	<b>577,850</b>
<b>Fund balances, June 30 (Note 2D)</b>	<b>\$ 122,441</b>	<b>\$ 335,678</b>	<b>\$ 213,237</b>	<b>\$ 248,992</b>	<b>\$ 462,183</b>	<b>\$ 213,191</b>	<b>\$ 371,433</b>	<b>\$ 797,861</b>	<b>\$ 426,428</b>

The notes to the financial statements are an integral part of this statement.

# STATE OF NEVADA

## Combined Statement of Revenues, Expenses and Changes in Fund Equity/Balances All Proprietary Fund Types and Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998  
(Expressed in Thousands)

**Exhibit 4**

	Proprietary Fund Types		Fiduciary Fund Types	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non- expendable Trust		
				1999	1998
<b>Operating Revenues</b>					
Net premium income	\$ 355,004	\$ 137,931	\$ -0-	\$ 492,935	\$ 543,188
Sales	31,890	5,499	-0-	37,389	35,408
Charges for services	1,894	51,502	-0-	53,396	42,330
Rental income	69	12,464	-0-	12,533	12,215
Interest and investment income	69,856	-0-	3,577	73,433	77,174
Other	9,921	1,160	4,580	15,661	19,303
<b>Total operating revenues</b>	<b>468,634</b>	<b>208,556</b>	<b>8,157</b>	<b>685,347</b>	<b>729,618</b>
<b>Operating Expenses</b>					
Salaries and benefits	49,648	24,241	-0-	73,889	67,806
Operating	82,820	40,989	-0-	123,809	89,812
Claims expense	264,091	87,749	-0-	351,840	409,871
Interest expense	58,154	-0-	231	58,385	54,362
Materials or supplies used	2,113	2,257	-0-	4,370	4,771
Servicers' fees	1,505	-0-	-0-	1,505	1,769
Depreciation	4,380	4,099	-0-	8,479	7,149
Insurance premiums	-0-	50,058	-0-	50,058	47,239
Administrative expense	9,267	-0-	-0-	9,267	6,630
<b>Total operating expenses</b>	<b>471,978</b>	<b>209,393</b>	<b>231</b>	<b>681,602</b>	<b>689,409</b>
Operating income (loss)	(3,344)	(837)	7,926	3,745	40,209
<b>Nonoperating Revenues (Expenses)</b>					
Interest and investment income	141,423	324	-0-	141,747	212,764
Interest expense	(33)	(291)	-0-	(324)	(722)
Federal grants/intergovernmental	19	-0-	-0-	19	19
Loss on disposal of assets	-0-	(2)	-0-	(2)	(12)
Other	(254)	-0-	-0-	(254)	(133)
<b>Total nonoperating revenues (expenses)</b>	<b>141,155</b>	<b>31</b>	<b>-0-</b>	<b>141,186</b>	<b>211,916</b>
Income (loss) before operating transfers	137,811	(806)	7,926	144,931	252,125
<b>Operating Transfers</b>					
Operating transfers in (Note 5E)	-0-	1,631	103	1,734	1,086
Operating transfers out (Note 5E)	(405)	(1,508)	(3,346)	(5,259)	(7,076)
Net income (loss)	137,406	(683)	4,683	141,406	246,135
Fund equity (deficit)/balances, July 1	(488,382)	5,306	65,574	(417,502)	(662,425)
Prior period adjustment (Note 16)	-0-	3,074	-0-	3,074	(2,136)
Fund equity (deficit)/balances, July 1, as restated	(488,382)	8,380	65,574	(414,428)	(664,561)
Contributed capital	-0-	3,468	-0-	3,468	924
<b>Fund equity (deficit)/balances, June 30</b>	<b>\$ (350,976)</b>	<b>\$ 11,165</b>	<b>\$ 70,257</b>	<b>\$ (269,554)</b>	<b>\$ (417,502)</b>

The notes to the financial statements are an integral part of this statement.

# STATE OF NEVADA

## Combined Statement of Changes in Net Assets Investment Trust Fund and Pension Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

(Expressed in Thousands)

**Exhibit 5**

	Investment Trust	Pension Trust	Totals (Memorandum Only)	
			1999	1998
<b>Additions</b>				
<i>Investment income:</i>				
Interest, dividends	\$ 21,238	\$ 374,434	\$ 395,672	\$ 340,216
Net increase (decrease) in fair value of investments	(88)	722,918	722,830	1,035,470
Other	-0-	170,817	170,817	180,256
	21,150	1,268,169	1,289,319	1,555,942
Less: Investment expense	(93)	(95,890)	(95,983)	(99,058)
Net investment income	21,057	1,172,279	1,193,336	1,456,884
Retirement contributions	-0-	609,842	609,842	557,277
Investment from local governments	871,435	-0-	871,435	774,223
Reinvestment from interest income	3,367	-0-	3,367	5,785
Other income	-0-	1,972	1,972	1,887
<b>Total additions</b>	<b>895,859</b>	<b>1,784,093</b>	<b>2,679,952</b>	<b>2,796,056</b>
<b>Deductions</b>				
Dividends to investors	21,148	-0-	21,148	21,021
Principal redeemed	865,303	-0-	865,303	779,966
Benefit payments	-0-	374,576	374,576	336,388
Refunds	-0-	11,335	11,335	13,538
Administrative expense	-0-	4,282	4,282	4,016
<b>Total deductions</b>	<b>886,451</b>	<b>390,193</b>	<b>1,276,644</b>	<b>1,154,929</b>
Net increase	9,408	1,393,900	1,403,308	1,641,127
Net assets held in trust for pool participants/pension benefits, July 1	368,469	10,841,735	11,210,204	9,569,077
<b>Net assets held in trust for pool participants/ pension benefits, June 30</b>	<b>\$ 377,877</b>	<b>\$ 12,235,635</b>	<b>\$ 12,613,512</b>	<b>\$ 11,210,204</b>

The notes to the financial statements are an integral part of this statement.

# STATE OF NEVADA

## Combined Statement of Cash Flows Proprietary Fund Types and Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998  
(Expressed in Thousands)

**Exhibit 6**  
Page 1 of 2

	Proprietary Fund Types		Non- expendable Trust	Totals (Memorandum Only)	
	Enterprise	Internal Service		1999	1998
<b>Cash flows from operating activities</b>					
Cash received from customers, other governments	\$ 389,396	\$ 15,130	\$ 4,611	\$ 409,137	\$ 487,323
Cash received from other funds	7,633	222,249	-0-	229,882	226,713
Cash received from component unit	1,378	26,101	-0-	27,479	24,008
Cash received from mortgage loans	163,008	-0-	-0-	163,008	109,466
Cash paid to suppliers, other governments, beneficiaries	(293,113)	(226,831)	-0-	(519,944)	(486,645)
Cash paid to employees for services	(48,993)	(23,901)	-0-	(72,894)	(67,399)
Cash paid to other funds	(20,484)	(8,753)	-0-	(29,237)	(52,014)
Cash paid to component unit	(174)	(205)	-0-	(379)	(1,884)
Cash paid for retroactive reinsurance	(775,000)	-0-	-0-	(775,000)	-0-
Purchase of mortgage loans	(203,087)	-0-	-0-	(203,087)	(110,811)
Net cash provided by (used for) operating activities	(779,436)	3,790	4,611	(771,035)	128,757
<b>Cash flows from noncapital financing activities</b>					
Proceeds from sale of bonds	180,103	-0-	-0-	180,103	118,545
Grants, transfers, advances received	3,284	1,251	63	4,598	5,515
Retirement of bonds and notes	(81,975)	-0-	-0-	(81,975)	(19,822)
Interest payments on bonds	(57,909)	-0-	-0-	(57,909)	(52,815)
Operating/equity transfers out	(402)	(1,328)	(4,201)	(5,931)	(6,774)
Payments for prepaid power	(3,768)	-0-	-0-	(3,768)	(5,281)
Other cash used for noncapital financing activities	(4,723)	-0-	-0-	(4,723)	(4,190)
Net cash provided by (used for) noncapital financing activities	34,610	(77)	(4,138)	30,395	35,178
<b>Cash flows from capital and related financing activities</b>					
Proceeds from sale of bonds and equipment, other financing	687	19	-0-	706	51,062
Grants, transfers, advances received	-0-	141	-0-	141	498
Acquisition of property, plant, equipment	(17,529)	(1,074)	-0-	(18,603)	(47,316)
Retirement of bonds/notes/mortgages	-0-	-0-	-0-	-0-	-0-
Interest paid on obligations	-0-	(208)	-0-	(208)	(294)
Reduction in advances/capital leases	(1,992)	(2,378)	-0-	(4,370)	(11,713)
Contributed capital	-0-	(296)	-0-	(296)	899
Other cash used for capital financing activities	-0-	(141)	-0-	(141)	(47)
Net cash used for capital and related financing activities	(18,834)	(3,937)	-0-	(22,771)	(6,911)
<b>Cash flows from investing activities</b>					
Proceeds from sale of investments	5,883,666	-0-	9,451	5,893,117	2,399,399
Purchase of investments	(5,287,135)	-0-	(10,009)	(5,297,144)	(2,459,099)
Interest/dividends on investments	97,577	270	4,193	102,040	93,430
Other cash used for investing activities	-0-	-0-	-0-	-0-	(216)
Net cash provided by investing activities	694,108	270	3,635	698,013	33,514
Net increase (decrease) in cash	(69,552)	46	4,108	(65,398)	190,538
Cash and cash equivalents, July 1	323,743	25,454	8,978	358,175	167,637
Cash and cash equivalents, June 30	\$ 254,191	\$ 25,500	\$ 13,086	\$ 292,777	\$ 358,175
<b>Reconciliation of cash and cash equivalents to the balance sheet</b>					
Cash and pooled investments from the balance sheet	\$ 233,168	\$ 25,500	\$ -0-	\$ 258,668	\$ 320,221
Cash, pooled investments-nonexpendable trust funds	-0-	-0-	13,086	13,086	8,978
Restricted assets - cash from the balance sheet	21,023	-0-	-0-	21,023	28,976
Cash and cash equivalents at end of year	\$ 254,191	\$ 25,500	\$ 13,086	\$ 292,777	\$ 358,175

# STATE OF NEVADA

## Combined Statement of Cash Flows Proprietary Fund Types and Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998  
(Expressed in Thousands)

**Exhibit 6**  
Page 2 of 2

	<u>Proprietary Fund Types</u>			Non- expendable Trust	<u>Totals</u>	
	<u>Internal</u>				<u>(Memorandum Only)</u>	
	<u>Enterprise</u>	<u>Service</u>			<u>1999</u>	<u>1998</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>						
Operating income (loss)	\$ (3,344)	\$ (837)	\$ 7,926	\$ 3,745	\$ 40,209	
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities</b>						
Depreciation	4,380	4,098	-0-	8,478	7,149	
Prior period adjustment	-0-	3,074	-0-	3,074	(2,136)	
Income on investments	(9,528)	-0-	(3,577)	(13,105)	(25,673)	
Interest on bonds payable	58,154	-0-	-0-	58,154	54,115	
Increase in loans receivable and real estate owned	(91,043)	-0-	-0-	(91,043)	(55,639)	
Decrease (increase) in accrued receivables	25,890	(1,261)	31	24,660	978	
Decrease (increase) in inventory, deferred charges and other assets	(27,141)	(436)	-0-	(27,577)	(52,787)	
Increase (decrease) in accrued payables, other liabilities	(744,052)	(836)	-0-	(744,888)	156,151	
Other adjustments	7,248	(12)	231	7,467	6,390	
Total adjustments	<u>(776,092)</u>	<u>4,627</u>	<u>(3,315)</u>	<u>(774,780)</u>	<u>88,548</u>	
Net cash provided by (used for) operating activities	<u>\$ (779,436)</u>	<u>\$ 3,790</u>	<u>\$ 4,611</u>	<u>\$ (771,035)</u>	<u>\$ 128,757</u>	
<b>Noncash investing, capital and financing activities</b>						
Property leased, accrued or acquired	\$ -0-	\$ 6,126	\$ -0-	\$ 6,126	\$ 19	
Loss on disposal of assets	-0-	10	-0-	10	18	
Interest/dividends on investments accrued	-0-	62	-0-	62	-0-	
Equipment acquired through contributed capital	-0-	3,764	-0-	3,764	50	

The notes to the financial statements are an integral part of this statement.



# STATE OF NEVADA

## Combined Statement of Changes in Fund Balances University and Community College System

For the Fiscal Year Ended June 30, 1999  
(Expressed in Thousands)

	Current Operating Funds			
	General Operating		Auxiliary	Total
	Unrestricted	Restricted	Enterprises	Current Operating
<b>Revenues and Other Additions</b>				
Current fund revenues	\$ 176,844	\$ 160,445	\$ 60,339	\$ 397,628
Federal grants and contracts, restricted	-0-	-0-	-0-	-0-
Private gifts, grants and contracts, restricted	-0-	-0-	-0-	-0-
Estate taxes	-0-	-0-	-0-	-0-
Investment income, restricted	-0-	-0-	-0-	-0-
Interest on loans receivable	-0-	-0-	-0-	-0-
Student fees	-0-	-0-	-0-	-0-
Retirement of indebtedness	-0-	-0-	-0-	-0-
Net increase (decrease) in fair value of investments	-0-	-0-	-0-	-0-
Expended for plant facilities, including \$26,015 charged to current funds expenditures	-0-	-0-	-0-	-0-
Proceeds from notes payable	-0-	-0-	-0-	-0-
Other sources	18,036	-0-	-0-	18,036
<b>Total revenues and other additions</b>	<b>194,880</b>	<b>160,445</b>	<b>60,339</b>	<b>415,664</b>
<b>Expenditures and Other Deductions</b>				
Educational and general expenditures	489,400	141,515	-0-	630,915
Auxiliary enterprises expenditures	-0-	-0-	53,299	53,299
Indirect costs recovered	-0-	16,623	-0-	16,623
Loan administration and collection costs	-0-	-0-	-0-	-0-
Loan cancellations, write-offs and provision for bad debts	-0-	-0-	-0-	-0-
Expended for plant facilities, including noncapitalized expenditures of \$8,108	-0-	-0-	-0-	-0-
Depreciation	-0-	-0-	-0-	-0-
Retirement of indebtedness	-0-	-0-	-0-	-0-
Interest on indebtedness	-0-	-0-	-0-	-0-
Disposal of plant assets	-0-	-0-	-0-	-0-
Proceeds of bonds and notes payable	-0-	-0-	-0-	-0-
Distribution of estate taxes	-0-	-0-	-0-	-0-
Obligations under capital leases	-0-	-0-	-0-	-0-
Other deductions	14	-0-	-0-	14
<b>Total expenditures and other deductions</b>	<b>489,414</b>	<b>158,138</b>	<b>53,299</b>	<b>700,851</b>
<b>Transfers Among Funds, Additions (Deductions)</b>				
<i>Mandatory transfers:</i>				
Principal and interest	(2,004)	(5)	(3,476)	(5,485)
Student loan matching	(17)	-0-	-0-	(17)
Net transfers (voluntary)	2,243	(3,012)	(1,562)	(2,331)
Transfers from primary government (Note 5D)	292,625	-0-	-0-	292,625
Transfers to primary government (Note 5D)	(197)	-0-	-0-	(197)
<b>Total transfers</b>	<b>292,650</b>	<b>(3,017)</b>	<b>(5,038)</b>	<b>284,595</b>
Net increase (decrease) for the year	(1,884)	(710)	2,002	(592)
Fund balances, July 1, 1998	57,286	21,852	19,399	98,537
<b>Fund balances, June 30, 1999</b>	<b>\$ 55,402</b>	<b>\$ 21,142</b>	<b>\$ 21,401</b>	<b>\$ 97,945</b>

The notes to the financial statements are an integral part of this statement.

Nonoperating Funds						
Student Loan	Endowment	Plant			Combined Plant	Total
		Unexpended Plant	Retirement of Indebtedness	Investment in Plant		
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 397,628
203	-0-	-0-	-0-	31	31	234
7	3,611	18,496	-0-	3,733	22,229	25,847
-0-	11,479	-0-	-0-	-0-	-0-	11,479
107	679	1,698	103	-0-	1,801	2,587
112	-0-	-0-	-0-	-0-	-0-	112
-0-	-0-	7,059	-0-	-0-	7,059	7,059
-0-	-0-	-0-	-0-	10,385	10,385	10,385
(1)	15,498	(57)	-0-	-0-	(57)	15,440
-0-	-0-	-0-	-0-	175,369	175,369	175,369
-0-	-0-	9,775	-0-	-0-	9,775	9,775
86	3,128	659	-0-	-0-	659	21,909
<u>514</u>	<u>34,395</u>	<u>37,630</u>	<u>103</u>	<u>189,518</u>	<u>227,251</u>	<u>677,824</u>
-0-	-0-	-0-	-0-	-0-	-0-	630,915
-0-	-0-	-0-	-0-	-0-	-0-	53,299
-0-	-0-	-0-	-0-	-0-	-0-	16,623
60	-0-	-0-	-0-	-0-	-0-	60
338	-0-	-0-	-0-	-0-	-0-	338
-0-	-0-	91,951	-0-	-0-	91,951	91,951
-0-	-0-	-0-	-0-	43,124	43,124	43,124
-0-	-0-	-0-	10,385	-0-	10,385	10,385
-0-	-0-	-0-	4,413	-0-	4,413	4,413
-0-	-0-	-0-	-0-	2,786	2,786	2,786
-0-	-0-	-0-	-0-	9,775	9,775	9,775
-0-	232	-0-	-0-	-0-	-0-	232
-0-	-0-	-0-	-0-	27,729	27,729	27,729
-0-	18,036	538	470	41	1,049	19,099
<u>398</u>	<u>18,268</u>	<u>92,489</u>	<u>15,268</u>	<u>83,455</u>	<u>191,212</u>	<u>910,729</u>
-0-	-0-	(3,645)	9,130	-0-	5,485	-0-
17	-0-	-0-	-0-	-0-	-0-	-0-
126	373	(3,738)	5,444	126	1,832	-0-
-0-	-0-	111,038	-0-	-0-	111,038	403,663
-0-	-0-	(1,082)	-0-	-0-	(1,082)	(1,279)
<u>143</u>	<u>373</u>	<u>102,573</u>	<u>14,574</u>	<u>126</u>	<u>117,273</u>	<u>402,384</u>
259	16,500	47,714	(591)	106,189	153,312	169,479
10,324	234,337	142,984	3,258	563,981	710,223	1,053,421
<u>\$ 10,583</u>	<u>\$ 250,837</u>	<u>\$ 190,698</u>	<u>\$ 2,667</u>	<u>\$ 670,170</u>	<u>\$ 863,535</u>	<u>\$ 1,222,900</u>

# STATE OF NEVADA

## Combined Statement of Current Operating Funds Revenues, Expenditures and Other Changes University and Community College System

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998  
(Expressed in Thousands)*

**Exhibit 8**

	Totals (Memorandum Only)			
	Unrestricted	Restricted	1999	1998
<b>Revenues</b>				
Tuition and fees	\$ 111,954	\$ -0-	\$ 111,954	\$ 102,006
Federal grants and contracts	13,316	84,879	98,195	87,643
State grants and contracts	881	13,982	14,863	12,638
Local grants and contracts	333	9,048	9,381	8,321
Private gifts, grants and contracts	8,927	27,780	36,707	34,460
Endowment income	219	3,500	3,719	3,199
Investment income	8,652	66	8,718	7,565
Net increase (decrease) in fair value of investments	(2,857)	(15)	(2,872)	3,972
Sales and services of educational departments	34,850	2,164	37,014	35,428
Sales and services of auxiliary enterprises	57,746	-0-	57,746	53,158
Other sources	2,868	111	2,979	545
<b>Total revenues</b>	<b>236,889</b>	<b>141,515</b>	<b>378,404</b>	<b>348,935</b>
<b>Expenditures and Mandatory Transfers</b>				
<i>Educational and general:</i>				
Instruction	220,218	26,518	246,736	233,613
Research	17,781	52,350	70,131	60,160
Public service	12,629	29,791	42,420	41,284
Academic support	54,397	3,622	58,019	58,737
Institutional support	79,870	2,544	82,414	71,500
Student services	41,881	9,506	51,387	47,374
Operation and maintenance of plant	48,310	43	48,353	43,758
Scholarships and fellowships	14,314	17,141	31,455	26,414
<b>Total educational and general expenditures</b>	<b>489,400</b>	<b>141,515</b>	<b>630,915</b>	<b>582,840</b>
<i>Auxiliary enterprises:</i>				
Expenditures for food, housing and other auxiliary services	53,299	-0-	53,299	49,029
<i>Mandatory transfers:</i>				
Principal and interest	5,480	5	5,485	3,936
Student loan matching	17	-0-	17	21
<b>Total expenditures and mandatory transfers</b>	<b>548,196</b>	<b>141,520</b>	<b>689,716</b>	<b>635,826</b>
<b>Other Transfers and Additions (Deductions)</b>				
Voluntary transfers, net	681	(3,012)	(2,331)	13,178
Other additions	18,316	-0-	18,316	(1,119)
Excess of restricted receipts over transfers to revenue	-0-	2,307	2,307	6,204
Transfers from primary government (Note 5D)	292,625	-0-	292,625	298,111
Transfers to primary government (Note 5D)	(197)	-0-	(197)	(281)
<b>Total other transfers and additions (deductions)</b>	<b>311,425</b>	<b>(705)</b>	<b>310,720</b>	<b>316,093</b>
<b>Net increase (decrease) in fund balances</b>	<b>\$ 118</b>	<b>\$ (710)</b>	<b>\$ (592)</b>	<b>\$ 29,202</b>

The notes to the financial statements are an integral part of this statement.

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

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# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

The accompanying financial statements of the State of Nevada (the State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). As required by generally accepted accounting principles, these financial statements present the State and its component units, entities for which the State is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the State. The component unit has a June 30 year-end.

**Blended Component Units:** The Public Employees' Retirement System (PERS) and the Legislators' Retirement System (LRS) are administered by a seven-member board appointed by the Governor. Although PERS and LRS are legally separate from the State, the State Legislature retains certain significant governing powers. Therefore, PERS and LRS are reported as if they were part of the primary government under the provisions of GASB Statement No. 14.

Nevada Real Property Corporation is a legally separate entity whose board of directors are exclusively state employees or officials. It was incorporated to finance the costs of a juvenile treatment facility through issuance of certificates of participation and to lease the juvenile treatment facility to the State. The State reports these financial transactions as part of the primary government (CIP – Human Resources Capital Projects Fund) using the blended method.

**Discretely Presented Component Unit:** The University and Community College System of Nevada (University System) is governed by a Board of Regents elected by the voters. However, the University System is fiscally dependent upon the State because of appropriations from the State Legislature, the Legislative approval of the budget for those appropriations, the levying of taxes, if necessary, and the issuance of debt to support the University System. The financial statements of the University System have been prepared in conformity with generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Audit Guide, *Audits of Colleges and Universities*, and the National Association of College and University Business Officers' publication, *College and University Business Administration: Administrative Service*.

Complete financial statements for each of the individual component units, with the exception of the Nevada Real Property Corporation, which has no other financial activity than that described above, may be obtained at that entity's administrative offices:

*Public Employees' Retirement System  
Carson City, NV*

*Legislators' Retirement System  
Carson City, NV*

*University and Community College System of Nevada  
Reno, NV*

**Related Organizations:** The Governor is responsible for appointing the members of many occupational licensing boards. The State's accountability for these boards does not extend beyond making the appointments and thus these boards are excluded from this report. The State does not exercise financial or administrative control over the excluded occupational licensing boards.

#### B. Basis of Presentation

The accounts of the State are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures or expenses. The various funds are grouped by type in the financial statements. The following fund types and account groups are used by the State:

##### Governmental Fund Types:

**General Fund** - The General Fund is the general operating fund of the State. All general tax revenues, other receipts, and other financing sources that are not allocated by law or contractual agreement to another fund are accounted for in this fund. Paid from the fund are the general operating expenditures, intergovernmental expenditures, debt service and other financing uses that are not paid through other funds.

**Special Revenue Funds** - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 1 Continued)

Debt Service Funds - Debt service funds are used to account for the payment of principal, interest and related expenditures on long-term general and special obligation bonds, other than bonds payable from the operations of enterprise funds.

Capital Projects Funds - Capital projects funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities.

### Proprietary Fund Types:

Enterprise Funds - Enterprise funds are used to account for operations that provide services to citizens, financed primarily by user charges for the provision of these services; or activities where the periodic measurement of net income is considered appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the State or to other governmental units on a cost reimbursement basis.

### Fiduciary Fund Types:

Trust Funds - Trust funds are used to account for assets held in trust by the State in a trustee capacity or as an agent for individuals, other governmental units or other funds. There are four types of trust funds:

Expendable Trust Funds - Both the principal and revenues earned on that principal may be expended for purposes designated by the trust agreement.

Nonexpendable Trust Funds - The principal of the trust fund must be preserved intact.

Investment Trust Funds - Reports the external portion of governmental external investment pools.

Pension Trust Funds - These funds are used to account for the activities of a State-administered multiple-employer Public Employees Retirement System (PERS) and a single-employer retirement system for State Legislators (LRS).

Agency Funds - Agency funds are used to account for assets held by the State as custodian.

### Account Groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the State, other than those accounted for in proprietary fund types, trust funds and component unit.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the State, except those required to be paid from the operations of proprietary fund types, pension trust funds and component unit.

### Component Unit:

The accounts of the University System are organized as follows:

Current Operating Funds - Current operating funds are used to account for unrestricted funds, over which the governing board retains full control in achieving the institution's purposes and restricted funds, which may be utilized only according to externally restricted purposes.

Fiduciary Funds - Fiduciary funds are used to account for assets held by student loan and endowment funds in which the institution acts in a fiduciary capacity.

Plant Funds - Plant funds are used to account for institutional property acquisition, renewal, replacement, debt service and investment.

### C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases, that is, revenues and other financing sources, and decreases, that is, expenditures and other financing uses, in net current assets.

All proprietary funds, nonexpendable trust funds, investment trust fund and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with operating these funds are included on the balance sheet. Fund equity, that is, net assets, is segregated into contributed capital and

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 1 Continued)

retained earnings components. Proprietary fund type operating statements present increases, such as revenues and decreases, such as expenses, in net assets.

GASB Statement No. 20 requires proprietary funds to apply all applicable GASB pronouncements and, unless they conflict with or contradict GASB pronouncements, all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989. As permitted by the Statement, the State has elected not to apply FASB pronouncements issued after that date.

The financial statements are prepared on the modified accrual basis for governmental fund types, expendable trust funds and agency funds; and on the accrual basis for proprietary fund types, nonexpendable trust funds, investment trust fund, pension trust funds and the University System.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon thereafter. The State considers revenues as available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are gaming revenues, sales taxes, other taxes as described in Note 12, interest revenue and charges for services. Fines and permit revenues are not susceptible to accrual because they are generally not measurable until received in cash.

The State reports deferred revenue on its combined balance sheet. 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 State before it has a legal claim to them, as when grant monies are received before the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the State has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

### D. Assets, Liabilities and Fund Equity

Cash and Pooled Investments - The State Treasurer manages a cash pool where all temporary surplus cash is invested. These investments are reported on the combined balance sheet as equity in pooled investments. Earnings from these pooled investments are credited to the General Fund and certain other funds that have specific statutory authority to receive a prorated share based on weekly cash balances. No entry is made to reduce the cash balance in each fund since the cash management pool has the same general characteristics as demand deposit accounts. Also included in this category is cash held by departments in petty cash funds and in bank accounts outside the Treasurer's cash management pool.

Cash and cash equivalents are defined as bank accounts, petty cash, money market demand accounts and certificates of deposits with original maturities of three months or less. Cash and cash equivalents are reported in the combined statement of cash flows for proprietary fund types and nonexpendable trust funds. Cash equivalents are reported in the combined balance sheet as "cash and pooled investments" and "restricted assets, cash."

Investments - Investments are stated at fair value. Fair value is defined as the price at which an asset passes from a willing seller to a willing buyer. It is assumed that both buyer and seller are rational and have a reasonable knowledge of relevant facts. Short-term investments are generally reported at cost, which approximates fair value. Securities, traded on a national or international exchange, are valued at the last reported sale price of the day. International securities prices incorporate end-of-day exchange rates. The fair value of real estate investments is based on estimated current value, and MAI (Member Appraisal Institute) independent appraisals. Investments that do not have an established market are reported at estimated fair value.

The Employers Insurance Company of Nevada realized gains and losses on sales of bonds are determined using the specific-identification method, and realized gains and losses on sales of equity securities are determined using the average-cost method. The premium and discount on bonds not backed by other loans are amortized using the interest method. The premium and discount on loan-backed bonds and structured securities are amortized



# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 1 Continued)

using the bonds-outstanding method including anticipated prepayments calculated at the date of purchase and adjusted annually for principal paydowns and changes in expected maturities.

In pension trust funds, there is no concentration of 5% or more of the plans' net investments in securities of a single organization.

The Local Government Investment Pool is an investment trust fund as defined in Governmental Accounting Standards Board Statement No. 31. The investments in this fund are subject to the general limitation of section 355.170 of Nevada Revised Statutes. Security transactions are accounted for on the trade date (the date the order to buy or sell is executed). Interest income is determined on an accrual basis with discounts earned and premiums paid being amortized. Realized gains and losses, if any, on sales of securities are calculated using the amortized cost basis at the date of sale. The fair value of the position in the pool is the same as the value of the pool shares. State Street California, Inc., is the custodian and transfer agent for the Local Government Investment Pool.

Derivative securities are priced and accounted for at fair value. For exchange traded securities, such as futures and options, closing prices from the securities exchanges are used. For fixed income derivatives, such as collateralized mortgage obligations (CMO), commercial pricing services (where available) or bid-side prices from broker/dealer are used. Foreign exchange forward contracts are valued at the price at which the transaction could be settled by offset in the forward markets.

Receivables - The composition of receivables at June 30, 1999, is presented in Note 4. Most licenses, fees, permits and similar revenues are not susceptible to accrual, and are recognized on a cash basis. Receivables in proprietary fund types have arisen in the ordinary course of business. Accounts receivable for the Employers Insurance Company of Nevada is net of allowance for uncollectible accounts. No allowance for uncollectible accounts has been established in any other fund, as collection history has been excellent.

Property taxes are levied July 1 on property values assessed by the prior January 1. Property tax billings are payable in quarterly installments on the third Monday in August and the first Monday in October, January and March, after which time the bill is delinquent.

Interfund Transactions - The State has three types of interfund transactions:

- 1) Services rendered and employee benefit contributions are accounted for as revenues, expenditures/expenses in the funds involved.
- 2) Operating appropriations and subsidies are accounted for as operating transfers in the funds involved.
- 3) Equity contributions are accounted for as equity transfers (additions to or deductions from beginning governmental fund balances or proprietary fund contributed capital).

Operating transfers and due to/from other funds are presented in Note 5.

Inventories - Inventories are stated at cost on the first-in, first-out basis. Inventory in the State Highway Fund, a special revenue fund, consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed. The reserve for inventory of supplies is equal to the amount of inventory of supplies and recognizes that a portion of the fund balance is not available for expenditure on a budgetary basis.

Advances to Other Funds - Long-term interfund advances are recorded by the advancing fund as a receivable and as a reserve to maintain the accountability and to disclose properly the amount available for appropriation (unreserved fund balance). Repayments are credited to the receivable and corresponding reductions are made in the reserve. A summary of interfund advances at June 30, 1999 is presented in Note 5.

Fixed Assets and Depreciation - An inventory of State-owned land, buildings and equipment was developed in 1985. All fixed assets are stated at historical cost or estimated historical cost, based on acquisition of comparable property or agency records, if actual historical cost is not available. Donated fixed assets are stated at appraised fair market value at the time of donation or estimated fair market value at time of donation, based on acquisition of comparable property, if appraised fair market value is not available. Interest during construction has not been capitalized on general fixed assets. Certain public domain fixed assets (including highways, bridges, highway lands and rights-of-way) are not capitalized. No depreciation is provided on general fixed assets.

Enterprise fund, internal service fund and pension trust fund fixed assets are stated at cost which includes net



# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 1 Continued)

capitalized interest. They are depreciated principally on a straight-line basis over estimated useful lives ranging from 5 to 40 years for structures and improvements and 1 to 30 years for furniture and equipment.

In the University System, where current operating funds are used to finance plant assets, those amounts are accounted for as:

- 1) Expenditures, in the case of normal acquisition and/or replacement of movable equipment and library books.
- 2) Mandatory transfers, in the case of required provisions for debt amortization and interest, and for equipment renewal and replacement.
- 3) Voluntary transfers for all other cases.

Property, buildings and equipment are stated at cost at the date of acquisition or fair market value at date of donation in the case of gifts, less accumulated depreciation. Depreciation is computed on a straight-line basis over estimated useful lives of 40 years for buildings, 15 years for land improvements and 3 to 18 years for library books, machinery and equipment.

**Compensated Absences** - Compensated absences are accounted for in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*, which requires that a liability for compensated absences relating to services already rendered and that are not contingent on a specified event be accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place. Proprietary fund types and pension trust funds report accrued compensated absences as liabilities in the appropriate funds. Governmental funds report compensated absences expected to be liquidated with expendable available financial resources as an expenditure and a fund liability. Amounts not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group.

**Deferred Revenues** - Deferred revenues in the General Fund consist primarily of food stamp coupons and refundable gaming taxes and fees.

**Long-Term Obligations** - The State records long-term debt of governmental funds at face value in the General Long-Term Obligations Account Group. Certain other

governmental fund obligations are also recorded in the General Long-Term Obligations Account Group. Long-term debt and other obligations financed by proprietary funds and pension trust funds are recorded as liabilities in the appropriate funds. The State enters into interest rate swap agreements to modify interest rates on outstanding debt. Other than the net interest expenditures resulting from these agreements, no amounts are recorded in the financial statements.

**Fund Equity** - Fund equity in the governmental fund types and fiduciary fund types consists of reserved fund balances, and unreserved, designated and undesignated fund balances. Fund equity in the proprietary fund types consists of contributed capital, reserved retained earnings and unreserved retained earnings. The nature of reserved and designated fund balances is explained below:

“Encumbrances and contracts” indicates assets required to meet future payment obligations.

“Inventory” indicates consumable supplies held in stock by governmental fund types and expendable trust funds.

“Advances” indicates assets which have been advanced to other funds on a long-term basis.

“Balances forward” indicates unexpended funds brought forward to the next year, which are legally restricted for general government; health and social services; education and support services; law, justice and public safety; regulation of business; transportation or recreation and resource development purposes.

“Other” generally indicates assets which, because of their nature, are unavailable for expenditures. See Note 11.

“Designated” indicates assets which have been designated by the Legislature or governing board for specific purposes. See Note 11.

### **E. Intergovernmental Assistance Programs**

The State participates in various federal award programs. Federal awards are received by the State in both cash and noncash forms. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Certain grants have matching requirements in which the State must contribute a proportionate share of the total costs of a program. Use of grant resources is conditioned upon compliance with terms of the grant agreements and applicable federal regulations which include subjecting grants to financial and compliance audits.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 1 Continued)

### F. "Memorandum Only" Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles.

Such data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

### G. Comparative Data/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 government's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

## NOTE 2 - BUDGETARY AND LEGAL COMPLIANCE

### A. Reclassification of Funds for GAAP Reporting

The Permanent Net Proceeds Fund was created by NRS 362.173 as a trust fund. For GAAP reporting purposes, the fund has been reclassified as a Special Revenue – Miscellaneous fund.

### B. Individual Fund Deficits Enterprise Funds

Employers Insurance Company of Nevada - During the year ended June 30, 1999, Employers Insurance Company of Nevada (formerly Nevada State Insurance Fund) recorded net income of \$131,320,000 decreasing its retained deficit to \$471,232,000 at June 30, 1999. Changes to the claims management process and statutory changes in 1993 have contributed to the improvements in the overall financial condition of Employers Insurance Company of Nevada. See Note 14A.

Nevada Magazine - The Nevada Magazine was removed from the General Fund in the fiscal year ended June 30, 1984 to be accounted for as an enterprise fund. A residual equity transfer (contributed capital) of \$66,849, representing the value of inventory and property, established the new fund. Although Nevada Magazine had a liability for deferred subscription revenues of \$278,774 at June 30, 1983, no cash was transferred. This resulted in a deficit beginning retained earnings of \$278,774. The retained deficit is \$300,293, and the deficit fund equity is \$233,444 at June 30, 1999.

Marlette Lake Water System - The Marlette Lake Water System was acquired by the State in 1962 by the issuance of general obligation bonds. These bonds were serviced with

general State revenues rather than revenues of the fund. The original bonded debt, along with any additional General Fund appropriations for capital improvements to the System, have resulted in contributed capital of \$2,885,884. Operating losses and retained deficit are the result of not charging water users for depreciation expense on the contributed assets, with no foreseeable change in this policy of not charging users. The retained deficit is \$1,859,598 at June 30, 1999.

### Internal Service Funds

Self-Insurance Fund - The Self-Insurance Fund administers group health, life and disability insurance for covered employees, both active and retired, of the State and certain public employers within the State of Nevada. In prior years, the fund experienced increased claims coupled with lost discounts and deductibles due to late payments by a third-party administrator. This resulted in a fund deficit reduced this year by net income of \$8,980,798 and a positive prior period adjustment of \$3,074,158 for claims expense (see note 16). The retained deficit is \$1,052,767, and the deficit fund equity is \$1,040,085 at June 30, 1999.

Insurance Premiums - The Insurance Premium Fund provides self-insurance for general, civil (tort), auto and property casualty liabilities and purchases workers' compensation for State agencies. A reduction in contributed capital of \$295,868 for inclusion of automobile physical damage liability and a net loss of \$9,919,823 resulted in a retained deficit of \$10,614,693 and deficit fund equity of \$9,986,585 at June 30, 1999.

**Notes to Financial Statements***For the Fiscal Year Ended June 30, 1999**(Note 2 Continued)***C. Budgetary Process and Control**

The Governor must submit his proposed budget for the Executive Branch to the State Legislature by the 10<sup>th</sup> day of each regular session, which convenes every odd-numbered year. The budget presented spans the next two fiscal years, and contains detailed estimates of revenues and expenditures. The Legislature enacts the budget through passage of the General Appropriations Act, which allows expenditures from unrestricted revenues, and the Authorized Expenditures Act, which allows expenditures from revenues collected for specific purposes. Once passed and signed, the budget becomes the State's financial plan for the next two fiscal years.

The legal level of budgetary control, the level at which appropriations are approved and the level at which over-expenditure of appropriations or transfers of appropriated amounts may not occur without Legislative action, is at the total program level within each department or agency.

Limited budgetary revisions may be made without Legislative action through the following management/administrative procedures. Revisions of more than \$20,000, which would increase or decrease program expenditures by the lesser of 10% of the level approved by the Legislature or \$50,000 must be approved by the Legislative Interim Finance Committee (LIFC). Revisions not exceeding this threshold require only budget director approval. The LIFC approval is not equivalent to governing body approval as total appropriations for a program may not be increased except as follows. The Legislature appropriates limited funds to the Contingency Fund (a special revenue fund), which may be allocated to programs by the LIFC upon recommendation of the Board of Examiners. Allocations totaling \$1,754,531 were made in the 1999 fiscal year. Unencumbered appropriations lapse at the end of each fiscal year, unless specific authority to carry forward is granted in the Appropriations Act. Unexpended authorized resources under the Authorized Expenditures

Act are carried forward for expenditure in the next fiscal period.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is employed in governmental fund types. For financial statement purposes, encumbrances outstanding at June 30, for which the goods or services have not been received, are shown as a reservation of fund balance.

Budgets are legally adopted for the General Fund and special revenue funds. However, certain activity within such funds may be unbudgeted. The State's budget is prepared principally on a modified accrual basis, with the following exceptions:

- 1) Cash placed in petty cash funds or outside bank accounts is considered expended for budgetary purposes.
- 2) Advances to other funds are considered expenditures. Repayments of such advances are considered revenues.
- 3) Certain prepaid/deferred assets are considered expended for budgetary purposes. Inventory is an expenditure for budgetary purposes. Certain deferred revenue is considered revenue for budgetary purposes.
- 4) Expenditures are only recognized if the liability is liquidated within 45 days after the fiscal year end.
- 5) Revenue from grants is only recognized when it is received in cash.
- 6) Encumbrances for goods or services not received by fiscal year end are considered an expenditure of the current period, if received and paid within 45 days.

Actual amounts in the budgetary comparison statements are presented on a budgetary basis. Because this basis differs from generally accepted accounting principles (GAAP), as described above, a reconciliation between the budgetary and GAAP basis is presented in Note 2D.

**D. Budgetary Basis vs. GAAP**

The accompanying Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis); General Fund and Special Revenue Funds presents comparisons of the legally adopted budget with actual data on a budgetary basis. Since the budgetary and GAAP presentations of actual data differ, a reconciliation of ending fund balances is presented below (expressed in thousands):

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 2 Continued)

	<b>General Fund</b>	<b>Special Revenue Funds</b>
<b>Fund balances (budgetary basis) June 30, 1999</b>	\$ 335,678	\$ 462,183
<i>Adjustments:</i>		
<i>Basis Differences:</i>		
Petty cash or outside bank accounts	1,633	460
Investments not recorded on the budgetary basis	-0-	1,200,492
Accrual of certain other receivables	57,798	11,298
Inventory	-0-	9,006
Advances to other funds	6,341	22
Deferred charges and other assets	(2,255)	45,885
Accrual of certain accounts payable and accruals	(79,378)	(29,443)
Accrual of longevity pay	(824)	(228)
Contract retentions payable	(1,012)	33
Deferred revenues	(112,340)	(119)
Encumbrances	2,756	3,551
Other	(2,403)	41
	<u>\$ 205,994</u>	<u>\$ 1,703,181</u>
<b>Fund balances (GAAP basis) June 30, 1999</b>	<u>\$ 205,994</u>	<u>\$ 1,703,181</u>

Total fund balance on the budgetary basis in the General Fund at June 30, 1999, is composed of both restricted funds, which are not available for appropriation, and unrestricted funds as follows (expressed in thousands):

Total fund balance (budgetary basis)	\$ 335,678
Restricted Funds	<u>(237,974)</u>
<b>Unrestricted fund balance (budgetary basis)</b>	<u><u>\$ 97,704</u></u>

There were no expenditures in excess of appropriations or authorizations in the individual budget accounts for the year.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 3 - DEPOSITS AND INVESTMENTS

#### A. Balance Sheet

Amounts on the combined balance sheet relating to deposits and investments are as follows (expressed in thousands):

	Total Primary Government	Component Unit	Total Reporting Entity
Cash and pooled investments	\$ 2,438,136	\$ 100,339	\$ 2,538,475
Cash, pooled investments- nonexpendable trust	13,086	-0-	13,086
Investments	15,107,932	361,919	15,469,851
Collateral on loaned securities	2,121,504	-0-	2,121,504
Restricted assets (Note 6)	148,168	-0-	148,168
Less restricted assets other than cash and investments (Note 6)	(49,004)	-0-	(49,004)
<b>Total</b>	<u>\$ 19,779,822</u>	<u>\$ 462,258</u>	<u>\$ 20,242,080</u>
Carrying amount of deposits			\$ 885,972
Total investments			<u>19,356,108</u>
<b>Total</b>			<u>\$ 20,242,080</u>

#### B. Deposits

In accordance with Nevada Revised Statutes, the State Treasurer may deposit funds into any state or national bank, credit union or savings and loan association covered by federal depository insurance. Statutes require that all deposits in excess of insured amounts be secured by collateral composed of: obligations of the United States; bonds of this State; bonds of any county, municipality or school district within this State; promissory notes secured by first deeds of trust or instruments in which the State is permitted to invest. Additionally, various statutes have authorized State agencies to deposit funds in accounts outside the custody of the State Treasurer. These outside accounts must follow the same guidelines as deposits made by the State Treasurer.

At June 30, 1999, deposits were held in various institutions throughout the State as follows (expressed in thousands):

	Carrying Value	Bank Balance
<b>Primary government:</b>		
Insured or collateralized with securities held by the State or by an agent of the State in State's name	\$ 261,912	\$ 327,635
Deposits in the U.S. Treasury investment pool in the name of the State	453,790	453,790
Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the State's name	<u>69,931</u>	<u>69,931</u>
<b>Total deposits primary government</b>	<u>785,633</u>	<u>851,356</u>
<b>Component unit:</b>		
Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the State's name	<u>100,339</u>	<u>100,339</u>
<b>Total deposits component unit</b>	<u>100,339</u>	<u>100,339</u>
<b>Total deposits reporting entity</b>	<u>\$ 885,972</u>	<u>\$ 951,695</u>

#### C. Investments

Nevada Revised Statute (NRS) 355.140 details the types of securities in which the State may invest. In general, authorized investments include: securities guaranteed by federal, state, county or incorporated city governments; corporate or depository institution debt securities that are rated AAA or A-1 by national rating agencies; and registered money market funds whose policies meet the criteria set forth in the statute. Additionally, the State may invest in limited types of repurchase agreements; however, statutes generally prohibit the State from entering into reverse-repurchase agreements. The State's Permanent School Fund is further limited by statute as to the types of investments in which it may invest (NRS 355.060). Cash and Investments are also discussed at Note 1 under Assets, Liabilities and Fund Equity.

Investments can only be made after a diligent inquiry into the risk associated with the investment and after receiving a written legal opinion of the Attorney General as to the validity and authority of the investment. The Board of Finance reviews the State's investment policies at least every four months. The Board is comprised of the Governor, the State Controller, the State Treasurer and two members appointed by the Governor, one of which must be actively engaged in commercial banking in the State.

During fiscal year 1999, the Public Employees' Retirement System (PERS) and the Legislators' Retirement System (LRS) entered into certain derivative transactions. These transactions included foreign exchange forward contracts, exchange traded fixed income futures, asset-backed securities and mortgage backed securities. In addition, PERS and LRS have investments in commingled funds that include derivative instruments such as foreign exchange forward contracts, futures contracts and fixed income futures contracts.

These transactions are designed to stabilize investment cash flows, to enhance return on the investment of cash and to manage market risks associated with the underlying securities. They may also reduce exposure to changes in stock prices, interest rates and currency exchange rates. Management believes that it is unlikely that any of the derivatives used could have a material adverse effect on the financial condition of the systems.



# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 3 Continued)

The following table (expressed in thousands) categorizes the State's investments to give an indication of the level of risk associated with those investments at June 30, 1999. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the State's name.

	Category			Unclassified as to Risk	Fair Value
	1	2	3		
<b>Primary government:</b>					
Equity securities	\$ 7,401,215	\$ -0-	\$ -0-	\$ -0-	\$ 7,401,215
Foreign investments	1,613,865	-0-	-0-	-0-	1,613,865
U.S. Government securities	1,426,057	-0-	218,533	-0-	1,644,590
Municipal bonds	1,214,901	-0-	-0-	-0-	1,214,901
Corporate bonds	587,030	-0-	-0-	-0-	587,030
Commercial paper	527,545	-0-	-0-	-0-	527,545
Negotiable certificates of deposit	59,987	-0-	-0-	-0-	59,987
Corporate notes	20,390	-0-	-0-	-0-	20,390
Repurchase agreements	32,268	-0-	-0-	-0-	32,268
Mortgage backed loans	10,790	-0-	-0-	-0-	10,790
Bank acceptances	4,967	-0-	-0-	-0-	4,967
Other short term investments	623	-0-	71,010	-0-	71,633
	12,899,638	-0-	289,543	-0-	13,189,181
Mortgages				6,983	6,983
Other investments				101,410	101,410
Investment agreements				42,021	42,021
Real estate				1,166,926	1,166,926
				1,317,340	1,317,340
<b>Investments held by broker-dealers under securities loans:</b>					
Short term investments				1,634,610	1,634,610
Equity securities				1,479,730	1,479,730
U.S. Government securities				323,618	323,618
Repurchase agreements				113,003	113,003
Foreign investments				121,800	121,800
Mutual funds				4,097	4,097
				3,676,858	3,676,858
<b>Investments held by agents in mutual funds for:</b>					
Fiduciary funds				810,810	810,810
<b>Total primary government</b>	12,899,638	-0-	289,543	5,805,008	18,994,189
<b>Component unit:</b>					
Equity securities			37,671	-0-	37,671
U. S. Government securities			24,750	-0-	24,750
Foreign investments			9,781	-0-	9,781
Corporate bonds			105,901	-0-	105,901
			178,103	-0-	178,103
Real estate				2,837	2,837
<b>Investments held by agents in mutual funds for:</b>					
University System				180,979	180,979
<b>Total component unit</b>	-0-	-0-	178,103	183,816	361,919
<b>Total reporting entity</b>	\$ 12,899,638	\$ -0-	\$ 467,646	\$ 5,988,824	\$ 19,356,108

Investments held in the Local Government Investment Pool (LGIP) are specifically identifiable investment securities and are included in the table above. LGIP is an investment trust fund governed by the Nevada State Board of Finance and administered by the Nevada State Treasurer. LGIP is discussed further under Note 1, Assets, Liabilities and Fund Equity. Complete financial statements for the LGIP may be obtained from the State Treasurer's Office, 101 N. Carson Street, Suite 4, Carson City, NV, 89701.

**Notes to Financial Statements***For the Fiscal Year Ended June 30, 1999**(Note 3 Continued)***D. Securities Lending**

NRS 355.135 authorizes the State Treasurer to participate in securities lending transactions, where the State's U.S. Government securities are loaned to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The State's securities lending agent administers the securities lending program and receives cash or other securities equal to at least 102% of the fair value of the loaned securities plus accrued interest as collateral for securities of the type on loan at year-end. The collateral for the loans is maintained at 102%, and the value of the securities borrowed must be determined on a daily basis.

Securities on loan as of June 30, 1999 for cash collateral are presented as unclassified in the preceding table of credit risk. At year-end, the State has no credit risk exposure to borrowers because the amount the State owes to borrowers exceeds the amounts the borrowers owe to the State. The collateral securities cannot be pledged or sold by the State unless the borrower defaults. The contract with the securities lending agent requires it to indemnify the State for all losses relating to securities lending transactions. There were no losses resulting from borrower default during the period nor were there any recoveries of prior period losses.

There are no restrictions on the amount of securities that can be loaned. Either the State or the borrower can terminate all open securities loans on demand. All term securities loans can be terminated with five days notice by either the State or the borrower. Cash collateral is invested in accordance with the investment guidelines approved by the Board of Finance. The maturities of the investments made with cash collateral generally match the maturities of the securities loans.

The fair value of securities on loan at June 30, 1999 is \$323,618,256. The fair value of the cash collateral received in securities lending arrangements of \$329,853,072 is reported on the Combined Balance Sheet as an asset with a related liability. At June 30, 1999, the State has collateral with a fair value totaling \$331,389,968, which consists of cash, U.S. Treasury Obligations and fixed income securities. The total collateral received is in excess of the fair value of the investments held by brokers/dealers under the securities lending agreement. The State incurred costs of \$17,253,632 relating to securities lending transactions. These costs are included on the operating statements as general government expenditures for governmental fund types and expendable trust funds, and as interest expense for proprietary fund types and similar trust funds.

NRS 616B.161 authorizes the Employers Insurance Company of Nevada (Employers Insurance) to participate in securities lending transactions, where the Employers Insurance Fund's U.S. Government and equity securities are loaned to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Employers Insurance Fund's securities lending agent administers the securities lending program and receives cash or other securities equal to at least 102% of the fair value of the loaned securities plus accrued interest as collateral for securities of the type on loan at year-end. The collateral for the loans is maintained at 102%, and the value of the securities borrowed must be determined on a daily basis.

At year-end, the Employers Insurance Fund has no credit risk exposure to borrowers because the amount the Employers Insurance Fund owes to borrowers exceeds the amounts the borrowers owe to the Employers Insurance Fund. The collateral securities cannot be pledged or sold by the Employers Insurance Fund unless the borrower defaults. The contract with the securities lending agent requires it to indemnify the Employers Insurance Fund for all losses relating to securities lending transactions. There were no losses resulting from borrower default during the period nor were there any recoveries of prior period losses.

There are no restrictions on the amount of securities that can be loaned. Either the Employers Insurance Fund or the borrower can terminate all securities loans on demand. Cash collateral is invested in accordance with the investment guidelines approved by the Employers Insurance Fund. The fair value of securities on loan at June 30, 1999 is \$154,631,546. At June 30, 1999, the Employers Insurance Fund has securities collateral with a fair value totaling \$157,043,414. The total collateral received is in excess of the fair value of the investments held by broker/dealers under the securities lending agreement.

PERS also maintains a securities lending program under the authority of the "prudent person" standard of NRS 286.682. Securities loaned under this program consist of: U.S. Treasury Obligations; corporate fixed income securities; international fixed income securities; equity securities and international equity securities. Collateral received is made up of cash, cash equivalents, corporate fixed income securities and U.S. Treasury Obligations equal to at least 102% of the fair value of the loaned securities plus accrued interest. The collateral for the loans is maintained at 102%, and the value of the securities borrowed must be determined on a daily basis.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 3 Continued)

Securities on loan as of June 30, 1999 for cash collateral are presented as unclassified in the preceding table of credit risk. At year-end, PERS has no credit risk exposure to borrowers because the amount PERS owes to borrowers exceeds the amounts the borrowers owe to PERS. PERS has no discretionary authority to sell or pledge collateral received or securities loaned. The contract with the securities lending agent requires it to indemnify PERS for all losses relating to securities lending transactions. There were no losses resulting from borrower default during the period nor were there any recoveries of prior period losses.

PERS may only loan up to 33 1/3% of its total portfolio. Either PERS or the borrower can terminate all securities loans on demand. Cash collateral is only invested in high quality short term securities in accordance with PERS' Investment Objectives and Policies. The maturities of the investments made with cash collateral generally match the maturities of the securities loaned.

The fair value of securities on loan at June 30, 1999 is \$1,561,529,891. The fair value of the cash collateral received in securities lending arrangements of \$1,634,609,427 is reported on the Statement of Plan Net Assets as an asset with a related liability. At June 30, 1999, PERS has collateral consisting of cash, fixed income securities and equity securities in excess of the market value of investments held by brokers/dealers under a securities lending agreement. PERS incurred costs of \$75,942,461 relating to securities lending transactions.

### E. Investment Commitments

The Public Employees' Retirement System of Nevada has entered into investment funding commitments as of June 30, 1999. For alternative investments, PERS has committed to fund \$68,477,933 at some future date. Alternative investments consist of acquisitions, industry consolidations, subordinated debt instruments, special situations, and venture capital.

## NOTE 4 - RECEIVABLES

A summary of receivables by fund type at June 30, 1999, is as follows (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Total		Component Unit	Total Reporting Entity
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	Primary Government	University System		
Accounts receivable	\$ 4,810	\$ 8,272	\$ 2	\$ -0-	\$ 88,458	\$ 585	\$ 59,504	\$ 161,631	\$ 99,571	\$	\$ 261,202
Taxes receivable	331,266	27,520	-0-	-0-	-0-	-0-	6,623	365,409	-0-		365,409
Accrued interest, dividends	8,929	-0-	-0-	-0-	19,855	-0-	66,443	95,227	-0-		95,227
Intergovernmental receivable	100,994	21,536	387,740	40	30	1,553	37,809	549,702	-0-		549,702
Accounts, notes receivable	728	2,966	-0-	-0-	-0-	182	-0-	3,876	14,404		18,280
Trades pending settlement	-0-	-0-	-0-	-0-	-0-	-0-	8	8	-0-		8
Other receivables	-0-	478	-0-	10,202	-0-	-0-	20,106	30,786	-0-		30,786
<b>Total</b>	<u>\$ 446,727</u>	<u>\$ 60,772</u>	<u>\$ 387,742</u>	<u>\$ 10,242</u>	<u>\$ 108,343</u>	<u>\$ 2,320</u>	<u>\$ 190,493</u>	<u>\$ 1,206,639</u>	<u>\$ 113,975</u>		<u>\$ 1,320,614</u>



# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 5 - INTERFUND TRANSACTIONS

#### A. Interfund Advances and Interfund Receivables and Payables

A summary of interfund advances and of interfund receivables and payables at June 30, 1999, follows (expressed in thousands). Interfund receivables and payables are the current portion of interfund advances.

	Advances To Other Funds	Advances From Other Funds	Interfund Receivables	Interfund Payables
<i>General Fund</i>	\$ 5,800	\$ -0-	\$ 5,160	\$ -0-
<i>Special Revenue Funds</i>				
State Highway	22	-0-	2	-0-
Miscellaneous	-0-	-0-	-0-	5
Class-Size Reduction	-0-	-0-	-0-	4,502
<b>Total Special Revenue Funds</b>	<b>22</b>	<b>-0-</b>	<b>2</b>	<b>4,507</b>
<i>Enterprise Funds</i>				
Prison Industry	-0-	35	-0-	10
Marlette Lake Water System	-0-	139	-0-	7
<b>Total Enterprise Funds</b>	<b>-0-</b>	<b>174</b>	<b>-0-</b>	<b>17</b>
<i>Internal Service Funds</i>				
Buildings and Grounds	-0-	1,363	-0-	98
Motor Pool	-0-	474	-0-	53
Communications	-0-	359	-0-	42
Purchasing	-0-	296	-0-	13
Information Services	-0-	2,639	-0-	375
Printing	-0-	517	-0-	57
<b>Total Internal Service Funds</b>	<b>-0-</b>	<b>5,648</b>	<b>-0-</b>	<b>638</b>
<b>Total</b>	<b>\$ 5,822</b>	<b>\$ 5,822</b>	<b>\$ 5,162</b>	<b>\$ 5,162</b>

#### B. Due From/Due To Other Funds

A summary of due from and due to other funds at June 30, 1999, is shown below (expressed in thousands):

	Due From Other Funds	Due To Other Funds		Due From Other Funds	Due To Other Funds
<i>General Fund</i>	\$ 44,530	\$ 288,519	<i>Enterprise Funds</i>		
<i>Special Revenue Funds</i>			Colorado River Commission	358	262
State Highway	24,401	24,451	Housing Division	1	7
Class-Size Reduction	9,428	-0-	Employers Insurance	3,564	1,355
Employment Security	196	1,578	Forestry Nurseries	2	1
Regulatory	69	1,027	Prison Industry	280	60
Legislative	3,234	525	Nevada Magazine	20	4
Municipal Bond Bank	722	2,763	Marlette Lake Water System	35	20
Workers' Compensation and Safety	424	1,846	<b>Total Enterprise Funds</b>	<b>4,260</b>	<b>1,709</b>
Higher Education Capital Construction	1,308	10,223	<i>Internal Service Funds</i>		
Cleaning Up Petroleum Discharges	69	270	Self-Insurance	2,433	63
Hospital Care to Indigent Persons	1,863	-0-	Buildings and Grounds	381	57
Tourism Promotion	5	48	Motor Pool	1,182	63
Offenders' Store	218	330	Communications	529	103
Colorado River Commission	206	10	Insurance Premiums	97	1,624
Contingency	4,896	16	Administrative Services	80	24
Care of Sites for Radioactive Waste			Personnel	3	665
Disposal	121	1	Purchasing	3,075	361
Miscellaneous	1,348	10,789	Information Services	11,728	914
<b>Total Special Revenue Funds</b>	<b>48,508</b>	<b>53,877</b>	Printing	420	49
<i>Debt Service Funds</i>			<b>Total Internal Service Funds</b>	<b>19,928</b>	<b>3,923</b>
Consolidated Bond Interest and Redemption	10,595	-0-	<i>Trust and Agency Funds</i>		
<b>Total Debt Service Funds</b>	<b>10,595</b>	<b>-0-</b>	Unemployment Compensation	-0-	2
<i>Capital Projects Funds</i>			Museums and History	-0-	16
Parks Capital Project Construction	55	-0-	Gift Funds	148	5
CIP Motor Vehicle	14,735	10	Custodial Funds	211	7,463
CIP Human Resources	-0-	8	Henry Wood Christmas	2	2
CIP University System	5,150	5	Permanent School	796	270
CIP General State Government	2,267	541	Local Government Investment Pool	2,031	308
CIP Prison System	193	145	Public Employees' Retirement	7,849	61
CIP Military	310	-0-	Intergovernmental	258,298	18,290
CIP Wildlife	-0-	27	State Agency Fund for Bonds	858	65
Miscellaneous	289	1	Motor Vehicle	664	39,200
<b>Total Capital Projects Funds</b>	<b>22,999</b>	<b>737</b>	Restitution Trust	9	1
			Veterans Custodial	20	-0-
			State Payroll	591	7,849
			<b>Total Trust and Agency Funds</b>	<b>271,477</b>	<b>73,532</b>
			<b>Total</b>	<b>\$ 422,297</b>	<b>\$ 422,297</b>

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 5 Continued)

### C. Due From/Due To Component Unit

A summary of balances receivable or payable between the primary government and the University System (a component unit) at June 30, 1999, is shown below (expressed in thousands):

	<u>Due From Component Unit</u>	<u>Due To Component Unit</u>
<i>General Fund</i>	\$ 331	\$ 8,862
<i>Special Revenue Funds</i>		
State Highway	-0-	61
Employment Security	2	103
Workers' Compensation and Safety	-0-	2
Higher Education Capital Construction	877	450
Cleaning up Petroleum Discharge	-0-	7
<b>Total Special Revenue Funds</b>	<u>879</u>	<u>623</u>
<i>Debt Service Funds</i>		
Consolidated Bond Interest and Redemption	-0-	210
<b>Total Debt Service Funds</b>	<u>-0-</u>	<u>210</u>
<i>Capital Projects Funds</i>		
CIP University System	-0-	32,469
CIP General State Government	-0-	1,289
<b>Total Capital Projects Funds</b>	<u>-0-</u>	<u>33,758</u>
<i>Enterprise Funds</i>		
Prison Industry	17	-0-
Marlette Lake Water System	5	-0-
<b>Total Enterprise Funds</b>	<u>22</u>	<u>-0-</u>
<i>Internal Service Funds</i>		
Self-Insurance	227	-0-
Motor Pool	13	-0-
Communications	1	-0-
Insurance Premiums	2	29
Purchasing	79	-0-
Information Services	1	-0-
<b>Total Internal Service Funds</b>	<u>323</u>	<u>29</u>
	<u>\$ 1,555</u>	<u>\$ 43,482</u>

### D. Transfers From/Transfers to Component Unit

A summary of transfers between the primary government and the University System (a component unit) for the year ended June 30, 1999, is shown below (expressed in thousands):

	<u>Transfers From Component Unit</u>	<u>Transfers To Component Unit</u>
<i>General Fund</i>	\$ 360	\$ 292,324
<i>Special Revenue Funds</i>		
Class-Size Reduction	-0-	131
Higher Education Capital Construction	878	5,000
<b>Total Special Revenue Funds</b>	<u>878</u>	<u>5,131</u>
<i>Debt Service Fund</i>		
Consolidated Bond Interest and Redemption	41	56,099
<i>Capital Projects Fund</i>		
CIP University	-0-	50,109
<b>Total Transfers</b>	<u>\$ 1,279</u>	<u>\$ 403,663</u>

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 5 Continued)

### E. Operating Transfers

A summary of interfund operating transfers for the year ended June 30, 1999, is shown below (expressed in thousands):

	Transfers In	Transfers Out		Transfers In	Transfers Out
<b>General Fund</b>	\$ 64,049	\$ 116,516			
<b>Special Revenue Funds</b>					
State Highway	1,579	14,970			
Class-Size Reduction	72,966	-0-			
Employment Security	-0-	7,250			
Regulatory	1,492	5,468			
Legislative	29,781	-0-			
Municipal Bond Bank	760	74,996			
Workers' Compensation and Safety	-0-	6,860			
Higher Education Capital Construction	-0-	14,187			
Cleaning Up Petroleum Discharges	-0-	461			
Hospital Care to Indigent Persons	-0-	2			
Tourism Promotion	18	1,516			
Offenders' Store	-0-	1,735			
Colorado River Commission	-0-	98			
Contingency	5,909	1,755			
Care of Sites for Radioactive Waste Disposal	-0-	185			
Miscellaneous	2,171	7,812			
<b>Total Special Revenue Funds</b>	<u>114,676</u>	<u>137,295</u>			
<b>Debt Service Fund</b>					
Consolidated Bond Interest and Redemption	86,616	-0-			
<b>Capital Projects Funds</b>					
Parks Capital Project Construction	342	20			
CIP Motor Vehicle	10,855	589			
CIP Human Resources	-0-	9,692			
CIP General State Government	1,567	2,333			
CIP Prison System	188	1,606			
CIP Military	310	334			
CIP Wildlife	-0-	27			
<b>Total Capital Projects Funds</b>	<u>13,262</u>	<u>14,601</u>			
<b>Enterprise Funds</b>					
Housing Division			-0-	74	
Employers Insurance			-0-	313	
Forestry Nurseries			-0-	2	
Prison Industry			-0-	6	
Marlette Lake Water System			-0-	10	
<b>Total Enterprise Funds</b>			<u>-0-</u>	<u>405</u>	
<b>Internal Service Funds</b>					
Self-Insurance			17	18	
Buildings and Grounds			53	99	
Motor Pool			816	80	
Communications			-0-	86	
Insurance Premiums			-0-	8	
Administrative Services			-0-	65	
Personnel			-0-	521	
Purchasing			4	367	
Information Services			741	141	
Printing			-0-	123	
<b>Total Internal Service Funds</b>			<u>1,631</u>	<u>1,508</u>	
<b>Expendable Trust Funds</b>					
Custodial Funds			855	7,519	
Gift Funds			3	5	
<b>Total Expendable Trust Funds</b>			<u>858</u>	<u>7,524</u>	
<b>Nonexpendable Trust Funds</b>					
Henry Wood Christmas			-0-	2	
Permanent School			103	3,344	
<b>Total Nonexpendable Trust Funds</b>			<u>103</u>	<u>3,346</u>	
<b>Total Transfers</b>	<u>\$ 281,195</u>	<u>\$ 281,195</u>			

### F. Residual Equity Transfers

A summary of residual equity transfers for the year ended June 30, 1999, is shown below (expressed in thousands):

	<b>Residual Equity Transfers</b>
<b>General Fund</b>	\$ (1,148)
<b>Special Revenue Fund</b>	
Miscellaneous	(2,617)
<b>Total</b>	<u>\$ (3,765)</u>
<b>Internal Service Fund</b>	
Information services	
<b>Contributed capital addition</b>	<u>\$ 3,765</u>

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 6 - RESTRICTED ASSETS

Various debt service, operation and maintenance, capital improvement and construction (acquisition) funding requirements of bond covenants, trust indentures, and federal contracts are recorded as restricted assets on the enterprise fund and special revenue fund balance sheets. These restricted assets are established either from bond proceeds, federal aid, or retained earnings. The components of restricted assets at June 30, 1999 are as follows (expressed in thousands):

	Special Revenue Fund	Enterprise Funds			Total Reporting Entity
	State Highway	Colorado River Commission	Housing Division		
<i>Restricted:</i>					
Cash	\$ -0-	\$ 21,023	\$ -0-		\$ 21,023
Investments	-0-	-0-	78,141		78,141
Interest receivable	-0-	-0-	1,255		1,255
Right of way acquisitions	47,749	-0-	-0-		47,749
<b>Total</b>	<u>\$ 47,749</u>	<u>\$ 21,023</u>	<u>\$ 79,396</u>		<u>\$ 148,168</u>
<i>Restricted for:</i>					
Debt service	\$ -0-	\$ 4,912	\$ -0-		\$ 4,912
Debt service reserve	-0-	-0-	79,396		79,396
Construction reserve	47,749	15,502	-0-		63,251
Other and all purpose reserve	-0-	609	-0-		609
<b>Total</b>	<u>\$ 47,749</u>	<u>\$ 21,023</u>	<u>\$ 79,396</u>		<u>\$ 148,168</u>

### NOTE 7 - GENERAL FIXED ASSETS

A statement of changes in general fixed assets for the year ended June 30, 1999, is shown below (expressed in thousands):

	Land	Structures and Improvements	Furniture and Equipment	Construction in Progress	Total
Balance, July 1, 1998	\$ 85,470	\$ 624,236	\$ 226,589	\$ 116,138	\$ 1,052,433
Additions	2,485	86,548	25,479	77,531	192,043
Deletions	-0-	-0-	(1,518)	(85,525)	(87,043)
Balance, June 30, 1999	<u>\$ 87,955</u>	<u>\$ 710,784</u>	<u>\$ 250,550</u>	<u>\$ 108,144</u>	<u>\$ 1,157,433</u>

Construction in progress is composed of the following (expressed in thousands):

	Project Authorization	Expended to June 30, 1999	Committed	Required Future Financing
Prisons	\$ 141,725	\$ 14,392	\$ 3,454	None
Indian Springs Men's Prison	90,509	27,990	57,934	None
Cold Creek Men's Prison	45,696	-0-	-0-	None
Military	52,775	3,295	15,698	None
Natural resources & wildlife	31,793	14,565	2,468	None
Integrated financial system	30,100	17,918	-0-	None
Other projects	264,841	29,984	12,892	None
<b>Totals</b>	<u>\$ 657,439</u>	<u>\$ 108,144</u>	<u>\$ 92,446</u>	

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 8 - LONG-TERM OBLIGATIONS

#### A. Long-Term Obligations

Long-term obligations at June 30, 1999 of the primary government are comprised of the following (expressed in thousands):

	Interest Rate	Authorized	Issued	Principal and Interest in FY 1999	Principal Outstanding
<b>General Long-Term Obligations Account Group</b>					
<i>General obligation bonds:</i>					
Subject to Constitutional Debt Limitation	3.85-10.00%	\$ 1,087,134	\$ 1,087,134	\$ 60,025	\$ 620,740
Exempt from Constitutional Debt Limitation	3.50-9.70%	1,987,881	1,985,956	105,558	1,474,809
<i>Special obligation bonds:</i>					
Exempt from Constitutional Debt Limitation - Highway Improvement Revenue Bonds	4.00-7.00%	88,500	88,500	18,939	-0-
<b>Total bonds</b>		<u>\$ 3,163,515</u>	<u>\$ 3,161,590</u>	<u>\$ 184,522</u>	2,095,549
Obligations under capital leases	4.90-9.60%		\$ 35,587	\$ 4,484	30,494
Certificates of Participation	4.10-5.00%		<u>\$ 15,000</u>	<u>\$ -0-</u>	15,000
Compensated absences obligations					58,425
Arbitrage rebate liability					1,321
Federal repayment contract					169,236
Judicial retirement net pension obligation					<u>6,531</u>
<b>Total general long-term obligations</b>					<u>\$ 2,376,556</u>
<b>Enterprise funds</b>					
<i>Colorado River Commission:</i>					
General obligation bonds exempt from Constitutional Debt Limitation	4.25-10.75%	\$ 247,310	\$ 201,080	\$ 8,386	\$ 106,301
<i>Housing Division:</i>					
Mortgage revenue bonds	4.10-10.63%	1,635,627	1,635,627	137,834	1,015,211
<b>Total general obligations</b>		<u>\$ 1,882,937</u>	<u>\$ 1,836,707</u>	<u>\$ 146,220</u>	1,121,512
Net obligations under capital leases			<u>\$ 26,624</u>	<u>\$ 2,020</u>	2,231
Compensated absences obligations					<u>3,637</u>
<b>Total enterprise funds</b>					<u>\$ 1,127,380</u>
<b>Internal service funds</b>					
Obligations under capital leases	4.10-11.35%		<u>\$ 7,287</u>	<u>\$ 2,287</u>	\$ 2,973
Less current portion					1,253
Net obligations under capital leases					1,720
Compensated absences obligations					<u>2,262</u>
<b>Total internal service funds</b>					<u>\$ 3,982</u>
<b>Pension trust funds</b>					
Notes payable	9.30%		<u>\$ 9,563</u>	<u>\$ 967</u>	<u>\$ 9,189</u>

#### B. Changes in General Long-Term Obligations Account Group

The following is a summary of changes in General Long-Term Obligations Account Group for the fiscal year ended June 30, 1999 (expressed in thousands):

	Balance July 1, 1998	New Obligations Incurred and Changes in Estimates	Obligations Retired	Balance June 30, 1999
Bonds	\$ 1,633,559	\$ 613,710	\$ (151,720)	\$ 2,095,549
Obligations under capital leases	32,955	325	(2,786)	30,494
Compensated absences obligations	64,581	(6,156)	-0-	58,425
Arbitrage rebate liability	2,160	(839)	-0-	1,321
Certificates of Participation	-0-	15,000	-0-	15,000
Federal repayment contract	172,563	-0-	(3,327)	169,236
Judicial retirement net pension obligation	6,531	-0-	-0-	6,531
<b>Total</b>	<u>\$ 1,912,349</u>	<u>\$ 622,040</u>	<u>\$ (157,833)</u>	<u>\$ 2,376,556</u>

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 8 Continued)

### C. Constitutional Debt Limitations

Section 3, Article 9, of the State Constitution (as amended) limits the aggregate principal amount of the State's public debt to two percent (2%) of the assessed valuation of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation or for obtaining the benefits of any property or natural resources within the State. At June 30, 1999, the debt limit and its unused portion are computed as follows (expressed in thousands):

Debt limitation (2% of total assessed valuation)	\$ 934,106
Less: Bonds and leases payable as of June 30, 1999, subject to limitation	<u>666,234</u>
Remaining debt capacity	<u>\$ 267,872</u>

### D. Nevada Municipal Bond Bank

General obligation bonds have been issued through the Nevada Municipal Bond Bank, a special revenue fund, as authorized by NRS 350A and NRS 349.950. These bonds are subject to statutory limitation of \$1.8 billion and are exempt from the Constitutional Debt Limitation. Proceeds from the bonds are used to purchase validly issued general obligation bonds of the State's local governments to finance projects related to natural resources. The State anticipates that the debt service revenue it receives from the participating local governments will be sufficient to pay the debt service requirements of the State bonds as they become due. Thirty-two projects were funded through the Nevada Municipal Bond Bank as of June 30, 1999, and total investments in local governments amounted to \$1,200,491,530.

### E. Refunded Debt and Redemptions

On May 12, 1999, the State issued \$81,015,000 General Obligation (Limited Tax) Refunding Bonds to partially advance refund \$7,285,000 of the August 1, 1989 Building Bonds, \$26,995,000 of the November 1, 1991 Capital Improvement Bonds, \$2,775,000 of the November 1, 1991 Various Purpose Bonds, \$14,700,000 of the October 1, 1994 Building Bonds, \$21,805,000 of the November 1, 1995 Capital Improvement Bonds, \$2,205,000 of the May 1, 1996 Natural Resources Bonds and \$2,140,000 of the July 1, 1996 Cultural Affairs Bonds. The State completed the refunding to reduce its total future debt service payments by \$4,768,837 and to obtain an economic gain or present value savings of \$2,363,072.

In the current and prior years, the State defeased certain general obligations and other bonds by placing the proceeds of new bonds and other monies in an

irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the State's financial statements. The total amount of defeased issues at June 30, 1999, is \$931,302,000.

### F. Debt Service Requirements for Bonds

Debt service requirements (principal and interest) for all long-term bonds and notes outstanding at June 30, 1999, of the primary government are summarized in the table following (expressed in thousands). Debt service requirements for all capital leases and installment purchases are presented in Section I of this note. No debt service requirements are presented for compensated absences obligations since the repayment dates are unknown. All amounts listed for Housing Bonds are projections and are subject to change based upon changes in the mortgage interest market rate. Actual results may vary considerably from these projections at any point in time, depending upon market rates of interest.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 8 Continued)

For The Fiscal Year Ending June 30

	2000	2001	2002	2003	2004	Thereafter
<b>General Long-Term Obligations Account Group</b>						
<i>General obligations serviced from Consolidated Bond Interest and Redemption Debt Service Fund:</i>						
General obligation bonds (taxes)	\$ 63,444	\$ 62,943	\$ 65,113	\$ 64,975	\$ 64,652	\$ 602,477
General obligation bonds (loan repayments)	2,863	2,797	2,691	2,628	2,519	19,666
General obligation bonds (user fees)	18,231	18,248	18,269	18,278	18,287	298,074
Municipal bond bank bonds (investments in municipal bonds)	79,004	79,957	80,024	79,765	80,924	1,684,707
University System projects bonds (slot machine tax)	10,425	10,433	7,799	7,798	7,795	94,723
Certificates of Participation (taxes)	513	684	1,275	1,273	1,274	17,847
Federal repayment contract (user fees)	8,935	8,935	8,935	8,935	8,935	226,323
<b>Total General Long-Term Obligations Account Group</b>	<u>\$ 183,415</u>	<u>\$ 183,997</u>	<u>\$ 184,106</u>	<u>\$ 183,652</u>	<u>\$ 184,386</u>	<u>\$ 2,943,817</u>
<b>Enterprise Funds</b>						
<i>General obligation bonds serviced from:</i>						
Colorado River Commission Fund (user fees)	\$ 8,381	\$ 9,173	\$ 9,163	\$ 6,683	\$ 6,683	\$ 162,567
Housing Fund (investments in mortgages)	112,397	115,029	116,055	117,054	105,267	1,171,044
<b>Total enterprise funds</b>	<u>\$ 120,778</u>	<u>\$ 124,202</u>	<u>\$ 125,218</u>	<u>\$ 123,737</u>	<u>\$ 111,950</u>	<u>\$ 1,333,611</u>
<b>Pension Trust Fund</b>						
Notes payable serviced from PERS	<u>\$ 9,403</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

### G. Amounts Available and Amounts to be Provided for Debt Service

At June 30, 1999, the amount available to service debt in the Consolidated Bond Interest and Redemption Debt Service Fund is \$31,564,620. At June 30, 1999, the amount available in special revenue funds is \$1,200,491,531. This amount is available to service the Municipal Bond Bank Bonds and Water Pollution Bonds in the Municipal Bond Bank Special Revenue Fund.

The amount to be provided by other governments of \$387,276,043 is due from the Southern Nevada Water Authority (SNWA). Until January 1, 1996, the Colorado River Commission (CRC), an enterprise fund which is responsible for managing Nevada's interest in the water and power resources available from the Colorado River, operated the Southern Nevada Water System (SNWS). In accordance with Chapter 393 of the 1995 Legislature, certain rights, powers, duties and liabilities of SNWS were transferred from the State and CRC to the SNWA effective January 1, 1996. These rights, powers, duties and liabilities included, but were not limited to, the State

of Nevada General Obligation bonds, the existing water user contracts, the Federal Repayment Contract, the Service Contract between CRC and the Las Vegas Valley Water District, and all other contracts related to the SNWS including contracts for capital improvement. Accordingly, on January 1, 1996, the State recorded the general obligation bonds and federal repayment contract previously reported in CRC and an associated amount to be provided by other government in the General Long-Term Obligations Account Group.

### H. Bond Indenture Provisions

There are restrictions and limitations contained in the various bond indentures. The State is in compliance with the requirements of the bond covenants.

### I. Capital Leases

The State has entered into various agreements for the lease of equipment. Assets acquired under such leases of the primary government at June 30, 1999, consist of the following (expressed in thousands):

	General Fixed Assets Account Group	Enterprise Funds	Internal Service Funds	Total
Equipment	\$ 35,587	\$ 26,624	\$ 7,287	\$ 69,498
Less accumulated depreciation	-	26,481	3,485	29,966
<b>Total</b>	<u>\$ 35,587</u>	<u>\$ 143</u>	<u>\$ 3,802</u>	<u>\$ 39,532</u>



# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 8 Continued)

For all capital leases of the primary government, the gross minimum lease payments and the present value of the net minimum lease payments as of June 30, 1999, follow (expressed in thousands):

<u>Fiscal year ending June 30</u>	<u>Amount</u>
2000	\$ 8,113
2001	4,874
2002	3,643
2003	2,652
2004	2,407
Thereafter	<u>26,544</u>
Total payments	48,233
<i>Less:</i> Amount representing interest	<u>12,535</u>
	35,698
<i>Less:</i> Current portion for internal service funds	<u>1,253</u>
<b>Total</b>	<u><u>\$ 34,445</u></u>

### J. Arbitrage Rebate Requirement

The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a), must be rebated to the United States Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. In accordance with the Internal Revenue Service Regulations, an arbitrage rebate liability has been calculated as of June 30, 1999. The liability is payable as follows (expressed in thousands):

<u>Fiscal year ending June 30</u>	<u>Amount</u>
2000	\$ 21
2001	461
2002	495
2003	316
2004	<u>28</u>
<b>Total</b>	<u><u>\$ 1,321</u></u>

### K. Certificates of Participation

In fiscal year 1999, the Nevada Real Property Corporation, a blended component unit, issued \$15,000,000 of general obligation certificates of participation to finance the acquisition, construction, installation and equipping of a secured juvenile treatment facility.

Under the certificate of participation financing arrangements, the State is required to make payments from general (ad valorem) taxes in the Consolidated Bond Interest and Redemption Debt Service Fund that

approximate the interest and principal payments made by trustees to certificate holders.

### L. Federal Repayment Contract

The State is obligated to the United States pursuant to the terms of a contract entered into in 1967 and amended in 1992 for the construction by the United States of a project (the Griffith Project) for the principal purpose of delivering water for municipal and industrial use within Clark County, Nevada. In 1973, the States' original obligation under the contract was \$51,164,299 from the first phase of construction and in 1984, an additional \$125,817,815 from the second phase. Both phases are being repaid over a fifty-year period including interest at 3.25%. Section F discloses the remaining debt service requirements.

The obligation is repaid from the net revenues of the Griffith Project water users. The CRC operated the Griffith Project system and collected the associated water revenues until January 1, 1996, when the system, along with additional water treatment operations and assets, was transferred to the Southern Nevada Water Authority (SNWA). In accordance with Chapter 393 of the 1995 Legislature, the duty of repaying this federal contract was transferred to SNWA; however, the State remains the primary obligor. Should the user revenues be insufficient to meet the obligation, the United States may assert a prior claim to ad valorem or other taxes or assessments of the State.

### M. Interest Rate Swap Agreement

On May 19, 1999, the State entered into a ten-year interest rate swap agreement for \$100 million of its fixed rate General Obligation Bonds. Based upon the swap agreement, the



# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 8 Continued)

State owes interest calculated at a variable rate based upon the Bond Market Association (BMA) Municipal Swap Index. In return, the counterparty owes the State interest based upon the fixed rate that matches the rate required by the bonds. Only the net difference in the interest payments is actually exchanged with the counterparty. The \$100 million in bond principal is not exchanged; it is only the basis on which the interest payments are calculated. The State continues to pay interest to the bondholders at the fixed rate provided by the bonds. However, during the term of the swap agreement, the State effectively pays interest at the variable rate on the debt. The debt service requirements to maturity for these bonds (Note 8F) are based upon the fixed rate. The State will be exposed to variable interest rates during the period of the swap, unless the counterparty to the swap defaults or the swap is terminated. A termination of the swap agreement could result in the State making or receiving a termination payment. During the year ended June 30, 1999, the State elected to receive an upfront payment of \$5,100,000 from the counterparty that was used to reduce the fixed rate interest payment over the term of the agreement.

### N. Component Unit Obligations

Bonds, notes and capital leases payable by the University System at June 30, 1999, consist of the following (expressed in thousands):

	<u>Annual Rate of Interest</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
Student fee revenue bonds	3.00-8.50%	2017	\$ 57,855
Notes payable	2.01-8.13%	2015	6,887
Capital leases	5.47-8.75%	2019	<u>29,151</u>
<b>Total</b>			<u>\$ 93,893</u>

Tuition and fees, auxiliary enterprises' revenue and certain other revenue as defined in the bond indentures secure the student fee revenue bonds.

Scheduled maturities for bonds and notes payable by the University System for the years ending June 30 are as follows (expressed in thousands):

<u>Fiscal year ending June 30</u>	<u>Amount</u>
2000	\$ 5,155
2001	4,766
2002	4,870
2003	4,843
2004	4,969
Thereafter	<u>40,139</u>
<b>Total</b>	<u>\$ 64,742</u>

Accrued compensated absences payable by the University System at June 30, 1999, are \$21,735,000.

Future net minimum rental payments that are required under the capital leases by the University System for the years ending June 30 are as follows (expressed in thousands):

<u>Fiscal year ending June 30</u>	<u>Amount</u>
2000	\$ 3,668
2001	3,553
2002	3,509
2003	3,384
2004	3,222
Thereafter	<u>44,000</u>
Total minimum lease payments	61,336
Less amount representing interest	<u>32,185</u>
Obligations under capital leases	<u>\$ 29,151</u>

At June 30, 1999 debt in the amount of \$21,296,000 is considered to be extinguished through refunding of prior issues by a portion of the current issues. Sufficient proceeds were invested in state and local government securities and placed in escrow to assure the timely payment of the maturities of prior issues. Neither the debt nor the escrowed assets are reflected on the financial statements.

### O. Conduit Debt Obligations

The State has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The State is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 1999, there were nineteen series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$76,178,076.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 9 - PENSIONS AND OTHER EMPLOYEE BENEFITS

The Nevada Legislature has created various plans to provide benefits to qualified employees and certain elected officials of the State as well as employees of other public employers. The Public Employees' Retirement Board administers the Public Employees' Retirement System of Nevada (PERS) and the Legislators' Retirement System of Nevada (LRS). The Clerk of the Supreme Court administers the Judicial Retirement System. A summary description of the plans follows.

#### A. PERS

**Plan Description** - All full-time State employees and full-time employees of participating local government entities in the State are members in the PERS, a defined benefit cost-sharing, multiple-employer public employees' retirement system established in 1947 by the Nevada Legislature. Any government employer in the State may elect to have its general, police and fire department employees covered by PERS.

At June 30, 1999, the number of participating government employers was:

State and its component units	1
Cities	19
Counties and related agencies	16
School districts	18
Hospitals and health care	10
Utility and irrigation districts	17
Special districts and agencies	<u>41</u>
<b>Total employers</b>	<u><u>122</u></u>

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. 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. Regular members are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Police and firemen are eligible for retirement at age 65 with 5 years of accredited police or fire service, at age 55 with 10 years of accredited police or fire service, at age 50 with 20 years of accredited police or fire service, or at any age with 30 years of accredited 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 average

compensation. When members are eligible for 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 police and firemen become fully vested as to benefits upon completion of 5 years of service.

**Member Contributions** - The authority for establishing and amending the obligation to make contributions is provided by statute. Member contribution rates are also established by statute. New employees of the State of Nevada and public employers, who were not under the employer-pay contribution plan prior to July 1, 1983, have the option of selecting either the employee and employer contribution plan or the employer-pay contribution plan. One plan provides for matching employee and employer contributions while the other plan provides for employer-pay contributions only.

**Funding Policy** - PERS' basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime, in order to accumulate sufficient assets to pay benefits when due. Although PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS on an actuarial reserve basis, both for funding purposes and GASB disclosure purposes, contributions actually made are in accordance with the required rates established by the Legislature. These statutory rates are increased or decreased pursuant to NRS 286.421 and 286.450.

Actuarially required and statutory employee and employer contribution rates, as a percentage of covered payroll, for regular and police and fire members in effect for the fiscal year ended June 30, 1999, were as follows:

	GASB		
	<u>Funding</u> <u>Basis</u>	<u>Disclosure</u> <u>Basis</u>	<u>Statutory</u> <u>Rate</u>
<b>Regular employees:</b>			
Employer -pay plan	18.55%	19.59%	18.75%
Employee/employer plan	9.73%	10.25%	10.00%
<b>Police and Fire employees:</b>			
Employer -pay plan	28.40%	31.25%	28.50%
Employee/employer plan	14.61%	16.03%	14.75%

**Required Supplementary Information** - Schedules of funding progress and employer contributions are presented in the PERS June 30, 1999, comprehensive annual financial report. PERS' financial report may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 9 Continued)

The State's contribution requirements for the current fiscal year and each of the two preceding years were (expressed in thousands):

	1999			1998			1997		
	Employees' Contribution	Employers' Contribution	Total State Contribution Requirement	Employees' Contribution	Employers' Contribution	Total State Contribution Requirement	Employees' Contribution	Employers' Contribution	Total State Contribution Requirement
Primary government	\$ 34,223	\$ 83,884	\$ 118,107	\$ 31,313	\$ 79,606	\$ 110,919	\$ 28,218	\$ 73,588	\$ 101,806
<i>Component unit:</i>									
University System	5,247	13,770	19,017	4,732	12,756	17,488	4,194	11,851	16,045
<b>Total reporting entity</b>	<b>\$ 39,470</b>	<b>\$ 97,654</b>	<b>\$ 137,124</b>	<b>\$ 36,045</b>	<b>\$ 92,362</b>	<b>\$ 128,407</b>	<b>\$ 32,412</b>	<b>\$ 85,439</b>	<b>\$ 117,851</b>
Contributions as % of covered payroll	6%	15%	21%	6%	15%	21%	6%	15%	21%
Contributions as % of total contributions of all participating entities of \$609,434, \$557,277 and \$517,645	6%	16%	23%	6%	17%	23%	6%	17%	23%

### B. LRS

**Plan Description** - All State Legislators are members in LRS, a defined benefit, single-employer public employees' retirement system established in 1967 by the Nevada Legislature. LRS is legislated by and functions in accordance with State laws established by the Nevada Legislature. It is administered by the PERS Board of the State of Nevada.

Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement. Service years include the entire election term whether or not the Legislature is in session. Benefit payments to which participants may be entitled under the plan include pension benefits and death benefits. Monthly benefit allowances are \$25 for each year of service up to thirty years. Contributions and investment earnings provide benefits under the system. Legislators become fully vested as to benefits at age 60 and 8 years of service before July 1, 1985, or at age 60 and 10 years of service after July 1, 1985.

**Funding Policy** - The Legislator contribution of 15% of compensation is paid by the Legislator only when the Legislature is in session, as required by statute. The Legislature holds sessions every two years. Prior to 1985, the employee contributions were matched by the employer. The 1985 Legislators' Retirement Act includes NRS 218.2387(2) which states, "The Director of the Legislative Counsel Bureau shall pay to the Board from the Legislative Fund an amount as the contribution of the State of Nevada as employer which is actuarially determined to be sufficient to provide the System with enough money to pay all benefits for which the System will be liable." The Legislature appropriated \$333,830 for calendar years 1999 and 2000, which is the annual required State contribution as determined by the actuary. This amount was paid by the Legislative Fund and was recorded as an employer contribution in the fiscal year ended June 30, 1999, since the Legislature was in session in fiscal year 1999.

**Actuarial Information** - Actuarial methods and significant assumptions used in the January 1, 1999, actuarial valuation include the following:

**Actuarial Cost Method:** Entry age normal cost

**Amortization Method:** Level percent closed

**Remaining Amortization Period:** 26 years

**Asset Valuation Method:** 5 year smoothed market

**Actuarial Assumptions:**

Investment yield	8%
Projected salary increases	None

**Retirement Age for Active Members:** Earlier of age 64 or age 60 with 24 years of service

**Assumed Mortality Rate:** 1983 Group Annuity Mortality Table

**Cost of Living (Post-Retirement) Increases:**

2% after 3 years of receiving benefits
3% after 6 years of receiving benefits
3.5% after 9 years of receiving benefits
4% after 12 years of receiving benefits
5% after 14 years of receiving benefits

Trends can be affected by investment experience (favorable or unfavorable), salary experience, retirement experience or changes in demographic characteristics of employees. Changes in benefits provisions and in actuarial methods and assumptions can also affect trends.

LRS issues separate financial statements, which are available from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 9 Continued)

Required Supplementary Information - Actuarial valuations of the LRS are prepared every two years to determine State contributions required to fund the system on an actuarial basis. A schedule of funding progress is as follows (expressed in thousands):

Valuation Year	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Ratio of Assets to AAL	Annual Covered Payroll	UAAL as a % of Annual Covered Payroll
1995	\$ 4,605	\$ 2,198	\$ 2,407	48%	\$ 491	490%
1997	4,778	2,957	1,821	62%	491	371%
1999	5,075	3,527	1,548	70%	491	315%

Trend Information: Three-year trend information follows (expressed in thousands):

Fiscal Year Ended	Annual Pension Cost	State Contribution Made	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
6/30/97	\$ 179	\$ 357	200%	\$ -0-
6/30/98	179	-0-	0%	-0-
6/30/99	167	334	200%	-0-

### C. The Judicial Retirement System (JRS)

Plan Description - The justices of the Supreme Court and district court judges have been granted special retirement provisions by various Legislatures. This is a single-employer, State of Nevada, defined benefit, unfunded plan. The plan does not issue separate financial statements, nor is it included in the report of another PERS. The plan is administered by the Office of the Courts. An actuarial valuation for this plan was prepared according to the provisions of Government Accounting Standards Board Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. At the actuarial valuation date of July 1, 1997, (the most recent valuation date) membership consisted of 50 active members and 32 retirees and beneficiaries receiving benefits. As of July 1, 1998 and July 1, 1999, 32 retirees and beneficiaries were receiving benefits.

Benefits to which members may be entitled under the plan are defined by statute and include pension benefits, disability benefits and death benefits. Justices and judges who have served as a justice of the Supreme Court or a judge of a district court are eligible for retirement at age 60 with five years of aggregate service in any one or more of those courts. The annual benefit is equal to 4.1666 percent of the salary of the last year of service. The benefit is increased 4.1666 percent for each year of service between five years and 22 years. The maximum benefit is three-fourths of the salary of the last year of service at age 60 with 22 years of service. Any justice or judge who has the years of service necessary to retire but has not attained the required age may retire at any age with a benefit actuarially reduced to the required retirement age. Benefits are payable for life.

Funding Policy - No contributions are required of the justices or judges. Funding is provided from the General Fund on a pay-as-you-go basis, according to statute. Benefit expenditures are reported in the law, justice and public safety function of the General Fund. The State's contribution for the years ended June 30, 1998 and 1999, were \$993,000 and \$1,062,429, respectively. The actuarial valuation at July 1, 1997, determined the annual required contribution for the year ended June 30, 1998, using the entry-age-normal level percent of pay cost method for salary related benefits and the level dollar cost method for non-salary related benefits. An actuarial valuation was not performed for the current fiscal year. The annual required contribution, annual pension cost and net pension obligation for the year ended June 30, 1998, are as follows (expressed in thousands):

<i>Annual required contribution</i>	
Annual normal cost, beginning of year	\$ 1,420
38 year amortization of unfunded actuarial accrued liability, beginning of year	1,946
Interest to end of year	269
<i>Annual required contribution, end of year</i>	3,635
Interest on net pension obligation	311
Adjustment to annual required contribution	(303)
<i>Annual pension cost</i>	3,643
Benefits paid	993
Increase in net pension obligation	2,650
Net pension obligation, beginning of year	3,881
<i>Net pension obligation, end of year</i>	\$ 6,531

The net pension obligation of \$6,531,000 is reported in the General Long-Term Obligations Account Group. Historically, an actuarial determination of the actuarial required contribution has not been made. The contribution to the plan has equaled the benefit payments from the plan. As a result, the net pension

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 9 Continued)

obligation at transition is equal to zero as of July 1, 1997, in accordance with GASB Statement No. 27.

The plan accumulates no assets to pay benefits. The unfunded actuarial accrued liability as of July 1, 1997, was \$24,864,000. This unfunded actuarial accrued liability is to be amortized, using the level dollar method, over a period of 40 years on a closed basis from July 1, 1995.

Actuarial Information - Significant actuarial assumptions used in the valuation included the following:

Interest Rate: 8%

Salary Increase: Position pay increases are assumed to be 3% per year in anticipation of legislated increases. Longevity increases at 6% after six years and 1% per year for each subsequent year up to 17 additional years.

Retirement Age: This is assumed to be normal retirement age.

Termination Prior to Retirement : None.

Permanent Incapacity: None.

Mortality Rates: The assumed mortality experience is projected by using the 1983 Group Mortality Table.

Presence and Age of Spouse: All of the members are married and the spouses are assumed to be three years younger/(older) if the member is male/(female).

Cost of Living (Post-retirement) Increases: After 3 years of receiving benefits the beneficiary or pensioner is eligible for the following:

- 2% after 3 years of receiving benefits
- 3% after 6 years of receiving benefits
- 3.5% after 9 years of receiving benefits
- 4% after 12 years of receiving benefits
- 5% after 14 years of receiving benefits

Required Supplementary Information - The most recent actuarial valuation of the JRS to determine State contributions required to fund the system on an actuarial basis was July 1, 1997. A schedule of funding progress for the transition year and subsequent actuarial valuation is as follows (expressed in thousands):

<u>Valuation Date</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
7/1/1995	\$ 20,229	\$ -0-	\$ 20,229	0%	\$ 4,154	487%
7/1/1997	24,864	-0-	24,864	0%	5,239	475%

The schedule of employer contributions for the most current fiscal year for which an actuarial valuation was performed (June 30, 1998) and each of the two preceding years is as follows (expressed in thousands):

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution (ARC)</u>	<u>State Contribution</u>	<u>State Contribution as a % ARC</u>
6/30/96	\$ 2,881	\$ 918	32%
6/30/97	2,886	967	34%
6/30/98	3,643	993	27%

Trend Information - Three year trend information follows (expressed in thousands):

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost</u>	<u>% of Annual Pension Cost Contributed</u>	<u>Net Pension Obligation</u>
6/30/96	\$ 2,881	31.09%	\$ 1,963
6/30/97	2,886	33.50%	3,881
6/30/98	3,643	27.30%	6,531



# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 9 Continued)

### D. Post-Retirement Insurance Benefits

Any retiree of the State, who meets the eligibility requirements for retirement as outlined in sections A through C of this note and at the time of retirement is covered or had his dependents covered by any group insurance or medical and hospital service, has the option upon retirement to continue group insurance. NRS 287.023 establishes this benefit upon the retiree assuming the portion of the premium not covered by the State. The Public Employees' Benefits Program

administers the insurance benefits. For the year ended June 30, 1999, 4,059 retirees were covered at a cost of \$7,446,888, which represents 64% of total costs.

The State allocates funds for payment of insurance benefits as a percentage of payroll. The cost of the employer contribution is recognized in the year the costs are charged. Any unused funds are carried forward to the next fiscal year. The carry forward to fiscal year 2000 was \$237,093.

## NOTE 10 - RISK MANAGEMENT

The State of Nevada established the Self-Insurance and Insurance Premiums funds in 1983 and 1979, respectively. Both funds are classified as internal service funds.

Interfund premiums are reported as quasi-external transactions of the funds. All State funds participate in the insurance program. Changes in the claims liabilities during the past two fiscal years were as follows (expressed in thousands):

	Self Insurance Fund	Insurance Premiums Fund
Balance, July 1, 1997	\$ 12,790	\$ 8,170
Claim and changes in estimates	79,809	7,179
Claim payments	<u>(81,485)</u>	<u>(3,525)</u>
Balance, June 30, 1998	11,114	11,824
Claim and changes in estimates	78,054	9,695
Claim payments	<u>(78,968)</u>	<u>(4,272)</u>
<b>Balance, June 30, 1999</b>	<u>\$ 10,200</u>	<u>\$ 17,247</u>

These liabilities are recorded in accordance with GASB Statement No. 10. This statement requires that a liability for claims be reported if information received before the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. These liabilities include incremental claims adjustment costs.

There were no significant reductions in insurance coverage from the prior year for group medical, general liability, automobile liability, or property and casualty.

There were no material settlements in excess of insurance coverage for each of the past three fiscal years.

### A. Self-Insurance Fund

The Self-Insurance Fund administers the group health, life and disability insurance for covered employees, both active and retired, of the State and certain other participating public employers within the State. All public employers in the State are eligible to participate in the Self-Insurance Fund. Currently, there are twenty-eight public employers in addition to the State participating in the Self-Insurance Fund. The Self-Insurance Fund was originally overseen by the Committee on Benefits created by NRS 287.041. The committee was composed of a five-member board consisting of two members selected by the Nevada State Employee's Association, the Director of the Department of Administration, a State retiree and an individual appointed by the Governor. Senate Bill 544 of the 1999 Legislature made changes that affected the Self-Insurance Fund. Certain changes became effective June 9, 1999, one of which suspended the Committee on Benefits from transacting any business or holding any meetings. The Governor or a designee appointed by the Governor was granted the power to ensure the efficient operation of the plan until July 1, 1999. The subsequent events Note 15 describes how the plan is to be administered beginning July 1, 1999.

The Self-Insurance Fund contracts with a third-party administrator to pay the Self-Insurance Fund's claims and also contracts with medical providers to determine the price of services to be provided. The Self-Insurance Fund is self-insured for medical, dental and vision benefits and assumes all risk for claims incurred by plan participants. Accidental death and dismemberment, travel accident, long-term disability, mental health and substance abuse, and life insurance benefits are administered solely by insurance providers. The Self-Insurance Fund does not

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 10 Continued)

retain any risk of loss regarding those plans covered by independent insurance providers.

Monthly premiums for employee and dependent coverage used to finance the Self-Insurance Fund are determined annually by the Self-Insurance Fund's actuary. Premiums are based upon anticipated claims in the upcoming year and any remaining fund equity available for claims. The participating employers pay monthly premiums for each employee and employees pay for dependent coverage.

### B. Insurance Premiums Fund

The Insurance Premiums Fund provides self-insurance for general, civil (tort), auto and property casualty liabilities of State agencies. It also accumulates workers' compensation premiums for State employees and buys insurance under a retrospective rating agreement from the Employers Insurance Company of Nevada which is reported as an enterprise fund.

Under the retrospectively rated contract, each calendar year is a separate plan subject to its own premium determinations based on the actual loss experience for that year. For the 1999 plan year, the Insurance Premiums Fund paid quarterly advance premiums of \$2,250,000 to Employers Insurance. Each plan year is subject to four premium determinations, the first being eight months after the close of the plan year, and annually thereafter. Each plan year may be closed at any determination if the Insurance Premiums Fund and Employers Insurance mutually agree. The cost to close a plan year includes a charge for incurred but not reported claims. Plan years 1996, 1997, and 1998 are still open as of June 30, 1999 and are subject to additional premiums based on the loss experience of the plan. A liability in the amount of \$3,500,837 has been accrued as an estimate for these potential additional premiums, however, the actual liability may be in excess of or less than the amount accrued, but under no circumstances will it exceed the contractually determined maximum premium. The cost to close out plan years 1996, 1997, and 1998 with no further liability to the State at June 30, 1999 is \$7,012,131, as determined by Employers Insurance. Plan year 1999 is also still open and subject to additional premiums, however, at June 30, 1999 an estimate of potential additional premiums cannot be reasonably estimated.

The State has a maximum exposure of \$50,000 for each general liability and fleet liability cause of action. It has a self-insured retention of \$100,000 for property and contents per occurrence with no aggregate annual limit. Per State statute, if future general liability or fleet

catastrophic losses exhaust fund equity, coverage would revert to the State Contingency Fund.

At June 30, 1999, incurred but not reported claims liability for general, civil and auto insurance is based upon the actuary's estimate for the Insurance Premiums Fund. The incurred but not reported claims liability for property casualty insurance is based upon experience trends.

### C. Workers' Compensation

Employers Insurance has established a liability for both reported and unreported insured events. This liability includes estimates of future payments of claims and related claim adjustment expenses, and is based on the estimated ultimate cost of settling claims. In estimating its liability for incurred but unpaid claims and claims adjustment expenses, Employers Insurance considers prior experience, industry information, currently recognized trends affecting data specific to the Employers Insurance Company of Nevada and other factors relating to worker's compensation insurance underwritten by the Employers Insurance Company of Nevada. Because actual claim costs depend upon such factors as duration of worker disability, medical cost trends, occupational disease and inflation, the process used in computing the ultimate cost of settling claims and expense for administering claims is necessarily based on estimates. The following represents changes in the aggregate liabilities for incurred but unpaid claims (IBUC) and claims adjustment expense, net of reinsurance recoverable, for the Employers Insurance Company of Nevada during the past two fiscal years (expressed in thousands):

	1999	1998
Liability for IBUC and claims adjustment expense, net of reinsurance recoverables, beginning of year	\$ 2,391,263	\$ 2,300,000
<b>Incurred claims related to:</b>		
Insured events of the current year	354,000	355,000
Insured event of prior years	(95,263)	(42,737)
Total incurred claims, net of reinsurance	<u>258,737</u>	<u>312,263</u>
<b>Claims payments related to:</b>		
Insured events of the current year	47,000	43,000
Insured events of prior years	171,000	178,000
Total payments, net of reinsurance	<u>218,000</u>	<u>221,000</u>
Cession of liability for IBUC and claims adjustment expenses at June 30, 1999	<u>(1,525,000)</u>	<u>-0-</u>
Liability for IBUC and claims adjustment expense, net of reinsurance recoverables, end of year	<u>\$ 907,000</u>	<u>\$ 2,391,263</u>

Underwriting loss for the year ended June 30, 1999 totaled \$15,121,000, and underwriting income for the year ended June 30, 1998 totaled \$36,048,000.

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

### NOTE 11 - FUND EQUITY

Fund balances, reserved for other and unreserved, designated fund balances at June 30, 1999, are explained as follows (expressed in thousands):

	Governmental Fund Types				Fiduciary Fund Types	Total Primary Government	Component	Total Reporting Entity
	General	Special Revenue	Debt Service	Capital Projects			Unit University System	
<i>Fund balances, reserved for other:</i>								
Reserved for prepaid items	\$ 24,858	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 24,858	\$ -0-	\$ 24,858
Reserved for noncurrent receivables - accounts, notes	728	7,831	-0-	-0-	25	8,584	2,894	11,478
Reserved for noncurrent receivables - intergovernmental	178	-0-	-0-	-0-	-0-	178	-0-	178
Reserved for fiscal emergency	-0-	128,867	-0-	-0-	-0-	128,867	-0-	128,867
Reserved for debt service	-0-	1,200,492	31,565	-0-	-0-	1,232,057	2,667	1,234,724
Reserved for employees' pension benefits	-0-	-0-	-0-	-0-	12,235,636	12,235,636	-0-	12,235,636
Reserved for the principal portion of non- expendable trust funds	-0-	-0-	-0-	-0-	70,236	70,236	-0-	70,236
Reserved for endowment	-0-	-0-	-0-	-0-	90	90	250,837	250,927
Reserved for specific future allocations	-0-	2,515	-0-	-0-	-0-	2,515	-0-	2,515
Reserved for pool participants	-0-	-0-	-0-	-0-	377,877	377,877	-0-	377,877
Reserved for University System unexpended plant	-0-	-0-	-0-	-0-	-0-	-0-	190,698	190,698
Reserved for University System current operating restricted fund	-0-	-0-	-0-	-0-	-0-	-0-	21,142	21,142
Reserved for appropriations subject to reversion and for refundable federal grants	-0-	-0-	-0-	-0-	-0-	-0-	7,689	7,689
Miscellaneous	-0-	29,587	-0-	-0-	10	29,597	-0-	29,597
<b>Total fund balances, reserved for other</b>	<b>\$ 25,764</b>	<b>\$ 1,369,292</b>	<b>\$ 31,565</b>	<b>\$ -0-</b>	<b>\$ 12,683,874</b>	<b>\$ 14,110,495</b>	<b>\$ 475,927</b>	<b>\$ 14,586,422</b>
<i>Unreserved, designated fund balances:</i>								
Designated for approved capital projects	\$ -0-	\$ -0-	\$ -0-	\$ 28,226	\$ -0-	\$ 28,226	\$ -0-	\$ 28,226
Designated to preserve a portion of principal per NRS 504.450	-0-	-0-	-0-	-0-	900	900	-0-	900
Designated by Board of Museums and History	-0-	-0-	-0-	-0-	170	170	-0-	170
<b>Total unreserved, designated fund balances</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 28,226</b>	<b>\$ 1,070</b>	<b>\$ 29,296</b>	<b>\$ -0-</b>	<b>\$ 29,296</b>

Retained earnings is explained as follows (expressed in thousands):

	Proprietary Fund Types		
	Enterprise	Internal Service	Total
<i>Retained earnings, reserved:</i>			
Reserved for operation and maintenance	\$ 617	\$ -0-	\$ 617
Reserved as security for outstanding obligations	111,302	-0-	111,302
<b>Total retained earnings, reserved</b>	<b>\$ 111,919</b>	<b>\$ -0-</b>	<b>\$ 111,919</b>

### NOTE 12 - PRINCIPAL TAX REVENUES

The principal taxing authorities for the State of Nevada are the Nevada Tax Commission and the Nevada Gaming Commission.

The Nevada Tax Commission was created under NRS 360.010 and is the taxing and collecting authority for taxes. The following are the primary tax revenues:

**Sales and Use Taxes** are imposed at a minimum rate of 6.5%, with local county option up to an additional 1.5%, on all taxable sales and taxable items of use. The State receives tax revenue of 2% of total sales with the

balance distributed to local governmental entities and school districts.

**Motor Vehicle Fuel Tax** is levied at 23 cents per gallon on gasoline and gasohol sales. 17.65 cents of the tax goes to the State Highway Fund, the remainder to the counties.

**Insurance Premium Tax** is imposed at 3.5% on insurance premiums written in Nevada. A "Home Office Credit" is given to insurance companies with home or regional offices in Nevada, but not to exceed 80% of the taxes due.



## STATE OF NEVADA

### Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 12 Continued)

Other Sources of tax revenues are: Property Tax, Cigarette Tax, Estate Tax, Net Proceeds of Minerals Tax, Business Tax, Lodging Tax, Tire Tax, and Liquor Tax.

The Nevada Gaming Commission was created under NRS 463.022 and is charged with collecting state gaming taxes and fees. The following sources account for gaming tax revenues:

Percentage Fees are the largest of several State levies on gaming. They are based upon gross revenue and are collected monthly. The fee is applied on a graduated basis at the following monthly rates:

Three percent of the first \$50,000 of gross revenue; four percent of the next \$84,000 of gross revenue; and six and one quarter percent of the gross revenue in excess of \$134,000.

Casino Entertainment Taxes are imposed at 10% of all amounts paid for admission, food, merchandise or refreshment, while the establishment is providing entertainment as specified in NRS 463.401.

Flat Fee Collections are levied on the number of gambling games and slot machines operated. Licensees remit from \$20 to \$157 per quarter per machine and pay a fee at variable rates on the number of games operated as established in NRS 463.373, NRS 463.375 and NRS 463.383.

Other Sources of gaming tax revenues are: Annual State Slot Machine Taxes, Annual License Fees and Miscellaneous Collections, which consists of penalties and fines, manufacturer's, distributor's and slot route operator's fees, advance payments, race wire fees, pari-mutuel wagering tax and other nominal miscellaneous items.

### NOTE 13 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The State has seven enterprise funds, which provide the services described below. Net working capital is not shown for the Housing Division and Employers Insurance Company of Nevada in the table of segment information since their balance sheets cannot be classified.

The Colorado River Commission (CRC) is responsible for managing Nevada's interest in the water and power resources available from the Colorado River. The Power Marketing Fund is required by the bond resolution authorizing the financing of Nevada's share of the cost of uprating the generating facilities at Hoover Dam. It is used to record purchases and sales of power and other power marketing related activities. The Power Delivery Fund is required by the bond resolution authorizing the construction and operation of certain electric power transmission and distribution facilities to serve the planned expansion of the Southern Nevada Water System.

The Nevada Housing Division was created to make available additional funds to assist private enterprise and governmental agencies in providing housing facilities for low and moderate income households. The Division is currently authorized to issue its bonds, notes and other

obligations in an aggregate amount not to exceed \$1,250,000,000. These funds may be used to make loans to and purchase mortgage loans from mortgage lenders, and to make temporary loans and advances in anticipation of insured mortgage loans or to finance permanent mortgage loans for the construction or rehabilitation of multi-unit residential housing.

Employers Insurance Company of Nevada (formerly known as Nevada State Insurance Fund) is a separate self-supporting agency of the State, which provides insurance to employers against liability for workers' compensation claims. Employers Insurance Company of Nevada also operates a rehabilitation center in Las Vegas. Effective January 1, 2000, Employers Insurance Company of Nevada will become a private domestic mutual insurance company owned by its policyholders.

Other funds include: Forestry Nurseries propagates, maintains and distributes plants for conservation purposes. Prison Industry produces various products while employing and training inmates. Nevada Magazine publishes the State magazine to promote tourism. Marlette Lake Water System operates a water distribution system.

# STATE OF NEVADA

## Notes to Financial Statements For the Fiscal Year Ended June 30, 1999

(Note 13 Continued)

Segment information for the fiscal year ended June 30, 1999, is as follows (expressed in thousands):

	Colorado River Commission	Housing Division	Employers Insurance Company of Nevada	Other	Total
Operating revenues	\$ 27,700	\$ 73,681	\$ 360,933	\$ 6,320	\$ 468,634
Depreciation expense	-0-	67	4,139	174	4,380
Operating income (loss)	(445)	5,981	(8,873)	(7)	(3,344)
Operating grants	-0-	-0-	-0-	19	19
Operating interfund transfers in	-0-	-0-	-0-	-0-	-0-
Operating interfund transfers out	-0-	(74)	(312)	(19)	(405)
Net income	102	5,907	131,320	77	137,406
<b>Property, plant, equipment and construction in progress:</b>					
Additions and adjustments	7,503	-0-	7,182	72	14,757
Deletions and adjustments	-0-	254	1,416	-0-	1,670
Net working capital	6,841	n/a	n/a	2,987	9,828
Total assets	118,850	1,161,985	1,551,601	6,547	2,838,983
<b>Bonds and other long-term liabilities:</b>					
Payable from operating revenues	109,556	1,015,299	755,422	379	1,880,656
Payable from other sources	5,974	-0-	49,439	10	55,423
Total equity (deficit)	1,113	114,305	(471,232)	4,838	(350,976)

## NOTE 14 - COMMITMENTS AND CONTINGENCIES

**A.** Through the 1993 fiscal year, State Industrial Insurance System, now known as Employers Insurance Company of Nevada, experienced several years of continuing severe operating losses and cash flow deficiencies that resulted in an accumulated deficit of over \$2 billion at June 30, 1993. In reaction, the Governor, the State Legislature and Employers Insurance Company of Nevada's management undertook a sweeping plan of legislation and management reforms to address the issues affecting operational profitability. Beginning with the 1994 fiscal year, Employers Insurance Company of Nevada began a record of profitability and positive cash flows. These changes resulted in improvements that reduced the accumulated deficit to \$471,232,000 at June 30, 1999.

Management believes that the combination of changes initiated to the operational and claims management processes as well as the impact of recent legislative changes will enable Employers Insurance Company of Nevada to generate net income and positive cash flow, as well as decrease overall claims liabilities.

Employers Insurance Company of Nevada is involved in litigation arising out of matters incident to the conduct of its insurance operations. In the opinion of management, resolution of this litigation will not have a material adverse effect on Employers Insurance's financial position.

Effective January 1, 2000, Employers Insurance Company of Nevada became a private domestic mutual insurance company, owned by its policyholders.

**B.** In 1977 and 1989 the State issued \$13,730,000 and \$14,755,000, respectively, in General Obligation Sewer Improvement Bonds for and on behalf of Clark County. To date, the bonds have been completely serviced by Clark County; however, the State remains contingently liable on the bonds through maturity on July 1, 2004. The amount of bonds outstanding at June 30, 1999, is \$12,295,000.

**C.** The State Attorney General's Office reported that the State or its officers and employees were parties to numerous lawsuits, in addition to those described below. In view of the financial condition of the State, the State Attorney General is of the opinion that the State's financial condition will not be materially affected by this litigation, based on information known at this time.

Several of the actions pending against the State are based upon the State's (or its agents') alleged negligence in which the State must be named as a party defendant. However, there is a statutory limit to the State's liability of \$50,000 per claim. Such limitation does not apply to federal actions such as civil rights actions under 42 U.S.C. Section 1983 brought under federal law or to actions in other states. Tort claims are handled in accordance with NRS 41.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 14 Continued)

The State is a party to several lawsuits that have been filed under the federal civil rights statutes. In the district of Nevada, none of the United States district judges have ruled that the State is directly liable for damages awarded under federal civil rights statutes. However, the State is statutorily required to indemnify its officers and employees held liable in damages for acts or omissions on the part of its officers and employees occurring in the course of their public employment. Several claims may thus be filed against the State based on alleged civil rights violations by its officers and employees. Since the statutory limit of liability (discussed above) does not apply in federal civil rights cases, the potential liability of the State is not ascertainable at the present time.

**D.** PERS has entered into investment funding commitments as of June 30, 1999. For alternative investments, PERS has committed to fund \$68,477,933 at some future date.

PERS is a defendant in litigation involving individual benefit payments and participant eligibility issues arising from its normal activities. Based upon consultation with legal counsel, management believes there will be no material adverse effect on the general financial statements as a result of the ultimate outcome of these matters.

**E.** The State is obligated by leases accounted for as operating leases. Operating leases do not give rise to property rights as capital leases do. Therefore, the results of the lease agreements are not reflected in the account groups. Lease expense for the year ended June 30, 1999 amounted to \$19,812,568. Following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 1999, (expressed in thousands):

<u>For the Year</u> <u>Ending June 30</u>	<u>Amount</u>
2000	\$ 16,696
2001	14,415
2002	11,747
2003	7,997
2004	7,051
Thereafter	<u>19,401</u>
<b>Total</b>	<u><u>\$ 77,307</u></u>

**F.** The University System (a component unit) is a defendant or co-defendant in legal actions in several jurisdictions. Based on present knowledge and advice of legal counsel, management believes any ultimate liability in these matters, in excess of insurance coverage, will not materially effect the financial position of the University System.

**G.** LRS is a defendant in litigation involving benefit payments, whereby, retirees are claiming a vested right in increased benefits that enacted after they retired. This case is currently on appeal in the Nevada Supreme Court. In the event the claim is settled against LRS, the estimated future initial payment by the system would be approximately \$250,000.

**H.** The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a), is required to be rebated to the U.S. Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. The present value of the rebatable arbitrage has been recorded in the General Long-Term Obligations Account Group at June 30, 1999. Future calculations might result in different rebatable arbitrage amounts.

# STATE OF NEVADA

## Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

### NOTE 15 - SUBSEQUENT EVENTS

General Obligation Bonds - The following bonds were sold after June 30, 1999:

\$93,460,000 Series September 1, 1999, A, B, C, D and E General Obligation (Limited Tax) Bonds. Series 1999 A are \$74,000,000 Capital Improvement and Cultural Affairs Bonds due in annual installments of \$20,000 to \$5,025,000 through February 1, 2019, plus semi-annual interest payments, at rates of 4.5% to 5.5%. Series 1999 B are \$5,430,000 Safe Drinking Water Act Revolving Fund Matching Bonds due in annual installments of \$195,000 to \$455,000 through August 1, 2019, plus semi-annual interest payments, at rates of 5.1% to 5.75%. Series 1999 C are \$1,320,000 Water Pollution Control Revolving Fund Matching Bonds due in annual installments of \$100,000 to \$135,000 through August 1, 2012, plus semi-annual interest payments, at rates of 5.0% to 5.3%. Series 1999 D are \$5,000,000 Natural Resources Bonds due in annual installments of \$155,000 to \$390,000 through February 1, 2020, plus semi-annual interest payments, at rates of 5.3% to 5.75%. Series 1999 E are \$7,710,000 Natural Resources Bonds due in annual installments of \$235,000 to \$605,000 through February 1, 2020, plus semi-annual interest payments, at rates of 5.3% to 5.75%. Interest payments on all the bonds are payable February 1 and August 1 and payments commence February 1, 2000.

Series 1999 A and D and E bonds are redeemable on or after February 1, 2009 at 101% if redeemed on or before January 31, 2010 and at 100% thereafter, plus any accrued interest. Series 1999 B and C bonds are redeemable on or after August 1, 2009 at 101% if redeemed on or before July 31, 2010, and at 100% thereafter, plus any accrued interest. The Series A bonds are subject to the Constitutional Debt Limit.

Leases – the following leases were entered into after June 30, 1999:

A twenty year operating lease was entered into with Clark County for 20,000 square feet of space. The space is for the use of the Supreme Court and the lease will commence upon the earlier of either occupancy of

the space or September 1, 2002. Payments are \$36,976 per month. The lease is exempt from the Constitutional Debt Limit.

Information Services, an internal service fund, entered into three capital leases with Koch Financial Corporation for the purchase of computer equipment. Two of the leases commence November 1999. The first has twenty-four monthly payments of \$11,295 for a total commitment of \$257,468. The second has twenty-one monthly payments of \$83,132 for a total commitment of \$1,668,558. The third lease commences August 1999 with forty-eight monthly payments of \$13,784 for a total commitment of \$597,465.

Housing Division – In August 1999, the Housing Division issued 1999 C Single Family Housing Revenue Bonds in the amount of \$40,000,000. In October 1999, the Housing Division issued \$35,000,000, 1999 D Single Family Housing Bonds. The last maturity dates are April 1, 2031, for the 1999 C Series and April 1, 2013, for the 1999 D Series.

The Division also issued in August 1999, 1999 Series A and B Multi-Unit Housing Revenue Bonds for the Diamond Creek Apartments Project in the amount of \$19,495,000. The last maturity of the Diamond Creek bonds is April 1, 2032. In October 1999, the Housing Division issued 1999 Series A and B Multi-Unit Housing Revenue Bonds for the Shepherd Hills Apartments Project in the amount of \$9,415,000. The last maturity date of the Shepherd Hills bonds is October 1, 2032. In November 1999, the Housing Division issued 1999 Series A and B Multi-Unit Housing Revenue Bonds for the Palo Verde Apartments Project in the amount of \$7,000,000, 1999 Series A and B Multi-Unit Housing Revenue Bonds for the Apache Pines Apartments Project in the amount of \$13,900,000, 1999 Series A and B Multi-Unit Housing Revenue Bonds for the Parkway at Silverado Ranch Apartments Project in the amount of \$14,950,000, and Series A and B Multi-Unit Housing Revenue Bonds for the Bonanza Gardens Apartments Project in the amount of \$6,100,000. The last maturity date of the bonds is as follows:

Palo Verde Apartments Project	April 1, 2031
Apache Pines Apartments Project	October 15, 2032
Parkway at Silverado Ranch Apartments Project	October 15, 2032
Bonanza Gardens Apartments Project	April 1, 2030

## STATE OF NEVADA

### Notes to Financial Statements

For the Fiscal Year Ended June 30, 1999

(Note 15 Continued)

Colorado River Commission – On September 15, 1999, the Colorado River Commission sold \$25,730,000 General Obligation, (Limited Tax) (Revenue Supported) Power Delivery Project Bonds, Series 1999A. The bonds consist of serial bonds of \$12,025,000 payable through September 15, 2019, in annual installments of \$100,000 to \$1,080,000 plus semi-annual interest payments with rates of 4.5% to 6.5%. Two sets of term bonds carrying an interest rate of 5.625% were also sold. One set is in the amount of \$6,360,000, due September 15, 2024, and one set is in the amount of \$7,345,000, due September 15, 2029. The bonds, or portions thereof, maturing after September 15, 2010, are redeemable on and after September 15, 2009. Bonds redeemed between September 15, 2009, and September 14, 2010, are redeemed at 101% plus accrued interest, thereafter at 100% plus accrued interest.

Employers Insurance Company of Nevada - Effective January 1, 2000, the Employers Insurance Company of Nevada became a private mutual insurance company. This was the result of Senate Bill 37 approved during the 1999 legislative session and signed into law by the Governor. Employers Insurance Company of Nevada is included in this report as an enterprise fund.

Self-Insurance Fund - Effective July 1, 1999, the Self-Insurance Fund will be overseen by an interim benefits committee of the legislature to review the operation of the program and to make recommendations to the board, the legislative commission and the legislature. The interim benefits committee will consist of six appointed members, three members of the senate and three members of the assembly. Also effective July 1, 1999, the board of public employees' benefits program was created to administer the Self-Insurance Fund. The board consists of seven members, six members appointed by the governor, and the director of the department of administration or his designee.

### NOTE 16 – PRIOR PERIOD ADJUSTMENT

Fund deficit as of July 1, 1998 in the Self Insurance Fund, an internal service fund, has been adjusted to correct an error for voided checks in fiscal year 1999 which were voided by the third party administrator in fiscal year 1998. The adjustment of \$3,074,158 reduced

the fund deficit. Had the error not been made, net income for fiscal year 1998 would have been increased by \$3,074,158.

# Required Supplementary Information

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# STATE OF NEVADA

## Required Supplementary Information

For the Fiscal Year Ended June 30, 1999

(Unaudited)

### YEAR 2000 DISCLOSURES

The State has addressed Year 2000 issues relating to its computer systems and other electronic equipment. Computer programmers and other designers of equipment that use microprocessors have consistently abbreviated dates by eliminating the first two digits of the year under the assumption that these two digits would always be 19. As the year 2000 approaches, such systems will be unable to accurately process certain date-based information. This phenomenon and the business and operational problems that it poses for businesses and governments are collectively referred to as the Year 2000 issue.

The State Department of Information Technology (DoIT) has identified 73 mission critical systems. These systems affect public safety, financial, gaming and personnel aspects of the State's operations. The State has subjected those systems and equipment to the following stages of work to address Year 2000 issues:

- Awareness stage – Establishing a budget and project plan for dealing with the year 2000 issue.
- Assessment stage – Identifying the systems and components for which year 2000 compliance work is needed.

- Remediation stage – Making changes to systems and equipment, purchasing new equipment.
- Validation/testing stage – Validating and testing the changes made and the new equipment purchased during the remediation stage.

The State and its discretely presented component unit completed all stages of work described above prior to January 1, 2000 and successfully transitioned through to January 1, 2000 with no significant reported problems.

Due to the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. There is no assurance that the State or its discretely presented component unit will be Year 2000 ready, that remediation efforts will be successful in whole or in part, or that parties with whom the State does business will be Year 2000 ready.

At June 30, 1999, resources committed by the State to address the resolution of remaining Year 2000 issues for computer systems and other electronic equipment are not significant.

# Combining, Individual Fund and Account Group Statements and Schedules

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*The General Fund is maintained to account for financial resources traditionally associated with government that are not accounted for in another fund.*

# STATE OF NEVADA

## Comparative Balance Sheet General Fund

June 30, 1999 with Comparative Totals for 1998

**Exhibit A-1**

	June 30, 1999	June 30, 1998	Increase (Decrease)
<b>Assets</b>			
<i>Cash and pooled investments:</i>			
Cash with treasurer	\$ 234,224,361	\$ 274,622,499	\$ (40,398,138)
Cash in custody of other officials	2,186,880	1,832,004	354,876
Collateral on loaned securities	179,975,022	198,602,525	(18,627,503)
Food stamp coupons	21,312,732	14,020,300	7,292,432
<i>Receivables:</i>			
Accounts receivable	4,809,906	12,588,981	(7,779,075)
Taxes receivable	331,266,298	289,943,833	41,322,465
Accrued interest and dividends	8,928,491	12,365,387	(3,436,896)
Intergovernmental receivables	100,993,499	76,388,367	24,605,132
Notes receivable	728,336	860,108	(131,772)
Due from other funds	44,530,390	26,882,183	17,648,207
Due from component unit	331,800	73,799	258,001
Interfund receivables	5,160,281	2,352,248	2,808,033
Advances to other funds	5,799,469	3,790,812	2,008,657
<i>Other assets:</i>			
Prepaid items	24,858,846	21,837,019	3,021,827
<b>Total assets</b>	<b>\$ 965,106,311</b>	<b>\$ 936,160,065</b>	<b>\$ 28,946,246</b>
<b>Liabilities and Fund Balances</b>			
<i>Liabilities:</i>			
<i>Accounts payable and accruals:</i>			
Accounts payable	\$ 105,541,531	\$ 105,261,846	\$ 279,685
Accrued payroll and related liabilities	16,403,955	12,268,569	4,135,386
Intergovernmental payables	30,083,550	29,074,683	1,008,867
Contracts payable	1,012,595	1,681,445	(668,850)
Obligations under securities lending	179,975,022	198,602,525	(18,627,503)
Due to other funds	288,519,731	226,443,890	62,075,841
Due to component unit	8,862,488	6,336,162	2,526,326
Deferred revenues	115,323,869	115,847,546	(523,677)
Other liabilities	13,389,676	8,005,739	5,383,937
<b>Total liabilities</b>	<b>759,112,417</b>	<b>703,522,405</b>	<b>55,590,012</b>
<i>Fund balances:</i>			
<i>Reserved:</i>			
Encumbrances and contracts	2,756,644	4,115,070	(1,358,426)
Advances	5,799,469	3,790,812	2,008,657
Balances forward	240,184,671	291,366,191	(51,181,520)
<i>Other:</i>			
Prepaid items	24,858,846	21,837,019	3,021,827
Other	905,666	1,037,558	(131,892)
<i>Unreserved:</i>			
Undesignated deficit	(68,511,402)	(89,508,990)	20,997,588
<b>Total fund balances</b>	<b>205,993,894</b>	<b>232,637,660</b>	<b>(26,643,766)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 965,106,311</b>	<b>\$ 936,160,065</b>	<b>\$ 28,946,246</b>

# STATE OF NEVADA

## Comparative Statement of Revenues, Expenditures and Changes in Fund Balances General Fund

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

**Exhibit A-2**

	June 30, 1999	June 30, 1998	Increase (Decrease)
<b>Revenues</b>			
Gaming taxes, fees, licenses	\$ 614,147,482	\$ 565,331,257	\$ 48,816,225
Sales taxes	645,559,922	581,990,878	63,569,044
Intergovernmental	793,704,186	747,759,006	45,945,180
Other taxes	285,236,358	271,769,684	13,466,674
Licenses, fees and permits	91,348,489	83,399,740	7,948,749
Sales and charges for services	30,983,102	28,976,735	2,006,367
Interest and investment income	44,817,572	48,873,478	(4,055,906)
Other	26,604,091	28,274,102	(1,670,011)
<b>Total revenues</b>	<b>2,532,401,202</b>	<b>2,356,374,880</b>	<b>176,026,322</b>
<b>Expenditures</b>			
<i>Current:</i>			
General government	68,294,552	67,844,941	449,611
Health and social services	1,014,112,972	954,923,311	59,189,661
Education and support services	40,075,190	28,530,415	11,544,775
Law, justice and public safety	228,649,766	242,123,329	(13,473,563)
Regulation of business	47,434,308	39,057,710	8,376,598
Recreation and resource development	69,570,937	74,027,603	(4,456,666)
<i>Intergovernmental:</i>			
Education	685,825,028	630,976,592	54,848,436
Other	58,363,098	57,055,709	1,307,389
<i>Debt service:</i>			
Principal	1,739,387	1,606,301	133,086
Interest	1,486,745	1,154,164	332,581
Arbitrage payments	46,552	-0-	46,552
<b>Total expenditures</b>	<b>2,215,598,535</b>	<b>2,097,300,075</b>	<b>118,298,460</b>
Excess of revenues over expenditures	316,802,667	259,074,805	57,727,862
<b>Other Financing Sources (Uses)</b>			
Proceeds from capital leases	60,011	29,330,410	(29,270,399)
Proceeds from sale of bonds	2,000,000	-0-	2,000,000
Proceeds from sale of fixed assets	72,472	512,566	(440,094)
Operating transfers in	64,048,069	46,979,648	17,068,421
Transfer from component unit	360,308	266,259	94,049
Operating transfers out	(116,516,011)	(71,885,786)	(44,630,225)
Transfer to component unit	(292,323,602)	(297,811,416)	5,487,814
<b>Total other financing sources (uses)</b>	<b>(342,298,753)</b>	<b>(292,608,319)</b>	<b>(49,690,434)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(25,496,086)	(33,533,514)	8,037,428
Fund balances, July 1	232,637,660	267,070,102	(34,432,442)
Residual equity transfer	(1,147,680)	(898,928)	(248,752)
<b>Fund balances, June 30</b>	<b>\$ 205,993,894</b>	<b>\$ 232,637,660</b>	<b>\$ (26,643,766)</b>

# Special Revenue Funds

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*Special Revenue Funds account for the receipt and use of specific revenues that are legally restricted for particular purposes.*

## SPECIAL REVENUE FUNDS

**State Highway** Accounts for the maintenance, regulation, and construction of public highways and is funded through vehicle fuel taxes, federal funds, and other charges (NRS 408.235).

**Class-Size Reduction** Accounts for funding of school improvement programs. All such programs must be approved by the Legislature or Interim Finance Committee. (NRS 388.730).

**Employment Security** Accounts for the administration of employment training programs (NRS 612.607), unemployment compensation claims (NRS 612.605), and employment security laws (NRS 612.615).

**Regulatory** Accounts for receipts and expenditures related to investigations of gaming license applicants (NRS 463.331) and cash transactions of gaming licensees (NRS 463.332), enforcement of regulations on manufactured housing (NRS 489.491), enforcement of regulations pursuant to dairy products (NRS 584.460), legal judgments against real estate licensees (NRS 645.842), examining financial records and assets of authorized insurers (NRS 679B.300), regulation of transportation services (NRS 706.1516), regulation of public utilities (NRS 703.147), and regulation of taxicabs (NRS 706.8825).

**Legislative** Accounts for the necessary expenditures of the Legislature and Legislative Counsel Bureau (NRS 218.085).

**Municipal Bond Bank** Accounts for revenues and expenditures associated with buying local government bonds with proceeds of State general obligation bonds (NRS 349.952), with financing the construction of local government water treatment projects (NRS 350A.190), with operating a revolving fund to finance local government pollution control projects (NRS 445A.120), and with operating revolving and set-aside program funds to finance local public water systems' safe drinking water act projects (NRS 445A.255).

**Workers' Compensation and Safety** Records assessments on insurers for compensation of injured workers and administration of regulations for employee safety (NRS 616A.425), assesses self-insurers to pay claims against insolvent self-insured employers (NRS 616B.309), accounts for compensation benefits to

physically impaired employees from a subsequent injury in the course of employment (NRS 616B.554), and accounts for injury claims of employees of uninsured employers (NRS 616A.430).

**Higher Education Capital Construction** Accounts for the first \$5,000,000 and 20% of the remaining annual slot machine tax, which is designated for capital construction and payment of principal and interest of construction bonds for higher education (NRS 463.385).

**Cleaning Up Petroleum Discharges** Accounts for fees collected and claims paid related to the use, storage or discharge of petroleum (NRS 590.830).

**Hospital Care to Indigent Persons** Accounts for taxes levied to provide care to indigent persons hospitalized from motor vehicle accidents, and for taxes received and payments to counties for supplemental medical assistance to indigent persons (NRS 428.175).

**Tourism Promotion** Accounts for room taxes and other monies designated for the support of the Commission on Tourism (NRS 231.250).

**Offenders' Store** Accounts for operations of the general merchandise stores and snack bars used by offenders. Earnings, except interest, must be expended for the welfare and benefit of all offenders (NRS 209.221).

**Colorado River Commission** Accounts for all general administrative activity, costs of engineering studies, analysis, negotiation, and other efforts necessary in the development of sources of water or power from the Colorado River (NRS 538.191), and records the development and sale of State lands in the Fort Mojave Valley (NRS 321.520).

**Contingency** Accounts for funds appropriated by the Legislature for contingencies. Funds can be allocated to State agencies and officers by the Interim Finance Committee upon recommendation of the Board of Examiners (NRS 353.266).

**Care of Sites for Radioactive Waste Disposal** Accounts for receipts for the care of sites for the disposal of radioactive waste (NRS 459.231).

**Stabilize the Operations of State Government**

Accounts for funds appropriated by the Legislature to be expended only if actual revenues for the biennium fall short by 5% or more from anticipated revenues or the Legislature and Governor declare that a fiscal emergency exists (NRS 353.288).

**Miscellaneous** Accounts for receipts and expenditures related to compensation of victims of crime (NRS 217.260); fees related to private investigators and recoveries for unfair trade practices (NRS 228.096); prosecution of racketeering (NRS 207.415); the office of advocate for customers of public utilities (NRS 228.310); administration of capital improvement projects (NRS 341.146); and substance abuse education, prevention, enforcement and treatment (NRS 458.400). It also accounts for appropriations and interest income for support of museums and history (NRS 381.0064);

loans for farm projects (NRS 561.405); fees collected from owners of mobile home parks to provide mobile home lot rent assistance to low-income mobile home owners (NRS 118B.215). Miscellaneous also accounts for loans and stipends to students in professional and graduate programs where such education is not available from an institution within the State (NRS 397.063). Furthermore, it accounts for appropriations, donations and interest income to support the National Judicial College and the National College of Juvenile and Family Law (NRS 1.470 and 1.480); appropriations for disaster relief grants and loans to state agencies and local governments (NRS 353.2735); receipts and expenditures related to assisting counties with the institutional care of the medically indigent (NRS 428.470); and the portion of the net proceeds of minerals tax held for special use (NRS 362.173, repealed by Chapter 211, Statutes of Nevada 1999, at page 968).

# STATE OF NEVADA

## Combining Balance Sheet Special Revenue Funds

*June 30, 1999 with Comparative Totals for 1998*

	State Highway	Class-Size Reduction	Employment Security	Regulatory	Legislative
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 260,556,558	\$ -0-	\$ 11,136,277	\$ 11,751,609	\$ 3,189,055
Cash in custody of other officials	67,218	-0-	150	168,635	140,601
Investments	-0-	-0-	-0-	-0-	-0-
Collateral on loaned securities	82,499,027	-0-	3,096,059	405,335	-0-
<i>Receivables:</i>					
Accounts receivable	7,258,809	-0-	13,045	510,711	21,879
Taxes receivable	26,188,994	-0-	-0-	87,591	-0-
Intergovernmental receivables	15,027,609	2,746	202,301	2,547	-0-
Notes receivable	-0-	-0-	-0-	-0-	-0-
Other receivables	477,796	-0-	-0-	-0-	-0-
Due from other funds	24,400,931	9,427,825	196,309	69,045	3,233,598
Due from component unit	-0-	-0-	1,974	-0-	-0-
Interfund receivables	2,212	-0-	-0-	-0-	-0-
Inventory	8,260,196	-0-	-0-	-0-	559,230
Advances to other funds	22,131	-0-	-0-	-0-	-0-
Other assets	-0-	-0-	-0-	-0-	-0-
Restricted assets (non-cash)	47,749,194	-0-	-0-	-0-	-0-
Prepaid items	-0-	-0-	-0-	3,042	42,787
<b>Total assets</b>	<b>\$ 472,510,675</b>	<b>\$ 9,430,571</b>	<b>\$ 14,646,115</b>	<b>\$ 12,998,515</b>	<b>\$ 7,187,150</b>
<b>Liabilities and Fund Balances</b>					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 14,319,534	\$ -0-	\$ 911,200	\$ 635,706	\$ 256,694
Accrued payroll and related liabilities	6,728,518	-0-	745,734	372,166	549,652
Intergovernmental payables	22,632,078	979,102	17,299	1,475	-0-
Contracts/retentions payable	23,816,299	-0-	-0-	-0-	11,400
Obligations under securities lending	82,499,027	-0-	3,096,059	405,335	-0-
Due to other funds	24,450,623	-0-	1,577,575	1,026,877	524,575
Due to component unit	61,187	-0-	103,195	-0-	-0-
Interfund payables	-0-	4,502,354	-0-	-0-	-0-
Deferred revenues	4,181,632	-0-	-0-	4,382,558	300
<i>Other liabilities:</i>					
Payable from restricted assets	47,749,194	-0-	-0-	-0-	-0-
Deposits	-0-	-0-	-0-	-0-	-0-
<b>Total liabilities</b>	<b>226,438,092</b>	<b>5,481,456</b>	<b>6,451,062</b>	<b>6,824,117</b>	<b>1,342,621</b>
<i>Fund balances:</i>					
<i>Reserved:</i>					
Encumbrances and contracts	211,385,159	-0-	-0-	29,805	199,984
Inventory	8,260,196	-0-	-0-	-0-	559,230
Advances	22,131	-0-	-0-	-0-	-0-
Balances forward	39,172,817	-0-	-0-	-0-	3,196,578
<i>Other:</i>					
Fiscal emergency	-0-	-0-	-0-	-0-	-0-
Investments in municipal securities	-0-	-0-	-0-	-0-	-0-
Revolving loans	-0-	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-	-0-
<i>Unreserved:</i>					
Undesignated	(12,767,720)	3,949,115	8,195,053	6,144,593	1,888,737
<b>Total fund balances</b>	<b>246,072,583</b>	<b>3,949,115</b>	<b>8,195,053</b>	<b>6,174,398</b>	<b>5,844,529</b>
<b>Total liabilities and fund balances</b>	<b>\$ 472,510,675</b>	<b>\$ 9,430,571</b>	<b>\$ 14,646,115</b>	<b>\$ 12,998,515</b>	<b>\$ 7,187,150</b>



Municipal Bond Bank	Workers' Compensation and Safety	Higher Education Capital Construction	Cleaning up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Colorado River Commission
\$ 31,890,806	\$ 20,098,607	\$ 13,665,257	\$ 7,071,321	\$ 3,620,827	\$ 4,121,102	\$ 1,598,529	\$ 2,721,316
-0-	300	-0-	-0-	-0-	-0-	-0-	250
1,200,491,530	-0-	-0-	-0-	-0-	-0-	-0-	-0-
10,010,252	6,302,968	-0-	2,174,435	1,119,552	-0-	501,731	854,169
-0-	19,129	-0-	13,064	-0-	19	215,458	119,766
-0-	22,924	-0-	1,077,064	143,660	-0-	-0-	-0-
5,064,996	359,033	-0-	-0-	182,462	56,528	-0-	28,022
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
721,750	423,500	1,307,787	68,897	1,862,968	5,131	218,151	206,277
-0-	-0-	877,375	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	227,092	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	193,280	-0-	-0-	-0-	-0-	17,294	-0-
<u>\$ 1,248,179,334</u>	<u>\$ 27,419,741</u>	<u>\$ 15,850,419</u>	<u>\$ 10,404,781</u>	<u>\$ 6,929,469</u>	<u>\$ 4,182,780</u>	<u>\$ 2,778,255</u>	<u>\$ 3,929,800</u>
\$ 214,366	\$ 201,596	\$ 7,380	\$ 2,150,253	\$ -0-	\$ 956,310	\$ 102,627	\$ 160,215
5,449	300,488	-0-	-0-	-0-	31,327	88,912	63,901
569,300	4,740	-0-	75,834	-0-	366,800	-0-	1,506
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
10,010,252	6,302,968	-0-	2,174,435	1,119,552	-0-	501,731	854,169
2,763,013	1,845,814	10,223,463	270,158	-0-	47,919	330,358	9,537
112	1,536	450,000	7,294	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	4,455	-0-	285,852
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
13,562,492	8,657,142	10,680,843	4,677,974	1,119,552	1,406,811	1,023,628	1,375,180
-0-	26,210	-0-	-0-	-0-	26,584	4,497	-0-
-0-	-0-	-0-	-0-	-0-	-0-	227,092	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
1,200,491,531	-0-	-0-	-0-	-0-	-0-	-0-	-0-
4,865,520	-0-	-0-	-0-	-0-	-0-	-0-	-0-
29,286,693	-0-	-0-	-0-	-0-	-0-	-0-	-0-
(26,902)	18,736,389	5,169,576	5,726,807	5,809,917	2,749,385	1,523,038	2,554,620
1,234,616,842	18,762,599	5,169,576	5,726,807	5,809,917	2,775,969	1,754,627	2,554,620
<u>\$ 1,248,179,334</u>	<u>\$ 27,419,741</u>	<u>\$ 15,850,419</u>	<u>\$ 10,404,781</u>	<u>\$ 6,929,469</u>	<u>\$ 4,182,780</u>	<u>\$ 2,778,255</u>	<u>\$ 3,929,800</u>

# STATE OF NEVADA

## Combining Balance Sheet Special Revenue Funds

**Exhibit B-1**

June 30, 1999 with Comparative Totals for 1998

Page 2 of 2

	Care of Sites for Radioactive Waste		Stabilize the Operations of State		Total All Funds	
	Contingency	Disposal	Government	Miscellaneous	1999	1998
<b>Assets</b>						
<i>Cash and pooled investments:</i>						
Cash with treasurer	\$ 3,480,889	\$ 9,828,949	\$ 128,866,608	\$ 17,253,505	\$ 530,851,215	\$ 487,599,234
Cash in custody of other officials	-0-	-0-	-0-	-0-	377,154	520,141
Investments	-0-	-0-	-0-	-0-	1,200,491,530	890,515,600
Collateral on loaned securities	-0-	3,085,223	-0-	2,805,692	112,854,443	123,103,131
<i>Receivables:</i>						
Accounts receivable	-0-	18,905	-0-	81,105	8,271,890	2,395,623
Taxes receivable	-0-	-0-	-0-	-0-	27,520,233	25,692,634
Intergovernmental receivables	-0-	-0-	-0-	609,475	21,535,719	24,037,821
Notes receivable	-0-	-0-	-0-	2,966,647	2,966,647	2,603,816
Other receivables	-0-	-0-	-0-	-0-	477,796	-0-
Due from other funds	4,896,086	121,304	-0-	1,347,815	48,507,374	62,211,132
Due from component unit	-0-	-0-	-0-	-0-	879,349	-0-
Interfund receivables	-0-	-0-	-0-	-0-	2,212	4,424
Inventory	-0-	-0-	-0-	-0-	9,046,518	11,580,673
Advances to other funds	-0-	-0-	-0-	-0-	22,131	24,343
Other assets	-0-	-0-	-0-	-0-	-0-	84,483
Restricted assets (non-cash)	-0-	-0-	-0-	-0-	47,749,194	45,884,859
Prepaid items	-0-	-0-	-0-	-0-	256,403	119,186
<b>Total assets</b>	<b>\$ 8,376,975</b>	<b>\$ 13,054,381</b>	<b>\$ 128,866,608</b>	<b>\$ 25,064,239</b>	<b>\$ 2,011,809,808</b>	<b>\$ 1,676,377,100</b>
<b>Liabilities and Fund Balances</b>						
<i>Liabilities:</i>						
<i>Accounts payable and accruals:</i>						
Accounts payable	\$ 1,720	\$ 145	\$ -0-	\$ 1,492,536	\$ 21,410,282	\$ 11,763,470
Accrued payroll and related liabilities	-0-	-0-	-0-	162,734	9,048,881	6,334,287
Intergovernmental payables	-0-	-0-	-0-	1,123,738	25,771,872	22,395,679
Contracts/retentions payable	-0-	-0-	-0-	-0-	23,827,699	11,007,874
Obligations under securities lending	-0-	3,085,223	-0-	2,805,692	112,854,443	123,103,131
Due to other funds	16,564	624	-0-	10,789,469	53,876,569	27,749,948
Due to component unit	-0-	-0-	-0-	-0-	623,324	3,199,084
Interfund payables	-0-	-0-	-0-	5,068	4,507,422	1,899,908
Deferred revenue	-0-	-0-	-0-	104,414	8,959,211	12,458,864
<i>Other liabilities:</i>						
Payable from restricted assets	-0-	-0-	-0-	-0-	47,749,194	45,884,859
Deposits	-0-	-0-	-0-	-0-	-0-	1,444
<b>Total liabilities</b>	<b>18,284</b>	<b>3,085,992</b>	<b>-0-</b>	<b>16,483,651</b>	<b>308,628,897</b>	<b>265,798,548</b>
<i>Fund balances:</i>						
<i>Reserved:</i>						
Encumbrances and contracts	-0-	-0-	-0-	6,852	211,679,091	194,771,237
Inventory	-0-	-0-	-0-	-0-	9,046,518	11,580,673
Advances	-0-	-0-	-0-	-0-	22,131	24,343
Balances forward	-0-	-0-	-0-	-0-	42,369,395	32,896,389
<i>Other:</i>						
Fiscal emergency	-0-	-0-	128,866,608	-0-	128,866,608	128,866,608
Investments in municipal securities	-0-	-0-	-0-	-0-	1,200,491,531	890,515,600
Revolving loans	-0-	-0-	-0-	-0-	4,865,520	7,334,688
Other	300,000	-0-	-0-	5,482,076	35,068,769	42,588,884
<i>Unreserved:</i>						
Undesignated	8,058,691	9,968,389	-0-	3,091,660	70,771,348	102,000,130
<b>Total fund balances</b>	<b>8,358,691</b>	<b>9,968,389</b>	<b>128,866,608</b>	<b>8,580,588</b>	<b>1,703,180,911</b>	<b>1,410,578,552</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,376,975</b>	<b>\$ 13,054,381</b>	<b>\$ 128,866,608</b>	<b>\$ 25,064,239</b>	<b>\$ 2,011,809,808</b>	<b>\$ 1,676,377,100</b>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	State Highway	Class-Size Reduction	Employment Security	Regulatory	Legislative
<b>Revenues</b>					
Gaming taxes, fees, licenses	\$ -0-	\$ -0-	\$ -0-	\$ 5,512,110	\$ -0-
Intergovernmental	173,133,819	-0-	33,517,342	191,493	-0-
Other taxes	206,718,555	11,454,423	7,185,393	7,928,440	-0-
Licenses, fees and permits	117,469,081	-0-	-0-	7,483,013	57,970
Sales and charges for services	12,660,021	-0-	609,442	20,391	265,116
Interest and investment income	18,286,368	1,468,516	648,149	104,445	-0-
Gain on sale of muni securities	-0-	-0-	-0-	-0-	-0-
Other	4,326,814	21,148	945,491	325,610	426,688
<b>Total revenues</b>	<b>532,594,658</b>	<b>12,944,087</b>	<b>42,905,817</b>	<b>21,565,502</b>	<b>749,774</b>
<b>Expenditures</b>					
<i>Current:</i>					
General government	3,730,082	307,298	154,316	24,724	29,964,941
Health and social services	-0-	-0-	35,665,206	-0-	-0-
Education and support services	-0-	-0-	-0-	-0-	-0-
Law, justice and public safety	96,367,715	-0-	-0-	-0-	-0-
Regulation of business	-0-	-0-	-0-	18,335,398	-0-
Transportation	433,117,982	-0-	-0-	-0-	-0-
Recreation, resource development	-0-	-0-	-0-	-0-	-0-
<i>Intergovernmental:</i>					
Education	-0-	81,523,001	-0-	-0-	-0-
Other	1,694,301	-0-	-0-	406	-0-
<i>Debt service:</i>					
Principal	921,138	-0-	-0-	33,034	92,210
Interest	180,285	-0-	-0-	4,613	31,336
Arbitrage payments	-0-	-0-	-0-	-0-	-0-
<b>Total expenditures</b>	<b>536,011,503</b>	<b>81,830,299</b>	<b>35,819,522</b>	<b>18,398,175</b>	<b>30,088,487</b>
Excess (deficiency) of revenues over expenditures	(3,416,845)	(68,886,212)	7,086,295	3,167,327	(29,338,713)
<b>Other Financing Sources (Uses)</b>					
Proceeds from capital leases	-0-	-0-	-0-	23,196	241,505
Proceeds from sale of bonds	-0-	-0-	-0-	-0-	-0-
Proceeds from sale of fixed assets	4,900	-0-	-0-	4,300	34,446
Operating transfers in	1,579,014	72,966,007	-0-	1,492,286	29,780,758
Transfer from component unit	-0-	-0-	-0-	-0-	-0-
Operating transfers out	(14,970,557)	-0-	(7,249,790)	(5,468,482)	-0-
Transfer to component unit	-0-	(130,680)	-0-	-0-	-0-
Proceeds of refunding bonds	-0-	-0-	-0-	-0-	-0-
Payment to refunded bond agent	-0-	-0-	-0-	-0-	-0-
<b>Total other financing sources (uses)</b>	<b>(13,386,643)</b>	<b>72,835,327</b>	<b>(7,249,790)</b>	<b>(3,948,700)</b>	<b>30,056,709</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(16,803,488)	3,949,115	(163,495)	(781,373)	717,996
Fund balances, July 1	262,876,071	-0-	8,358,548	6,955,771	5,126,533
Residual equity transfer	-0-	-0-	-0-	-0-	-0-
<b>Fund balances, June 30</b>	<b>\$ 246,072,583</b>	<b>\$ 3,949,115</b>	<b>\$ 8,195,053</b>	<b>\$ 6,174,398</b>	<b>\$ 5,844,529</b>

Municipal Bond Bank	Workers' Compensation and Safety	Higher Education Capital Construction	Cleaning up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Colorado River Commission
\$ -0-	\$ -0-	\$ 15,604,040	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
6,849,593	1,639,029	-0-	-0-	398,771	-0-	-0-	574,902
-0-	18,524,745	-0-	10,591,409	10,537,273	9,058,267	-0-	-0-
-0-	232,784	-0-	421,200	-0-	124,380	-0-	-0-
-0-	8,761	-0-	-0-	-0-	475	9,061,792	1,193,657
64,554,046	1,391,448	-0-	257,392	428,880	-0-	129,773	163,347
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	1,481,432	-0-	24,605	-0-	-0-	248,986	30,187
71,403,639	23,278,199	15,604,040	11,294,606	11,364,924	9,183,122	9,440,551	1,962,093
549,608	346,607	-0-	67,255	101,592	-0-	30,614	39,945
344,156	-0-	-0-	-0-	5,992,793	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	8,262,678	-0-
500	15,674,239	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
6,000	-0-	-0-	6,668,085	-0-	7,446,282	-0-	1,527,848
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
3,650,535	-0-	-0-	405,464	3,995,311	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
216,646	-0-	-0-	-0-	-0-	-0-	-0-	-0-
4,767,445	16,020,846	-0-	7,140,804	10,089,696	7,446,282	8,293,292	1,567,793
66,636,194	7,257,353	15,604,040	4,153,802	1,275,228	1,736,840	1,147,259	394,300
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
318,272,809	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	9,779	-0-	-0-	-0-	-0-	-0-	-0-
760,289	-0-	-0-	-0-	-0-	18,016	-0-	-0-
-0-	-0-	877,375	-0-	-0-	-0-	-0-	-0-
(74,995,829)	(6,859,861)	(14,187,135)	(461,482)	(1,500)	(1,515,935)	(1,734,525)	(97,631)
-0-	-0-	(5,000,000)	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
244,037,269	(6,850,082)	(18,309,760)	(461,482)	(1,500)	(1,497,919)	(1,734,525)	(97,631)
310,673,463	407,271	(2,705,720)	3,692,320	1,273,728	238,921	(587,266)	296,669
923,943,379	18,355,328	7,875,296	2,034,487	4,536,189	2,537,048	2,341,893	2,257,951
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
\$ 1,234,616,842	\$ 18,762,599	\$ 5,169,576	\$ 5,726,807	\$ 5,809,917	\$ 2,775,969	\$ 1,754,627	\$ 2,554,620

# STATE OF NEVADA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Special Revenue Funds

**Exhibit B-2**

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

*Page 2 of 2*

	Care of Sites for Radioactive Waste Disposal		Stabilize the Operations of State Government		Total All Funds	
	Contingency			Miscellaneous	1999	1998
<b>Revenues</b>						
Gaming taxes, fees, licenses	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 21,116,150	\$ 20,854,847
Intergovernmental	-0-	-0-	-0-	448,085	216,753,034	177,837,688
Other taxes	-0-	-0-	-0-	1,396,376	283,394,881	279,411,124
Licenses, fees and permits	-0-	96,374	-0-	5,041,389	130,926,191	121,253,547
Sales and charges for services	-0-	-0-	-0-	-0-	23,819,655	20,908,563
Interest and investment income	-0-	654,078	-0-	853,969	88,940,411	83,710,572
Gain on sale of muni securities	-0-	-0-	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	2,438,121	10,269,082	11,311,680
<b>Total revenues</b>	<b>-0-</b>	<b>750,452</b>	<b>-0-</b>	<b>10,177,940</b>	<b>775,219,404</b>	<b>715,288,021</b>
<b>Expenditures</b>						
<i>Current:</i>						
General government	26,614	158,521	-0-	6,654,825	42,156,942	31,121,656
Health and social services	-0-	29,554	-0-	-0-	42,031,709	38,970,416
Education and support services	-0-	-0-	-0-	767,146	767,146	752,456
Law, justice and public safety	-0-	-0-	-0-	4,079,431	108,709,824	96,235,181
Regulation of business	-0-	-0-	-0-	439,590	34,449,727	28,610,333
Transportation	-0-	-0-	-0-	-0-	433,117,982	331,301,547
Recreation, resource development	-0-	-0-	-0-	-0-	15,648,215	17,250,320
<i>Intergovernmental:</i>						
Education	-0-	-0-	-0-	-0-	81,523,001	65,566,153
Other	669,895	-0-	-0-	1,419,116	11,835,028	7,073,602
<i>Debt service:</i>						
Principal	-0-	-0-	-0-	-0-	1,046,382	1,025,754
Interest	-0-	-0-	-0-	-0-	216,234	211,147
Arbitrage payments	-0-	-0-	-0-	-0-	216,646	-0-
<b>Total expenditures</b>	<b>696,509</b>	<b>188,075</b>	<b>-0-</b>	<b>13,360,108</b>	<b>771,718,836</b>	<b>618,118,565</b>
Excess (deficiency) of revenues over expenditures	(696,509)	562,377	-0-	(3,182,168)	3,500,568	97,169,456
<b>Other Financing Sources (Uses)</b>						
Proceeds from capital leases	-0-	-0-	-0-	-0-	264,701	1,252,532
Proceeds from sale of bonds	-0-	-0-	-0-	-0-	318,272,809	26,497,906
Proceeds from sale of fixed assets	-0-	-0-	-0-	-0-	53,425	100,470
Operating transfers in	5,909,058	-0-	-0-	2,170,105	114,675,533	65,207,052
Transfer from component unit	-0-	-0-	-0-	-0-	877,375	14,605
Operating transfers out	(1,754,531)	(185,333)	-0-	(7,812,179)	(137,294,770)	(101,610,359)
Transfer to component unit	-0-	-0-	-0-	-0-	(5,130,680)	(5,130,680)
Proceeds of refunding bonds	-0-	-0-	-0-	-0-	-0-	215,857,094
Payment to refunded bond agent	-0-	-0-	-0-	-0-	-0-	(215,857,094)
<b>Total other financing sources (uses)</b>	<b>4,154,527</b>	<b>(185,333)</b>	<b>-0-</b>	<b>(5,642,074)</b>	<b>291,718,393</b>	<b>(13,668,474)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,458,018	377,044	-0-	(8,824,242)	295,218,961	83,500,982
Fund balances, July 1	4,900,673	9,591,345	128,866,608	20,021,432	1,410,578,552	1,327,077,570
Residual equity transfer	-0-	-0-	-0-	(2,616,602)	(2,616,602)	-0-
<b>Fund balances, June 30</b>	<b>\$ 8,358,691</b>	<b>\$ 9,968,389</b>	<b>\$ 128,866,608</b>	<b>\$ 8,580,588</b>	<b>\$ 1,703,180,911</b>	<b>\$ 1,410,578,552</b>

# Debt Service Funds

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*Debt Service Funds account for the payment of principal and interest on general long-term bonds.*

## DEBT SERVICE FUNDS

**Consolidated Bond Interest and Redemption** - Accumulates monies for the payment of principal and interest on general obligation bonds of the State. Bonds have been issued for the following purposes: (NRS 349.090)

<u>Purpose</u>	<u>Issued</u>	<u>Final Maturity</u>	<u>Outstanding Balance 6/30/99</u>
Purchase of Municipal Securities	\$ 1,399,715,000	2028	\$ 1,128,745,000
Capital Construction, Acquisition and Renovation	919,460,000	2017	519,910,000
University Projects	167,674,000	2017	100,830,000
Recreation and Resource Development	526,045,000	2025	312,165,000
Various Purposes	<u>60,196,245</u>	2015	<u>41,663,887</u>
	<u>\$ 3,073,090,245</u>		<u>\$ 2,103,313,887</u>

**Highway Revenue Bonds** - Accumulates monies for the payment of principal and interest on the following highway revenue bonds of the State: (NRS 349.300)

Highway Improvement (Motor Vehicle Fuel Tax)	<u>\$ 88,500,000</u>	1999	<u>\$ 0</u>
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Some issues have been partially refunded by various refunding issues.



# STATE OF NEVADA

## Combining Balance Sheet Debt Service Funds

June 30, 1999 with Comparative Totals for 1998

Exhibit C-1

	Cons Bond Interest and Redemption	Highway Revenue Bonds	Total Both Funds	
			1999	1998
<b>Assets</b>				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 35,073,882	\$ -0-	\$ 35,073,882	\$ 37,197,645
Cash in custody of other officials	12,921	-0-	12,921	12,921
Collateral on loaned securities	11,097,633	-0-	11,097,633	19,344,866
<i>Receivables:</i>				
Accounts receivable	1,800	-0-	1,800	-0-
Intergovernmental receivables	387,739,774	-0-	387,739,774	397,656,330
Due from other funds	10,594,583	-0-	10,594,583	9,626,069
<b>Total assets</b>	\$ 444,520,593	\$ -0-	\$ 444,520,593	\$ 463,837,831
<b>Liabilities and Fund Balances</b>				
<i>Liabilities:</i>				
<i>Accounts payable and accruals:</i>				
Accounts payable	\$ 50,507	\$ -0-	\$ 50,507	\$ -0-
Matured interest payable	7,921	-0-	7,921	7,921
Matured bonds payable	5,000	-0-	5,000	5,000
Interest payable	6,543,528	-0-	6,543,528	6,867,349
Obligations under securities lending	11,097,633	-0-	11,097,633	19,344,866
Due to other funds	128	-0-	128	-0-
Due to component unit	210,213	-0-	210,213	168,930
Deferred revenue	387,276,043	-0-	387,276,043	399,492,980
Bonds payable	7,765,000	-0-	7,765,000	6,985,000
<b>Total liabilities</b>	412,955,973	-0-	412,955,973	432,872,046
<i>Fund balances:</i>				
Reserved for debt service	31,564,620	-0-	31,564,620	30,965,785
<b>Total liabilities and fund balances</b>	\$ 444,520,593	\$ -0-	\$ 444,520,593	\$ 463,837,831

# STATE OF NEVADA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Debt Service Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

**Exhibit C-2**

	Cons Bond Interest and Redemption	Highway Revenue Bonds	Total Both Funds	
			1999	1998
<b>Revenues</b>				
Intergovernmental	\$ 19,192,241	\$ -0-	\$ 19,192,241	\$ 17,699,801
Taxes	62,296,015	18,525,999	80,822,014	73,408,037
Interest and investment income	1,774,373	-0-	1,774,373	4,136,071
<b>Total revenues</b>	<b>83,262,629</b>	<b>18,525,999</b>	<b>101,788,628</b>	<b>95,243,909</b>
<b>Expenditures</b>				
<i>Current:</i>				
General government	359,059	-0-	359,059	552,713
<i>Debt service:</i>				
Principal	57,046,646	17,700,000	74,746,646	70,770,941
Interest, fiscal charges	110,845,362	1,239,000	112,084,362	82,930,946
Bond issuance costs	391,768	-0-	391,768	146,999
Arbitrage payments	366,902	-0-	366,902	22,414
<b>Total expenditures</b>	<b>169,009,737</b>	<b>18,939,000</b>	<b>187,948,737</b>	<b>154,424,013</b>
Deficiency of revenues over expenditures	(85,747,108)	(413,001)	(86,160,109)	(59,180,104)
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of bonds	56,050,648	-0-	56,050,648	-0-
Operating transfers in	86,616,414	-0-	86,616,414	60,237,983
Transfer from component unit	41,074	-0-	41,074	-0-
Transfer to component unit	(56,098,857)	-0-	(56,098,857)	(168,930)
Proceeds of refunding bonds	82,937,709	-0-	82,937,709	93,241,264
Payment to refunded bond agent	(82,788,044)	-0-	(82,788,044)	(93,065,171)
<b>Total other financing sources (uses)</b>	<b>86,758,944</b>	<b>-0-</b>	<b>86,758,944</b>	<b>60,245,146</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,011,836	(413,001)	598,835	1,065,042
Fund balances, July 1	30,552,784	413,001	30,965,785	29,900,743
<b>Fund balances, June 30</b>	<b>\$ 31,564,620</b>	<b>\$ -0-</b>	<b>\$ 31,564,620</b>	<b>\$ 30,965,785</b>

# Capital Projects Fund

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*Capital Projects Funds account for the monies used for the acquisition and construction of major capital facilities.*

## CAPITAL PROJECTS FUNDS

**Parks Capital Project Construction** Accounts for the parks improvements program for the Division of State Parks of the Department of Conservation and Natural Resources (NRS 407.065).

**Capital Improvement Program - Motor Vehicle** Accounts for capital improvement projects for the Department of Motor Vehicles and Public Safety (NRS 341.146).

**Capital Improvement Program - Human Resources** Accounts for capital improvement projects for the Department of Human Resources (NRS 341.146).

**Capital Improvement Program - University System** Accounts for capital improvement projects for the University and Community College System of Nevada (NRS 341.146).

**Capital Improvement Program - General State Government** Accounts for capital improvement projects for general government (NRS 341.146).

**Capital Improvement Program - Prison System** Accounts for capital improvement projects for the Department of Prisons (NRS 341.146).

**Capital Improvement Program - Military** Accounts for capital improvement projects for the Department of Military (NRS 341.146).

**Capital Improvement Program - Wildlife** Accounts for capital improvement projects for the Department of Wildlife (NRS 341.146).

**Miscellaneous** Accounts for capital improvement projects which are not directed by the Public Works Board.

# STATE OF NEVADA

## Combining Balance Sheet Capital Projects Funds

June 30, 1999 with Comparative Totals for 1998

	<u>Parks Capital Project Construction</u>	<u>CIP Motor Vehicle</u>	<u>CIP Human Resources</u>	<u>CIP University System</u>	<u>CIP Gen State Gov't</u>
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 1,521,092	\$ -0-	\$ 2,990,429	\$ 26,604,371	\$ 13,672,442
Cash in custody of other officials	-0-	-0-	10,857,898	-0-	-0-
Collateral on loaned securities	113,448	-0-	-0-	-0-	554,140
<i>Receivables:</i>					
Intergovernmental receivable	40,249	-0-	-0-	-0-	-0-
Other receivables	-0-	-0-	-0-	10,200,000	1,804
Due from other funds	55,463	14,735,298	-0-	5,150,000	2,266,679
Interfund receivables	-0-	-0-	-0-	-0-	-0-
<b>Total assets</b>	<b><u>\$ 1,730,252</u></b>	<b><u>\$ 14,735,298</u></b>	<b><u>\$ 13,848,327</u></b>	<b><u>\$ 41,954,371</u></b>	<b><u>\$ 16,495,065</u></b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 36,493	\$ 21,980	\$ 16,633	\$ 3,533	\$ 85,184
Intergovernmental payables	-0-	-0-	-0-	-0-	-0-
<i>Contracts payable:</i>					
Contracts payable	1,848	13,590	1,311,224	4,986,424	1,673,488
Retention payable	28,719	30,000	367,954	4,490,459	1,071,006
Obligations under securities lending	113,448	-0-	-0-	-0-	554,140
Due to other funds	-0-	9,928	7,627	5,000	541,277
Due to component unit	-0-	-0-	-0-	32,468,955	1,289,095
Interfund payables	-0-	-0-	-0-	-0-	-0-
<b>Total liabilities</b>	<b><u>180,508</u></b>	<b><u>75,498</u></b>	<b><u>1,703,438</u></b>	<b><u>41,954,371</u></b>	<b><u>5,214,190</u></b>
<b>Fund balances:</b>					
<i>Reserved:</i>					
Encumbrances and contracts	203,630	346,615	10,523,009	-0-	4,937,615
<i>Unreserved:</i>					
Designated for approved capital projects	1,346,114	14,313,185	1,621,880	-0-	6,343,260
<b>Total fund balances</b>	<b><u>1,549,744</u></b>	<b><u>14,659,800</u></b>	<b><u>12,144,889</u></b>	<b><u>-0-</u></b>	<b><u>11,280,875</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 1,730,252</u></b>	<b><u>\$ 14,735,298</u></b>	<b><u>\$ 13,848,327</u></b>	<b><u>\$ 41,954,371</u></b>	<b><u>\$ 16,495,065</u></b>

**Exhibit D-1**

<u>CIP Prison System</u>	<u>CIP Military</u>	<u>CIP Wildlife</u>	<u>Miscellaneous</u>	<u>Total All Funds</u>	
				<u>1999</u>	<u>1998</u>
\$ 81,018,604	\$ 6,273,528	\$ 3,673,233	\$ -0-	\$ 135,753,699	\$ 132,693,964
-0-	-0-	-0-	-0-	10,857,898	-0-
32,333	-0-	1,146,308	-0-	1,846,229	7,380,171
-0-	-0-	-0-	-0-	40,249	71,238
250	120	-0-	-0-	10,202,174	-0-
192,466	310,000	-0-	288,790	22,998,696	6,915,593
-0-	-0-	-0-	-0-	-0-	35,597,181
<u>\$ 81,243,653</u>	<u>\$ 6,583,648</u>	<u>\$ 4,819,541</u>	<u>\$ 288,790</u>	<u>\$ 181,698,945</u>	<u>\$ 182,658,147</u>
\$ 528,800	\$ 45,583	\$ -0-	\$ 7	\$ 738,213	\$ 97,881
-0-	-0-	-0-	-0-	-0-	24,532
5,964,742	463,882	-0-	-0-	14,415,198	4,490,186
3,324,370	45,189	-0-	-0-	9,357,697	2,732,087
32,333	-0-	1,146,308	-0-	1,846,229	7,380,171
145,546	106	26,500	1,000	736,984	288,147
-0-	-0-	-0-	-0-	33,758,050	57,579,222
-0-	-0-	-0-	-0-	-0-	35,597,181
<u>9,995,791</u>	<u>554,760</u>	<u>1,172,808</u>	<u>1,007</u>	<u>60,852,371</u>	<u>108,189,407</u>
61,387,966	15,221,362	-0-	-0-	92,620,197	10,650,541
<u>9,859,896</u>	<u>(9,192,474)</u>	<u>3,646,733</u>	<u>287,783</u>	<u>28,226,377</u>	<u>63,818,199</u>
<u>71,247,862</u>	<u>6,028,888</u>	<u>3,646,733</u>	<u>287,783</u>	<u>120,846,574</u>	<u>74,468,740</u>
<u>\$ 81,243,653</u>	<u>\$ 6,583,648</u>	<u>\$ 4,819,541</u>	<u>\$ 288,790</u>	<u>\$ 181,698,945</u>	<u>\$ 182,658,147</u>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Capital Projects Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	<u>Parks Capital Project Construction</u>	<u>CIP Motor Vehicle</u>	<u>CIP Human Resources</u>	<u>CIP University System</u>	<u>CIP Gen State Gov't</u>
<b>Revenues</b>					
Intergovernmental	\$ 250,601	\$ -0-	\$ -0-	\$ -0-	\$ 200,000
Interest and investment income	15,750	-0-	96,789	1,432	98,330
Other	-0-	-0-	-0-	-0-	138,159
<b>Total revenues</b>	<u>266,351</u>	<u>-0-</u>	<u>96,789</u>	<u>1,432</u>	<u>436,489</u>
<b>Expenditures</b>					
<i>Current:</i>					
General government	15,750	-0-	378	1,432	98,330
<i>Intergovernmental:</i>					
Other	10,300,000	-0-	-0-	-0-	-0-
<i>Capital outlay</i>	2,280,963	1,884,092	7,280,093	-0-	14,482,701
<i>Debt service:</i>					
Bond issuance costs	-0-	-0-	91,050	-0-	-0-
<b>Total expenditures</b>	<u>12,596,713</u>	<u>1,884,092</u>	<u>7,371,521</u>	<u>1,432</u>	<u>14,581,031</u>
Deficiency of revenues over expenditures	<u>(12,330,362)</u>	<u>(1,884,092)</u>	<u>(7,274,732)</u>	<u>-0-</u>	<u>(14,144,542)</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of bonds	10,300,000	-0-	-0-	50,109,775	1,764,997
Proceeds from certificates of participation	-0-	-0-	14,836,265	-0-	-0-
Operating transfers in	342,187	10,854,714	-0-	-0-	1,567,275
Operating transfers out	(20,000)	(588,725)	(9,692,424)	-0-	(2,333,385)
Transfer to component unit	-0-	-0-	-0-	(50,109,775)	-0-
<b>Total other financing sources (uses)</b>	<u>10,622,187</u>	<u>10,265,989</u>	<u>5,143,841</u>	<u>-0-</u>	<u>998,887</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(1,708,175)</u>	<u>8,381,897</u>	<u>(2,130,891)</u>	<u>-0-</u>	<u>(13,145,655)</u>
Fund balances, July 1	<u>3,257,919</u>	<u>6,277,903</u>	<u>14,275,780</u>	<u>-0-</u>	<u>24,426,530</u>
<b>Fund balances, June 30</b>	<u>\$ 1,549,744</u>	<u>\$ 14,659,800</u>	<u>\$ 12,144,889</u>	<u>\$ -0-</u>	<u>\$ 11,280,875</u>



**Exhibit D-2**

CIP Prison System	CIP Military	CIP Wildlife	Miscellaneous	Total All Funds	
				1999	1998
\$ -0-	\$ 111,862	\$ -0-	\$ -0-	\$ 562,463	\$ 174,611
13,995	-0-	53,121	-0-	279,417	767,656
-0-	-0-	-0-	-0-	138,159	22,502
<u>13,995</u>	<u>111,862</u>	<u>53,121</u>	<u>-0-</u>	<u>980,039</u>	<u>964,769</u>
13,995	-0-	53,121	-0-	183,006	740,214
-0-	-0-	-0-	-0-	10,300,000	-0-
38,951,468	2,188,933	-0-	259,134	67,327,384	46,848,890
-0-	-0-	-0-	-0-	91,050	-0-
<u>38,965,463</u>	<u>2,188,933</u>	<u>53,121</u>	<u>259,134</u>	<u>77,901,440</u>	<u>47,589,104</u>
<u>(38,951,468)</u>	<u>(2,077,071)</u>	<u>-0-</u>	<u>(259,134)</u>	<u>(76,921,401)</u>	<u>(46,624,335)</u>
97,736,633	-0-	-0-	-0-	159,911,405	-0-
-0-	-0-	-0-	-0-	14,836,265	-0-
188,198	310,000	-0-	-0-	13,262,374	22,073,256
(1,606,236)	(333,764)	(26,500)	-0-	(14,601,034)	(9,210,392)
-0-	-0-	-0-	-0-	(50,109,775)	(48,400)
<u>96,318,595</u>	<u>(23,764)</u>	<u>(26,500)</u>	<u>-0-</u>	<u>123,299,235</u>	<u>12,814,464</u>
57,367,127	(2,100,835)	(26,500)	(259,134)	46,377,834	(33,809,871)
<u>13,880,735</u>	<u>8,129,723</u>	<u>3,673,233</u>	<u>546,917</u>	<u>74,468,740</u>	<u>108,278,611</u>
<u>\$ 71,247,862</u>	<u>\$ 6,028,888</u>	<u>\$ 3,646,733</u>	<u>\$ 287,783</u>	<u>\$ 120,846,574</u>	<u>\$ 74,468,740</u>

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*Enterprise Funds account for operations that are financed and operated in a manner similar to private businesses. The intent of the state is that the cost of providing these goods and services be financed or recovered primarily through user charges.*

## ENTERPRISE FUNDS

### **Colorado River Commission Power Marketing**

Accounts for the State's share of the cost of upgrading the generating facilities at Hoover Dam, which was financed through the sale of bonds. The fund also records purchases and sales of power and other power marketing related activities (NRS 538.211).

### **Colorado River Commission Power Delivery**

Accounts for the construction and operation of certain electric power transmission and distribution facilities to initially serve the planned expansion of the Southern Nevada Water System (NRS 538.211).

**Housing Division** Accounts for the State program to assist private lenders in providing low interest housing loans to low and moderate income households. The program is financed through the sale of bonds (NRS 319.170).

**Employers Insurance** Accounts for the operations of Employers Insurance Company of Nevada. Employers Insurance provides statutory benefits of medical care,

disability compensation and rehabilitation services for workers who are injured or contract an occupational disease in the course of their employment (NRS 616B.086).

**Forestry Nurseries** Accounts for the self-supporting operation of State nurseries, which propagate, maintain and distribute plants for conservation purposes (NRS 528.100).

**Prison Industry** Accounts for a self-supporting program of job training through the employment of inmates in farming and manufacturing (NRS 209.189).

**Nevada Magazine** Accounts for the operation of the publication, *Nevada Magazine*, which is published to promote tourism (NRS 231.290).

**Marlette Lake Water System** Accounts for the costs of operating the State-owned Marlette Lake Water System. The system serves the State Buildings and Grounds Division and portions of Carson City and Storey County (NRS 331.180).

# STATE OF NEVADA

## Combining Balance Sheet Enterprise Funds

June 30, 1999 with Comparative Totals for 1998

	Colorado River Commission				
	Power Marketing	Power Delivery	Housing Division	Employers Insurance	Forestry Nurseries
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 479,687	\$ -0-	\$ 242,434	\$ -0-	\$ 293,761
Cash in custody of other officials	-0-	-0-	1,110,234	229,148,000	-0-
Investments	-0-	-0-	253,423,417	1,000,089,000	-0-
Collateral on loaned securities	-0-	-0-	-0-	157,043,414	-0-
<i>Receivables:</i>					
Accounts receivable	1,911,087	-0-	-0-	86,293,589	2,619
Accrued interest and dividends	-0-	-0-	11,734,154	8,121,000	-0-
Intergovernmental receivables	-0-	-0-	-0-	-0-	13,548
Due from other funds	272,864	84,774	948	3,564,411	1,997
Due from component unit	-0-	-0-	-0-	-0-	-0-
Inventory	-0-	-0-	-0-	592,000	96,103
<i>Restricted assets:</i>					
Cash	14,756,291	6,266,406	-0-	-0-	-0-
Non-cash	-0-	-0-	79,395,761	-0-	-0-
Mortgage loans receivable	-0-	-0-	805,533,285	-0-	-0-
<i>Deferred charges and other assets:</i>					
Prepaid expenses	5,464,009	-0-	-0-	1,218,000	-0-
Deferred charges	586,679	-0-	10,467,511	-0-	-0-
Other assets	41,434,814	-0-	-0-	16,962,000	-0-
Land	-0-	-0-	-0-	2,558,000	-0-
Structures and improvements	-0-	-0-	-0-	10,480,000	-0-
Furniture and equipment	-0-	-0-	192,933	46,743,000	99,439
Accumulated depreciation	-0-	-0-	(115,493)	(26,811,000)	(94,552)
Construction in progress	159,410	47,434,461	-0-	15,600,000	-0-
<b>Total assets</b>	<b>\$ 65,064,841</b>	<b>\$ 53,785,641</b>	<b>\$ 1,161,985,184</b>	<b>\$ 1,551,601,414</b>	<b>\$ 412,915</b>
<b>Liabilities and Fund Equity</b>					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 1,944,949	\$ -0-	\$ 7,067,214	\$ 8,502,363	\$ 15,721
Unpaid benefits	-0-	-0-	-0-	907,000,000	-0-
Due to brokers for security purchases	-0-	-0-	-0-	121,515,000	-0-
Interest payable	-0-	-0-	25,307,249	-0-	-0-
Intergovernmental payables	-0-	-0-	-0-	-0-	-0-
Obligations under securities lending	-0-	-0-	-0-	157,043,414	-0-
Due to other funds	97,989	163,958	6,950	1,355,637	586
Interfund payables	-0-	-0-	-0-	-0-	-0-
Accrued compensated absences	153,513	-0-	87,621	3,191,000	25,053
Deferred revenues	-0-	-0-	-0-	22,556,000	-0-
Deferred gain on retroactive reinsurance	-0-	-0-	-0-	750,000,000	-0-
Bonds payable	57,735,000	48,566,375	1,015,211,084	-0-	-0-
Advances from general fund	-0-	-0-	-0-	-0-	-0-
Obligations under capital leases	-0-	-0-	-0-	2,231,000	-0-
<i>Other liabilities:</i>					
Payable from restricted assets	926,651	5,047,234	-0-	-0-	-0-
Deposits	-0-	-0-	-0-	27,849,000	-0-
Other liabilities	3,101,605	-0-	-0-	21,590,000	-0-
<b>Total liabilities</b>	<b>63,959,707</b>	<b>53,777,567</b>	<b>1,047,680,118</b>	<b>2,022,833,414</b>	<b>41,360</b>
<i>Fund equity (deficit):</i>					
Contributed capital	-0-	-0-	-0-	-0-	68,382
<i>Retained earnings (deficit):</i>					
Reserved for operation and maintenance	617,183	-0-	-0-	-0-	-0-
Reserved as security for outstanding obligations	-0-	-0-	111,302,512	-0-	-0-
Unreserved	487,951	8,074	3,002,554	(471,232,000)	303,173
<b>Total fund equity (deficit)</b>	<b>1,105,134</b>	<b>8,074</b>	<b>114,305,066</b>	<b>(471,232,000)</b>	<b>371,555</b>
<b>Total liabilities and fund equity</b>	<b>\$ 65,064,841</b>	<b>\$ 53,785,641</b>	<b>\$ 1,161,985,184</b>	<b>\$ 1,551,601,414</b>	<b>\$ 412,915</b>

**Exhibit E-1**

Prison Industry	Nevada Magazine	Marlette Lake Water System	Total All Funds	
			1999	1998
\$ 1,711,445	\$ 101,835	\$ 80,432	\$ 2,909,594	\$ 3,812,336
-0-	141	-0-	230,258,375	290,954,397
-0-	-0-	-0-	1,253,512,417	1,817,866,363
498,150	-0-	-0-	157,541,564	585,755
137,955	112,837	-0-	88,458,087	134,594,068
-0-	-0-	-0-	19,855,154	21,412,849
11,871	-0-	4,565	29,984	30,160
279,786	20,703	34,765	4,260,248	1,925,964
16,964	-0-	4,572	21,536	593,326
790,687	28,717	-0-	1,507,507	1,689,290
-0-	-0-	-0-	21,022,697	28,975,864
-0-	-0-	-0-	79,395,761	103,047,174
-0-	-0-	-0-	805,533,285	712,206,843
7,227	55,263	-0-	6,744,499	5,645,743
-0-	-0-	-0-	11,054,190	11,011,952
-0-	-0-	-0-	58,396,814	46,635,260
20,579	-0-	425,742	3,004,321	3,004,321
2,179,601	-0-	1,127,077	13,786,678	13,429,512
896,776	31,487	1,446,541	49,410,176	46,067,988
(1,969,029)	(29,653)	(1,894,409)	(30,914,136)	(28,167,567)
-0-	-0-	-0-	63,193,871	53,806,750
<u>\$ 4,582,012</u>	<u>\$ 321,330</u>	<u>\$ 1,229,285</u>	<u>\$ 2,838,982,622</u>	<u>\$ 3,269,128,348</u>
\$ 172,972	\$ 41,211	\$ 7,546	\$ 17,751,976	\$ 17,449,966
-0-	-0-	-0-	907,000,000	2,391,263,000
-0-	-0-	-0-	121,515,000	182,195,000
-0-	-0-	-0-	25,307,249	25,037,581
-0-	-0-	3,288	3,288	9,673
498,150	-0-	-0-	157,541,564	585,755
60,199	3,718	20,142	1,709,179	1,103,773
10,000	-0-	7,310	17,310	19,660
95,844	58,521	25,739	3,637,291	3,584,831
26,365	451,324	-0-	23,033,689	7,516,046
-0-	-0-	-0-	750,000,000	-0-
-0-	-0-	-0-	1,121,512,459	1,023,344,711
35,000	-0-	138,974	173,974	303,954
-0-	-0-	-0-	2,231,000	4,091,000
-0-	-0-	-0-	5,973,885	8,148,616
-0-	-0-	-0-	27,849,000	54,274,000
10,017	-0-	-0-	24,701,622	38,583,032
<u>908,547</u>	<u>554,774</u>	<u>202,999</u>	<u>3,189,958,486</u>	<u>3,757,510,598</u>
2,179,590	66,849	2,885,884	5,200,705	5,200,705
-0-	-0-	-0-	617,183	727,353
-0-	-0-	-0-	111,302,512	106,015,423
1,493,875	(300,293)	(1,859,598)	(468,096,264)	(600,325,731)
<u>3,673,465</u>	<u>(233,444)</u>	<u>1,026,286</u>	<u>(350,975,864)</u>	<u>(488,382,250)</u>
<u>\$ 4,582,012</u>	<u>\$ 321,330</u>	<u>\$ 1,229,285</u>	<u>\$ 2,838,982,622</u>	<u>\$ 3,269,128,348</u>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenses and Changes in Fund Equity Enterprise Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	<b>Colorado River Commission</b>				
	<u>Power Marketing</u>	<u>Power Delivery</u>	<u>Housing Division</u>	<u>Employers Insurance</u>	<u>Forestry Nurseries</u>
<b>Operating Revenues</b>					
Net premium income	\$ -0-	\$ -0-	\$ -0-	\$ 355,004,000	\$ -0-
Sales	26,872,596	-0-	-0-	-0-	267,671
Charges for services	-0-	827,558	-0-	-0-	-0-
Rental income	-0-	-0-	-0-	-0-	-0-
Interest income on mortgage loans	-0-	-0-	54,398,389	-0-	-0-
Interest and investment income	-0-	-0-	15,457,485	-0-	-0-
Other	-0-	-0-	3,824,720	5,929,000	6,724
<b>Total operating revenues</b>	<u>26,872,596</u>	<u>827,558</u>	<u>73,680,594</u>	<u>360,933,000</u>	<u>274,395</u>
<b>Operating Expenses</b>					
Salaries and benefits	-0-	-0-	1,429,348	46,304,000	115,001
Operating	27,317,969	-0-	6,543,443	46,832,655	44,257
Claims expense	-0-	-0-	-0-	264,091,000	-0-
Interest on bonds payable	-0-	-0-	58,154,338	-0-	-0-
Materials or supplies used	-0-	-0-	-0-	-0-	60,803
Servicers' fees	-0-	-0-	1,505,472	-0-	-0-
Depreciation	-0-	-0-	67,385	4,139,000	6,117
Administrative expense	-0-	827,558	-0-	8,439,000	-0-
<b>Total operating expenses</b>	<u>27,317,969</u>	<u>827,558</u>	<u>67,699,986</u>	<u>369,805,655</u>	<u>226,178</u>
Operating income (loss)	<u>(445,373)</u>	<u>-0-</u>	<u>5,980,608</u>	<u>(8,872,655)</u>	<u>48,217</u>
<b>Nonoperating Revenues (Expenses)</b>					
Interest and investment income	700,035	8,074	-0-	140,604,000	-0-
Interest expense	-0-	-0-	-0-	(6,000)	-0-
Federal grants	-0-	-0-	-0-	-0-	19,000
Gain (loss) on disposal of assets	-0-	-0-	-0-	-0-	-0-
Other	(160,839)	-0-	-0-	(93,000)	-0-
<b>Total nonoperating revenues (expenses)</b>	<u>539,196</u>	<u>8,074</u>	<u>-0-</u>	<u>140,505,000</u>	<u>19,000</u>
Income (loss) before operating transfers	93,823	8,074	5,980,608	131,632,345	67,217
<b>Operating Transfers</b>					
Operating transfers in	-0-	-0-	-0-	-0-	-0-
Operating transfers out	-0-	-0-	(74,016)	(312,345)	(1,836)
Net income (loss)	93,823	8,074	5,906,592	131,320,000	65,381
Fund equity (deficit), July 1	<u>1,011,311</u>	<u>-0-</u>	<u>108,398,474</u>	<u>(602,552,000)</u>	<u>306,174</u>
<b>Fund equity (deficit), June 30</b>	<u>\$ 1,105,134</u>	<u>\$ 8,074</u>	<u>\$ 114,305,066</u>	<u>\$ (471,232,000)</u>	<u>\$ 371,555</u>

**Exhibit E-2**

	Prison Industry	Nevada Magazine	Marlette Lake Water System	Total All Funds	
				1999	1998
\$	-0-	\$ -0-	\$ -0-	\$ 355,004,000	\$ 440,575,000
	3,333,796	1,164,831	250,876	31,889,770	30,466,163
	432,781	633,589	-0-	1,893,928	1,082,365
	68,927	-0-	-0-	68,927	64,449
	-0-	-0-	-0-	54,398,389	51,054,556
	-0-	-0-	-0-	15,457,485	20,830,605
	154,651	6,195	-0-	9,921,290	14,175,006
	<u>3,990,155</u>	<u>1,804,615</u>	<u>250,876</u>	<u>468,633,789</u>	<u>558,248,144</u>
	1,058,129	638,425	102,455	49,647,358	46,803,228
	1,382,029	537,992	161,410	82,819,755	60,587,968
	-0-	-0-	-0-	264,091,000	322,161,000
	-0-	-0-	-0-	58,154,338	54,114,696
	1,353,194	699,470	-0-	2,113,467	2,174,554
	-0-	-0-	-0-	1,505,472	1,768,932
	115,261	204	52,462	4,380,429	3,791,276
	-0-	-0-	-0-	9,266,558	6,630,000
	<u>3,908,613</u>	<u>1,876,091</u>	<u>316,327</u>	<u>471,978,377</u>	<u>498,031,654</u>
	<u>81,542</u>	<u>(71,476)</u>	<u>(65,451)</u>	<u>(3,344,588)</u>	<u>60,216,490</u>
	111,290	-0-	-0-	141,423,399	211,138,086
	(26,874)	-0-	-0-	(32,874)	(181,989)
	-0-	-0-	-0-	19,000	19,000
	-0-	-0-	-0-	-0-	4,637
	-0-	-0-	-0-	(253,839)	(133,680)
	<u>84,416</u>	<u>-0-</u>	<u>-0-</u>	<u>141,155,686</u>	<u>210,846,054</u>
	165,958	(71,476)	(65,451)	137,811,098	271,062,544
	-0-	-0-	-0-	-0-	15,266
	(6,254)	-0-	(10,261)	(404,712)	(408,007)
	159,704	(71,476)	(75,712)	137,406,386	270,669,803
	<u>3,513,761</u>	<u>(161,968)</u>	<u>1,101,998</u>	<u>(488,382,250)</u>	<u>(759,052,053)</u>
\$	<u>3,673,465</u>	<u>\$ (233,444)</u>	<u>\$ 1,026,286</u>	<u>\$ (350,975,864)</u>	<u>\$ (488,382,250)</u>



# STATE OF NEVADA

## Combining Statement of Cash Flows Enterprise Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	<b>Colorada River Commission</b>			
	<b>Power Marketing</b>	<b>Power Delivery</b>	<b>Housing Division</b>	<b>Employers Insurance</b>
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 26,947,506	\$ 1,084,695	\$ 1,335,629	\$ 356,678,109
Cash received from other funds	-0-	-0-	-0-	4,755,001
Cash received from component unit	-0-	-0-	-0-	1,314,890
Cash received from mortgage loans	-0-	-0-	163,008,231	-0-
Cash paid to suppliers, other governments and beneficiaries	(22,219,166)	(826,678)	(986,688)	(266,362,000)
Cash paid to employees for services	-0-	-0-	(1,124,430)	(45,961,000)
Cash paid to other funds	-0-	-0-	(236,198)	(18,862,068)
Cash paid to component unit	-0-	-0-	-0-	(173,587)
Cash paid for retroactive reinsurance	-0-	-0-	-0-	(775,000,000)
Purchase of mortgage loans	-0-	-0-	(203,087,127)	-0-
Net cash provided by (used for) operating activities	<u>4,728,340</u>	<u>258,017</u>	<u>(41,090,583)</u>	<u>(743,610,655)</u>
<b>Cash flows from noncapital financing activities</b>				
Proceeds from sale of bonds	-0-	-0-	180,103,000	-0-
Grants, transfers, advances received	-0-	-0-	3,265,160	-0-
Retirement of bonds and notes	(2,030,000)	-0-	(79,945,000)	-0-
Interest payments on bonds	-0-	-0-	(57,909,079)	-0-
Operating transfers out	-0-	-0-	(74,016)	(312,345)
Payments for prepaid power	(3,767,505)	-0-	-0-	-0-
Transfers to other government	-0-	-0-	-0-	-0-
Other cash used for noncapital financing activities	-0-	-0-	(4,722,613)	-0-
Net cash provided by (used for) noncapital financing activities	<u>(5,797,505)</u>	<u>-0-</u>	<u>40,717,452</u>	<u>(312,345)</u>
<b>Cash flows from capital and related financing activities</b>				
Proceeds from sale of bonds and equipment, other financing	686,989	-0-	-0-	-0-
Acquisition of property, plant and equipment	-0-	(10,275,324)	-0-	(7,182,000)
Retirement of bonds/notes/mortgages	-0-	-0-	-0-	-0-
Interest paid on obligations	-0-	-0-	-0-	-0-
Reduction in advances/capital leases	-0-	0	-0-	(1,860,000)
Proceeds from disposal of assets	-0-	-0-	-0-	-0-
Net cash provided by (used for) capital financing activities	<u>686,989</u>	<u>(10,275,324)</u>	<u>-0-</u>	<u>(9,042,000)</u>
<b>Cash flows from investing activities</b>				
Proceeds from sale of investments	-0-	-0-	304,982,813	5,578,683,000
Purchase of investments	-0-	-0-	(320,025,667)	(4,967,109,000)
Interest/dividends on investments	650,326	638,365	16,607,490	79,593,000
Other cash used for investing activities	-0-	-0-	-0-	-0-
Net cash provided by investing activities	<u>650,326</u>	<u>638,365</u>	<u>1,564,636</u>	<u>691,167,000</u>
Net increase (decrease) in cash	<u>268,150</u>	<u>(9,378,942)</u>	<u>1,191,505</u>	<u>(61,798,000)</u>
Cash and cash equivalents, July 1	<u>14,967,828</u>	<u>15,645,348</u>	<u>161,163</u>	<u>290,946,000</u>
Cash and cash equivalents, June 30	<u>\$ 15,235,978</u>	<u>\$ 6,266,406</u>	<u>\$ 1,352,668</u>	<u>\$ 229,148,000</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
Operating income (loss)	\$ (445,373)	\$ -0-	\$ 5,980,608	\$ (8,872,655)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities</b>				
Depreciation	-0-	-0-	67,385	4,139,000
Income on investments	-0-	-0-	(15,457,485)	5,929,000
Interest on bonds payable	-0-	-0-	58,154,338	-0-
Increase in loans receivable and real estate owned	-0-	-0-	(91,043,419)	-0-
Decrease (increase) in accrued receivables	235,749	880	(2,471,715)	28,128,000
Decrease (increase) in inventory, deferred charges and other assets	-0-	-0-	-0-	(27,314,000)
Increase (decrease) in accounts payable, accruals, other liabilities	(928,148)	257,137	2,296,763	(745,620,000)
Prepayments for power	5,950,058	-0-	-0-	-0-
Other adjustments	(83,946)	-0-	1,382,942	-0-
Total adjustments	<u>5,173,713</u>	<u>258,017</u>	<u>(47,071,191)</u>	<u>(734,738,000)</u>
Net cash provided by (used for) operating activities	<u>\$ 4,728,340</u>	<u>\$ 258,017</u>	<u>\$ (41,090,583)</u>	<u>\$ (743,610,655)</u>
<b>Noncash investing, capital and financing activities</b>				
Loss on disposal of assets	\$ -0-	\$ -0-	\$ -0-	\$ -0-

**Exhibit E-3**

Forestry Nurseries	Prison Industry	Nevada Magazine	Marlette Lake Water System	Total All Funds	
				1999	1998
\$ 223,427	\$ 1,826,647	\$ 1,226,913	\$ 73,033	\$ 389,395,959	\$ 468,808,295
37,924	2,121,037	576,764	142,196	7,632,922	15,824,041
-0-	47,350	-0-	15,836	1,378,076	1,693,751
-0-	-0-	-0-	-0-	163,008,231	109,465,716
(73,549)	(1,454,492)	(1,047,594)	(142,435)	(293,112,602)	(266,511,660)
(116,959)	(1,042,583)	(642,984)	(104,859)	(48,992,815)	(46,673,648)
(35,607)	(1,166,608)	(157,344)	(26,562)	(20,484,387)	(37,547,402)
-0-	-0-	(80)	(144)	(173,811)	(133,379)
-0-	-0-	-0-	-0-	(775,000,000)	-0-
-0-	-0-	-0-	-0-	(203,087,127)	(110,810,943)
<u>35,236</u>	<u>331,351</u>	<u>(44,325)</u>	<u>(42,935)</u>	<u>(779,435,554)</u>	<u>134,114,771</u>
-0-	-0-	-0-	-0-	180,103,000	118,545,000
19,000	-0-	-0-	-0-	3,284,160	3,189,730
-0-	-0-	-0-	-0-	(81,975,000)	(19,822,147)
-0-	-0-	-0-	-0-	(57,909,079)	(52,814,654)
(1,836)	(6,254)	-0-	(7,829)	(402,280)	(410,043)
-0-	-0-	-0-	-0-	(3,767,505)	(5,281,002)
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	(4,722,613)	(4,190,038)
<u>17,164</u>	<u>(6,254)</u>	<u>-0-</u>	<u>(7,829)</u>	<u>34,610,683</u>	<u>39,216,846</u>
-0-	-0-	-0-	-0-	686,989	51,015,379
-0-	(70,009)	(2,038)	-0-	(17,529,371)	(43,531,892)
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	(154,000)
-0-	(130,000)	-0-	(2,330)	(1,992,330)	(9,889,807)
-0-	-0-	-0-	-0-	-0-	8,875
<u>-0-</u>	<u>(200,009)</u>	<u>(2,038)</u>	<u>(2,330)</u>	<u>(18,834,712)</u>	<u>(2,551,445)</u>
-0-	-0-	-0-	-0-	5,883,665,813	2,390,380,172
-0-	-0-	-0-	-0-	(5,287,134,667)	(2,446,100,989)
-0-	87,325	-0-	-0-	97,576,506	87,720,553
-0-	-0-	-0-	-0-	-0-	(215,807)
<u>-0-</u>	<u>87,325</u>	<u>-0-</u>	<u>-0-</u>	<u>694,107,652</u>	<u>31,783,929</u>
52,400	212,413	(46,363)	(53,094)	(69,551,931)	202,564,101
241,361	1,499,032	148,339	133,526	323,742,597	121,178,496
<u>\$ 293,761</u>	<u>\$ 1,711,445</u>	<u>\$ 101,976</u>	<u>\$ 80,432</u>	<u>\$ 254,190,666</u>	<u>\$ 323,742,597</u>
\$ 48,217	\$ 81,542	\$ (71,476)	\$ (65,451)	\$ (3,344,588)	\$ 60,216,490
6,117	115,261	204	52,462	4,380,429	3,791,276
-0-	-0-	-0-	-0-	(9,528,485)	(20,384,421)
-0-	-0-	-0-	-0-	58,154,338	54,114,696
-0-	-0-	-0-	-0-	(91,043,419)	(55,639,040)
(13,044)	20,974	9,324	(19,812)	25,890,356	(995,787)
(9,465)	159,325	22,882	-0-	(27,141,258)	(53,223,829)
3,411	(45,751)	(5,259)	(10,134)	(744,051,981)	140,093,542
-0-	-0-	-0-	-0-	5,950,058	5,925,656
-0-	-0-	-0-	-0-	1,298,996	216,188
<u>(12,981)</u>	<u>249,809</u>	<u>27,151</u>	<u>22,516</u>	<u>(776,090,966)</u>	<u>73,898,281</u>
<u>\$ 35,236</u>	<u>\$ 331,351</u>	<u>\$ (44,325)</u>	<u>\$ (42,935)</u>	<u>\$ (779,435,554)</u>	<u>\$ 134,114,771</u>
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,227

# Internal Service Funds

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*Internal Service Funds account for the financing of goods and services provided to state agencies and other governments on a cost reimbursement basis.*

## INTERNAL SERVICE FUNDS

**Self-Insurance** Accounts for self-insured group life, accident and health insurance plans for State and other government employees (NRS 287.0435).

**Buildings and Grounds** Accounts for the maintenance, housekeeping and security of most State buildings (NRS 331.101).

**Motor Pool** Accounts for the operations of the State vehicle fleet (NRS 336.110).

**Communications** Accounts for the operation of mail services for State agencies in Carson City, Reno, Las Vegas and Elko (NRS 331.103).

**Insurance Premiums** Allocates the costs of fidelity insurance, property insurance and workers' compensation insurance to State agencies (NRS 331.187).

**Administrative Services** Provides administrative and accounting services to various divisions of the Department of Administration (NRS 232.219).

**Personnel** Accounts for the costs of administering the State personnel system. Operations are financed by assessments charged to user agencies (NRS 284.110).

**Purchasing** Provides purchasing services to State agencies and other governmental units. The operation is financed by an administrative charge on purchase orders and warehouse orders (NRS 333.120).

**Information Services** Accounts for designing, programming, and maintaining data processing software and also operating the State's central computer facility, radio communication and telecommunication systems (NRS 242.211).

**Printing** Accounts for the operation of the State printing facilities (NRS 344.090).

# STATE OF NEVADA

## Combining Balance Sheet Internal Service Funds

*June 30, 1999 with Comparative Totals for 1998*

	Self- Insurance	Buildings and Grounds	Motor Pool	Communications	Insurance Premiums
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 7,984,605	\$ 1,642,863	\$ 911,362	\$ 27,468	\$ 9,938,850
Cash in custody of other officials	-0-	-0-	-0-	-0-	-0-
Collateral on loaned securities	2,506,235	-0-	-0-	-0-	-0-
<i>Receivables:</i>					
Accounts receivable	116,869	11,090	2,742	34	410,879
Intergovernmental receivables	64,331	4,595	1,956	3,538	-0-
Notes receivable	-0-	-0-	-0-	-0-	181,800
Due from other funds	2,433,094	380,534	1,181,824	528,787	97,249
Due from component unit	226,918	-0-	12,857	875	2,520
Inventory	-0-	-0-	-0-	-0-	-0-
Prepaid expenses	-0-	-0-	-0-	-0-	-0-
Land	-0-	20,400	-0-	-0-	-0-
Buildings	-0-	2,408,791	1,047,746	-0-	-0-
Improvements other than buildings	-0-	411,061	13,650	422,451	-0-
Furniture and equipment	1,036,549	597,332	8,679,637	721,995	96,269
Accumulated depreciation	(965,785)	(1,450,635)	(5,983,100)	(208,267)	(80,047)
Construction in progress	-0-	-0-	-0-	-0-	-0-
<b>Total assets</b>	<b>\$ 13,402,816</b>	<b>\$ 4,026,031</b>	<b>\$ 5,868,674</b>	<b>\$ 1,496,881</b>	<b>\$ 10,647,520</b>
<b>Liabilities and Fund Equity</b>					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 10,577,623	\$ 505,216	\$ 201,317	\$ 35,487	\$ 15,441,503
Accrued payroll and related liabilities	25,849	131,571	19,891	25,606	16,572
Current portion, long-term obligations	-0-	-0-	-0-	40,456	-0-
Intergovernmental payables	-0-	10,947	-0-	-0-	-0-
Bank overdraft	1,211,785	-0-	-0-	-0-	-0-
Obligations under securities lending	2,506,235	-0-	-0-	-0-	-0-
Due to other funds	62,691	56,508	62,746	102,707	1,624,228
Due to component unit	-0-	-0-	-0-	-0-	28,672
Interfund payables	-0-	97,421	53,411	42,244	-0-
Accrued compensated absences	58,718	434,931	60,484	54,596	22,293
<i>Advances:</i>					
Advances from general fund	-0-	1,362,980	451,451	359,085	-0-
Advances from special revenue fund	-0-	-0-	22,131	-0-	-0-
Reserve for losses	-0-	-0-	-0-	-0-	3,500,837
Obligations under capital leases	-0-	-0-	-0-	231,086	-0-
<b>Total liabilities</b>	<b>14,442,901</b>	<b>2,599,574</b>	<b>871,431</b>	<b>891,267</b>	<b>20,634,105</b>
<i>Fund equity (deficit):</i>					
Contributed capital	12,682	398,651	2,325,163	23,875	628,108
Retained earnings (deficit)	(1,052,767)	1,027,806	2,672,080	581,739	(10,614,693)
<b>Total fund equity (deficit)</b>	<b>(1,040,085)</b>	<b>1,426,457</b>	<b>4,997,243</b>	<b>605,614</b>	<b>(9,986,585)</b>
<b>Total liabilities and fund equity</b>	<b>\$ 13,402,816</b>	<b>\$ 4,026,031</b>	<b>\$ 5,868,674</b>	<b>\$ 1,496,881</b>	<b>\$ 10,647,520</b>

**Exhibit F-1**

					<b>Total All Funds</b>	
<b>Administrative Services</b>	<b>Personnel</b>	<b>Purchasing</b>	<b>Information Services</b>	<b>Printing</b>	<b>1999</b>	<b>1998</b>
\$ 84,883	\$ 1,738,851	\$ 1,425,484	\$ 1,087,514	\$ 657,938	\$ 25,499,818	\$ 25,453,988
100	-0-	-0-	200	75	375	375
-0-	-0-	-0-	-0-	-0-	2,506,235	1,626,607
-0-	1,807	6,920	34,345	-0-	584,686	1,878,216
-0-	-0-	1,468,125	1	11,071	1,553,617	579,253
-0-	-0-	-0-	-0-	-0-	181,800	188,000
79,520	3,077	3,074,997	11,728,147	419,844	19,927,073	17,385,046
-0-	15	78,917	652	45	322,799	447,787
-0-	-0-	790,292	23,096	308,343	1,121,731	671,516
-0-	-0-	-0-	-0-	-0-	-0-	14,684
-0-	-0-	95,554	15,000	-0-	130,954	130,954
-0-	-0-	140,000	1,563,756	597,932	5,758,225	5,758,225
-0-	-0-	-0-	-0-	-0-	847,162	847,162
116,472	752,620	560,346	27,566,718	2,946,398	43,074,336	32,541,554
(59,736)	(592,199)	(567,172)	(18,389,907)	(2,402,067)	(30,698,915)	(27,018,404)
-0-	-0-	-0-	196,744	-0-	196,744	55,907
<b>\$ 221,239</b>	<b>\$ 1,904,171</b>	<b>\$ 7,073,463</b>	<b>\$ 23,826,266</b>	<b>\$ 2,539,579</b>	<b>\$ 71,006,640</b>	<b>\$ 60,560,870</b>
\$ 5,825	\$ 35,580	\$ 4,233,963	\$ 5,013,859	\$ 271,391	\$ 36,321,764	\$ 37,888,034
20,837	131,789	47,841	341,379	57,478	818,813	641,984
-0-	-0-	-0-	1,212,080	-0-	1,252,536	1,133,873
-0-	-0-	-0-	178	-0-	11,125	14,656
-0-	-0-	-0-	-0-	-0-	1,211,785	6,362,366
-0-	-0-	-0-	-0-	-0-	2,506,235	1,626,607
24,395	664,623	361,428	913,776	49,414	3,922,516	1,145,258
-0-	25	-0-	-0-	-0-	28,697	3,021
-0-	-0-	13,329	374,556	56,800	637,761	437,104
67,453	358,203	116,617	869,281	220,020	2,262,596	2,330,411
-0-	-0-	295,820	2,638,919	517,240	5,625,495	3,486,858
-0-	-0-	-0-	-0-	-0-	22,131	24,343
-0-	-0-	-0-	-0-	-0-	3,500,837	-0-
-0-	-0-	-0-	1,488,438	-0-	1,719,524	160,367
<b>118,510</b>	<b>1,190,220</b>	<b>5,068,998</b>	<b>12,852,466</b>	<b>1,172,343</b>	<b>59,841,815</b>	<b>55,254,882</b>
-0-	-0-	1,128,661	4,039,435	599,461	9,156,036	5,687,622
102,729	713,951	875,804	6,934,365	767,775	2,008,789	(381,634)
<b>102,729</b>	<b>713,951</b>	<b>2,004,465</b>	<b>10,973,800</b>	<b>1,367,236</b>	<b>11,164,825</b>	<b>5,305,988</b>
<b>\$ 221,239</b>	<b>\$ 1,904,171</b>	<b>\$ 7,073,463</b>	<b>\$ 23,826,266</b>	<b>\$ 2,539,579</b>	<b>\$ 71,006,640</b>	<b>\$ 60,560,870</b>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenses and Changes in Fund Equity Internal Service Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	<b>Self- Insurance</b>	<b>Buildings and Grounds</b>	<b>Motor Pool</b>	<b>Communications</b>	<b>Insurance Premiums</b>
<b>Operating Revenues</b>					
Net premium income	\$ 126,806,058	\$ -0-	\$ -0-	\$ -0-	\$ 11,124,652
Sales	-0-	-0-	31,791	-0-	-0-
Charges for services	-0-	857,785	-0-	5,931,691	-0-
Rental income	-0-	9,695,969	2,501,772	-0-	-0-
Other	138,906	66,579	93,082	-0-	669,890
<b>Total operating revenues</b>	<b>126,944,964</b>	<b>10,620,333</b>	<b>2,626,645</b>	<b>5,931,691</b>	<b>11,794,542</b>
<b>Operating Expenses</b>					
Salaries and benefits	825,697	3,778,297	575,574	711,376	364,228
Operating	427,936	6,631,917	863,252	4,909,147	442,506
Claims expense	78,054,229	-0-	-0-	-0-	9,695,032
Materials or supplies used	-0-	-0-	275,276	-0-	-0-
Depreciation	26,037	153,870	1,196,383	53,034	16,866
Insurance premiums	38,869,694	-0-	-0-	-0-	11,188,173
<b>Total operating expenses</b>	<b>118,203,593</b>	<b>10,564,084</b>	<b>2,910,485</b>	<b>5,673,557</b>	<b>21,706,805</b>
Operating income (loss)	8,741,371	56,249	(283,840)	258,134	(9,912,263)
<b>Nonoperating Revenues (Expenses)</b>					
Interest and investment income	323,504	-0-	-0-	-0-	-0-
Interest expense	(82,707)	-0-	-0-	(18,393)	-0-
Gain (loss) on disposal of assets	-0-	-0-	(8,731)	-0-	-0-
<b>Total nonoperating revenues (expenses)</b>	<b>240,797</b>	<b>-0-</b>	<b>(8,731)</b>	<b>(18,393)</b>	<b>-0-</b>
Income (loss) before operating transfers	8,982,168	56,249	(292,571)	239,741	(9,912,263)
<b>Operating Transfers</b>					
Operating transfers in	17,068	52,632	815,979	-0-	-0-
Operating transfers out	(18,438)	(98,614)	(79,475)	(85,600)	(7,560)
Net income (loss)	8,980,798	10,267	443,933	154,141	(9,919,823)
Fund equity (deficit), July 1	(13,095,041)	1,416,190	4,553,310	451,473	229,106
Prior period adjustment	3,074,158	-0-	-0-	-0-	-0-
Fund equity (deficit), July 1, as restated	(10,020,883)	1,416,190	4,553,310	451,473	229,106
Contributed capital	-0-	-0-	-0-	-0-	(295,868)
<b>Fund equity (deficit), June 30</b>	<b>\$ (1,040,085)</b>	<b>\$ 1,426,457</b>	<b>\$ 4,997,243</b>	<b>\$ 605,614</b>	<b>\$ (9,986,585)</b>



**Exhibit F-2**

						<b>Total All Funds</b>	
<b>Administrative Services</b>	<b>Personnel</b>	<b>Purchasing</b>	<b>Information Services</b>	<b>Printing</b>	<b>1999</b>	<b>1998</b>	
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 137,930,710	\$ 102,612,946	
-0-	14	812,253	7,333	4,647,935	5,499,326	4,941,576	
771,305	5,591,941	1,535,131	36,814,256	-0-	51,502,109	41,248,060	
-0-	-0-	2,215	263,875	-0-	12,463,831	12,151,424	
200	13,034	171,862	5,724	300	1,159,577	1,075,950	
<u>771,505</u>	<u>5,604,989</u>	<u>2,521,461</u>	<u>37,091,188</u>	<u>4,648,235</u>	<u>208,555,553</u>	<u>162,029,956</u>	
609,281	3,858,313	1,270,937	10,287,323	1,960,455	24,241,481	21,003,156	
65,350	1,481,295	353,779	24,772,057	1,041,634	40,988,873	29,223,775	
-0-	-0-	-0-	-0-	-0-	87,749,261	87,709,773	
-0-	-0-	751,503	-0-	1,229,970	2,256,749	2,596,463	
22,916	59,612	42,054	2,306,271	221,518	4,098,561	3,357,860	
-0-	-0-	-0-	-0-	-0-	50,057,867	47,239,119	
<u>697,547</u>	<u>5,399,220</u>	<u>2,418,273</u>	<u>37,365,651</u>	<u>4,453,577</u>	<u>209,392,792</u>	<u>191,130,146</u>	
<u>73,958</u>	<u>205,769</u>	<u>103,188</u>	<u>(274,463)</u>	<u>194,658</u>	<u>(837,239)</u>	<u>(29,100,190)</u>	
-0-	-0-	-0-	-0-	-0-	323,504	1,626,363	
-0-	-0-	(13,478)	(149,314)	(27,000)	(290,892)	(539,768)	
-0-	-0-	(1,275)	-0-	7,684	(2,322)	(17,431)	
-0-	-0-	(14,753)	(149,314)	(19,316)	30,290	1,069,164	
<u>73,958</u>	<u>205,769</u>	<u>88,435</u>	<u>(423,777)</u>	<u>175,342</u>	<u>(806,949)</u>	<u>(28,031,026)</u>	
-0-	-0-	4,000	741,112	-0-	1,630,791	843,857	
(65,135)	(521,237)	(367,190)	(140,959)	(123,369)	(1,507,577)	(1,656,665)	
<u>8,823</u>	<u>(315,468)</u>	<u>(274,755)</u>	<u>176,376</u>	<u>51,973</u>	<u>(683,735)</u>	<u>(28,843,834)</u>	
93,906	1,029,419	2,279,220	7,033,142	1,315,263	5,305,988	35,361,682	
-0-	-0-	-0-	-0-	-0-	3,074,158	(2,135,836)	
<u>93,906</u>	<u>1,029,419</u>	<u>2,279,220</u>	<u>7,033,142</u>	<u>1,315,263</u>	<u>8,380,146</u>	<u>33,225,846</u>	
-0-	-0-	-0-	3,764,282	-0-	3,468,414	923,976	
<u>\$ 102,729</u>	<u>\$ 713,951</u>	<u>\$ 2,004,465</u>	<u>\$ 10,973,800</u>	<u>\$ 1,367,236</u>	<u>\$ 11,164,825</u>	<u>\$ 5,305,988</u>	

# STATE OF NEVADA

## Combining Statement of Cash Flows Internal Service Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

	Self- Insurance	Buildings and Grounds	Motor Pool	Communications	Insurance Premiums
<b>Cash flows from operating activities</b>					
Cash received from customers	\$ 8,455,973	\$ 119,211	\$ 35,807	\$ -0-	\$ 414,186
Cash received from other funds	94,294,625	9,815,444	2,468,768	5,730,618	10,399,196
Cash received from component unit	24,073,630	414,010	55,558	9,376	707,118
Cash paid to suppliers and other governments	(122,046,059)	(6,096,422)	(621,734)	(4,627,554)	(8,418,066)
Cash paid to employees for services	(828,216)	(3,754,838)	(582,137)	(707,700)	(354,332)
Cash paid to other funds	(312,971)	(457,486)	(466,280)	(204,893)	(4,770,682)
Cash paid to component unit	-0-	-0-	-0-	-0-	(204,698)
Net cash provided by (used for) operating activities	3,636,982	39,919	889,982	199,847	(2,227,278)
<b>Cash flows from noncapital financing activities</b>					
Grants, transfers, advances received	1,500	54,071	-0-	-0-	-0-
Operating/equity transfers out	(18,438)	(98,614)	(79,475)	(65,459)	(9,423)
Net cash provided by (used for) noncapital financing activities	(16,938)	(44,543)	(79,475)	(65,459)	(9,423)
<b>Cash flows from capital and related financing activities</b>					
Grants, transfers, advances received	-0-	-0-	-0-	-0-	-0-
Acquisition of property, plant and equipment	-0-	(13,767)	(399,965)	(29,033)	(2,276)
Interest paid on obligations	-0-	-0-	-0-	(18,393)	-0-
Reduction in advances/capital leases	-0-	(97,422)	(106,821)	(59,699)	-0-
Proceeds from sale of assets	-0-	-0-	18,613	-0-	-0-
Construction	-0-	-0-	-0-	-0-	-0-
Contributed capital	-0-	-0-	-0-	-0-	(295,868)
Net cash used for capital financing activities	-0-	(111,189)	(488,173)	(107,125)	(298,144)
<b>Cash flows from investing activities</b>					
Interest/dividends on investments	270,541	-0-	-0-	-0-	-0-
Net cash provided by investing activities	270,541	-0-	-0-	-0-	-0-
Net increase (decrease) in cash	3,890,585	(115,813)	322,334	27,263	(2,534,845)
Cash and cash equivalents, July 1	4,094,020	1,758,676	589,028	205	12,473,695
Cash and cash equivalents, June 30	<u>\$ 7,984,605</u>	<u>\$ 1,642,863</u>	<u>\$ 911,362</u>	<u>\$ 27,468</u>	<u>\$ 9,938,850</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>					
Operating income (loss)	\$ 8,741,371	\$ 56,249	\$ (283,840)	\$ 258,134	\$ (9,912,263)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities</b>					
Depreciation	26,037	153,870	1,196,383	53,034	16,866
Prior period adjustment	3,074,158	-0-	-0-	-0-	-0-
Decrease (increase) in receivables	(120,736)	(271,669)	(66,512)	(203,085)	(455,842)
Decrease (increase) in inventory and prepaid expenses	-0-	4,684	-0-	10,000	-0-
Increase (decrease) in accounts payable, accruals and other liabilities	(8,071,616)	96,785	43,951	81,764	8,123,961
Other adjustments	(12,232)	-0-	-0-	-0-	-0-
Total adjustments	(5,104,389)	(16,330)	1,173,822	(58,287)	7,684,985
Net cash provided by (used for) operating activities	<u>\$ 3,636,982</u>	<u>\$ 39,919</u>	<u>\$ 889,982</u>	<u>\$ 199,847</u>	<u>\$ (2,227,278)</u>
<b>Noncash investing, capital and financing activities</b>					
Property leased, accrued or acquired	\$ -0-	\$ -0-	\$ 146,749	\$ 330,015	\$ -0-
Loss on disposal of assets	-0-	-0-	8,731	-0-	-0-
Interest/dividends on investments accrued	61,984	-0-	-0-	-0-	-0-
Equipment acquired through contributed capital	-0-	-0-	-0-	-0-	-0-

Exhibit F-3

Administrative Services	Personnel	Purchasing	Information Services		Total All Funds	
			Printing	1999	1998	
\$ -0	\$ 453	\$ 5,965,685	\$ 39,371	\$ 99,648	\$ 15,130,334	\$ 14,489,571
691,985	5,162,676	57,078,687	32,082,606	4,524,121	222,248,726	210,888,764
-0	441,533	384,470	5,872	9,179	26,100,746	22,314,449
(10,509)	(468,812)	(62,081,620)	(20,907,682)	(1,552,188)	(226,830,646)	(220,133,012)
(599,838)	(3,869,459)	(1,243,769)	(10,012,200)	(1,948,679)	(23,901,168)	(20,725,406)
(57,861)	(1,159,486)	(224,899)	(511,420)	(587,001)	(8,752,979)	(14,466,573)
-0	-0	-0	-0	-0	(204,698)	(1,751,372)
23,777	106,905	(121,446)	696,547	545,080	3,790,315	(9,383,579)
-0	-0	4,000	741,112	450,000	1,250,683	2,175,430
(65,135)	(466,667)	(366,919)	(34,873)	(123,369)	(1,328,372)	(1,469,622)
(65,135)	(466,667)	(362,919)	706,239	326,631	(77,689)	705,808
-0	-0	-0	140,838	-0	140,838	498,358
(16,195)	(38,055)	-0	(32,508)	(541,854)	(1,073,653)	(3,783,858)
-0	-0	(13,478)	(149,314)	(27,000)	(208,185)	(140,396)
-0	-0	(12,768)	(2,036,079)	(65,455)	(2,378,244)	(1,823,121)
-0	-0	-0	-0	-0	18,613	47,237
-0	-0	-0	(140,838)	-0	(140,838)	(55,907)
-0	-0	-0	-0	-0	(295,868)	898,928
(16,195)	(38,055)	(26,246)	(2,217,901)	(634,309)	(3,937,337)	(4,358,759)
-0	-0	-0	-0	-0	270,541	1,500,623
-0	-0	-0	-0	-0	270,541	1,500,623
(57,553)	(397,817)	(510,611)	(815,115)	237,402	45,830	(11,535,907)
142,536	2,136,668	1,936,095	1,902,829	420,611	25,454,363	36,990,270
\$ 84,983	\$ 1,738,851	\$ 1,425,484	\$ 1,087,714	\$ 658,013	\$ 25,500,193	\$ 25,454,363
\$ 73,958	\$ 205,769	\$ 103,188	\$ (274,463)	\$ 194,658	\$ (837,239)	\$ (29,100,190)
22,916	59,612	42,054	2,306,271	221,518	4,098,561	3,357,860
-0	-0	-0	-0	-0	3,074,158	(2,135,836)
(79,520)	(327)	4,914,850	(4,963,339)	(15,288)	(1,261,468)	2,000,767
-0	-0	(477,308)	2,205	24,888	(435,531)	436,932
6,423	(158,149)	(4,704,230)	3,625,873	119,304	(835,934)	16,056,888
-0	-0	-0	-0	-0	(12,232)	-0
(50,181)	(98,864)	(224,634)	971,010	350,422	4,627,554	19,716,611
\$ 23,777	\$ 106,905	\$ (121,446)	\$ 696,547	\$ 545,080	\$ 3,790,315	\$ (9,383,579)
\$ -0	\$ -0	\$ -0	\$ 5,633,005	\$ 16,500	\$ 6,126,269	\$ 19,420
-0	-0	1,275	-0	-0	10,006	17,431
-0	-0	-0	-0	-0	61,984	-0
-0	-0	-0	3,764,282	-0	3,764,282	50,096

# Trust & Agency Funds

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A



*Trust and Agency Funds account for resources which are held in a fiduciary or agency capacity.*

## TRUST AND AGENCY FUNDS

### Expendable Trust

**Unemployment Compensation** Accounts for the payment of unemployment compensation benefits (NRS 612.585).

**Museums and History** Accounts for private funding such as donations, gifts, and grants used to purchase items of historical interest according to the restrictions specified by the donors (NRS 381.0031).

**Gift** Accounts for gifts and grants received by the Commission for the Preservation of Wild Horses (NRS 504.450), the Department of Conservation and Natural Resources (NRS 232.020), the State Board of Education (NRS 385.095), the State Library and Archives (NRS 378.090) the Division of State Parks (NRS 407.075), the Rehabilitation Division of the Department of Employment, Training and Rehabilitation (NRS 232.960), and the Department of Human Resources (NRS 232.355).

**Custodial** Accounts for estates escheated to the State in absence of legal heirs and used for educational purposes (NRS 154.140); administration of abandoned property (NRS 120A.370); survivor benefits held in trust for children receiving welfare services (NRS 432.037); personal property held in trust for prisoners pending their release (NRS 209.241); revenue collected to benefit destitute offenders (NRS 209.383); and the residual activity of emergency distribution of SCCRT (Supplemental City-County Relief Tax) originally authorized by NRS 354.5988.

### Nonexpendable Trust

**Henry Wood Christmas** Accounts for the bequest of the late Henry Wood to provide Christmas gifts to orphans.

**Permanent School** Accounts for certain property and the proceeds derived from such property, escheated estates, and all fines collected under penal laws of the State, which become permanent assets of the fund. Earnings on the assets are to be used for education (State Constitution, Article 11, Section 3).

### Investment Trust

**Local Government Investment Pool** Accounts for investment funds received from local governments and pooled to obtain greater interest earnings (NRS 355.167).

### Pension Trust

**Public Employees' Retirement** Accounts for the operations of the Public Employees' Retirement System which provides income benefits to qualified public employees (NRS 286.220).

**Legislators' Retirement** Accounts for the operations of the Legislators' Retirement System (NRS 218.2375).

### Agency

**Intergovernmental** Accounts for taxes and fees, such as sales and use, cigarette and jet fuel taxes, collected by the Department of Taxation on behalf of local governments (NRS 353.254).

**State Agency Fund for Bonds** Accounts for surety bonds and deposits held by the State (NRS 353.251).

**Motor Vehicle** Accounts for taxes and fees collected by the Department of Motor Vehicles pending distribution to counties and other funds (NRS 482.180).

**Restitution Trust** Accounts for money received from parolees making restitution (NRS 213.126).

**Veterans Custodial** Accounts for the estates of persons for whom the Nevada Commissioner for Veteran Affairs acts as guardian (NRS 417.113).

**State Payroll** Accounts for payment of payroll and payroll deductions such as income tax withholding, insurance deductions, credit union deductions, etc. (NRS 227.130).

# STATE OF NEVADA

## Combining Balance Sheet Trust and Agency Funds

*June 30, 1999 with Comparative Totals for 1998*

	Expendable Trust Funds				Nonex- pendable
	Unemployment Compensation	Museums and History	Gift Funds	Custodial Funds	Henry Wood Christmas
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ -0-	\$ -0-	\$ 2,237,171	\$ 11,347,937	\$ 51,180
Cash in custody of other officials	453,794,625	171,337	1,030	176,302	-0-
Investments	-0-	1,494,373	361,600	3,023,136	-0-
Collateral on loaned securities	-0-	-0-	652,484	1,471,524	-0-
<i>Receivables:</i>					
Accounts receivable	59,420,920	49,190	7,625	26,610	-0-
Taxes receivable	-0-	-0-	-0-	-0-	-0-
Accrued interest and dividends	-0-	-0-	-0-	-0-	-0-
Trades pending settlement	-0-	-0-	-0-	-0-	-0-
Intergovernmental receivables	-0-	-0-	1,400	60,306	-0-
Notes receivable	-0-	-0-	-0-	-0-	-0-
Other receivables	-0-	-0-	5,155	-0-	-0-
Due from other funds	-0-	-0-	147,573	211,494	2,303
Inventory	-0-	264,726	-0-	-0-	-0-
Other assets	-0-	-0-	-0-	-0-	-0-
Land	-0-	-0-	-0-	-0-	-0-
Furniture and equipment	-0-	-0-	-0-	-0-	-0-
Accumulated depreciation	-0-	-0-	-0-	-0-	-0-
<b>Total assets</b>	<b>\$ 513,215,545</b>	<b>\$ 1,979,626</b>	<b>\$ 3,414,038</b>	<b>\$ 16,317,309</b>	<b>\$ 53,483</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 6,889,089	\$ 95,599	\$ 59,709	\$ 561,397	\$ -0-
Accrued payroll and related liabilities	-0-	30,100	1,712	18,168	-0-
Intergovernmental payables	-0-	-0-	992	232,515	-0-
Trades pending settlement	-0-	-0-	-0-	-0-	-0-
Obligations under securities lending	-0-	-0-	652,484	1,471,524	-0-
Due to other funds	1,524	16,000	5,305	7,462,569	2,303
Due to component unit	-0-	-0-	-0-	225	-0-
Deferred revenues	-0-	155,541	-0-	-0-	-0-
Notes payable	-0-	-0-	-0-	-0-	-0-
<i>Other liabilities:</i>					
Deposits	-0-	-0-	-0-	-0-	-0-
Other liabilities	-0-	-0-	-0-	5,848,071	-0-
<b>Total liabilities</b>	<b>6,890,613</b>	<b>297,240</b>	<b>720,202</b>	<b>15,594,469</b>	<b>2,303</b>
<b>Fund balances:</b>					
<i>Reserved:</i>					
Encumbrances and contracts	-0-	-0-	-0-	4,498	-0-
Inventory	-0-	264,726	-0-	-0-	-0-
<i>Other:</i>					
Employees' pension benefits	-0-	-0-	-0-	-0-	-0-
Pool participants	-0-	-0-	-0-	-0-	-0-
Principal of non-expendable trust funds	-0-	-0-	-0-	-0-	30,000
Other	-0-	100,406	-0-	25,000	-0-
<i>Unreserved:</i>					
<i>Designated:</i>					
Principal preservation	-0-	-0-	900,000	-0-	-0-
Museum projects	-0-	170,281	-0-	-0-	-0-
Undesignated	506,324,932	1,146,973	1,793,836	693,342	21,180
<b>Total fund balances</b>	<b>506,324,932</b>	<b>1,682,386</b>	<b>2,693,836</b>	<b>722,840</b>	<b>51,180</b>
<b>Total liabilities and fund balances</b>	<b>\$ 513,215,545</b>	<b>\$ 1,979,626</b>	<b>\$ 3,414,038</b>	<b>\$ 16,317,309</b>	<b>\$ 53,483</b>

Non-expendable	Investment Trust Fund	Pension Trust Funds		Agency Funds		
		Local Gov't Investment Pool	Public Employees' Retirement	Legislators' Retirement	Inter-governmental	State Agency Fund for Bonds
Permanent School						
\$ 13,035,223	\$ 299,722	\$ -0-	\$ -0-	\$ 26,364,997	\$ 20,318,161	\$ 44,950,311
-0-	-0-	602,142,093	106,709	-0-	55,371,398	2,440,240
55,885,760	375,891,683	12,152,641,876	4,545,065	-0-	60,084,580	-0-
4,091,645	-0-	1,634,609,427	-0-	624,884	-0-	13,740,053
45	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	6,623,023	-0-	-0-
513,240	3,624,745	62,267,440	37,219	-0-	-0-	-0-
-0-	-0-	-0-	7,976	-0-	-0-	-0-
243,005	-0-	32,749,778	-0-	4,622,728	-0-	131,321
120	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	374	-0-	-0-	20,048,286
795,905	2,031,337	7,848,584	-0-	258,298,162	857,941	663,545
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	861,738	-0-	-0-	-0-	-0-
2,977	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	10,989,503	-0-	-0-	-0-	-0-
-0-	-0-	(1,790,684)	-0-	-0-	-0-	-0-
<u>\$ 74,567,920</u>	<u>\$ 381,847,487</u>	<u>\$ 14,502,319,755</u>	<u>\$ 4,697,343</u>	<u>\$ 296,533,794</u>	<u>\$ 136,632,080</u>	<u>\$ 81,973,756</u>
\$ -0-	\$ -0-	\$ 10,395,944	\$ 4,173	\$ -0-	\$ -0-	\$ -0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	3,662,995	-0-	-0-	277,618,986	-0-	25,622,978
-0-	-0-	613,281,454	-0-	-0-	-0-	-0-
4,091,645	-0-	1,634,609,427	-0-	624,884	-0-	13,740,053
270,043	307,695	61,320	-0-	18,289,924	65,109	39,199,485
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	9,189,163	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	136,537,677	3,411,240
-0-	-0-	3,839,766	-0-	-0-	29,294	-0-
<u>4,361,688</u>	<u>3,970,690</u>	<u>2,271,377,074</u>	<u>4,173</u>	<u>296,533,794</u>	<u>136,632,080</u>	<u>81,973,756</u>
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	12,230,942,681	4,693,170	-0-	-0-	-0-
-0-	377,876,797	-0-	-0-	-0-	-0-	-0-
70,206,232	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>70,206,232</u>	<u>377,876,797</u>	<u>12,230,942,681</u>	<u>4,693,170</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>\$ 74,567,920</u>	<u>\$ 381,847,487</u>	<u>\$ 14,502,319,755</u>	<u>\$ 4,697,343</u>	<u>\$ 296,533,794</u>	<u>\$ 136,632,080</u>	<u>\$ 81,973,756</u>

# STATE OF NEVADA

## Combining Balance Sheet Trust and Agency Funds

**Exhibit G-1**

June 30, 1999 with Comparative Totals for 1998

Page 2 of 2

	Agency Funds			Total all Funds	
	Restitution Trust	Veterans Custodial	State Payroll	1999	1998
<b>Assets</b>					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 1,199,419	\$ 1,583,529	\$ 7,624,554	\$ 129,012,204	\$ 143,578,898
Cash in custody of other officials	-0-	-0-	-0-	1,114,203,734	890,810,153
Investments	-0-	-0-	-0-	12,653,928,073	11,171,147,336
Collateral on loaned securities	-0-	494,766	-0-	1,655,684,783	1,424,395,709
<i>Receivables:</i>					
Accounts receivable	-0-	-0-	-0-	59,504,390	54,359,388
Taxes receivable	-0-	-0-	-0-	6,623,023	6,135,816
Accrued interest and dividends	-0-	-0-	-0-	66,442,644	66,383,029
Trades pending settlement	-0-	-0-	-0-	7,976	-0-
Intergovernmental receivables	-0-	-0-	-0-	37,808,538	34,149,191
Notes receivable	-0-	-0-	-0-	120	120
Other receivables	-0-	-0-	52,188	20,106,003	14,157,010
Due from other funds	9,392	19,927	591,206	271,477,369	218,301,596
Inventory	-0-	-0-	-0-	264,726	275,367
Other assets	-0-	-0-	-0-	861,738	943,440
Land	-0-	-0-	-0-	2,977	2,977
Furniture and equipment	-0-	-0-	-0-	10,989,503	4,852,196
Accumulated depreciation	-0-	-0-	-0-	(1,790,684)	(852,208)
<b>Total assets</b>	<b>\$ 1,208,811</b>	<b>\$ 2,098,222</b>	<b>\$ 8,267,948</b>	<b>\$ 16,025,127,117</b>	<b>\$ 14,028,640,018</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ -0-	\$ -0-	\$ 133	\$ 18,006,044	\$ 13,088,995
Accrued payroll and related liabilities	-0-	-0-	334,890	384,870	16,115
Intergovernmental payables	-0-	-0-	-0-	307,138,466	251,802,548
Trades pending settlement	-0-	-0-	-0-	613,281,454	388,548,391
Obligations under securities lending	-0-	494,766	-0-	1,655,684,783	1,424,395,709
Due to other funds	1,287	-0-	7,849,059	73,531,623	86,516,568
Due to component unit	-0-	-0-	-0-	225	231
Deferred revenues	-0-	-0-	-0-	155,541	123,958
Notes payable	-0-	-0-	-0-	9,189,163	9,295,898
<i>Other liabilities:</i>					
Deposits	-0-	-0-	-0-	139,948,917	117,998,417
Other liabilities	1,207,524	1,603,456	83,866	12,611,977	11,146,112
<b>Total liabilities</b>	<b>1,208,811</b>	<b>2,098,222</b>	<b>8,267,948</b>	<b>2,829,933,063</b>	<b>2,302,932,942</b>
<b>Fund balances:</b>					
<i>Reserved:</i>					
Encumbrances and contracts	-0-	-0-	-0-	4,498	-0-
Inventory	-0-	-0-	-0-	264,726	275,367
<i>Other:</i>					
Employees' pension benefits	-0-	-0-	-0-	12,235,635,851	10,841,735,443
Pool participants	-0-	-0-	-0-	377,876,797	368,469,392
Principal of non-expendable trust funds	-0-	-0-	-0-	70,236,232	65,552,975
Other	-0-	-0-	-0-	125,406	587,906
<i>Unreserved:</i>					
<i>Designated:</i>					
Principal preservation	-0-	-0-	-0-	900,000	900,000
Museum projects	-0-	-0-	-0-	170,281	166,805
Undesignated	-0-	-0-	-0-	509,980,263	448,019,188
<b>Total fund balances</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>13,195,194,054</b>	<b>11,725,707,076</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,208,811</b>	<b>\$ 2,098,222</b>	<b>\$ 8,267,948</b>	<b>\$ 16,025,127,117</b>	<b>\$ 14,028,640,018</b>



# STATE OF NEVADA

## Combining Statement of Plan Net Assets Pension Trust Funds

June 30, 1999 with Comparative Totals for 1998

Exhibit G-2

	Public Employees' Retirement	Legislators' Retirement	Total Both Funds	
			1999	1998
<b>Assets</b>				
Cash and cash equivalents	\$ 602,142,093	\$ 106,709	\$ 602,248,802	\$ 437,655,723
Investments	12,152,641,876	4,545,065	12,157,186,941	10,706,183,682
Collateral on loaned securities	1,634,609,427	-0-	1,634,609,427	1,384,544,235
<i>Receivables:</i>				
Accrued interest and dividends	62,267,440	37,219	62,304,659	62,055,111
Trades pending settlement	-0-	7,976	7,976	-0-
Intergovernmental receivables	32,749,778	-0-	32,749,778	33,821,160
Other receivables	-0-	374	374	495
Due from other funds	7,848,584	-0-	7,848,584	7,387,327
Other assets	861,738	-0-	861,738	943,440
Furniture and equipment	10,989,503	-0-	10,989,503	4,852,196
Accumulated depreciation	(1,790,684)	-0-	(1,790,684)	(852,208)
<b>Total plan assets</b>	<b>14,502,319,755</b>	<b>4,697,343</b>	<b>14,507,017,098</b>	<b>12,636,591,161</b>
<b>Liabilities</b>				
<i>Accounts payable and accruals:</i>				
Accounts payable	10,395,944	4,173	10,400,117	8,503,375
Trades pending settlement	613,281,454	-0-	613,281,454	388,548,391
Obligations under securities lending	1,634,609,427	-0-	1,634,609,427	1,384,544,235
Due to other funds	61,320	-0-	61,320	164,823
Notes payable	9,189,163	-0-	9,189,163	9,295,898
Other liabilities	3,839,766	-0-	3,839,766	3,798,996
<b>Total plan liabilities</b>	<b>2,271,377,074</b>	<b>4,173</b>	<b>2,271,381,247</b>	<b>1,794,855,718</b>
<b>Net assets held in trust for pension benefits</b>	<b>\$ 12,230,942,681</b>	<b>\$ 4,693,170</b>	<b>\$ 12,235,635,851</b>	<b>\$ 10,841,735,443</b>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Expendable Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

**Exhibit G-3**

	Unemployment Compensation	Museums and History	Gift Funds	Custodial Funds	Total All Funds	
					1999	1998
<b>Revenues</b>						
Intergovernmental	\$ 6,730,390	\$ -0-	\$ 877	\$ -0-	\$ 6,731,267	\$ 7,060,642
Taxes	212,352,834	-0-	671,407	-0-	213,024,241	190,680,973
Sales and charges for services	-0-	495,282	-0-	-0-	495,282	541,772
Interest and investment income	28,297,532	280,479	229,586	300,488	29,108,085	27,355,699
<i>Other:</i>						
Donations	-0-	409,040	112,454	-0-	521,494	587,446
Other	-0-	-0-	46,047	8,276,370	8,322,417	7,737,239
<b>Total revenues</b>	<b>247,380,756</b>	<b>1,184,801</b>	<b>1,060,371</b>	<b>8,576,858</b>	<b>258,202,786</b>	<b>233,963,771</b>
<b>Expenditures</b>						
<i>Current:</i>						
General Government	-0-	-0-	48,984	73,205	122,189	126,741
Health and social services	179,090,555	-0-	667,711	1,088,218	180,846,484	185,659,420
Education and support services	-0-	1,154,866	30,044	-0-	1,184,910	1,194,487
Law, justice and public safety	-0-	-0-	-0-	1,157,591	1,157,591	830,545
Regulation of business	-0-	-0-	11,340	232,099	243,439	148,481
Recreation and resource development	-0-	-0-	159,345	-0-	159,345	158,260
<i>Intergovernmental:</i>						
Other	6,290,992	-0-	-0-	35,436	6,326,428	6,802,627
<b>Total expenditures</b>	<b>185,381,547</b>	<b>1,154,866</b>	<b>917,424</b>	<b>2,586,549</b>	<b>190,040,386</b>	<b>194,920,561</b>
Excess of revenues over expenditures	61,999,209	29,935	142,947	5,990,309	68,162,400	39,043,210
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	-0-	-0-	2,303	854,824	857,127	670,705
Operating transfers out	-0-	-0-	(5,010)	(7,518,609)	(7,523,619)	(6,472,234)
<b>Total other financing sources (uses)</b>	<b>-0-</b>	<b>-0-</b>	<b>(2,707)</b>	<b>(6,663,785)</b>	<b>(6,666,492)</b>	<b>(5,801,529)</b>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	61,999,209	29,935	140,240	(673,476)	61,495,908	33,241,681
Fund balances, July 1	444,325,723	1,652,451	2,553,596	1,396,316	449,928,086	416,686,405
<b>Fund balances, June 30</b>	<b>\$ 506,324,932</b>	<b>\$ 1,682,386</b>	<b>\$ 2,693,836</b>	<b>\$ 722,840</b>	<b>\$ 511,423,994</b>	<b>\$ 449,928,086</b>

# STATE OF NEVADA

## Combining Statement of Revenues, Expenses and Changes in Fund Balances Nonexpendable Trust Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

**Exhibit G-4**

	Henry Wood Christmas	Permanent School	Total Both Funds	
			1999	1998
<b>Operating Revenues</b>				
Interest and investment income	\$ 2,303	\$ 3,574,252	\$ 3,576,555	\$ 5,288,788
<i>Other:</i>				
Fines	-0-	3,885,005	3,885,005	3,650,633
Land sales/miscellaneous	-0-	695,097	695,097	401,046
<b>Total operating revenues</b>	2,303	8,154,354	8,156,657	9,340,467
<b>Operating Expenses</b>				
Interest expense	-0-	230,817	230,817	246,935
<b>Total operating expenses</b>	-0-	230,817	230,817	246,935
Operating income	2,303	7,923,537	7,925,840	9,093,532
<b>Operating Transfers</b>				
Operating transfers in	-0-	103,155	103,155	226,861
Operating transfers out	(2,303)	(3,343,435)	(3,345,738)	(5,011,187)
<b>Net operating transfers</b>	(2,303)	(3,240,280)	(3,242,583)	(4,784,326)
Net income	-0-	4,683,257	4,683,257	4,309,206
Fund balances, July 1	51,180	65,522,975	65,574,155	61,264,949
<b>Fund balances, June 30</b>	\$ 51,180	\$ 70,206,232	\$ 70,257,412	\$ 65,574,155

# STATE OF NEVADA

## Combining Statement of Cash Flows Nonexpendable Trust Funds

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

**Exhibit G-5**

	Henry Wood Christmas	Permanent School	Total Both Funds	
			1999	1998
<b>Cash flows from operating activities</b>				
Cash received from other governments	\$ -0-	\$ 4,610,754	\$ 4,610,754	\$ 4,024,807
Net cash provided by operating activities	-0-	4,610,754	4,610,754	4,024,807
<b>Cash flows from noncapital financing activities</b>				
Operating transfers in	-0-	63,626	63,626	149,889
Operating transfers out	(2,805)	(4,198,464)	(4,201,269)	(4,894,433)
Net cash used for noncapital financing activities	(2,805)	(4,134,838)	(4,137,643)	(4,744,544)
<b>Cash flows from investing activities</b>				
Proceeds from sale of investments	-0-	9,451,785	9,451,785	9,019,426
Purchase of investments	-0-	(10,009,100)	(10,009,100)	(12,997,968)
Interest and investment income	2,805	4,189,978	4,192,783	4,207,748
Net cash provided by investing activities	2,805	3,632,663	3,635,468	229,206
Net increase (decrease) in cash	-0-	4,108,579	4,108,579	(490,531)
Cash and cash equivalents, July 1	51,180	8,926,644	8,977,824	9,468,355
Cash and cash equivalents, June 30	\$ 51,180	\$ 13,035,223	\$ 13,086,403	\$ 8,977,824
<b>Reconciliation of operating income to net cash provided by operating activities</b>				
Operating income	\$ 2,303	\$ 7,923,537	\$ 7,925,840	\$ 9,093,532
<b>Adjustments to reconcile operating income to net cash provided by operating activities</b>				
Decrease (increase) in accrued receivables	-0-	30,652	30,652	(26,872)
Operating interest and investment income	(2,303)	(3,574,252)	(3,576,555)	(5,288,788)
Operating interest expense	-0-	230,817	230,817	246,935
Total adjustments	(2,303)	(3,312,783)	(3,315,086)	(5,068,725)
Net cash provided by operating activities	\$ -0-	\$ 4,610,754	\$ 4,610,754	\$ 4,024,807

# STATE OF NEVADA

## Combining Statement of Changes in Plan Net Assets Pension Trust Funds

For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998

**Exhibit G-6**

	Public Employees' Retirement	Legislators' Retirement	Total Both Funds	
			1999	1998
<b>Additions</b>				
Retirement contributions	\$ 609,434,491	\$ 407,540	\$ 609,842,031	\$ 557,277,348
<i>Investment income:</i>				
Interest, dividends	374,271,632	161,771	374,433,403	319,104,411
Net increase in the fair value of investments	722,624,100	293,754	722,917,854	1,035,461,282
Other	170,817,390	-0-	170,817,390	180,255,385
	1,267,713,122	455,525	1,268,168,647	1,534,821,078
Less: Investment expense	(95,886,832)	(2,835)	(95,889,667)	(98,966,273)
Net investment income	1,171,826,290	452,690	1,172,278,980	1,435,854,805
Other income	1,935,820	35,995	1,971,815	1,886,622
<b>Total additions</b>	1,783,196,601	896,225	1,784,092,826	1,995,018,775
<b>Deductions</b>				
Benefit payments	374,252,647	322,911	374,575,558	336,387,600
Refunds	11,315,902	19,200	11,335,102	13,537,992
Administrative expense	4,250,065	31,693	4,281,758	4,015,538
<b>Total deductions</b>	389,818,614	373,804	390,192,418	353,941,130
Net increase	1,393,377,987	522,421	1,393,900,408	1,641,077,645
Net assets held in trust for pension benefits, July 1	10,837,564,694	4,170,749	10,841,735,443	9,200,657,798
<b>Net assets held in trust for pension benefits, June 30</b>	<b>\$ 12,230,942,681</b>	<b>\$ 4,693,170</b>	<b>\$ 12,235,635,851</b>	<b>\$ 10,841,735,443</b>

# STATE OF NEVADA

## Combining Statement of Changes in Assets and Liabilities Agency Funds

For the Fiscal Year Ended June 30, 1999

**Exhibit G-7**

Page 1 of 2

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
<b>Intergovernmental</b>				
<b>Assets</b>				
Cash with treasurer	\$ 14,726,364	\$ 1,524,643,274	\$ 1,513,004,641	\$ 26,364,997
Collateral on loaned securities	387,423	624,884	387,423	624,884
Taxes receivable	6,135,816	6,623,023	6,135,816	6,623,023
Intergovernmental receivables	-0-	4,622,728	-0-	4,622,728
Due from other funds	203,173,807	258,298,162	203,173,807	258,298,162
<b>Total assets</b>	<b>\$ 224,423,410</b>	<b>\$ 1,794,812,071</b>	<b>\$ 1,722,701,687</b>	<b>\$ 296,533,794</b>
<b>Liabilities</b>				
Intergovernmental payables	\$ 216,539,125	\$ 2,553,849,281	\$ 2,492,769,420	\$ 277,618,986
Obligations under securities lending	387,423	624,884	387,423	624,884
Due to other funds	7,491,039	73,989,635	63,190,750	18,289,924
Other liabilities	5,823	-0-	5,823	-0-
<b>Total liabilities</b>	<b>\$ 224,423,410</b>	<b>\$ 2,628,463,800</b>	<b>\$ 2,556,353,416</b>	<b>\$ 296,533,794</b>
<b>State Agency Fund for Bonds</b>				
<b>Assets</b>				
Cash with treasurer	\$ 13,847,973	\$ 11,184,414	\$ 4,714,225	\$ 20,318,162
Cash in custody of other officials	55,856,587	16,264,443	16,749,632	55,371,398
Investments	39,286,123	26,267,946	5,469,490	60,084,579
Due from other funds	5,862,750	857,941	5,862,750	857,941
<b>Total assets</b>	<b>\$ 114,853,433</b>	<b>\$ 54,574,744</b>	<b>\$ 32,796,097</b>	<b>\$ 136,632,080</b>
<b>Liabilities</b>				
Due to other funds	\$ 19,938	\$ 65,109	\$ 19,938	\$ 65,109
Deposits	114,807,345	50,696,629	28,966,297	136,537,677
Other liabilities	26,150	4,901	1,757	29,294
<b>Total liabilities</b>	<b>\$ 114,853,433</b>	<b>\$ 50,766,639</b>	<b>\$ 28,987,992</b>	<b>\$ 136,632,080</b>
<b>Motor Vehicle</b>				
<b>Assets</b>				
Cash with treasurer	\$ 84,108,438	\$ 435,075,638	\$ 474,233,765	\$ 44,950,311
Cash in custody of other officials	2,270,090	219,000	48,850	2,440,240
Collateral on loaned securities	32,711,001	13,740,053	32,711,001	13,740,053
Intergovernmental receivables	-0-	131,321	-0-	131,321
Other receivables	14,156,440	20,896,777	15,004,931	20,048,286
Due from other funds	226	663,545	226	663,545
<b>Total assets</b>	<b>\$ 133,246,195</b>	<b>\$ 470,726,334</b>	<b>\$ 521,998,773</b>	<b>\$ 81,973,756</b>
<b>Liabilities</b>				
Intergovernmental payables	\$ 33,492,526	\$ 186,290,323	\$ 194,159,871	\$ 25,622,978
Obligations under securities lending	32,711,001	13,740,053	32,711,001	13,740,053
Due to other funds	63,845,879	226,455,859	251,102,253	39,199,485
Deposits	3,191,072	350,551	130,383	3,411,240
Other liabilities	5,717	-0-	5,717	-0-
<b>Total liabilities</b>	<b>\$ 133,246,195</b>	<b>\$ 426,836,786</b>	<b>\$ 478,109,225</b>	<b>\$ 81,973,756</b>
<b>Restitution Trust</b>				
<b>Assets</b>				
Cash with treasurer	\$ 866,855	\$ 967,229	\$ 634,665	\$ 1,199,419
Due from other funds	22,844	9,392	22,844	9,392
<b>Total assets</b>	<b>\$ 889,699</b>	<b>\$ 976,621</b>	<b>\$ 657,509</b>	<b>\$ 1,208,811</b>
<b>Liabilities</b>				
Due to other funds	\$ -0-	\$ 22,485	\$ 21,198	\$ 1,287
Other liabilities	889,699	943,804	625,979	1,207,524
<b>Total liabilities</b>	<b>\$ 889,699</b>	<b>\$ 966,289</b>	<b>\$ 647,177</b>	<b>\$ 1,208,811</b>

# STATE OF NEVADA

## Combining Statement of Changes in Assets and Liabilities Agency Funds

**Exhibit G-7**

Page 2 of 2

For the Fiscal Year Ended June 30, 1999

	Balance July 1, 1998	Additions	Deletions	Balance June 30, 1999
<b>Veterans Custodial</b>				
<b>Assets</b>				
Cash with treasurer	\$ 995,938	\$ 1,698,707	\$ 1,111,116	\$ 1,583,529
Collateral on loaned securities	689,854	494,766	689,854	494,766
Due from other funds	27,223	19,927	27,223	19,927
<b>Total assets</b>	<b>\$ 1,713,015</b>	<b>\$ 2,213,400</b>	<b>\$ 1,828,193</b>	<b>\$ 2,098,222</b>
<b>Liabilities</b>				
Obligations under securities lending	\$ 689,854	\$ 494,766	\$ 689,854	\$ 494,766
Other liabilities	1,023,161	1,697,331	1,117,036	1,603,456
<b>Total liabilities</b>	<b>\$ 1,713,015</b>	<b>\$ 2,192,097</b>	<b>\$ 1,806,890</b>	<b>\$ 2,098,222</b>
<b>State Payroll</b>				
<b>Assets</b>				
Cash with treasurer	\$ 6,208,539	\$ 666,222,235	\$ 664,806,220	\$ 7,624,554
Other receivables	-	52,188	-	52,188
Due from other funds	1,081,809	591,206	1,081,809	591,206
<b>Total assets</b>	<b>\$ 7,290,348</b>	<b>\$ 666,865,629</b>	<b>\$ 665,888,029</b>	<b>\$ 8,267,948</b>
<b>Liabilities</b>				
Accrued payroll and related liabilities	\$ 12,962	\$ 416,053,550	\$ 415,731,489	\$ 335,023
Intergovernmental payable	10,714	-	10,714	-
Due to other funds	7,232,146	100,444,633	99,827,720	7,849,059
Other liabilities	34,526	58,578,749	58,529,409	83,866
<b>Total liabilities</b>	<b>\$ 7,290,348</b>	<b>\$ 575,076,932</b>	<b>\$ 574,099,332</b>	<b>\$ 8,267,948</b>
<b>Totals - All Agency Funds</b>				
<b>Assets</b>				
Cash with treasurer	\$ 120,754,107	\$ 2,639,791,497	\$ 2,658,504,632	\$ 102,040,972
Cash in custody of other officials	58,126,677	16,483,443	16,798,482	57,811,638
Investments	39,286,123	26,267,946	5,469,490	60,084,579
Collateral on loaned securities	33,788,278	14,859,703	33,788,278	14,859,703
Taxes receivable	6,135,816	6,623,023	6,135,816	6,623,023
Intergovernmental receivables	-	4,754,049	-	4,754,049
Other receivables	14,156,440	20,948,965	15,004,931	20,100,474
Due from other funds	210,168,659	260,440,173	210,168,659	260,440,173
<b>Total assets</b>	<b>\$ 482,416,100</b>	<b>\$ 2,990,168,799</b>	<b>\$ 2,945,870,288</b>	<b>\$ 526,714,611</b>
<b>Liabilities</b>				
Accrued payroll and related liabilities	\$ 12,962	\$ 416,053,550	\$ 415,731,489	\$ 335,023
Intergovernmental payables	250,042,365	2,740,139,604	2,686,940,005	303,241,964
Obligations under securities lending	33,788,278	14,859,703	33,788,278	14,859,703
Due to other funds	78,589,002	400,977,721	414,161,859	65,404,864
Deposits	117,998,417	51,047,180	29,096,680	139,948,917
Other liabilities	1,985,076	61,224,785	60,285,721	2,924,140
<b>Total liabilities</b>	<b>\$ 482,416,100</b>	<b>\$ 3,684,302,543</b>	<b>\$ 3,640,004,032</b>	<b>\$ 526,714,611</b>

# STATE OF NEVADA

## Comparative Statement of Net Assets Local Government Investment Pool Investment Trust Fund

*June 30, 1999 with Comparative Totals for 1998*

**Exhibit G-8**

	1999	1998
<b>Assets</b>		
Cash with treasurer	\$ 299,722	\$ 886
Investments	375,891,683	366,540,315
<i>Receivables:</i>		
Accrued interest	3,624,745	3,692,738
Due from other funds	2,031,337	-0-
<b>Total plan assets</b>	381,847,487	370,233,939
<b>Liabilities</b>		
<i>Accounts payable and accruals:</i>		
Intergovernmental payables	3,662,995	1,757,489
Due to other funds	307,695	7,058
<b>Total plan liabilities</b>	3,970,690	1,764,547
<b>Net assets held in trust for pool participants</b>	\$ 377,876,797	\$ 368,469,392



# STATE OF NEVADA

## Comparative Statement of Changes in Net Assets Local Government Investment Pool Investment Trust Fund

*For the Fiscal Year Ended June 30, 1999 with Comparative Totals for 1998*

**Exhibit G-9**

	1999	1998
<b>Additions</b>		
<i>Investment income:</i>		
Interest	\$ 21,237,879	\$ 21,112,567
Net increase (decrease) in fair value of investments	(87,707)	9,269
	21,150,172	21,121,836
Less: Investment expense	(92,724)	(92,022)
Net investment income	21,057,448	21,029,814
Investment from local governments	871,434,904	774,222,987
Reinvestment from interest income	3,366,169	5,784,713
<b>Total additions</b>	895,858,521	801,037,514
<b>Deductions</b>		
Dividends to investors	21,147,996	21,020,997
Principal redeemed	865,303,120	779,966,128
<b>Total deductions</b>	886,451,116	800,987,125
Net increase	9,407,405	50,389
Net assets held in trust for pool participants, July 1	368,469,392	368,419,003
<b>Net assets held in trust for pool participants, June 30</b>	\$ 377,876,797	\$ 368,469,392

# General Fixed Assets Account Group

N  
E  
V  
A  
D  
A



*General Fixed Assets Account Group records fixed assets acquired or constructed for general government purposes.*

# STATE OF NEVADA

## Schedule of General Fixed Assets - By Source

June 30, 1999

Exhibit H-1

### General Fixed Assets

Land	\$ 87,955,054
Buildings	643,914,316
Improvements other than buildings	66,869,974
Furniture and equipment	250,550,032
Construction in progress	108,143,950
<b>Total general fixed assets</b>	<b>\$ 1,157,433,326</b>

### Investments in General Fixed Assets From

General obligation bonds	\$ 403,242,660
Federal grants	80,266,488
General fund revenues	430,342,010
Special revenue fund revenues	219,318,910
Gifts	18,430,362
Certificates of participation	5,832,896
<b>Total investment in general fixed assets</b>	<b>\$ 1,157,433,326</b>

## Schedule of General Fixed Assets - By Function

June 30, 1999

Exhibit H-2

		Land	Buildings	Improvements Other Than Buildings	Furniture and Equipment	Total
General government	\$	12,069,313	\$ 82,439,105	\$ 1,372,714	\$ 14,892,498	\$ 110,773,630
Education, support services		963,059	32,173,988	16,398	4,183,679	37,337,124
Health, social services		2,453,691	68,715,689	3,489,911	48,416,791	123,076,082
Law, justice, public safety		1,354,654	415,778,172	15,632,738	48,674,371	481,439,935
Recreation, resource development		70,699,452	9,772,409	44,837,681	26,100,444	151,409,986
Transportation		393,885	34,461,988	1,504,839	98,351,989	134,712,701
Regulation of business		21,000	572,965	15,693	9,930,260	10,539,918
<b>Total general fixed assets allocated to function</b>	<b>\$</b>	<b>87,955,054</b>	<b>\$ 643,914,316</b>	<b>\$ 66,869,974</b>	<b>\$ 250,550,032</b>	<b>1,049,289,376</b>
Construction in progress						108,143,950
<b>Total general fixed assets</b>						<b>\$ 1,157,433,326</b>

# STATE OF NEVADA

## Schedule of Changes in General Fixed Assets - By Function

For the Fiscal Year Ended June 30, 1999

*Exhibit H-3*

	General Fixed Assets July 1, 1998	Additions	Deletions	General Fixed Assets June 30, 1999
General government	\$ 108,668,088	\$ 2,145,366	\$ 39,824	\$ 110,773,630
Education, support services	34,358,220	2,994,117	15,213	37,337,124
Health, social services	116,574,043	6,824,675	322,636	123,076,082
Law, justice, public safety	399,186,818	83,010,186	757,069	481,439,935
Recreation, resource development	145,453,390	6,130,373	173,777	151,409,986
Transportation	122,232,402	12,579,028	98,729	134,712,701
Regulation of business	9,821,716	829,047	110,845	10,539,918
Construction in progress	116,138,125	77,531,178	85,525,353	108,143,950
<b>Total general fixed assets</b>	<b>\$ 1,052,432,802</b>	<b>\$ 192,043,970</b>	<b>\$ 87,043,446</b>	<b>\$ 1,157,433,326</b>

# Budgetary Schedules

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*Budgetary schedules demonstrate compliance with the legally adopted budget (non-GAAP basis).*

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 1 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
<b>General Fund Unbudgeted Activity</b>	\$ -0-	\$ 2,061,345	\$ (2,061,345)
<b>Constitutional Agencies</b>			
<b>Executive Branch</b>			
Attorney General Admin Acct	17,816,335	17,379,347	436,988
Attorney General Medicaid Fraud	1,095,483	920,127	175,356
Controller	2,116,722	2,099,756	16,966
Council for Prosecuting Attys	208,492	120,278	88,214
Council on Holocaust Prevention	38,934	38,934	-0-
Crime Prevention	246,039	240,319	5,720
Domestic Violence Programs	2,556,719	1,095,318	1,461,401
Ethics Commission	196,714	182,011	14,703
Extradition Clerk	873,014	643,360	229,654
Governor's Mansion	290,491	254,523	35,968
Governor's Office	1,694,052	1,639,784	54,268
High Level Nuclear Waste	1,945,733	997,540	948,193
Higher Education Tuition Admin	1,301,591	957,846	343,745
High Education Tuition Trust	6,205,000	4,674	6,200,326
Insurance Fraud	893,596	784,039	109,557
Investigations & Enforcements	163,986	108,172	55,814
Lieutenant Governor	367,644	357,966	9,678
Securities Division	5,972,623	5,658,500	314,123
SIIS Fraud	2,012,346	1,933,173	79,173
Silicosis & Disabled Pensions	3,834,559	185,596	3,648,963
Special Fund	129,777	99,182	30,595
Special Services-Sec of State	5,284,000	1,996,529	3,287,471
State Treasurer	1,439,505	1,178,626	260,879
Victims of Domestic Violence	90,705	43,606	47,099
Washington Office	246,000	236,832	9,168
<b>Judicial Branch</b>			
Admin Office of the Courts	1,232,077	1,040,611	191,466
Dist Judges/Widows' Pensions	966,349	826,277	140,072
District Judges Salaries	6,155,341	5,630,231	525,110
District Judges Travel	353,888	125,708	228,180
Division of Planning & Analysis	899,971	378,267	521,704
Judicial Discipline	323,718	292,866	30,852
Judicial Education	1,003,382	605,810	397,572
Judicial Ethics Commission	43,283	37,574	5,709
Judicial Records	1,053,399	550,106	503,293
Judicial Selection	12,016	11,933	83
Justices/Widows' Pensions	258,909	235,703	23,206
Law Library	1,023,537	1,000,487	23,050
Law Library Gift Fund	51,303	4,121	47,182
Retired Justice Duty	432,724	257,892	174,832
Supreme Court	7,114,387	6,914,196	200,191
<b>Legislative Branch</b>			
Governor's Portrait Fund	10,000	10,000	-0-
	77,954,344	57,077,820	20,876,524
<b>Finance &amp; Administration</b>			
<b>Administration</b>			
Budget Division	2,635,627	2,485,991	149,636
Clear Creek Youth Center	283,154	251,899	31,255
Commission for Women	2,956	1,452	1,504
Commodity Food Program	4,493,534	2,814,286	1,679,248
Controlled Substance Grants	65,959	16,538	49,421
Deferred Compensation	27,253	16,991	10,262
Emergency Fund	407,841	33,798	374,043
Executive Bill Drafting	150,000	150,000	-0-
General Fund Salary Adjustment	8,270,017	-0-	8,270,017
Graffiti Award Fund	3,393	-0-	3,393
Hearings Division	3,063,784	2,917,686	146,098
Informational Technology Improvement	26,528,950	23,525,908	3,003,042
Internal Audit	266,124	255,045	11,079
Local Cultural Activities	211,245	61,219	150,026
Merit Award Board	5,000	72	4,928
Public Works Board	802,507	762,338	40,169

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 2 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Retired Emp Group Insurance	\$ 6,604,205	\$ 6,343,340	\$ 260,865
Roof Maintenance Reserve	806,500	25,679	780,821
School Plan Checking	75,000	46,090	28,910
Special Appropriations	17,443,057	6,683,057	10,760,000
Stale Claims	1,967,217	1,314,450	652,767
Statutory Contingency	1,642,203	698,580	943,623
Surplus Property	224,822	129,457	95,365
Workman's Comp Hearing Reserve	342,192	125,000	217,192
Year 2000 Conversion	784,870	598,549	186,321
<b>Taxation</b>			
Department of Taxation	14,534,773	14,216,288	318,485
Sr Citizen Property Tax Rebates	3,710,011	2,690,737	1,019,274
<b>Personnel</b>			
Unemployment Compensation Fund	941,513	696,132	245,381
	96,293,707	66,860,582	29,433,125
<b>Education</b>			
<b>Education</b>			
Adult Basic Education	2,749,385	2,446,849	302,536
AIDS Education	250,000	213,249	36,751
Care of Handicapped	1,703,104	494,989	1,208,115
Class-Size Red Appropriation	-0-	-0-	-0-
Discretionary Grants	6,300,392	4,576,238	1,724,154
Distributive School Fund	561,124,356	553,512,061	7,612,295
Drug Abuse Education	2,258,921	1,514,388	744,533
ECIA - Chapter 1	24,720,696	23,829,711	890,985
ECIA - Chapter 2	3,569,431	3,301,412	268,019
Education State Programs	3,372,421	3,129,114	243,307
Education Support Services	1,541,891	1,406,412	135,479
Educ for Handicapped Act	24,344,810	21,334,193	3,010,617
Education Technology Trust	25,000	-0-	25,000
Other State Education Programs	2,446,222	156,580	2,289,642
PGM Enhancements	36,200,870	36,014,389	186,481
Post Secondary Educ Comm	342,232	330,134	12,098
Professional Standards	750,198	693,230	56,968
Proficiency Testing	4,699,488	4,150,721	548,767
School Lunch	41,847,531	37,506,663	4,340,868
School to Careers	8,021,556	5,392,610	2,628,946
Student Incentive Grants	304,198	297,707	6,491
Student Indemnification Account	234,736	-0-	234,736
Vocational Education	6,289,830	6,107,239	182,591
<b>University &amp; Community College System</b>			
Ag Extension Service	6,652,409	6,452,059	200,350
Agri Experiment Station	6,774,929	6,774,929	-0-
Athletics - UNLV	1,397,775	1,397,775	-0-
Athletics - UNR	1,352,602	1,352,496	106
Business Center North	1,623,312	1,623,312	-0-
Business Center South	1,392,672	1,392,672	-0-
Collegiate License Plate Acct	145,000	83,667	61,333
Computing Center	10,603,977	10,592,008	11,969
Desert Research Institute	3,052,465	3,050,326	2,139
Education for Dependent Children	32,737	1,842	30,895
Laboratory & Research	2,197,976	1,820,525	377,451
No Nevada Community College	7,900,301	7,900,301	-0-
Radiation Safety Board - North	260,992	260,992	-0-
Radiation Safety Board - South	131,014	131,014	-0-
School of Medical Sciences	16,611,428	16,236,502	374,926
So Nevada Community College	51,868,893	51,760,211	108,682
Statewide Program - UNLV	625,911	625,911	-0-
Statewide Program - UNR	4,529,452	4,526,826	2,626
Student Loans	67,370	66,159	1,211
Technology Advisor	163,199	25,943	137,256
Truckee Meadows Comm College	23,328,693	23,267,140	61,553
University Improvements	2,495,200	2,476,267	18,933
University of Nevada-Las Vegas	112,955,607	112,875,125	80,482
University of Nevada-Reno	95,737,228	95,591,935	145,293
University Press	576,350	576,290	60
University Salary	11,274,476	11,274,476	-0-

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

*Exhibit I-1*

Page 3 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
University System Admin	\$ 2,398,012	\$ 2,398,012	\$ -0-
UNLV Law School	3,980,000	3,725,441	254,559
UNS - Special Projects	18,695,154	18,693,485	1,669
Western NV Community College	13,061,394	12,864,857	196,537
<b>W.I.C.H.E. Administration</b>			
Wiche Administration	249,183	245,959	3,224
<b>Museums, Library &amp; Arts</b>			
Comstock Historic District	81,705	74,311	7,394
Comstock Historic District Gifts	667	300	367
Cultural Resource Program	3,402,789	1,353,725	2,049,064
Fourth Ward School Restoration	945	-0-	945
Historic Preservation	695,108	646,087	49,021
Lost City Museum	290,036	276,028	14,008
Museum Library & Arts Admin	420,023	417,542	2,481
Museums and History	2,412,617	220,955	2,191,662
Nevada Historical Society	613,424	605,926	7,498
Records Mgmt/Micrographics	627,329	467,053	160,276
State Archives	812,916	773,211	39,705
State Arts Council	1,811,656	1,726,546	85,110
State Library	5,544,972	4,982,852	562,120
State Library - CLAN	654,666	434,882	219,784
State Library - Literacy	201,370	178,294	23,076
State Museum, Carson City	1,442,051	1,341,885	100,166
State Museum, Las Vegas	797,772	789,323	8,449
V & T Railroad Museum	772,563	756,888	15,675
	<u>1,155,815,588</u>	<u>1,121,518,154</u>	<u>34,297,434</u>
<b>Human Services</b>			
<b>Human Resources</b>			
Family to Family Connection	6,441,206	5,698,128	743,078
Health Care Financing & Policy	2,252,627	2,215,039	37,588
Health Resources Cost Review	168,176	162,234	5,942
Hospital Tax Account	163,810,230	50,065,258	113,744,972
Human Resources-Director's Office	13,711,004	6,035,808	7,675,196
Nevada Checkup Program	5,914,369	4,291,884	1,622,485
Purchase of Social Services	14,783,434	14,226,613	556,821
<b>Health Division</b>			
Aid to Counties	882,696	882,696	-0-
Cancer Control Registry	398,591	309,905	88,686
Child Health Services	5,581,528	4,836,680	744,848
Communicable Disease Control	3,785,322	2,043,854	1,741,468
Community Health Services	2,305,076	2,197,114	107,962
Consumer Protection	2,689,037	2,586,523	102,514
Emergency Medical Services	714,650	595,530	119,120
Family Planning Project	731,168	620,980	110,188
Health Facilities	4,756,284	3,703,279	1,053,005
Health Facilities - Admin Penalty	78,575	-0-	78,575
Health Officer	1,633,790	1,562,533	71,257
Immunization Program	3,952,634	3,305,306	647,328
Radiological Health	887,963	769,511	118,452
Safe Drinking Water Act	760,289	760,289	-0-
Sexually Trans Disease Control	9,031,029	8,028,653	1,002,376
Special Children's Clinic	4,510,624	4,396,268	114,356
Vital Statistics	898,647	794,657	103,990
WIC Food Supplement	26,349,822	25,341,917	1,007,905
<b>Aging Services</b>			
Aging Services	8,800,356	8,114,821	685,535
Senior Services Program	6,204,888	5,990,287	214,601
<b>Mental Hygiene/Mental Retardation</b>			
Desert Developmental Center	22,566,662	21,334,204	1,232,458
Facility for Mental Offender	4,535,896	3,723,147	812,749
Mental Health Information System	331,675	321,449	10,226
Mental Health Institute	17,282,231	15,543,951	1,738,280
Mental Retardation Home Care	655,120	649,145	5,975
Mntl Hygiene-Mntl Retardation	1,767,546	1,570,682	196,864
Residential Placement	2,686,616	2,353,948	332,668



# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 4 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Rural Clinics	\$ 6,988,472	\$ 6,616,850	\$ 371,622
Sierra Developmental Center	14,288,464	13,681,272	607,192
So Nev Adult Mental Health Svc	26,177,035	24,836,209	1,340,826
Southern MH/MR Food Service	1,146,063	992,717	153,346
<b>Welfare</b>			
Aid to Dependent Children	50,061,610	39,597,931	10,463,679
Assistance to Aged and Blind	5,350,711	5,350,711	-0-
Child Support Enforcement Prog	46,378,445	36,591,299	9,787,146
Community Services Block Grant	2,662,812	2,533,989	128,823
Employment and Training	28,586,740	23,344,176	5,242,564
Energy Assistance - Welfare	2,384,057	2,058,248	325,809
Homeless Grants	350,888	291,508	59,380
Homemaking Services	1,549,123	1,542,566	6,557
Nevada Medicaid	653,863,110	534,090,163	119,772,947
Welfare Administration	41,018,092	25,856,622	15,161,470
Welfare Field Services	33,057,498	32,415,306	642,192
Welfare to Work	5,726,120	1,144,850	4,581,270
<b>Child &amp; Family Services</b>			
Alternative Placement	2,540,229	2,061,757	478,472
Caliente Youth Center	4,398,599	4,216,421	182,178
Chapter 1 - Special Education	4,950,144	3,975,385	974,759
Chapter I & II Education Program	157,906	135,600	22,306
Child Abuse & Neglect	313,229	240,012	73,217
Child Care Services	1,056,514	916,989	139,525
Children, Youth & Family Admin	22,644,298	18,897,201	3,747,097
Children's Trust Account	1,272,084	827,517	444,567
Domestic Violence	2,739,073	2,199,556	539,517
Farm Acct - Youth Training Ctr	19,861	6,257	13,604
No NV Child & Adolescent Svcs	4,661,143	4,461,012	200,131
NVTC-ESEA Title 1	2,241,360	1,061,375	1,179,985
Probation Subsidies	1,891,552	1,292,400	599,152
So Nev Child & Adoles Svc	13,711,150	11,674,015	2,037,135
Southern Nevada Children's Home	84,846	49,647	35,199
Unity/SACWIS	12,958,664	9,949,392	3,009,272
Youth Community Services	41,585,454	40,292,203	1,293,251
Youth Corrections Services	4,680,731	4,036,767	643,964
Youth Training Center	5,772,015	5,671,011	101,004
<b>Other Human Resources</b>			
Indian Commission	113,165	105,431	7,734
Public Defender	1,545,873	1,526,514	19,359
<b>Employment, Training &amp; Rehab</b>			
Comm for Nat'l & Comm Svcs	305,340	208,003	97,337
D.E.T.R. Admin Services	2,166,506	2,130,316	36,190
D.E.T.R. Director's Office	1,210,788	1,118,524	92,264
D.E.T.R. One-Stop Career Centers	2,138,563	1,460,995	677,568
E, T & R Administration	471,384	387,407	83,977
Equal Rights Commission	1,209,803	1,109,547	100,256
Information & Development Process	8,124,134	6,833,243	1,290,891
State Job Training Office	16,851,312	13,680,159	3,171,153
<b>Rehabilitation</b>			
Alcoholism & Drug Rehab	18,051,313	11,341,792	6,709,521
Blind Business Enterprise	4,596,004	1,237,797	3,358,207
Community Based Services	5,614,698	3,958,530	1,656,168
Developmental Disabilities	701,718	553,403	148,315
Disability Adjudication	6,998,087	6,428,702	569,385
Services to the Blind	3,065,154	2,882,022	183,132
Social Security Admin/Voc Rehab	456,624	397,050	59,574
Vocational Assessment Centers	2,018,019	1,651,239	366,780
Vocational Rehabilitation	11,326,756	10,690,710	636,046
	1,476,093,094	1,135,642,611	340,450,483
<b>Commerce &amp; Industry</b>			
<b>Business &amp; Industry</b>			
Agri Registration/Enforcement	983,472	662,586	320,886
Agricultural Product	513,784	316,598	197,186

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 5 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Alfalfa Seed Research	\$ 44,831	\$ 18,091	\$ 26,740
Apiary Inspection	30,744	8,882	21,862
Athletic Commission	424,605	354,713	69,892
Attorney for Injured Workers	1,738,138	1,729,108	9,030
B & I Industrial Development Bonds	559,828	112,205	447,623
Beef Council	464,490	358,104	106,386
Bond Reclamation	1,065,881	18,092	1,047,789
Business & Industry Admin	910,909	766,128	144,781
Common Interest Communities	253,016	70,067	182,949
Consumer Affairs	1,042,670	1,001,489	41,181
Consumer Affairs Restitution	292,304	208,328	83,976
DOE Weatherization	477,052	433,975	43,077
Employee Mgmt Relations Board	132,586	128,444	4,142
Energy Conservation	1,467,300	944,950	522,350
Fin Institutions Investigation	833,508	280,948	552,560
Financial Institutions	1,385,289	1,367,014	18,275
Financial Institutions Audit	73,646	70,705	2,941
Garlic and Onion Research	80,714	10,000	70,714
Gas Pollution Standards	508,940	262,492	246,448
Gov. Comm. Employ People W/Disab	225,244	219,002	6,242
High School Rodeo Association	20,000	20,000	-0-
Hospital Patients Commission	194,648	119,198	75,450
Insect Abatement	64,110	17,058	47,052
Insurance Cost Stabilization	255,083	115,070	140,013
Insurance Division	3,230,175	3,154,658	75,517
Insurance Education & Research	701,348	173,894	527,454
Insurance Recovery	248,141	207,845	40,296
Labor Commissioner	1,086,173	990,566	95,607
Livestock Inspection	825,786	726,473	99,313
Low Income Housing Trust Fund	10,251,979	3,914,154	6,337,825
Mentally Ill Advocacy	62,373	-0-	62,373
Minerals	1,003,360	711,043	292,317
NAIC Fees	60,437	22,621	37,816
Nevada Jr. Livestock Show Board	35,307	35,306	1
Petroleum Overcharge Rebate	862,942	10,000	852,942
Plant Industry	2,523,827	2,442,916	80,911
Predatory Animal/Rodent Control	602,578	596,003	6,575
Real Estate Administration	2,181,746	1,813,509	368,237
Real Estate Investigation	11,019	898	10,121
Sheep Commission	17,694	4,555	13,139
Unclaimed Property	510,463	477,586	32,877
Veterinary Medical Services	673,503	671,325	2,178
Woolgrower Predatory Animal	51,260	18,107	33,153
<b>Gaming Control</b>			
Gaming Control Board	26,692,147	25,393,273	1,298,874
GCB - Federal Forfeiture	832,153	-0-	832,153
Gaming Control-Forfeiture Act	1,104,206	232,423	871,783
<b>Economic Development &amp; Tourism</b>			
Comm on Economic Development	3,632,378	3,200,087	432,291
Film Division	648,417	599,565	48,852
Rural Community Development	5,294,978	2,889,957	2,405,021
Small Bus Revital & Fed Procure	433,429	398,721	34,708
	<u>77,620,611</u>	<u>58,298,732</u>	<u>19,321,879</u>
<b>Public Safety</b>			
<b>Prisons</b>			
Carlin Conservation Camp	958,317	920,775	37,542
Ely Conservation Camp	913,916	855,942	57,974
Ely State Prison	17,030,989	16,660,172	370,817
Humboldt Conservation Camp	929,020	871,803	57,217
Indian Springs Conservation Camp	1,574,292	1,534,689	39,603
Jean Conservation Camp	942,905	731,578	211,327
Lovelock Correctional Center	13,514,052	13,222,776	291,276
Medical Care	30,217,878	28,475,188	1,742,690
Nevada State Prison	12,392,781	12,064,853	327,928
Nevada Women's Correctional Ctr	5,715,189	5,295,996	419,193
No Nevada Correctional Center	13,349,450	12,772,150	577,300

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 6 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Pioche Conservation Camp	\$ 1,166,563	\$ 1,059,452	\$ 107,111
Prison Administration	9,336,185	8,291,169	1,045,016
Prison No. Seven - Indian Springs	223,835	59,695	164,140
Prison One-Shot Appro 85 Legis	1,147,473	154,003	993,470
Prison Warehouse	7,573,718	6,841,380	732,338
Restitution Center - North	735,827	710,787	25,040
Restitution Center - South	703,312	659,688	43,624
Silver Springs Conservation Camp	893,990	841,710	52,280
So Desert Correctional Center	14,907,854	14,493,959	413,895
So Nevada Correctional Center	8,553,164	8,187,083	366,081
So Nevada Women's Prison	10,008,434	9,946,905	61,529
Stewart Conservation Camp	1,145,560	1,114,959	30,601
Tonopah Conservation Camp	902,967	827,240	75,727
Wells Conservation Camp	884,147	826,983	57,164
<b>Motor Vehicles &amp; Public Safety</b>			
Criminal History Repository	7,004,463	6,036,285	968,178
Dignitary Protection	630,722	618,540	12,182
Drug Commission	73,812	46,907	26,905
DMV Justice Grant	193,569	179,967	13,602
Emergency Management	794,360	557,751	236,609
Emergency Mgmt Assistance	1,914,506	1,783,873	130,633
Emergency Mgmt Division	30,000	-0-	30,000
Emergency Mgmt-Federal Grants	944,660	722,013	222,647
Emergency Response Commission	986,348	572,733	413,615
FEMA #1153 DR-NV	4,148,070	2,606,185	1,541,885
Fire Marshall	1,660,136	1,218,720	441,416
Forfeitures	2,133,577	752,705	1,380,872
Haz Mat Training Center	937,835	533,218	404,617
Highway Safety Plan & Admin	653,146	537,264	115,882
Investigations	5,331,078	5,119,132	211,946
Justice Assistance Act	11,739,942	5,126,350	6,613,592
Motor Vehicle Pollution Control	11,681,938	5,283,610	6,398,328
Narcotics Control	1,335,512	1,283,437	52,075
Parole & Probation	26,941,933	25,134,556	1,807,377
Parole Board	974,529	941,031	33,498
Parolee Loan Account	8,957	4,245	4,712
POST	1,087,248	841,655	245,593
Salvage/Wreckers/Body Shops	354,805	69,743	285,062
Traffic Safety	2,490,838	1,280,896	1,209,942
	239,773,802	208,671,751	31,102,051
<b>Infrastructure</b>			
<b>Conservation &amp; Natural Resources</b>			
Adjudication Emergency	6,000	1,056	4,944
Air Quality	2,589,593	2,267,692	321,901
Air Quality Management	1,878,501	1,196,172	682,329
Antelope Middle Reese Reserve	8,151	6,324	1,827
Boulder Flat Groundwater	33,368	7,529	25,839
Carico Creek	446	3	443
Carson Valley Groundwater	48,612	5,946	42,666
Channel Clearance	296,177	65,265	230,912
Chemical Hazard Prevention	528,625	176,062	352,563
Clovers Area Groundwater	15,510	3,306	12,204
Cold Springs Valley	5,933	2,054	3,879
Colorado River Valley	26,134	279	25,855
Conservation & Nat Res Admin	1,108,832	1,040,923	67,909
Conservation Districts	371,056	361,615	9,441
Crescent Water Groundwater	4,122	3,836	286
Coyote Springs Grndwater Basin	3,280	-0-	3,280
Currant Creek	5,839	24	5,815
Diamond Valley Ground Water	10,622	6,159	4,463
Duckwater Creek	24,384	9,353	15,031
Eagle Valley	173,861	146,169	27,692
Environmental Commission	34,245	29,678	4,567
Environmental Protection Admin	1,827,566	1,507,300	320,266
Fish Lake Valley Artesian	33,439	5,279	28,160
Flood Control Rev Fund	422,867	83,756	339,111
Flood Repairs & Disaster Rel	50,000	-0-	50,000

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

*Exhibit I-1*

Page 7 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Forest Fire Suppression	\$ 6,497,214	\$ 3,399,060	\$ 3,098,154
Forestry Admin	6,033,056	5,583,183	449,873
Forestry Honor Camps	7,067,356	5,997,097	1,070,259
Forestry Inter-Gov Agreements	6,560,657	4,743,848	1,816,809
Groundwater Recharge Projects	176,552	43,778	132,774
Habitat Mitigation	740,286	25,977	714,309
Hazardous Waste - Beatte Site	4,082,792	-0-	4,082,792
Hazardous Waste Management	19,122,974	3,528,204	15,594,770
Honey Lake Valley	14,540	294	14,246
Humboldt Water District	340,450	156,924	183,526
Imlay Groundwater	15,607	2,081	13,526
Kelly Creek Groundwater	23,202	2,770	20,432
Kingston Creek	2,430	11	2,419
Las Vegas Basin Water Dist	2,655,746	553,328	2,102,418
Lemon Valley	32,486	6,149	26,337
Little Humboldt River	97,781	15,400	82,381
Lower Reese River Valley	40,667	4,412	36,255
Maggie Creek	35,090	3,192	31,898
Mason Valley Ground Water	19,134	10,592	8,542
Mining Cooperative Fund	129,375	100,224	29,151
Mining Regulation	1,088,869	-0-	1,088,869
Muddy River	23,913	7,239	16,674
Muddy River Springs	12,297	10,306	1,991
Natural Heritage	395,921	281,606	114,315
Nevada Tahoe Regional Planning	11,110	648	10,462
North Fork Ground Water	1,312	904	408
Pahranagat Lake	53,545	20,200	33,345
Pahrump Artesian Basin	21,629	12,086	9,543
Paradise Valley Groundwater	11,094	6,819	4,275
Pleasant Valley	2,795	1,089	1,706
Pumpnickel Valley	65	21	44
Quinn River Distribution	12,784	794	11,990
Smith Valley Artesian Basin	16,116	9,018	7,098
State Engineer Revenue	109,535	41,664	67,871
State Lands	989,656	902,189	87,467
State Parks	7,982,774	6,819,076	1,163,698
Steptoe Valley Water Basin	27,442	1,768	25,674
Storage Tank Management	831,566	-0-	831,566
Tahoe Bond Sale	2,399,501	1,746,215	653,286
Tahoe License Plates	420,555	-0-	420,555
Tahoe Mitigation	2,561,730	91,446	2,470,284
Tahoe Regional Planning Agency	1,185,834	1,185,834	-0-
Tahoe Water System	949,897	267,279	682,618
Truckee Meadows/Sun Valley	36,922	18,006	18,916
Upper White River	16,623	71	16,552
USGS Co-op	1,315,728	1,043,885	271,843
Warm Springs Ground Water	17,520	4,912	12,608
Warm Springs/Winnemucca Creek	48,965	1,824	47,141
Waste Mgmt & Fed Facilities	8,941,702	6,753,781	2,187,921
Water and Mining	7,717,421	5,044,653	2,672,768
Water Dist Rev Fund	30,000	4,597	25,403
Water Planning	956,774	517,960	438,814
Water Planning - Cap Improvement	256,489	49,419	207,070
Water Resources	3,800,903	3,668,963	131,940
Water Resources Legal Costs	353,094	38,502	314,592
Water Rights Surveyors	41,821	1,592	40,229
Well Driller's License	52,374	27,256	25,118
Whirlwind Valley	1,478	425	1,053
Wildlife	19,110,668	15,563,891	3,546,777
Wildlife-Boating Program	7,795,469	4,123,293	3,672,176
Wildlife-Heritage	1,775,571	91,022	1,684,549
Wildlife-Obligated Reserve	2,117,743	260,508	1,857,235
Wildlife-Trout Management	811,439	468,490	342,949
	137,503,202	80,191,555	57,311,647
<b>Special Purpose Agencies</b>			
<b>Military</b>			
Adjutant General Construction	1,037,338	750,936	286,402

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All General Fund Budgets

**Exhibit I-1**

Page 8 of 8

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
Military	\$ 4,543,309	\$ 4,410,788	\$ 132,521
National Guard Benefits	100,000	97,743	2,257
Veteran's Affairs	1,155,611	1,085,105	70,506
Veteran's Gifts and Donations	131,403	13,908	117,495
Veteran's Home Account	75,830	11,837	63,993
Veteran's Home Donation	19,500	-0-	19,500
<b>Civil Air Patrol</b>	<b>85,025</b>	<b>85,007</b>	<b>18</b>
	<u>7,148,016</u>	<u>6,455,324</u>	<u>692,692</u>
<b>Appropriated Transfers to Other Funds</b>			
CIP University CAP Projects	5,650,000	5,650,000	-0-
Class Size Reduction	72,966,007	72,966,007	-0-
Consumer Advocate	769,258	769,258	-0-
Motor Pool Fund	816,788	816,788	-0-
Printing Fund	450,000	450,000	-0-
Highway Fund - Admin Svcs	118,424	118,424	-0-
Highway Fund - Director's Office	52,843	52,843	-0-
Highway Fund - Drivers License	26,956	26,956	-0-
Highway Patrol	50,511	50,511	-0-
Judicial College	600,000	600,000	-0-
Juvenile/Family Law College	303,600	303,600	-0-
Legislative Counsel Bureau	29,023,707	29,023,707	-0-
Self Funded Insurance	15,970,765	15,970,765	-0-
WICHE Loan & Stipend	667,266	667,266	-0-
	<u>127,466,125</u>	<u>127,466,125</u>	<u>-0-</u>
<b>Reversions to Other Funds</b>			
Reversions to Highway Fund	-0-	16,607	(16,607)
Reversions to Interim Finance	-0-	32,788	(32,788)
Reversions to Workers Comp & Safety	-0-	155,028	(155,028)
	<u>-0-</u>	<u>204,423</u>	<u>(204,423)</u>
<b>Projected Reversions</b>			
	<u>(130,707,773)</u>	<u>-0-</u>	<u>(130,707,773)</u>
<b>Total General Fund</b>	<u>\$ 3,264,960,716</u>	<u>\$ 2,864,448,422</u>	<u>\$ 400,512,294</u>

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

**Exhibit I-2**

For the Fiscal Year Ended June 30, 1999

Page 1 of 3

Department	Final Budget	Actual	Variance
<b>State Highway</b>			
<b>Finance &amp; Administration</b>			
Appropriations to other funds	\$ 17,240,546	\$ 9,997,131	\$ 7,243,415
Sub-total	17,240,546	9,997,131	7,243,415
<b>Public Safety</b>			
Administrative Services	9,963,411	8,723,205	1,240,206
Automation	3,850,486	3,634,816	215,670
Bicycle Safety Program	267,931	132,461	135,470
Compliance Enforcement	40,220	-0-	40,220
Central Service	3,773,076	-0-	3,773,076
Director's Office - DMV/PS	1,804,050	1,780,858	23,192
DMV Field Services	20,330,966	17,279,403	3,051,563
DMV Hwy Safety Grants Acct	1,439,274	913,279	525,995
Drivers License	3,026,110	2,770,923	255,187
Hazardous Materials	1,138,441	857,755	280,686
Hearings-DMV & PS	667,887	660,270	7,617
Highway Patrol	51,886,818	41,129,709	10,757,109
Motor Carrier	2,613,252	2,341,863	271,389
Motorcycle Safety Program	456,621	191,287	265,334
Project Genesis	21,818,364	10,160,215	11,658,149
Public Safety Information Services	3,202,749	3,186,115	16,634
Records Search	5,182,554	744,313	4,438,241
Registration	5,969,408	5,341,692	627,716
Verification of Insurance	6,321,975	1,456,535	4,865,440
Sub-total	143,753,593	101,304,699	42,448,894
<b>Infrastructure</b>			
Sound Barrier	-0-	-0-	-0-
Transportation Administration	443,772,641	427,242,510	16,530,131
Sub-total	443,772,641	427,242,510	16,530,131
<b>Debt Service Transfers</b>			
Debt Service	19,939,000	18,526,000	1,413,000
<b>Total State Highway</b>	<b>624,705,780</b>	<b>557,070,340</b>	<b>67,635,440</b>
<b>Class Size Reduction</b>			
<b>Special Projects</b>			
Class Size Reduction	85,576,528	81,653,681	3,922,847
<b>Total</b>	<b>85,576,528</b>	<b>81,653,681</b>	<b>3,922,847</b>
<b>Employment Security</b>			
<b>Human Services</b>			
Claimant Employment Program	9,184,498	7,177,576	2,006,922
Employment Security	38,607,496	34,502,702	4,104,794
Emp. Sec. Special Fund	8,524,647	1,209,907	7,314,740
<b>Total</b>	<b>56,316,641</b>	<b>42,890,185</b>	<b>13,426,456</b>
<b>Regulatory</b>			
<b>Commerce &amp; Industry</b>			
Administrative Fees	52,305	-0-	52,305
Dairy Commission	1,353,245	948,251	404,994
Gaming Investigation Revolving	6,159,087	5,523,932	635,155
Insurance Examiners	3,585,055	2,648,306	936,749
Manufactured Housing	1,512,014	889,342	622,672
Mfg Housing - Educ/Recovery	927,479	112,782	814,697
Mobile Home Parks	186,725	173,192	13,533
Real Estate Educ & Research	584,316	339,192	245,124
Real Estate Recovery Account	418,377	69,049	349,328
Regulatory Fund	11,465,445	9,122,912	2,342,533
Taxicab Authority	4,772,232	3,726,486	1,045,746
Transportation Services Authority	1,584,625	1,568,505	16,120
TSA Administration Fines	250,000	36,360	213,640
<b>Total</b>	<b>32,850,905</b>	<b>25,158,309</b>	<b>7,692,596</b>



# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

For the Fiscal Year Ended June 30, 1999

**Exhibit I-2**

Page 2 of 3

Department	Final Budget	Actual	Variance
<b>Legislative</b>			
<b>Constitutional Agencies</b>			
Audit Contingency Account	\$ 162,165	\$ 162,165	\$ -0-
Legislative Counsel Bureau	35,072,230	29,322,922	5,749,308
Nevada Legislative Interim	330,601	318,143	12,458
<b>Total</b>	<b>35,564,996</b>	<b>29,803,230</b>	<b>5,761,766</b>
<b>Municipal Bond Bank</b>			
<b>Constitutional Agencies</b>			
Municipal Bond Bank Revenue	72,340,292	71,546,182	794,110
Sub-total	72,340,292	71,546,182	794,110
<b>Human Services</b>			
Safe Water Drinking	13,363,825	1,126,615	12,237,210
Sub-total	13,363,825	1,126,615	12,237,210
<b>Commerce &amp; Industry</b>			
Water Projects, Int/Redemp	569,494	564,645	4,849
Sub-total	569,494	564,645	4,849
<b>Infrastructure</b>			
Erosion Control Bond	11,293,581	504,416	10,789,165
Grants to Water Purveyors	8,132,107	3,455,516	4,676,591
State Revolving Fund	27,013,531	11,044,331	15,969,200
Sub-total	46,439,219	15,004,263	31,434,956
<b>Total Municipal Bond Bank</b>	<b>132,712,830</b>	<b>88,241,705</b>	<b>44,471,125</b>
<b>Workers' Compensation &amp; Safety</b>			
<b>Commerce &amp; Industry</b>			
Unbudgeted Activity	-0-	15,534,940	(15,534,940)
Enforcement - Industrial Safety	4,436,374	4,257,319	179,055
Industrial Relations	5,316,344	4,641,473	674,871
Insurance Insolvency Fund	5,470,836	100,283	5,370,553
Mine Inspection	921,768	815,639	106,129
Preventative Safety	1,947,769	1,859,201	88,568
Self-Insured Insolvency	150,388	-0-	150,388
Self-Insured Workers Comp	472,514	382,099	90,415
<b>Total</b>	<b>18,715,993</b>	<b>27,590,954</b>	<b>(8,874,961)</b>
<b>Higher Educ. Capital Construction</b>			
<b>Finance &amp; Administration</b>			
Higher Education Capital Construction	5,000,000	5,000,000	-0-
Higher Education Special Construction	11,488,752	11,488,752	-0-
<b>Total</b>	<b>16,488,752</b>	<b>16,488,752</b>	<b>-0-</b>
<b>Cleaning Up Petroleum Discharge</b>			
<b>Infrastructure</b>			
Petroleum Clean-Up Trust Fund	13,930,058	7,535,031	6,395,027
<b>Total</b>	<b>13,930,058</b>	<b>7,535,031</b>	<b>6,395,027</b>
<b>Hospital Care to Indigent Persons</b>			
<b>Finance &amp; Administration</b>			
Indigent Accident Account	11,071,383	5,976,532	5,094,851
Supplemental Fund-Indigents	4,349,675	4,013,072	336,603
<b>Total</b>	<b>15,421,058</b>	<b>9,989,604</b>	<b>5,431,454</b>
<b>Tourism Promotion</b>			
<b>Commerce &amp; Industry</b>			
Commission on Tourism	11,349,325	8,975,662	2,373,663
<b>Total</b>	<b>11,349,325</b>	<b>8,975,662</b>	<b>2,373,663</b>
<b>Offenders' Store</b>			
<b>Public Safety</b>			
Offenders' Store Fund	11,408,307	9,670,936	1,737,371
<b>Total</b>	<b>11,408,307</b>	<b>9,670,936</b>	<b>1,737,371</b>

# STATE OF NEVADA

## Schedule of Total Uses-Budget and Actual, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

**Exhibit I-2**  
Page 3 of 3

For the Fiscal Year Ended June 30, 1999

Department	Final Budget	Actual	Variance
<b>Colorado River Commission</b>			
<i>Infrastructure</i>			
Colorado River Commission	\$ 3,735,746	\$ 2,412,023	\$ 1,323,723
CRC Research & Development	623,734	176,134	447,600
Fort Mojave Development Fd	1,476,218	18,950	1,457,268
<b>Total</b>	<b>5,835,698</b>	<b>2,607,107</b>	<b>3,228,591</b>
<b>Contingency</b>			
<i>Constitutional Agencies</i>			
Interim Finance Committee	10,813,409	2,457,746	8,355,663
<b>Total</b>	<b>10,813,409</b>	<b>2,457,746</b>	<b>8,355,663</b>
<b>Care of Sites for Radio Active Waste Disposal</b>			
<i>Human Services</i>			
Radioactive Material Disposal	10,348,923	214,828	10,134,095
<b>Total</b>	<b>10,348,923</b>	<b>214,828</b>	<b>10,134,095</b>
<b>Stabilization</b>			
<i>Constitutional Agencies</i>			
Stabilization of State Government	-0-	-0-	-0-
<b>Total</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>
<b>Miscellaneous Special Revenue</b>			
<i>Commerce &amp; Industry</i>			
Lot Rent Trust Subsidy	798,504	434,118	364,386
Rural Rehabilitation Trust	223,108	48,144	174,964
Sub-total	1,021,612	482,262	539,350
<i>Constitutional Agencies</i>			
College of Family/Juvenile Law - unbudgeted activity	-0-	143,057	(143,057)
College of Family/Juvenile Law	2,803,600	2,500,000	303,600
Consumer Advocate	2,803,799	2,739,268	64,531
Disaster Relief	3,934,545	1,419,116	2,515,429
Judicial College - unbudgeted activity	-0-	286,113	(286,113)
Judicial College	5,600,000	5,000,000	600,000
Museums & History	342,704	-0-	342,704
Permanent Net Proceeds	2,616,602	2,616,602	-0-
Private Investigators Licensing Bd	456,166	356,758	99,408
Racketeering-Prosecution Acct	5,000	-0-	5,000
Unfair Trade Practices	50,000	4,191	45,809
Sub-total	18,612,416	15,065,105	3,547,311
<i>Finance &amp; Administration</i>			
Public Works Inspection	3,229,290	3,045,115	184,175
Victims of Crime	4,649,343	3,534,100	1,115,243
Sub-total	7,878,633	6,579,215	1,299,418
<i>Higher Education</i>			
W.I.C.H.E. Loan & Stipend	1,516,226	1,323,441	192,785
Sub-total	1,516,226	1,323,441	192,785
<i>Human Services</i>			
Inst Care of Medical Indigent	298,856	230,609	68,247
Substance Abuse Ed, Prv, Enf, Trt	213	-0-	213
Sub-total	299,069	230,609	68,460
<b>Total Miscellaneous Special Revenue</b>	<b>29,327,956</b>	<b>23,680,632</b>	<b>5,647,324</b>
<b>Total Special Revenue Funds</b>	<b>\$ 1,111,367,159</b>	<b>\$ 934,028,702</b>	<b>\$ 177,338,457</b>



# STATE OF NEVADA

## Schedule of Revenues-Budget and Actual, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

**Exhibit I-3**  
Page 1 of 2

For the Fiscal Year Ended June 30, 1999 (Expressed in Thousands)

	Final Budget			Actual			Variance		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	<b>State Highway</b>								
Fund balances, July 1	\$ 205,622	\$ 205,622	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<b>Revenues:</b>									
Federal	131,415	167,383	35,968	-0-	-0-	-0-	-0-	-0-	-0-
Other taxes	227,972	223,522	(4,450)	-0-	-0-	-0-	-0-	-0-	-0-
Sales, charges for services	12,957	13,205	248	-0-	-0-	-0-	-0-	-0-	-0-
Licenses, fees and permits	116,139	117,276	1,137	-0-	-0-	-0-	-0-	-0-	-0-
Interest	9,119	16,294	7,175	1,170	1,135	(35)	-0-	-0-	-0-
Other	6,086	17,259	11,173	21	21	-0-	-0-	-0-	-0-
<b>Other financing sources:</b>									
Transfer from other funds	4,897	2,973	(1,924)	84,386	84,421	35	-0-	-0-	-0-
Reversions from other funds	-0-	94	94	-0-	-0-	-0-	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 714,207</b>	<b>\$ 763,628</b>	<b>\$ 49,421</b>	<b>\$ 85,577</b>	<b>\$ 85,577</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
				<b>Class-size Reduction</b>					
Fund balances, July 1	\$ 8,869	\$ 8,869	\$ -0-	\$ 6,550	\$ 6,550	\$ -0-	\$ 6,550	\$ 6,550	\$ -0-
<b>Revenues:</b>									
Federal	37,839	33,517	(4,322)	161	191	30	-0-	-0-	-0-
Other taxes	7,806	7,186	(620)	8,169	7,928	(241)	-0-	-0-	-0-
Sales, charges for services	-0-	609	609	2,812	2,815	3	-0-	-0-	-0-
Licenses, fees and permits	-0-	-0-	-0-	11,632	10,201	(1,431)	-0-	-0-	-0-
Interest	439	539	100	123	87	(36)	-0-	-0-	-0-
Other	679	946	267	1,865	1,726	(139)	-0-	-0-	-0-
<b>Other financing sources:</b>									
Transfer from other funds	685	341	(344)	1,540	1,573	33	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 56,317</b>	<b>\$ 52,007</b>	<b>\$ (4,310)</b>	<b>\$ 32,852</b>	<b>\$ 31,071</b>	<b>\$ (1,781)</b>	<b>\$ 32,852</b>	<b>\$ 31,071</b>	<b>\$ (1,781)</b>
				<b>Employment Security</b>					
Fund balances, July 1	\$ 4,742	\$ 4,742	\$ -0-	\$ 25,570	\$ 25,570	\$ -0-	\$ 25,570	\$ 25,570	\$ -0-
<b>Revenues:</b>									
Federal	-0-	-0-	-0-	21,896	6,850	(15,046)	-0-	-0-	-0-
Sales, charges for services	225	265	40	-0-	-0-	-0-	-0-	-0-	-0-
Licenses, fees and permits	56	58	2	-0-	-0-	-0-	-0-	-0-	-0-
Interest	-0-	-0-	-0-	77,230	76,222	(1,008)	-0-	-0-	-0-
Other	554	484	(70)	4,008	3,929	(79)	-0-	-0-	-0-
<b>Other financing sources:</b>									
Proceeds from sales of bonds	-0-	-0-	-0-	3,249	3,249	-0-	-0-	-0-	-0-
Transfer from other funds	29,988	29,938	(50)	760	760	-0-	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 35,565</b>	<b>\$ 35,487</b>	<b>\$ (78)</b>	<b>\$ 132,713</b>	<b>\$ 116,580</b>	<b>\$ (16,133)</b>	<b>\$ 132,713</b>	<b>\$ 116,580</b>	<b>\$ (16,133)</b>
				<b>Legislative</b>					
Fund balances, July 1	\$ 18,737	\$ 18,737	\$ -0-	\$ 10,625	\$ 10,625	\$ -0-	\$ 10,625	\$ 10,625	\$ -0-
<b>Revenues:</b>									
Gaming taxes, fees, licenses	-0-	-0-	-0-	15,606	15,606	-0-	-0-	-0-	-0-
Federal	1,672	1,639	(33)	-0-	-0-	-0-	-0-	-0-	-0-
Other taxes	17,716	24,584	6,868	-0-	-0-	-0-	-0-	-0-	-0-
Sales, charges for services	6	8	2	-0-	-0-	-0-	-0-	-0-	-0-
Licenses, fees and permits	259	233	(26)	-0-	-0-	-0-	-0-	-0-	-0-
Interest	321	1,162	841	-0-	-0-	-0-	-0-	-0-	-0-
Other	10	1,525	1,515	-0-	-0-	-0-	-0-	-0-	-0-
<b>Other financing sources:</b>									
Transfer from other funds	-0-	80	80	877	877	-0-	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 38,721</b>	<b>\$ 47,968</b>	<b>\$ 9,247</b>	<b>\$ 27,108</b>	<b>\$ 27,108</b>	<b>\$ -0-</b>	<b>\$ 27,108</b>	<b>\$ 27,108</b>	<b>\$ -0-</b>
				<b>Workers' Compensation and Safety</b>					
Fund balances, July 1				<b>Higher Education</b>					
				<b>Capital Construction</b>					

# STATE OF NEVADA

## Schedule of Revenues-Budget and Actual, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

**Exhibit I-3**

Page 2 of 2

For the Fiscal Year Ended June 30, 1999 (Expressed in Thousands)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	<b>Cleaning Up Petroleum Discharges</b>			<b>Hospital Care to Indigent Persons</b>		
Fund balances, July 1	\$ 2,030	\$ 2,030	\$ -0-	\$ 4,536	\$ 4,536	\$ -0-
<b>Revenues:</b>						
Other taxes	11,000	10,596	(404)	10,256	10,540	284
Licenses, fees and permits	550	421	(129)	-0-	-0-	-0-
Interest	250	230	(20)	290	348	58
Other	100	25	(75)	339	399	60
<b>Total sources</b>	<b>\$ 13,930</b>	<b>\$ 13,302</b>	<b>\$ (628)</b>	<b>\$ 15,421</b>	<b>\$ 15,823</b>	<b>\$ 402</b>
	<b>Tourism Promotion</b>			<b>Offenders' Store</b>		
Fund balances, July 1	\$ 2,517	\$ 2,517	\$ -0-	\$ 1,974	\$ 1,974	\$ -0-
<b>Revenues:</b>						
Other taxes	8,673	9,066	393	-0-	-0-	-0-
Sales, charges for services	5	1	(4)	9,120	9,062	(58)
Licenses, fees and permits	136	124	(12)	-0-	-0-	-0-
Interest	-0-	-0-	-0-	135	108	(27)
Other	-0-	-0-	-0-	179	250	71
<b>Other financing sources:</b>						
Transfer from other funds	18	18	-0-	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 11,349</b>	<b>\$ 11,726</b>	<b>\$ 377</b>	<b>\$ 11,408</b>	<b>\$ 11,394</b>	<b>\$ (14)</b>
	<b>Colorado River Commission</b>			<b>Contingency</b>		
Fund balances, July 1	\$ 2,421	\$ 2,421	\$ -0-	\$ 4,353	\$ 4,353	\$ -0-
<b>Revenues:</b>						
Sales, charges for services	876	1,194	318	-0-	-0-	-0-
Interest	275	139	(136)	-0-	-0-	-0-
Other	1,784	1,530	(254)	-0-	-0-	-0-
<b>Other financing sources:</b>						
Transfer from other funds	480	-0-	(480)	6,460	6,430	(30)
<b>Total sources</b>	<b>\$ 5,836</b>	<b>\$ 5,284</b>	<b>\$ (552)</b>	<b>\$ 10,813</b>	<b>\$ 10,783</b>	<b>\$ (30)</b>
	<b>Care of Sites for Radioactive Waste Disposal</b>			<b>Stabilize the Operations of State Government</b>		
Fund balances, July 1	\$ 9,591	\$ 9,591	\$ -0-	\$ 128,867	\$ 128,867	\$ -0-
<b>Revenues:</b>						
Licenses, fees and permits	162	96	(66)	-0-	-0-	-0-
Interest	596	553	(43)	-0-	-0-	-0-
<b>Total sources</b>	<b>\$ 10,349</b>	<b>\$ 10,240</b>	<b>\$ (109)</b>	<b>\$ 128,867</b>	<b>\$ 128,867</b>	<b>\$ -0-</b>
	<b>Miscellaneous</b>			<b>Total Special Revenue</b>		
Fund balances, July 1	\$ 14,749	\$ 14,749	\$ -0-	\$ 451,753	\$ 451,753	\$ -0-
<b>Revenues:</b>						
Gaming taxes, fees, licenses	-0-	-0-	-0-	15,606	15,606	-0-
Federal	665	449	(216)	193,648	210,029	16,381
Other taxes	53	1,396	1,343	291,645	294,818	3,173
Sales, charges for services	-0-	-0-	-0-	26,001	27,159	1,158
Licenses, fees and permits	5,186	5,105	(81)	134,120	133,514	(606)
Interest	312	752	440	90,260	97,569	7,309
Other	1,456	1,484	28	17,081	29,578	12,497
<b>Other financing sources:</b>						
Proceeds from sale of bonds	-0-	-0-	-0-	3,249	3,249	-0-
Transfer from other funds	6,905	5,432	(1,473)	136,996	132,843	(4,153)
Reversions from other funds	-0-	-0-	-0-	-0-	94	94
<b>Total sources</b>	<b>\$ 29,326</b>	<b>\$ 29,367</b>	<b>\$ 41</b>	<b>\$ 1,360,359</b>	<b>\$ 1,396,212</b>	<b>\$ 35,853</b>

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# STATE OF NEVADA

## General Governmental Expenditures and Other Uses by Function \* General Governmental Revenues and Other Resources by Source \*

For the Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)

### General Governmental Expenditures and Other Uses by Function

Table I

Fiscal Years Ended June 30

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>Expenditures:</b>										
General government	\$ 53,925	\$ 58,806	\$ 59,379	\$ 64,123	\$ 64,525	\$ 75,742	\$ 75,770	\$ 101,565	\$ 97,606	\$ 111,116
Health, social services	463,583	594,066	863,110	909,041	864,576	994,633	1,061,930	1,090,069	1,179,553	1,236,991
Education and support	18,766	19,226	20,762	22,356	23,009	24,633	24,019	26,460	30,476	42,027
Law, justice, and public safety	151,654	170,611	192,550	199,261	211,015	224,281	256,015	276,275	341,970	338,518
Regulation of business	43,262	48,890	58,000	59,673	54,664	58,925	58,819	63,730	67,816	82,127
Transportation	252,439	216,554	240,888	263,996	347,064	368,040	344,183	312,592	331,302	433,118
Recreation, resource development	60,788	62,122	69,545	68,603	72,635	77,273	80,713	89,011	91,436	85,378
Intergovernmental	395,050	471,575	503,543	474,193	495,287	482,910	613,244	672,812	767,476	854,172
Capital improvements	48,719	50,249	48,645	60,887	49,871	40,548	27,932	49,298	46,849	67,327
Debt service	67,333	74,142	73,638	224,377	76,739	107,225	138,791	151,422	157,868	192,433
<b>Other Uses:</b>										
University	222,644	168,613	276,773	196,155	218,237	257,676	266,381	350,404	302,878	402,384
<b>Total expenditures and other uses</b>	<b>\$1,778,163</b>	<b>\$1,934,854</b>	<b>\$2,406,833</b>	<b>\$2,542,665</b>	<b>\$2,477,622</b>	<b>\$2,711,886</b>	<b>\$2,947,797</b>	<b>\$3,183,638</b>	<b>\$3,415,230</b>	<b>\$3,845,591</b>

### General Governmental Revenues and Other Resources by Source

Table II

Fiscal Years Ended June 30

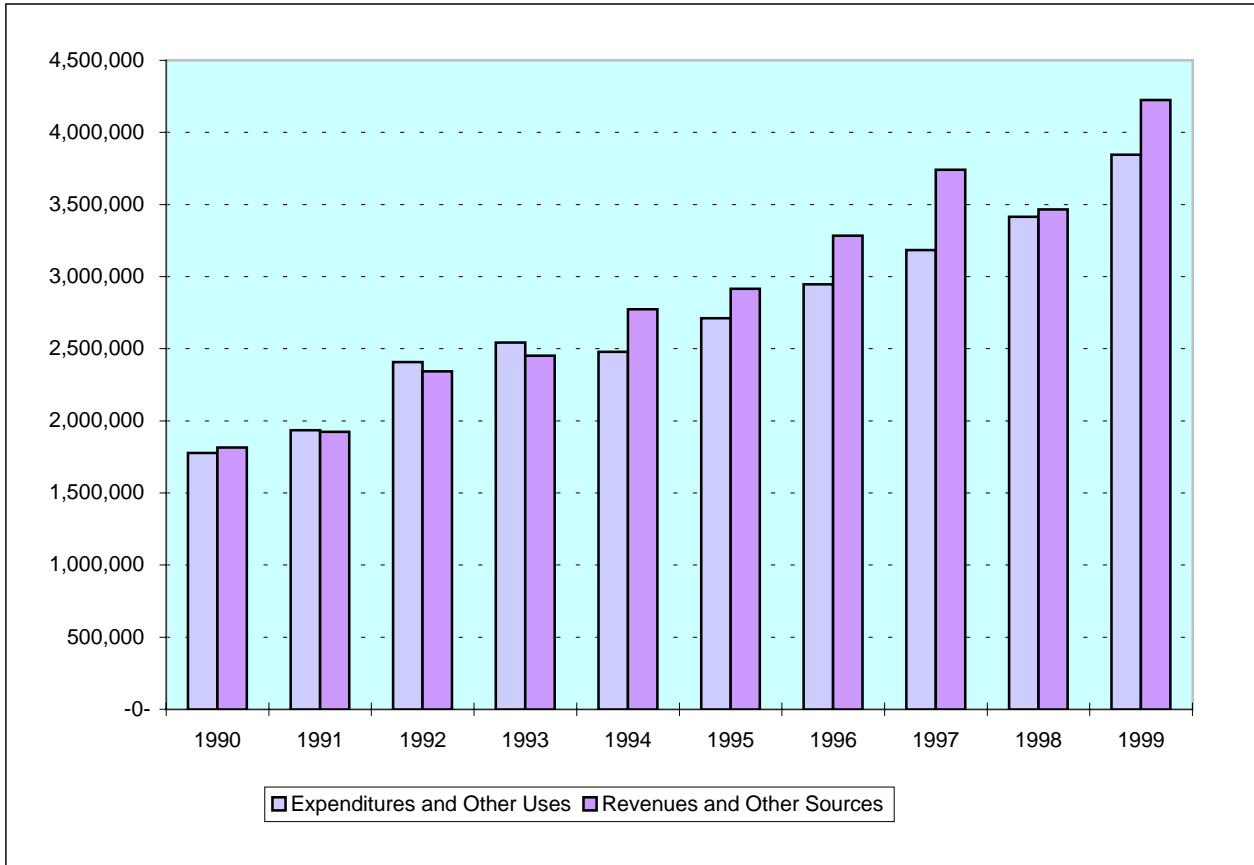
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
<b>Revenues:</b>										
Gaming taxes	\$ 377,194	\$ 416,546	\$ 426,621	\$ 453,084	\$ 490,166	\$ 517,524	\$ 566,834	\$ 566,079	\$ 586,186	\$ 635,264
Sales taxes	297,578	307,945	310,770	343,604	402,548	446,504	502,960	554,891	581,991	645,560
Intergovernmental	365,340	421,001	562,120	645,228	709,128	836,557	877,735	908,806	950,533	1,036,944
Other taxes	385,815	412,159	574,685	661,839	648,390	694,031	729,808	772,563	815,270	862,477
Licenses, fees and permits	121,422	116,532	148,567	164,741	166,094	175,139	185,375	198,622	204,653	222,274
Charges for service and sales	25,004	25,564	28,440	29,579	39,657	39,751	41,458	44,885	50,427	55,298
Interest, investment income	79,865	79,763	64,100	56,959	45,572	68,387	91,595	113,061	164,843	164,919
Other	35,439	30,652	44,601	60,125	48,797	43,159	42,699	52,396	47,932	45,855
<b>Other Resources:</b>										
Net proceeds from debt financing	114,702	100,293	180,216	32,006	218,632	90,093	239,531	522,685	26,674	551,221
Net operating transfers	12,742	12,338	3,740	3,816	4,153	3,274	4,829	3,549	5,990	3,525
Other	-0-	213	67	56	149	162	357	3,226	31,196	450
<b>Total revenues and other resources</b>	<b>\$1,815,101</b>	<b>\$1,923,006</b>	<b>\$2,343,927</b>	<b>\$2,451,037</b>	<b>\$2,773,286</b>	<b>\$2,914,581</b>	<b>\$3,283,181</b>	<b>\$3,740,763</b>	<b>\$3,465,695</b>	<b>\$4,223,787</b>

\* Includes General, Special Revenue, Debt Service, Capital Projects and Expendable Trust Funds. Note that transfers to/from component unit have been netted and included as other uses. Operating transfers in/out have been netted and included as other resources.

# STATE OF NEVADA

## General Governmental Expenditures and Other Uses Compared With General Governmental Revenues and Other Resources General Fund Expenditures and Unreserved Fund Balance For the Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)

### General Governmental Expenditures and Other Uses Compared With General Governmental Revenues and Other Resources



### General Fund Expenditures and Unreserved Fund Balance

*Table III*

Fiscal Year Ended June 30	General Fund Expenditures	Unreserved General Fund Balance	"Rainy" Day (1) Fund Balance
1990	959,327	82,831	-
1991	1,136,595	43,393	-
1992	1,382,077	583	-
1993	1,386,788	32,732	-
1994	1,418,582	39,616	18,057
1995	1,578,382	(26,809)	100,000
1996	1,792,460	10,107	123,392
1997	1,869,807	(9,360)	128,867
1998	2,097,300	(89,509)	128,867
1999	2,215,598	(68,511)	128,867

(1) The 1991 Legislature established a fiscal emergency (rainy day) fund that is funded with 40% of the unreserved fund balance that exceeds 10% of appropriations.

# STATE OF NEVADA

## State Collected Gaming Taxes and Sales Taxes Average Combined Property Tax Rates and State Levy

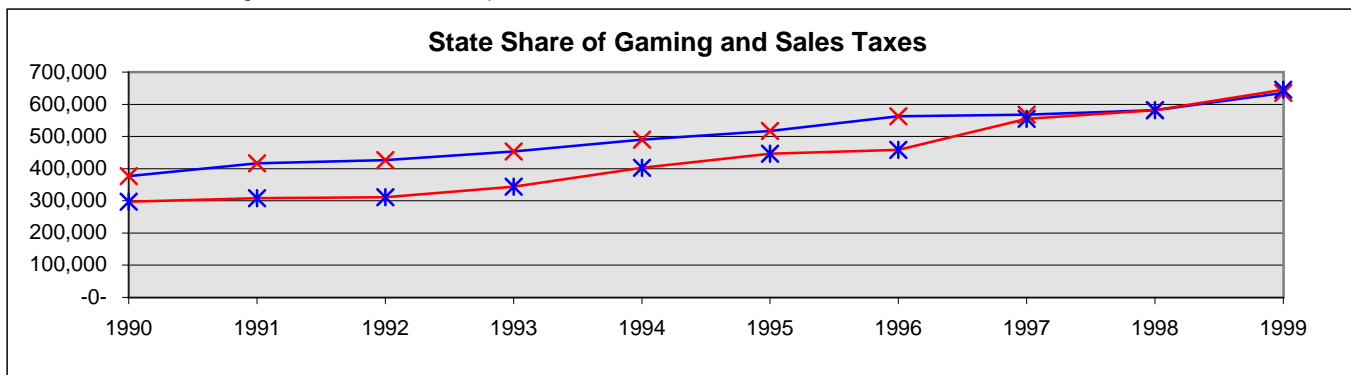
For the Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)

### State Collected Gaming Taxes and Sales Taxes

Table IV

Fiscal Year Ended June 30	GAMING TAXES			SALES TAXES			
	Gross Taxable Gaming Revenues	State Collections Gaming Taxes	State Share Gaming Taxes	Gross Taxable Sales	Gross Sales Tax Revenues	State General Fund Revenues	Sales Taxes Collected for Local Governments
1990	4,911,178	379,561	377,194	14,091,551	832,912	297,578	535,334
1991	5,411,475	418,912	416,545	14,514,119	858,093	307,945	550,148
1992	5,570,752	428,934	426,621	14,437,144	942,850	310,770	632,080
1993	5,871,840	455,182	453,084	15,665,903	1,071,886	343,604	728,282
1994	6,397,278	498,709	490,166	18,215,224	1,245,720	402,548	842,788
1995	6,821,022	522,848	517,524	20,075,579	1,374,636	446,504	928,132
1996	7,240,837	565,921	563,198	22,222,771	1,541,703	458,336	1,083,367
1997	7,300,149	569,962	567,341	24,408,114	1,696,634	554,891	1,192,259
1998	7,577,394	584,048	581,423	25,360,551	1,771,936	581,991	1,246,825
1999	8,133,799	637,903	635,288	28,039,912	1,973,968	645,560	1,393,773

Sources: Nevada Gaming Control Board, State Department of Taxation



### Average Combined Property Tax Rates and State Levy

Table V

Fiscal Year Ended June 30	Tax Rates Per \$100 of Assessed Value					
	Clark County	Washoe County	15 Other Counties	Average County Rate	State Gov't Rate	State Gov't Tax Levy
1991	2.6836	2.9142	2.3701	2.6634	0.1180	24,226,913
1992	2.7438	3.1609	2.4962	2.7770	0.1370	30,904,428
1993	2.7719	3.2389	2.5884	2.8277	0.1440	34,979,018
1994	2.8043	3.2863	2.5919	2.8550	0.1500	39,199,474
1995	2.8111	3.3265	2.5942	2.8661	0.1500	42,442,059
1996	2.7813	3.4140	2.5355	2.8505	0.1500	46,653,503
1997	2.7881	3.3545	2.5926	2.8580	0.1500	51,138,611
1998	2.9106	3.3675	2.6272	2.9443	0.1500	55,970,796
1999 (1)	2.9404	3.4032	2.6249	2.9716	0.1500	61,221,755
2000	2.8274	3.4455	2.6676	3.0042	0.1500	68,826,505

Source: Department of Taxation

Historically, outstanding delinquent taxes have been minimal. The two largest counties have for the past ten years had less than 1/2 of 1 percent of the current levy as outstanding delinquent taxes at the end of the collection period.

(1) Revised 1999

# STATE OF NEVADA

## Assessed Value of Taxable Property Ten Largest Taxable Property Owners

For the Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)

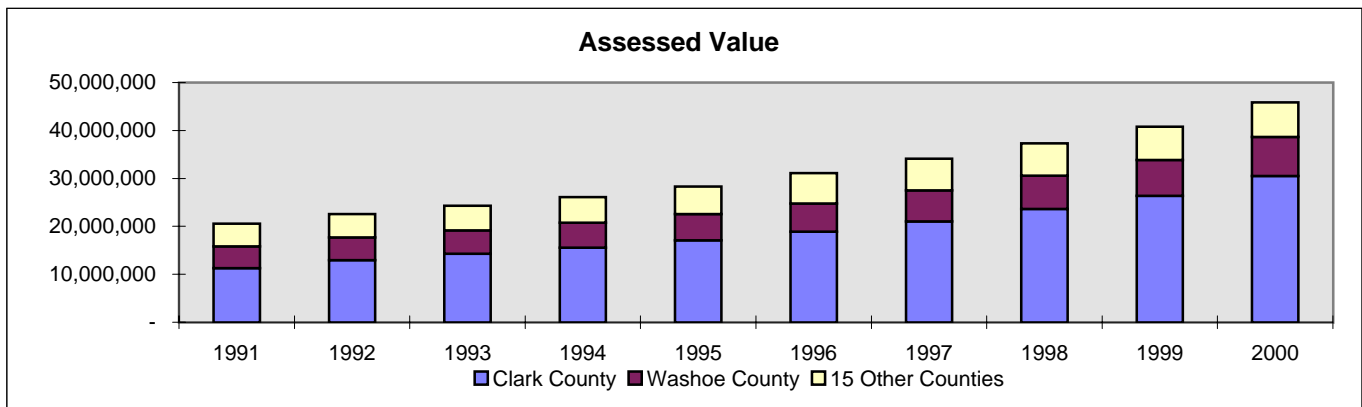
### Assessed Value of Taxable Property

Table VI

Fiscal Year Ended June 30	Assessed Value (1)				Market Value
	Clark County	Washoe County	15 Other Counties	Total State	Total State
1991	11,294,875	4,558,300	4,678,107	20,531,282	58,660,805
1992	12,964,606	4,700,274	4,893,097	22,557,977	64,451,362
1993	14,267,549	4,908,661	5,114,774	24,290,984	69,402,811
1994	15,574,486	5,179,851	5,378,646	26,132,983	74,665,666
1995	17,107,695	5,440,391	5,746,620	28,294,706	80,842,017
1996	18,909,831	5,863,539	6,328,966	31,102,336	88,863,817
1997	21,023,607	6,482,287	6,586,513	34,092,407	97,406,877
1998	23,599,895	6,948,776	6,765,193	37,313,864	106,611,040
1999	26,347,735	7,500,857	6,965,912	40,814,504	116,612,869
2000	30,539,106	8,085,546	7,269,325	45,893,977	131,125,648

Source: Department of Taxation

(1) Excludes redevelopment valuation. Assessed value is approximately 35% of fair market value.



### Ten Largest Taxable Property Owners

Table VII

	Assessed Valuation	Percentage of Total Assessed Valuation
Mirage Resorts Inc. (Las Vegas)	\$ 763,134	1.66 %
Circus Circus Properties (Reno, Las Vegas)	716,909	1.56
Nevada Power Company (Las Vegas)	556,534	1.21
Hilton Hotel Corporation - (Reno, Las Vegas)	554,180	1.21
Sierra Pacific Power Company (Reno)	444,966	0.97
Newmont Gold Company (Elko, Eureka)	340,916	0.74
Harrah's (Reno, Lake Tahoe, Las Vegas)	334,707	0.73
MGM Grand Hotel Inc. (Las Vegas)	333,318	0.73
Caesar's Palace Realty Corp. (Las Vegas)	299,072	0.65
Howard Hughes Properties (Las Vegas)	280,761	0.61
<b>Totals</b>	<b>\$ 4,624,497</b>	<b>10.07 %</b>

Source: Department of Taxation

# STATE OF NEVADA

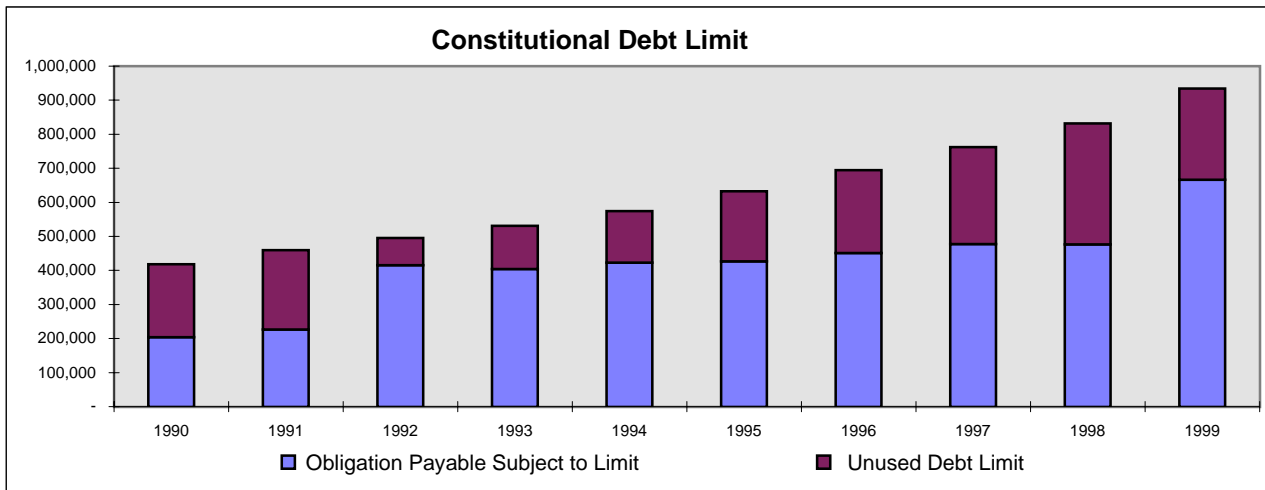
## Constitutional Debt Limit

For the Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)

### Constitutional Debt Limit

*Table VIII*

Fiscal Year Ended June 30	1 % or 2% Assessed Valuation	Obligation Payable Subject to Limit	Unused Debt Limit
1990	418,444	204,368	214,076
1991	459,570	226,955	232,615
1992	494,964	415,050	79,914
1993	531,426	404,005	127,421
1994	574,717	423,278	151,439
1995	632,795	426,613	206,182
1996	694,581	451,567	243,014
1997	762,212	476,979	285,233
1998	831,746	476,050	355,696
1999	934,106	666,234	267,872



**Computation of Legal Debt Margin at June 30, 1999:**

Assessed value of taxable property at June 30, 1999 (1)		\$ 46,705,298
Debt limitation (2% of assessed value)		934,106
Total general and special obligation bonded debt	\$ 2,210,319	
Leases	30,494	
Certificates of Participation	15,000	
Less obligation exempt from debt margin:		
Municipal bond bank bonds	1,128,745	
Protection of natural resources bonds	460,834	
Debt subject to debt limitation		666,234
Legal debt margin at June 30, 1999		\$ 267,872

(1) Assessed value includes redevelopment assessed value of \$811,321



## STATE OF NEVADA

### Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita

*Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)*

#### Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures

*Table IX*

Year Ended June 30	Principal	Interest, Fiscal Charges (1)	Total Debt Service (2)	Total General Expenditures (3)	Ratio of General to Debt Service Expenditures
1990	16,425	30,585	47,010	1,778,163	2.64
1991	18,373	36,661	55,034	1,934,854	2.84
1992	19,991	35,075	55,066	2,406,833	2.29
1993	19,630	43,827	63,457	2,542,665	2.50
1994	26,195	33,159	59,354	2,477,622	2.40
1995	28,260	41,887	70,147	2,711,886	2.59
1996	47,015	55,128	102,143	2,947,797	3.47
1997	47,575	74,341	121,916	3,183,638	3.83
1998	52,405	79,831	132,236	3,415,230	3.87
1999	56,115	109,468	165,583	3,845,591	4.31

(1) Excludes advance refunding escrow expenditures.

(2) Excludes general obligation bonds reported in Enterprise Funds and revenue bonds.

(3) Includes General, Special Revenue, Debt Service, Capital Project, and Expendable Trust Funds.

#### Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt per Capita

*Table X*

Year Ended June 30	Population	Assessed Value (1)	Gross Bonded Debt (2)	Less Debt Service Fund	Debt Payable From Fees and Enterprise Fund Revenues (3)	Net Bonded Debt	Net Bonded Debt to Assessed Value %	Net Bonded Debt Per Capita
1990	1,237	20,531,282	633,783	4,693	402,540	226,550	1.10	183
1991	1,298	22,557,977	684,460	7,972	442,380	234,108	1.04	180
1992	1,344	24,290,984	826,230	14,202	387,351	424,677	1.75	316
1993	1,399	26,132,983	703,450	19,349	278,820	405,281	1.55	290
1994	1,493	28,294,706	820,906	20,331	353,256	447,319	1.58	300
1995	1,582	31,102,336	1,026,766	22,420	560,375	443,971	1.43	281
1996	1,638	34,092,407	1,234,716	26,279	716,970	491,467	1.44	300
1997	1,741	37,313,864	1,692,296	29,207	1,142,180	520,909	1.40	299
1998	1,875	40,814,504	1,731,135	30,553	1,210,757	489,825	1.20	261
1999	1,962	45,893,977	2,210,319	31,565	1,578,895	599,859	1.31	306

(1) Excludes redevelopment agency valuations.

(2) Excludes 1977 and 1989 Sewer Improvement Bonds serviced by Clark County, but includes Municipal Bond Bank debt.

(3) Includes University General Obligation Bonds paid from gaming taxes; Muni Bond Bank Bonds paid by local governments; Colorado River General Obligation Bonds paid by user fees, and Water Pollution General Obligation Bonds paid by users' interest payments.

# STATE OF NEVADA

## Revenue Bond Coverage

*Last Ten Fiscal Years (Expressed in Thousands) (Unaudited)*

Fiscal Year Ended June 30	Gross Resources	Uses	Net Resources Available for Debt Service	Debt Service Requirements (1)			Coverage
				Principal	Interest	Total	
<b>Highway Improvement Revenue (Motor Vehicle Fuel Tax) Bond Coverage</b>							
							<i>Table XI</i>
1990	314,587 (2)	295,820 (3)	18,767	15,760	2,587	18,347	1.02
1991	282,078	264,388	17,690	15,760	1,684	17,444	1.01
1992	314,156	296,363	17,793	14,760	2,145	16,905	1.05
1993	332,174	319,761	12,413	16,220	3,115	19,335	0.64
1994	425,828	409,671	16,157	12,720	2,327	15,047	1.07
1995	499,343	440,711	58,632	30,420	5,440	35,860	1.64
1996	463,447	413,941	49,506	30,420	4,929	35,349	1.40
1997	464,737	395,415	69,322	24,420	3,409	27,829	2.49
1998	474,138	426,550	47,588	17,700	2,080	19,780	2.41
1999	(7) 557,153	550,982	6,171	17,700	1,239	18,939	0.33
<b>Mortgage Revenue Bond Coverage (Housing Division Revenues)</b>							
							<i>Table XII</i>
1990	94,259 (4)	4,014 (3)	90,245	50,372	52,166	102,538	0.88
1991	103,442	4,372	99,070	79,950	58,221	138,171	0.72
1992	161,282	5,448	155,834	114,858	57,556	172,414	0.90
1993	168,152	8,597	159,555	87,617	51,135	138,752	1.15
1994	213,621	7,512	206,109	178,892	38,327	217,219	0.95
1995	84,281	7,511	76,770	56,462	37,327	93,789	0.82
1996	112,896	8,280	104,616	82,256	43,156	125,412	0.83
1997	120,652	8,356	112,296	72,936	48,761	121,697	0.92
1998	148,101	8,519	139,582	17,827	54,115	71,942	1.94
1999	183,441	9,552	173,889	79,680	58,154	137,834	1.26
<b>Colorado River Commission General Obligation/Revenue Bonded Debt Coverage</b>							
							<i>Table XIII</i>
1990	9,996 (5)	3,713 (3)	6,283	1,925	4,353	6,278	1.00
1991	10,886	4,290	6,596	2,183	4,385	6,568	1.00
1992	10,986	4,388	6,598	2,170	4,302	6,472	1.02
1993	11,915	4,411	7,504	3,020	4,514	7,534	1.00
1994	12,273	5,551	6,722	3,028	3,951	6,979	0.96
1995	14,947	7,021	7,926	3,367	5,068	8,435	0.94
1996	19,030	10,591	8,439	3,120	6,707	9,827	0.86
1997	54,149 (6)	15,620	38,529	3,625	12,136	15,761	2.44
1998	55,501 (6)	15,575	39,926	5,840	11,860	17,700	2.26
1999	49,917 (6)	22,522	27,395	6,570	11,649	18,219	1.50

(1) Principal requirements represent principal outlays.

(2) Consists of the resources of the State Highway Special Revenue Fund and Highway Revenue Bonds Debt Service Fund.

(3) Uses are operating expenses, nonoperating expenses, and transfers out less interest expense and depreciation.

(4) Consists of operating revenues, nonoperating revenues, transfers in and principal collections of the Housing Division Enterprise Fund.

(5) Includes operating revenues and nonoperating revenues of the Water Treatment Enterprise Fund.

(6) Includes operating revenues and nonoperating revenues of the Southern Nevada Water Authority who replaced the Colorado River Commission Water Treatment Enterprise Fund as payor of the Colorado River Commission General Obligation/Revenue Bonds debt service.

(7) Highway Revenue Bonds final maturity date was April 1, 1999

# STATE OF NEVADA

## Disposable Per Capita Income Population

(Unaudited)

### Disposable Per Capita Income

Table XIV

Calendar Year	United States	California	Nevada	Nevada's Per Capita as % of U.S. Per Capita	Nevada's Per Capita Rank
1970	\$ 3,484	\$ 4,131	\$ 4,425	127%	5
1980	8,424	9,876	9,714	115	5
1988	14,457	16,131	15,533	107	11
1989	15,722	17,250	16,508	105	9
1990	16,642	18,313	17,443	105	15
1991	17,161	18,615	17,941	105	13
1992	18,034	19,390	18,866	105	14
1993	18,551	19,571	19,386	105	8
1994	19,241	19,929	20,350	106	8
1995	20,189	20,970	21,065	104	10
1996	20,979	21,760	21,805	104	9
1997	21,908	22,674	22,742	104	11
1998	22,424	23,119	22,959	102	14

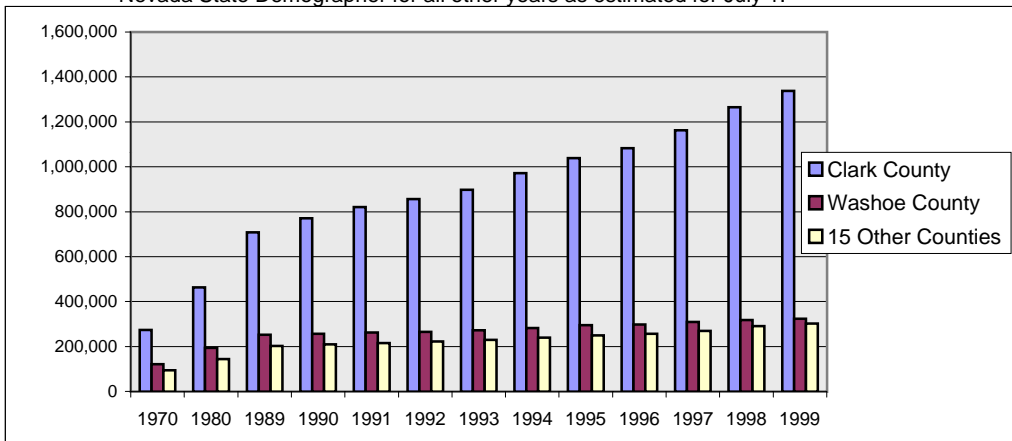
Source: Survey of Current Business, published by U.S. Department of Commerce

### Population

Table XV

Year	Clark County	Washoe County	15 Other Counties	Total State
1970	273,288	121,068	94,382	488,738
1980	463,087	193,623	143,798	800,508
1989	708,750	251,580	202,010	1,162,340
1990	770,280	257,120	209,500	1,236,900
1991	820,840	262,260	214,810	1,297,910
1992	856,350	265,660	221,930	1,343,940
1993	898,020	271,770	228,970	1,398,760
1994	971,680	282,630	238,690	1,493,000
1995	1,038,180	294,290	249,810	1,582,280
1996	1,082,667	298,356	256,992	1,638,015
1997	1,163,207	308,579	269,111	1,740,897
1998	1,265,590	318,050	291,120	1,874,760
1999	1,337,400	322,810	301,460	1,961,670

Sources: U.S. Department of Commerce, Bureau of Census, 1970, 1980, 1990;  
Nevada State Demographer for all other years as estimated for July 1.



# STATE OF NEVADA

## Public School Enrollment University and Community College Enrollment

Last Ten Fiscal Years (Unaudited)

### Public School Enrollment

Table XVI

	Fall Enrollment						
	Grades			Counties			
	Primary (K - 6)	Secondary (7 - 12)	Total	Clark	Washoe	All Others	Total
1990	119,952	81,364	201,316	121,984	38,486	40,846	201,316
1991	126,555	85,255	211,810	129,233	40,028	42,549	211,810
1992	131,469	91,377	222,846	136,188	42,061	44,597	222,846
1993	138,829	96,971	235,800	145,327	43,715	46,758	235,800
1994	146,949	103,798	250,747	156,348	45,752	48,647	250,747
1995	155,492	109,549	265,041	166,788	47,572	50,681	265,041
1996	164,654	117,477	282,131	179,106	49,671	53,354	282,131
1997	173,618	123,003	296,621	190,822	51,205	54,594	296,621
1998	181,612	129,451	311,063	203,777	52,652	54,634	311,063
1999	189,755	135,855	325,610	217,526	54,508	53,576	325,610

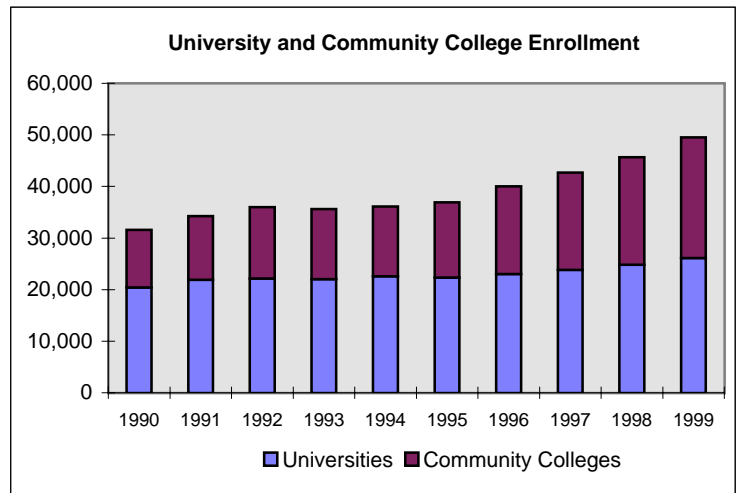
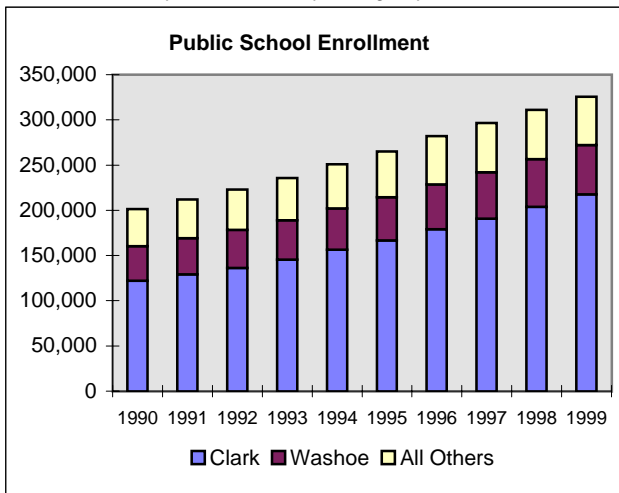
Source: Nevada Department of Education

### University and Community College Enrollment

Table XVII

	Full Time Equivalent Students at Fall Enrollment									
	Universities			Community Colleges (CC)						Total
	Reno	Las Vegas	Subtotal	Southern Nevada	Great Basin	Truckee Meadows	Western Nevada	Subtotal		
1990	8,299	12,141	20,440	5,402	800	3,283	1,646	11,131	31,571	
1991	8,821	13,108	21,929	6,253	828	3,515	1,726	12,322	34,251	
1992	9,212	12,944	22,156	7,426	933	3,718	1,765	13,842	35,998	
1993	9,155	12,885	22,040	7,137	906	3,726	1,810	13,579	35,619	
1994	9,392	13,211	22,603	7,111	933	3,594	1,847	13,485	36,088	
1995	9,161	13,166	22,327	8,599	878	3,451	1,682	14,610	36,937	
1996	9,383	13,661	23,044	10,245	1,010	3,848	1,869	16,972	40,016	
1997	9,397	14,447	23,844	11,380	1,146	4,377	1,955	18,858	42,702	
1998	9,488	15,318	24,806	13,135	1,132	4,560	2,013	20,840	45,646	
1999	9,881	16,245	26,126	15,215	1,252	4,867	2,045	23,379	49,505	

Source: University and Community College System of Nevada



# STATE OF NEVADA

## Average Annual Employment

Last Ten Calendar Years (Expressed in Thousands) (Unaudited)

Table XVIII

### Average Annual Employment

Fiscal Year Ended June 30	Labor Force Statistics				Industrial Base Statistics (2)		
	Total Nevada Labor Force	Unemployment	Unemployment Rate	U.S. Average Unemployment Rate	Total Non- Agriculture	Goods Producing	Services Producing
1990	667.0	33.0	4.9	5.5	620.9	87.3	533.6
1991	693.0	38.0	5.5	6.7	628.7	79.0	549.7
1992	715.0	47.0	6.6	7.4	638.7	78.2	560.5
1993	746.0	54.0	7.2	6.8	670.0	88.0	582.0
1994	779.0	48.0	6.2	6.1	736.7	100.9	635.8
1995	800.9	43.2	5.4	5.6	789.1	111.8	677.3
1996	844.1	45.7	5.4	5.4	842.5	128.0	714.5
1997	890.2	40.7	4.6	5.0	885.8	137.1	748.7
1998 (3)	919.9	39.6	4.3	4.5	924.4	140.1	784.3
1999 (1)	948.5	38.5	4.1	4.3	957.2	142.2	815.0

Source: Nevada Department of Employment, Training and Rehabilitation

(1) Average through August 1999

(2) Reflects employment by place of work. Does not necessarily coincide with the labor force concept. Includes multiple job holders.

(3) Revised in 1999