PRELIMINARY OFFICIAL STATEMENT

$49,975,000*

Clark County, Nevada

General Obligation (Limited Tax)
Bond Bank Refunding Bonds
(Additionally Secured By Pledged Revenues)
Series 2009

Selling: Thursday, October 22, 2009
8:30 a.m. local time

*Preliminary, subject to change.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 9, 2009

NEW ISSUE **RATINGS: S&P: "AA+"**
BOOK-ENTRY ONLY **Moody's: "Aa1"**
See "RATINGS"

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2009 Bonds is excluded from gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2009 Bonds (the "Tax Code"), and interest on the 2009 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See "TAX MATTERS" herein.

$49,975,000*
CLARK COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX) BOND BANK REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2009

Dated: Date of Delivery **Due: June 1, as shown below**

The 2009 Bonds are issued as fully registered bonds in denominations of $5,000, or any integral multiple thereof. The 2009 Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the 2009 Bonds. Purchases of the 2009 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2009 Bonds. See "THE 2009 BONDS--Book-Entry Only System." The 2009 Bonds bear interest at the rates set forth herein, payable on June 1, 2010, and semiannually thereafter on June 1 and December 1 of each year, to and including the maturity dates shown herein (unless redeemed earlier). The principal of the 2009 Bonds will be payable upon presentation and surrender at the principal operations office of The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, or its successor as the paying agent for the 2009 Bonds. See "THE 2009 BONDS."

The maturity schedule for the 2009 Bonds appears on the inside cover page of this Official Statement.

The 2009 Bonds are subject to optional redemption prior to maturity at the option of the County as described in "THE 2009 BONDS--Prior Redemption." The 2009 Bonds also may be subject to mandatory sinking fund redemption at the option of the winning bidder.

Proceeds of the 2009 Bonds will be used by the County to: (i) refund certain outstanding bonds of the County, as specified herein; and (ii) pay the costs of issuing the 2009 Bonds. See "SOURCES AND USES OF FUNDS."

The 2009 Bonds constitute direct and general obligations of the County. The full faith and credit of the County is pledged for the payment of principal and interest subject to Nevada constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE BONDS--General Obligation Bonds." The 2009 Bonds are additionally secured by a pledge of the Pledged Revenues (defined herein) received by the County in an amount sufficient to pay debt service on the 2009 Bonds. See "SECURITY FOR THE BONDS--Pledged Revenues."

This cover page contains certain information for quick reference only. It is *not* a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The 2009 Bonds are offered when, as, and if issued and accepted by the initial purchaser, subject to the approval of legality of the 2009 Bonds by Swendseid & Stern, a member in Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel, and the satisfaction of certain other conditions. Swendseid & Stern, a member in Sherman & Howard L.L.C. also has acted as special counsel to the County and the Southern Nevada Water Authority in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the County by the Clark County District Attorney. It is expected that the 2009 Bonds will be available for delivery through the facilities of DTC, on or about November 10, 2009.*

*Subject to change

$49,975,000*
CLARK COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX) BOND BANK REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2009

MATURITY SCHEDULE*
(CUSIP© 6-digit issuer number:_____)

Maturing (June 1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number	Maturing (June1)	Principal Amount	Interest Rate	Price or Yield	CUSIP© Issue Number
2013	$1,775,000				2022	$2,755,000			
2014	1,865,000				2023	2,895,000			
2015	1,960,000				2024	3,040,000			
2016	2,055,000				2025	3,190,000			
2017	2,160,000				2026	3,350,000			
2018	2,265,000				2027	3,515,000			
2019	2,380,000				2028	3,695,000			
2020	2,500,000				2029	3,880,000			
2021	2,625,000				2030	4,070,000			

* Subject to change.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover pages and the appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the 2009 Bonds in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the 2009 Bonds, and if given or made, such information or representations must not be relied upon as having been authorized by Clark County, Nevada (the "County") or the Southern Nevada Water Authority (the "SNWA"). The County and the SNWA each maintain an internet website; however, except as specifically referenced herein, the information presented in those websites is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2009 Bonds.

The information set forth in this Official Statement has been obtained from the County, the SNWA and from the sources referenced throughout this Official Statement, which the County believe to be reliable. No representation is made by the County, however, as to the accuracy or completeness of information provided from sources other than the County. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the 2009 Bonds shall, under any circumstances, create any implication that there has been no change in the affairs of the County or the SNWA, or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

This Official Statement has been prepared only in connection with the original offering of the 2009 Bonds and may not be reproduced or used in whole or in part for any other purpose.

The 2009 Bonds have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. The 2009 Bonds have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE 2009 BONDS ARE OFFERED TO THE PUBLIC BY THE INITIAL PURCHASER THEREOF (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE COVER PAGES HEREOF. IN ADDITION, THE INITIAL PURCHASER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS. IN ORDER TO FACILITATE DISTRIBUTION OF THE 2009 BONDS, THE INITIAL PURCHASER MAY ENGAGE IN TRANSACTIONS INTENDED TO STABILIZE THE PRICE OF THE 2009 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

CLARK COUNTY, NEVADA

Board of County Commissioners

Rory Reid, Chairman
Susan Brager, Vice Chair
Lawrence L. Brown, III
Tom Collins
Chris Giunchigliani
Steve Sisolak
Lawrence Weekly

County Officials

Virginia Valentine, Manager
George W. Stevens, Chief Financial Officer
Laura B. Fitzpatrick, Treasurer
Edward M. Finger, Comptroller
Diana Alba, Clerk
David Roger, District Attorney

FINANCIAL ADVISORS

Hobbs, Ong and Associates, Inc.
Las Vegas, Nevada

NSB Public Finance
Las Vegas, Nevada

Public Financial Management, Inc.
Seattle, Washington

BOND AND SPECIAL COUNSEL

Swendseid & Stern
a member in Sherman & Howard L.L.C.
Las Vegas, Nevada

REGISTRAR, PAYING AGENT AND ESCROW AGENT

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

TABLE OF CONTENTS

INDEX OF TABLES

NOTE: Tables marked with one (*) indicate Annual Financial Information to be updated by the County and tables marked with two (**) indicate Annual Financial Information to be updated by the SNWA pursuant to SEC Rule 15c2-12, as amended. See "INTRODUCTION--Continuing Disclosure Undertaking."

OFFICIAL STATEMENT

$49,975,000*
CLARK COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX) BOND BANK REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2009

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover page and appendices, is furnished by Clark County, Nevada (the "County" and the "State," respectively), to provide information about the County, the Southern Nevada Water Authority (the "SNWA") and the County's $49,975,000* General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009 (the "2009 Bonds"). The 2009 Bonds will be issued pursuant to an ordinance (the "Bond Ordinance") adopted by the Board of County Commissioners of the County (the "Board") on October 6, 2009.

The offering of the 2009 Bonds is made only by way of this Official Statement, which supersedes any other information or materials used in connection with the offer or sale of the 2009 Bonds. The following introductory material is only a brief description of and is qualified by the more complete information contained throughout this Official Statement. A full review should be made of the entire Official Statement and the documents summarized or described herein. Detachment or other use of this "INTRODUCTION" without the entire Official Statement, including the cover page, the inside cover pages and the appendices, is unauthorized. Undefined capitalized terms have the meanings given in the Bond Ordinance. See Appendix C - Summary of Certain Provisions of the Bond Ordinance.

The County

The County is a political subdivision of the State of Nevada (the "State" or "Nevada") organized in 1909. The County covers an area of approximately 8,012 square miles in the southern portion of the State. The City of Las Vegas, the County seat, is the most populous city in the State. The County's estimated population (as of July 1, 2008, which is the most recent estimate available) was 1,967,716. See "CLARK COUNTY, NEVADA." As more fully described in "PROPERTY TAX INFORMATION--Property Tax Base and Tax Roll," the County's assessed valuation for fiscal year 2009-10 is $89,981,571,327, excluding the assessed valuation attributable to certain redevelopment agencies within the County (the "Redevelopment Agencies," as more particularly defined herein).

The SNWA

The SNWA is a regional agency created in 1991 by seven governmental agencies in the County (the "Members," described below) to address water issues, develop additional water supplies, and build and operate water treatment and transmission facilities on a regional

---

* Subject to change.

basis. The Members are the City of Boulder City, the City of Henderson, the City of Las Vegas, the Las Vegas Valley Water District (the "LVVWD"), the City of North Las Vegas, the Big Bend Water District and the Clark County Water Reclamation District. The SNWA was formed and operates pursuant to a 1995 Amended Cooperative Agreement among the Members, originally effective as of July 25, 1991, and subsequently amended (the "Cooperative Agreement"). After its formation, the SNWA assumed all assets and liabilities of the Southern Nevada Water System ("SNWS") from the Colorado River Commission ("CRC") and purchased all SNWS assets formerly owned by the federal government.

The LVVWD operates and maintains the SNWS, as agent for the SNWA, pursuant to an Amended Facilities and Operations Agreement, effective June 20, 2002 (the "Operations Agreement"), between the SNWA and four of the Members (Boulder City, Henderson, North Las Vegas and the LVVWD and collectively, the "Municipal Water Users"). Pursuant to the Operations Agreement, the Municipal Water Users (and certain other users as described herein) have contracted with the SNWA for the provision of potable water. The LVVWD is the largest Municipal Water User, accounting for 70% of the water deliveries from the SNWS in fiscal year 2008-09. See "SOUTHERN NEVADA WATER AUTHORITY."

Authority for Issuance

The 2009 Bonds are issued in full conformity with the constitution and laws of the State, particularly Nevada Revised Statutes ("NRS") 244A.011 through 244A.065, NRS, and all laws amendatory thereof (the "County Bond Law"), the Local Government Securities Law, NRS 350.500 through 350.720, inclusive, as amended (the "Bond Act"), NRS Chapter 348 (the "Supplemental Bond Act"), and the Bond Ordinance.

Purpose

Proceeds of the 2009 Bonds will be used by the County to: (i) make a loan to the SNWA by purchasing its Southern Nevada Water Authority, Nevada, Water Revenue Bond, Series 2009 (the "SNWA Bond"), the proceeds of which will be used to refinance certain water revenue bonds, described in more detail below, which were originally issued by the SNWA for the purpose of financing infrastructure projects for its water system "2009 Lending Project"); and (ii) pay the costs of issuing the 2009 Bonds. See "SOURCES AND USES OF FUNDS."

The proceeds realized from the 2009 Lending Project will be used to refund the following County Bonds: (1) $4,375,000* aggregate principal amount of the General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2000 (the "2000 Bonds"), currently outstanding in the aggregate principal amount of $4,375,000; (2) $17,795,000* aggregate principal amount of the General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2001 (the "2001 Bonds"), currently outstanding in the aggregate principal amount of $55,180,000; (3) $13,605,000* aggregate principal amount of the General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2002 (the "2002 Bonds"), currently outstanding in the aggregate principal amount of $83,335,000; (4) $5,330,000* aggregate principal amount of the General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2006 (the "2006 Bonds"), currently outstanding in the aggregate principal

* Subject to change.

amount of $604,140,000; and (5) $14,040,000* aggregate principal amount of the General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2008 (the "2008 Bonds"), currently outstanding in the aggregate principal amount of $400,000,000.

The 2000 Bonds, 2001 Bonds, 2002 Bonds, 2006 Bonds and 2008 Bonds being refunded are referred to herein as the "Refunded Bonds." The refunding of the Refunded Bonds is sometimes referred to as the "Refunding."

The County's Bond Bank Program

The County established the Clark County Bond Bank (the "Bond Bank" or the "Bond Bank Program") pursuant to an ordinance adopted by the Board on May 2, 2000 (the "Bond Bank Ordinance"). The Bond Bank Ordinance specifies the policies, procedures and standards for the Bond Bank to assist other governmental entities in the County ("Municipalities") in financing or refinancing infrastructure projects ("Lending Projects").

It is the policy of the County, through the Bond Bank, to assist in the financing of Lending Projects in which it can provide a Municipality with a lower rate of interest or a more efficient borrowing that could otherwise be achieved. For purposes of the Bond Bank Ordinance, the SNWA is a "Municipality," the SNWA Bond is a "Municipal Security" and the purchase of the SNWA Bond is a "Lending Project." See "THE BOND BANK PROGRAM."

The 2009 Bonds; Prior Redemption

The 2009 Bonds are issued solely as fully registered certificates in the denomination of $5,000, or any integral multiple thereof. The 2009 Bonds initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), the securities depository for the 2009 Bonds. Purchases of the 2009 Bonds are to be made in book-entry form only. Purchasers will not receive certificates representing their beneficial ownership interest in the 2009 Bonds. See "THE 2009 BONDS--Book-Entry Only System." The 2009 Bonds mature and bear interest (calculated based on a 360-day year consisting of twelve 30-day months) as set forth on the inside cover page hereof. The payment of principal and interest on the 2009 Bonds is described in "THE 2009 BONDS--Payment Provisions."

Certain 2009 Bonds are subject to redemption prior to maturity at the option of the County as described in "THE 2009 BONDS--Prior Redemption." At the option of the winning bidder, the 2009 Bonds also may be subject to mandatory sinking fund redemption. See the Official Notice of Bond Sale attached hereto as Appendix G.

Security

General Obligation. The 2009 Bonds constitute direct and general obligations of the County. The full faith and credit of the County is pledged for the payment of principal and interest due thereon, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "SECURITY FOR THE BONDS--General Obligation Bonds" and "PROPERTY TAX INFORMATION--Property Tax Limitations."

---

* Subject to change.

Pledged Revenues Additionally Secure the 2009 Bonds. The 2009 Bonds also are secured by an irrevocable pledge of and lien on the revenues realized from the Lending Project ("Pledged Revenues," as more particularly defined in "SECURITY FOR THE BONDS--Pledged Revenues"). As a practical matter, the Pledged Revenues are payable primarily from the net revenues derived by the SNWA from operation of the SNWS (the "SNWA Water Revenues," as more particularly described below). However, the Pledged Revenues comprise only a portion of the SNWA Water Revenues; the Pledged Revenues are comprised only of those SNWA Water Revenues received by the County as payment on the SNWA Bond. *Only amounts paid by the SNWA to the County as debt service on the SNWA Bond constitute Pledged Revenues; no other SNWA Water Revenues are available to the County to pay debt service on the 2009 Bonds.*

On October 15, 2009, the board of the SNWA (the "SNWA Board") will adopt a resolution (the "SNWA Bond Resolution") authorizing the issuance of the SNWA Bond to the County and has pledged SNWA Water Revenues (in amounts sufficient to pay debt service on the 2009 Bonds) to its payment. The SNWA Bond Resolution describes the SNWA Water Revenues as follows: "all revenues from the SNWS, including revenues, charges or fees for commodities and services rendered by or through the SNWS, including, without limitation, connection fees, tap fees, flat fees, meter charges and all other charges made for services, water or other commodities furnished by the SNWS however denominated and including, without limitation, the charges designated as the "Connection Charge," "Commodity Charge," "Wholesale Delivery Charge," as described in the Operations Agreement, and "Assessments" as described therein, and all other amounts received, directly or indirectly, under the Operations Agreement.

Other Liens on Portions of the SNWA Water Revenues. The SNWA has other obligations outstanding that have liens on portions of the SNWA Water Revenues. Those obligations are detailed in "SOUTHERN NEVADA WATER AUTHORITY--SNWA Outstanding Obligations." A general description of those obligations follows.

Superior Bonds. The SNWA has outstanding $131,225,000 aggregate principal amount of bonds with a lien on the SNWA Water Revenues that is superior to the lien thereon of the SNWA Bond (the "Superior Obligations"). The SNWA may issue additional Superior Obligations in the future upon the satisfaction of certain conditions set forth in the SNWA Bond Resolution and the instruments authorizing their issuance.

Parity Obligations. The SNWA has outstanding $62,500,000 aggregate principal amount of bonds issued pursuant to various Bond Issuance Agreements (collectively, the "CRC Power Bond Issuance Agreement") between the SNWA and the CRC (the "CRC Power Bonds"). The CRC Power Bonds have a lien on the SNWA Water Revenues that is on a parity with the lien thereon of the SNWA Bond. The SNWA may issue additional CRC Power Bonds in the future upon the satisfaction of certain conditions set forth in the SNWA Bond Resolution and the instruments authorizing their issuance.

The SNWA also has outstanding $489,300,000 aggregate principal amount of bonds (the "LVVWD Bonds") issued on its behalf by the LVVWD pursuant to a Master Bond Repayment Agreement dated July 1, 1996, as amended (the "MBRA"), between the LVVWD and SNWA and $400,000,000 of Commercial Paper Notes (the "Notes") which also are payable from the MBRA. The obligation to fund the MBRA has a lien on the SNWA Water Revenues that is on a parity with the lien thereon of the SNWA Bond. The SNWA may issue additional

LVVWD Bonds secured by the MBRA in the future upon the satisfaction of certain conditions set forth in the SNWA Bond Resolution and the instruments authorizing their issuance. The SNWA currently expects to issue $400,000,000 in additional bonds secured by the MBRA in late 2009. See "SOUTHERN NEVADA WATER AUTHORITY--SNWA Additional Contemplated Indebtedness."

The SNWA also has outstanding $1,385,660,000 aggregate principal amount of bonds to the County through the Bond Bank Program (the "SNWA Bond Bank Bonds"), not including the SNWA Bond or the effect of the Refunding. The SNWA Bond Bank Bonds also have a lien on the SNWA Water Revenues on a parity with the lien thereon of the SNWA Bond. The SNWA may issue additional bonds through the Bond Bank upon the satisfaction of certain conditions set forth in the SNWA Bond Resolution.

Subordinate Bonds. In addition to the bonds described above, the SNWA (or other entities on behalf of the SNWA) also have outstanding certain bonds or other obligations with a lien on the SNWA Water Revenues that is subordinate to the lien thereon of the bonds described above. See the table in "SOUTHERN NEVADA WATER AUTHORITY--SNWA Outstanding Obligations."

Professionals

Swendseid & Stern, a member in Sherman & Howard, L.L.C., Las Vegas and Reno, Nevada is serving as Bond Counsel to the County in connection with the issuance of the 2009 Bonds and as Special Counsel to the County and the SNWA in connection with the preparation of this Official Statement. The financial advisors in connection with the issuance of the 2009 Bonds are: Hobbs, Ong and Associates, Inc., Las Vegas, Nevada; NSB Public Finance, Las Vegas, Nevada; and Public Financial Management, Inc., Seattle, Washington (collectively, the "Financial Advisors"). See "FINANCIAL ADVISORS." The fees being paid to the Financial Advisors are contingent upon the execution and delivery of the 2009 Bonds. The audited basic financial statements of the County (contained in Appendix A to this Official Statement) include the report of Kafoury, Armstrong & Co., certified public accountants, Las Vegas, Nevada, and the audited basic financial statements of the SNWA (contained in Appendix B to this Official Statement) include the report of Piercy Bowler Taylor & Kern, certified public accountants, Las Vegas, Nevada. See "INDEPENDENT AUDITORS." The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, will act as Registrar and Paying Agent for the 2009 Bonds and also will act as the Escrow Agent in connection with the Refunding. Certain mathematical computations regarding the Escrow Account will be verified by Grant Thornton LLP, independent certified public accountants, Minneapolis, Minnesota. See "SOURCES AND USES OF FUNDS--The Refunding - Verification of Mathematical Computations."

Swendseid & Stern, a member in Sherman & Howard L.L.C. also has acted as bond counsel to the SNWA in connection with the issuance of the Municipal Securities and the Financial Advisors also are acting as financial advisors to the SNWA in connection with the issuance of the Municipal Securities.

Tax Status

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2009 Bonds is excluded from gross income under

federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2009 Bonds (the "Tax Code"), and interest on the 2009 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. See "TAX MATTERS--Federal Tax Matters."

The 2009 Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS. See "TAX MATTERS--State Tax Exemption."

Continuing Disclosure Undertakings

The County and the SNWA each will execute a continuing disclosure certificate (collectively, the "Disclosure Certificates") at the time of the closing of the 2009 Bonds. The Disclosure Certificates will be executed for the benefit of the beneficial owners of the 2009 Bonds and the County will covenant in the Bond Ordinance and the SNWA will covenant in the SNWA Bond Resolution to comply with the terms of the respective agreements. The Disclosure Certificates will provide that so long as the applicable series of 2009 Bonds remain outstanding, the County and the SNWA will annually provide the following information to the Municipal Securities Rulemaking Board, through the Electronic Municipal Market Access system: (i) certain financial information and operating data; and (ii) notice of certain material events, as specified in each Disclosure Certificate. The form of each Disclosure Certificate is attached hereto as Appendix E.

Except as described below, the County has not failed to materially comply with any prior continuing disclosure undertakings previously entered into pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule"). In 2007, the County discovered that certain tables required to be updated with respect to two special improvement district financings were not included in its annual continuing disclosure filings for fiscal years 2004 and 2005; updates to the tables were filed in 2007 and have been included in subsequent County disclosure reports. The SNWA has not failed to materially comply with any continuing disclosure undertakings in the last five years.

Certain Bondholder Risks

General. The purchase of the 2009 Bonds involves certain investment risks that are discussed throughout this Official Statement. Such risks include, but are not limited to, the factors described below.

Changes in Laws. Various State laws apply to the imposition, collection, and expenditure of ad valorem property taxes (sometimes referred to as "General Taxes") as well as to the operation and finances of the County. There is no assurance that there will not be any change in, interpretation of, or addition to the applicable laws, provisions, and regulations which would have a material effect, directly or indirectly, on the affairs of the County and the imposition, collection, and expenditure of its revenues, including ad valorem property taxes.

Certain Risks Related to Property Taxes. Although the 2009 Bonds are general obligations of the County, the County may only levy property taxes to pay debt service on the

2009 Bonds in accordance with State law. For a description of the State laws regulating the collection of property taxes, see "PROPERTY TAX INFORMATION--Property Tax Collections." Due to the statutory process required for the levy of taxes, in any year in which the County is required to levy property taxes, there may be a delay in the availability of property tax revenues to pay debt service on the 2009 Bonds. Accordingly, time may elapse before the County receives property taxes levied to cover any insufficiency of Pledged Revenues.

Numerous other factors over which the County has no control may impact the timely receipt of ad valorem property tax revenues in the future. These include the valuation of property within the County, the number of homes which are in foreclosure, bankruptcy proceedings of property taxpayers or their lenders, and the ability or willingness of property owners to pay taxes in a timely manner.

Economic conditions have negatively impacted the County as they have the rest of the country. Economic activity has decreased in a variety of sectors throughout the County, including gaming, tourism and construction - areas that have previously provided growth to the County. Furthermore, due to the economic conditions, the County has experienced a housing slump for approximately the past two years. The decline in the economy and the housing slump has caused the assessed valuation of taxable property in the County for the year 2010 to decrease by approximately 19.6% from the year 2009 valuation. In addition, foreclosures in the County have increased significantly in the last two years; it is likely that trend will continue for a period of time that cannot be determined. It cannot be predicted at this time what impact these trends (or other economic trends) would have on property tax collections should the County be required to levy an ad valorem tax in the future.

Secondary Market. No guarantee can be made that a secondary market for the 2009 Bonds will develop or be maintained by the Initial Purchasers or others. Thus, prospective investors should be prepared to hold their 2009 Bonds to maturity.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The sections of this Official Statement containing forward-looking statements include, but are not limited to: all sections disclosing unaudited or estimated County or SNWA financial results for fiscal years 2009 or 2010; all sections disclosing budgeted amounts for fiscal year 2010; and the sections entitled "SOURCES AND USES OF FUNDS--The Refunding," "COUNTY FINANCIAL INFORMATION--Recent Developments," "COUNTY DEBT STRUCTURE--Additional Contemplated Indebtedness," "SOUTHERN NEVADA WATER AUTHORITY--SNWA Financial Information - Budgeting" and "SOUTHERN NEVADA WATER SYSTEM--Capital Improvement Funding Plan." When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward looking statements and actual results. Those differences could be

material and could impact the availability of pledged revenues to pay debt service on the 2009 Bonds.

Additional Information

This introduction is only a brief summary of the provisions of the 2009 Bonds and the Bond Ordinance; a full review of the entire Official Statement should be made by potential investors. Brief descriptions of the County, the SNWA, the 2009 Lending Project, the Refunding, the 2009 Bonds and the Bond Ordinance are included in this Official Statement. All references herein to the 2009 Bonds, the Bond Ordinance and other documents are qualified in their entirety by reference to such documents. *The Official Statement speaks only as of its date, and the information contained herein is subject to change.*

Additional information and copies of the documents referred to herein are available from the County and the Financial Advisors at the addresses set forth below:

Clark County, Nevada
Attn: Chief Financial Officer
500 S. Grand Central Parkway, 6th Floor
Las Vegas, Nevada 89155
Telephone: (702) 455-3530

Hobbs, Ong and Associates, Inc.
3900 Paradise Road, Suite 152
Las Vegas, Nevada 89169
Telephone: (702) 733-7223

NSB Public Finance
230 Las Vegas Boulevard South, Suite 200
Las Vegas, Nevada 89101
Telephone: (702) 796-7080

Public Financial Management, Inc.
719 Second Avenue, Suite 801
Seattle, Washington 98104
Telephone: (206) 264-8900.

SOURCES AND USES OF FUNDS

Sources and Uses of Funds

The proceeds of the 2009 Bonds are expected to be applied in the manner set forth in the following table.

Sources and Uses of Funds

	Amount
SOURCES:	
Principal amount of 2009 Bonds	
Original issue premium	
Other available funds (1)	
Total	
USES:	
The Refunding	
Costs of issuance (including underwriting discount)	
Total.....	

(1) Represents amounts on deposit in the bond funds for the Refunded Bonds.

Source: The Financial Advisors.

The Refunding

The Refunding.* A portion of the 2009 Bond proceeds, together with other available funds, will be used to advance refund the Refunded Bonds. The Refunded Bonds include the following maturities: 2000 Bonds maturing on July 1, 2010; 2001 Bonds maturing on June 1, 2010 through June 1, 2012; 2002 Bonds maturing on June 1, 2010 through June 1, 2012; a portion of the 2006 Bonds maturing on November 1, 2010; and 2008 Bonds maturing on June 1, 2011 and 2012. The County is undertaking the Refunding at the request of the SNWA, which expects to improve its cash flow over the next several years as a result.

To accomplish the Refunding, the County will deposit a portion of the 2009 Bond proceeds, together with other available funds, with the Escrow Agent pursuant to an escrow agreement dated as of the date of delivery of the 2009 Bonds. The amounts deposited with the Escrow Bank will be deposited into the escrow account created under the Bond Ordinance and invested in government obligations maturing at such times and in such amounts as required to provide funds sufficient to pay: (i) the principal and interest on the refunded 2000 Bonds as it becomes due through July 1, 2010; (ii) the principal and interest on the refunded 2001 Bonds as it becomes due through June 1, 2011; (iii) the principal and interest on the refunded 2002 Bonds as it becomes due through June 1, 2012; (iv) the principal and interest on the refunded 2006 Bonds as it becomes due through November 1, 2010; and (vi) the principal and interest on the refunded 2008 Bonds as it becomes due through June 1, 2012.

* Subject to change.

Verification of Mathematical Computations. Grant Thornton LLP, independent certified public accountants, Minneapolis, Minnesota, will deliver a report on the mathematical accuracy of certain computations contained in schedules provided to them by the Financial Advisors relating to the adequacy of the maturing principal amounts of and interest due on the United States government obligations held in the Escrow Account and interest to be earned thereon to pay all of the principal of and interest on the respective Refunded Bonds.

THE 2009 BONDS

General

The 2009 Bonds will be issued as fully registered bonds in denominations of $5,000 and any integral multiple thereof. The 2009 Bonds will be dated and will bear interest and mature as set forth on the cover page and the inside cover page of this Official Statement. The 2009 Bonds initially will be registered in the name of "Cede & Co.," as nominee for DTC, the securities depository for the 2009 Bonds. Purchases of the 2009 Bonds are to be made in book-entry only form. Purchasers will not receive certificates evidencing their beneficial ownership interest in the 2009 Bonds. See "Book-Entry Only System" below.

Payment Provisions

Interest on the 2009 Bonds is payable on June 1 and December 1 (each an "Interest Payment Date") by check or draft mailed by the Paying Agent on or before the Interest Payment Date (or if such day is not a business day, on or before the next succeeding business day) to the person in whose name each 2009 Bond is registered (i.e., Cede & Co.) on the 15th day of the calendar month preceding the Interest Payment Date (the "Regular Record Date"), at the address shown on the registration records maintained by the Paying Agent as of the close of business on the Regular Record Date. However, if there is a default in payment or provision of interest due with respect to a 2009 Bond on any Interest Payment Date, such interest will cease to be payable to the person who is the registered owner at the close of business on the Regular Record Date and will be payable to the registered owner of such 2009 Bond as of a special record date (the "Special Record Date") for the payment of any such defaulted interest. The Special Record Date will be fixed by the Paying Agent whenever money becomes available for payment of the defaulted interest, and notice of the Special Record Date will be given to the registered owners of the 2009 Bonds not less than 10 days prior thereto by first-class mail to each registered owner as shown on the Registrar's registration records on a date selected by the Registrar, stating the date of the Special Record Date and the date selected for the payment of the defaulted interest. The principal of the 2009 Bonds will be payable at maturity or upon prior redemption upon presentation and surrender of the 2009 Bond at the principal office of the Paying Agent (or at such other office designated by the Paying Agent). Any 2009 Bond not paid upon presentation and surrender at or after maturity shall continue to draw interest at the rate stated in the 2009 Bond until the principal is paid in full. The Paying Agent may make payments of interest on any 2009 Bond by any alternative means agreed upon between the owner of a 2009 Bonds and the Paying Agent. All payments of principal and interest shall be made in lawful money of the United States of America.

Notwithstanding the foregoing, payments of the principal of and interest on the 2009 Bonds will be made directly to DTC or its nominee, Cede & Co., by the Paying Agent, so long as DTC or Cede & Co. is the registered owner of the Bonds. Disbursement of such payments to DTC's Participants (defined in Appendix D) is the responsibility of DTC, and disbursements of such payments to the Beneficial Owners (defined in Appendix D) is the responsibility of DTC's Participants and the Indirect Participants (defined in Appendix D), as more fully described herein. See "Book-Entry Only System" below.

Prior Redemption

Optional Prior Redemption. The 2009 Bonds, or portions thereof, maturing on and after June 1, 2020, are subject to redemption prior to their respective maturities at the option of the County, on and after June 1, 2019, in whole or in part at any time, from such maturities as are selected by the County and if less than all the 2009 Bonds of a maturity are to be redeemed, the 2009 Bonds of such maturity to be redeemed are to be selected by lot within a maturity (giving proportionate weight to 2009 Bonds in denominations larger than $5,000) in such manner as the Paying Agent may determine, at a price equal to the principal amount of each 2009 Bond or portion thereof so redeemed, plus accrued interest to the redemption date.

Notice of Redemption. Unless waived by any registered owner of a 2009 Bond to be redeemed, notice of prior redemption shall be given by the Registrar, by registered or certified mail as long as Cede & Co. or a nominee or a successor depository is the registered owner of the Bonds, and otherwise by first class, postage prepaid mail, at least 30 days but not more than 60 days prior to the Redemption Date to the Municipal Securities Rulemaking Board ("MSRB") and the registered owner of any 2009 Bond (initially Cede & Co.) all or a part of which is called for prior redemption, at his or her address as it last appears on the registration records kept by the Registrar.

The notice shall identify the 2009 Bonds and state that on such date the principal amount thereof, and premium, if any, thereon will become due and payable at the Paying Agent (accrued interest to the redemption date being payable by mail or as otherwise provided in the Bond Ordinance), and that after such redemption date interest will cease to accrue. Actual receipt of mailed notice by the MSRB or any registered owner of 2009 Bonds shall not be a condition precedent to redemption of such 2009 Bonds. Failure to give such notice by mailing to the MSRB or the registered owner of any 2009 Bond designated for redemption, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other 2009 Bond.

Notwithstanding the foregoing, any notice of redemption may contain a statement that the redemption is conditional upon the receipt by the Paying Agent of funds on or before the date fixed for redemption sufficient to pay the redemption price of the 2009 Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the 2009 Bonds called for redemption in the same manner as the original redemption notice was mailed.

Tax Covenant

In the Bond Ordinance, the County covenants for the benefit of the owners of the 2009 Bonds that it will not take any action or omit to take any action with respect to the 2009 Bonds, the proceeds thereof, any other funds of the County or any project financed with the proceeds of the 2009 Bonds if such action or omission (i) would cause the interest on the 2009 Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant shall remain in full force and effect, notwithstanding

the payment in full or defeasance of the 2009 Bonds, until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Defeasance

When all Bond Requirements of any 2009 Bond have been duly paid, the pledge and lien and all obligations under the Bond Ordinance as to that 2009 Bond shall be discharged and the 2009 Bonds shall no longer be deemed to be Outstanding within the meaning of the Bond Ordinance. There shall be deemed to be due payment of any Outstanding 2009 Bond or other security when the County has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the 2009 Bond or other security, as the same become due to the final maturity of the 2009 Bond or other security, or upon any Redemption Date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option by a call of the 2009 Bond or other security for payment then. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the owners thereof to assure availability as so needed to meet the schedule.

The Bond Ordinance defines "Federal Securities" to mean bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States. Nonetheless, for the purpose of the prior paragraph, "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof.

Book-Entry Only System

The 2009 Bonds will be available only in book-entry form in the principal amount of $5,000 or any integral multiples thereof. DTC will act as the initial securities depository for the 2009 Bonds. The ownership of one fully registered 2009 Bond for each maturity as set forth on the inside cover page of this Official Statement, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. See Appendix D - Book-Entry Only System.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2009 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE 2009 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

Neither the County nor the Registrar or the Paying Agent will have any responsibility or obligation to DTC's Participants or Indirect Participants (defined in Appendix D), or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the 2009 Bonds as further described in Appendix D to this Official Statement.

Debt Service Requirements for 2009 Bonds*

The following table sets forth the estimated debt service requirements for the 2009 Bonds.

Debt Service Requirements - 2009 Bonds*

Fiscal Year Ending June 30(1)	Principal(2)	Interest(3)	Total
2010	--	$ 1,395,135	$ 1,395,135
2011	--	2,498,750	2,498,750
2012	--	2,498,750	2,498,750
2013	$ 1,775,000	2,498,750	4,273,750
2014	1,865,000	2,410,000	4,275,000
2015	1,960,000	2,316,750	4,276,750
2016	2,055,000	2,218,750	4,273,750
2017	2,160,000	2,116,000	4,276,000
2018	2,265,000	2,008,000	4,273,000
2019	2,380,000	1,894,750	4,274,750
2020	2,500,000	1,775,750	4,275,750
2021	2,625,000	1,650,750	4,275,750
2022	2,755,000	1,519,500	4,274,500
2023	2,895,000	1,381,750	4,276,750
2024	3,040,000	1,237,000	4,277,000
2025	3,190,000	1,085,000	4,275,000
2026	3,350,000	925,500	4,275,500
2027	3,515,000	758,000	4,273,000
2028	3,695,000	582,250	4,277,250
2029	3,880,000	397,500	4,277,500
2030	4,070,000	203,500	4,273,500
Total	$49,975,000	$33,372,135	$83,347,135

(1) Reflects the payment of principal and interest on the 2009 Bonds on June 1 of the calendar year shown and the payment of interest on December 1 of the prior calendar year.

(2) Assumes that no optional redemptions are made prior to maturity but that mandatory sinking fund redemptions are made as scheduled. See "Prior Redemption" above.

(3) Assumes interest at rates estimated by the Financial Advisors.

Source: The Financial Advisors.

* Subject to change.

THE BOND BANK PROGRAM

General

The County's Bond Bank Program was established in 2000 pursuant to the County Bond Law and the Bond Bank Ordinance for the purpose of financing a municipal bond bank to assist local governments in the County ("Municipalities") by funding "Lending Projects" for infrastructure. It is the policy of the County to assist in financing any Lending Project in which the County can provide to a Municipality a lower rate of interest or more efficient borrowing, provided that the project does not expose the County to any significant financial risk, as determined by the Board in approving the Lending Project.

The Bond Bank Ordinance states the County's policy that all County general obligations issued for a Lending Project shall pledge the revenues received from the Lending Project and that such bonds be issued as general obligation bonds additionally secured with pledged revenues. It is the County's policy that the Bond Bank shall be self sufficient in that the revenues of Lending Projects shall be sufficient to pay the expenses of the County's Bond Bank, including debt service on County bonds issued to fund Lending Projects.

Administration and Procedures

The County Chief Financial Officer is the administrator (the "Administrator") of the Bond Bank Program, and the Administrator is empowered to request that the Board issue County general obligation securities for lending projects and refunding projects. The Bond Bank Ordinance establishes procedures pursuant to which Municipalities may request the purchase of their obligations and also establishes requirements that must be met prior to the Bond Bank's purchase of such obligations. The Administrator is limited to the purchase of securities which are validly issued obligations; a Municipality must receive whatever authorization is required by statute before it may issue general obligation securities or revenue securities, and those securities are subject to all statutory restrictions, including applicable indebtedness limitations.

Types of Securities and Standards

The Bond Bank may purchase the following types of Municipal Securities from Municipalities:

1. general obligation bonds payable from ad valorem taxes approved by voters - issued for a capital improvement of a library or park;

2. general obligation bonds payable from ad valorem taxes approved by voters or otherwise approved pursuant to the Bond Act - for fire protection, police protection or public building projects or, for Municipalities whose governing body is the Board of County Commissioners, a capital improvement of a water or sanitary sewer system; or

3. revenue obligations of a water authority (such as the SNWA or the Clean Water Coalition) that are payable from the water system of the authority, or one or more of the Municipalities that are members of a water authority, or any combination of the two.

SNWA has issued its bonds to be refunded to the County pursuant to Lending Projects as described in paragraph (3) above.

The Bond Bank Ordinance establishes standards to be met prior to the County's purchase of Municipal Securities; those standards vary according to the type of Municipal Security purchased. With respect to revenue obligations, the County must determine (i) that there is a rate maintenance covenant contained in the Municipal Securities to be delivered by the water authority pursuant to which the water authority is required to establish and maintain rates and charges for water that will be sufficient to make payments on the Municipal Securities; (ii) that one or more of the Municipalities that are members of the water authority, including at least the largest purveyor of water in the County, is pursuant to an interlocal agreement or other written arrangements with the water authority contractually committed to pay the rates and charges required under the rate maintenance covenant described above; and (iii) that the revenue obligations do not otherwise pose significant credit risks to the County.

Debt Limit

The County Bond Law and the Bond Bank Ordinance establish a County debt limitation of 15% of assessed valuation for general obligation bonds issued through its Bond Bank. Based upon the County's assessed valuation for fiscal year 2009-10 of $93,790,791,674 (which includes the assessed valuation of the Redevelopment Agencies), the County is limited to general obligation Bond Bank indebtedness in the aggregate amount of $14,068,618,751. As of November 1, 2009, the County had outstanding $1,573,605,000* of general obligation Bond Bank debt subject to this debt limit (after taking the issuance of the 2009 Bonds and the Refunding into account). See "COUNTY DEBT STRUCTURE--Bond Bank Debt Limitation."

* Subject to change.

SECURITY FOR THE BONDS

General Obligation Bonds

General. The 2009 Bonds are direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest, subject to State constitutional and statutory limitations on the aggregate amount of ad valorem taxes. See "PROPERTY TAX INFORMATION--Property Tax Limitations." The 2009 Bonds are payable by the County from any source legally available therefor at the times such payments are due, including the General Fund of the County. In the event, however, that such legally available sources of funds are insufficient, the County is obligated to levy a general (ad valorem) tax on all taxable property within the County for payment of the 2009 Bonds, subject to the limitations provided in the constitution and statutes of the State. Due to the statutory process required for the levy of taxes, in any year in which the County is required to levy property taxes, there may be a delay in the availability of revenues to pay debt service on the 2009 Bonds. See "PROPERTY TAX INFORMATION--Property Tax Collections."

Limitations on Property Tax Revenues. The constitution and laws of the State limit the total ad valorem property taxes that may be levied by all overlapping taxing units within each county (including the State, the County, the Clark County School District (the "School District"), any city, or any special district) in each year. Those limitations are described in "PROPERTY TAX INFORMATION--Property Tax Limitations." In any year in which the total property taxes levied within the County by all applicable taxing units exceed such property tax limitations, the reduction to be made by those units must be in taxes levied for purposes other than the payment of their bonded indebtedness, including interest on such indebtedness. See "PROPERTY TAX INFORMATION--Property Tax Limitations."

No Repealer. State statutes provide that no act concerning the 2009 Bonds or their security may be repealed, amended, or modified in such a manner as to impair adversely the 2009 Bonds or their security until all of the 2009 Bonds have been discharged in full or provision for their payment and redemption has been fully made.

Pledged Revenues

General. The 2009 Bonds are additionally secured by Pledged Revenues. The Bond Ordinance defines "Pledged Revenues" as any money and revenues received by the County from the Lending Project, including, without limitation:

(a) Money derived from any source of revenue connected with the Lending Project, including without limitation, payments by the Municipality of the principal, interest or redemption premium of the Municipal Securities, and any other income derived from the operation or administration of the Lending Project or the sale or other disposal of the Municipal Securities or other assets acquired in connection with the Lending Project;

(b) Fees or charges paid by the Municipality in connection with the Lending Project;

(c) Money derived from the investment and reinvestment of the money described in (a) and (b) above.

"Pledged Revenues" means all or a portion of the Pledged Revenues. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification. "Pledged Revenues" includes income derived from any supplemental pledged revenues received by the County if the Board is authorized to include and elects to include the additional income in "Pledged Revenues" for the remaining term of the 2009 Bonds.

SNWA Water Revenues. As a practical matter, Pledged Revenues generally are derived from the SNWA Water Revenues. However, the Pledged Revenues are comprised only of those SNWA Water Revenues received by the County as payment on the SNWA Bond. *Only amounts paid by the SNWA to the County as debt service on the SNWA Bond constitute Pledged Revenues; no other SNWA Water Revenues are available to the County to pay debt service on the 2009 Bonds.*

Pursuant to the SNWA Bond Resolution, the SNWA's obligation to make payments of debt service on the SNWA Bond is a special obligation of the SNWA, payable from and secured solely by a lien on the SNWA Water Revenues, after payment of operation and maintenance expenses. The lien of the SNWA Bond on the SNWA Water Revenues is a lien (but not necessarily exclusive lien) subject only to and after the prior liens on the Pledged Revenues to pay the SNWA Superior Obligations (see "SOUTHERN NEVADA WATER AUTHORITY--Allocation of SNWA Water Revenues" and "SNWA Outstanding Obligations"). The lien of the SNWA Bond and the SNWA Bond Bank Bonds on the SNWA Water Revenues is on a parity with the lien on the SNWA Water Revenues which has been granted to the LVVWD pursuant to the MBRA to secure the payment of the LVVWD Bonds heretofore issued and issued in the future for the benefit of SNWA; and is on a parity with the lien on Pledged Revenues which has been granted to the CRC pursuant to the CRC Power Bond Issuance Agreement to secure the payment of CRC Power Bonds heretofore issued and issued in the future for the benefit of SNWA.

Rate Maintenance. As required by the Bond Bank Ordinance, the SNWA has agreed in the SNWA Bond Resolution that it will fix and collect from all users of the SNWS, rates and charges for the connection, service, facilities and water of the SNWA which will be sufficient, after making allowances for contingencies and error in the estimates, together with any funds of the SNWA available to make the payments listed below which are not otherwise encumbered, to pay the following items of cost and expense in the following order:

A. The operation and maintenance expenses of the SNWS;

B. All payments due on all superior lien obligations of the SNWA and any reserves therefor, as the same fall due, and the payments required to be made into any sinking fund for superior lien obligations including any obligations hereafter issued on a parity with such superior lien obligations; and

C. The principal of and interest on all other parity lien obligations of the SNWA and any reserves therefor, as the same fall due, and the payments required to be made into any sinking fund for parity lien obligations, including the 2009 Bonds and any obligations hereafter issued on a parity with such parity lien obligations.

In calculating the amount due on any obligation for the purposes of the foregoing covenant, the SNWA may take into account the expected net payments (positive or negative) on

any interest rate exchange agreement entered into as a hedge with respect to a particular obligation and any expected refundings, including rollovers of commercial paper. In the case of obligations that bear interest at a variable interest rate, the SNWA's Treasurer shall estimate the rate of interest on the obligations for purposes of the covenant described above.

History of SNWA Water Revenues. The following table sets forth a history of the SNWA Water Revenues. The information in this table for fiscal years 2005 through 2008 has been derived from the SNWA's Comprehensive Annual Financial Report ("CAFR") for each of those years and the 2009 unaudited information has been provided by the SNWA; that information remains subject to change and adjustment as part of the audit process. . *There is no assurance that SNWA Water Revenues will be generated at the levels indicated in this table in the future.* The table also presents budgeted amounts for the fiscal year ending June 30, 2010.

History of SNWA Water Revenues

Fiscal Year Ending June 30,	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Unaudited)(1)	2010 (Budget)
Operating Revenues						
Wholesale Delivery Charges	$ 100,460,557	$ 115,532,042	$ 121,449,812	$118,782,982	$112,551,974	$121,669,338
Regional Connection Charge (2)	177,493,765	188,454,011	121,359,088	61,512,873	27,406,871	14,685,867
Regional Water Charges (3)	10,101,548	14,213,843	18,829,058	18,777,117	18,791,878	20,348,500
Total Revenues	288,055,870	318,199,896	261,637,958	199,072,972	158,750,723	156,703,705
Operating Expenses (4)	134,866,123	127,683,290	124,192,960	136,503,637	142,912,776	108,999,699
SNWA Water Revenues	$153,189,747	$190,516,606	$137,444,998	$62,569,335	$15,837,947	$47,704,006
Annual Debt Service on the SNWA Superior Obligations	$16,783,066	$18,085,929	$16,939,289	$17,220,068	$15,733,838	$12,086,088
Remaining SNWA Water Revenues (5)	$136,406,681	$172,430,677	$120,505,709	$45,349,267	$104,110	$35,617,919
Annual Debt Service on SNWA Parity Obligations (6)	$82,579,796	$98,923,655	$106,947,235	$115,266,853	$120,442,065	$132,626,118

(1) Unaudited results only. Subject to change and adjustment during the audit process.
(2) Regional Connection Charge revenues began to decrease significantly in 2007 due to slowing sales of new connections; that trend has continued downward due to the housing crisis and current economic conditions.
(3) The 2010 budgeted information does not include the impact of a $0.10 per 1,000 gallons of water delivered (a 100% increase over the current fee) which will be effective on January 1, 2011. See "SOUTHERN NEVADA WATER AUTHORITY--SNWA Financial Information - Fiscal Year 2009-10."
(4) Excludes depreciation.
(5) Represents SNWA Water Revenues that are available to pay debt service on the SNWA Parity Obligations, including the 2009 Bonds, and to fund the MBRA.
(6) *Does not include debt service on the Notes.* These figures do not include issuance of the 2009 Bonds or the effect of the Refunding. Includes amounts available to pay debt service on the SNWA Parity Obligations and to fund the MBRA. In 2008, includes $39,264,991 in debt service paid from capitalized interest on prior bond issues. (The SNWA also capitalizes interest for accounting purposes; those amounts do not necessarily include amounts available to offset debt service payments.) The SNWA also may use other legally available moneys (including available fund balance) to pay debt service on its outstanding obligations.

Source: Derived from the SNWA's audited financial statements for the years ended June 30, 2005 through 2008, from unaudited fiscal year 2009 information provided by the SNWA, and from the SNWA's 2010 budget.

As illustrated in "SOUTHERN NEVADA WATER AUTHORITY--SNWA Financial Information - Outstanding SNWA Obligations - SNWA Total Debt Service Requirements," the combined maximum annual debt service on the MBRA Parity Obligations and the SNWA Parity Obligations is $143,218,050* in fiscal year 2015* (net of certain interest subsidies expected to be applied in connection with Build America Bonds issued on behalf of the SNWA in 2009). That amount is likely to increase after issuance of the 2009 Bonds and the effect of the Refunding Project is taken into account.

No Additional Bonds Payable from Pledged Revenues

No Superior Lien or Parity Lien Securities. The Bond Ordinance prohibits the County from issuing additional bonds or other additional securities payable from the Pledged Revenues and constituting a lien thereon superior to or on a parity with the lien thereon of the 2009 Bonds.

Subordinate Securities Permitted. Nothing in the Bond Ordinance prevents the County from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

Refunding Securities. At any time after the 2009 Bonds, or any part thereof, are issued and remain Outstanding, if the County shall find it desirable to refund any Outstanding 2009 Bonds payable from and constituting a lien upon the Pledged Revenues, such 2009 Bonds, or any part thereof, may be refunded in accordance with the provisions of the Bond Act and the County Bond Law.

Additional Bonds Payable from SNWA Water Revenues

Notwithstanding the limitations described in "No Additional Bonds Payable from Pledged Revenues" above, the SNWA Bond Resolution authorizes the issuance of additional Superior Obligations and additional Parity Lien Obligations payable from the SNWA Water Revenues upon the satisfaction of the conditions set forth therein. The provisions of the instruments authorizing the various series of outstanding obligations also must be satisfied prior to the issuance of additional obligations payable from SNWA Water Revenues.

Other Security Matters

No Pledge of Property. The payment of the 2009 Bonds is not secured by an encumbrance, mortgage or other pledge of property of the SNWA and no property of the County shall be liable to be forfeited or taken in payment of the 2009 Bonds; provided that the payment of the 2009 Bonds is secured by the proceeds of general (ad valorem) taxes and the Pledged Revenues pledged for the payment of the 2009 Bonds.

No Recourse. No recourse shall be had for the payment of the principal of, any interest on, or any prior redemption premiums due in connection with any 2009 Bonds, or for any claim based thereon or otherwise upon the Bond Ordinance authorizing their issuance, against any individual member, officer, or other agent of the County, past, present or future, either directly or indirectly by virtue of any statute or rule of law.

---

* Subject to change.

PROPERTY TAX INFORMATION

Property Tax Base and Tax Roll

General. The State Department of Taxation reports the assessed valuation of property within the County for the fiscal year ending June 30, 2010, to be $89,981,571,327 (excluding the assessed valuation attributable to the Redevelopment Agencies, defined below), which represents a decline of 19.6% from the assessed valuation for the prior fiscal year. Furthermore, property tax abatement laws adopted in 2005 (described in "Required Property Tax Abatements" below) provide that the taxes collected by taxing entities with the County will be capped and likely will not correspond directly to changes in assessed value. State law requires that the County assessor reappraise at least once every five years all real and secured personal property (other than certain utility owned property which is centrally appraised and assessed by the Nevada Tax Commission). While the law provides that in years in which the property is not reappraised, the County assessor is to apply a factor representing typical changes in value in the area since the preceding year, it is the policy of the Clark County Assessor to reappraise all real and secured personal property in the County each year. State law requires that property be assessed at 35% of taxable value, that percentage may be adjusted upward or downward by the State Legislature (the "Legislature"). Based on the assessed valuation for the fiscal year 2010, the taxable value of all taxable property within the County is $257,090,203,791 (excluding the taxable value attributable to the Redevelopment Agencies).

"Taxable value" is defined in the statutes as the full cash value in the case of land and as the replacement cost less straight-line depreciation in the case of improvements to land and in the case of taxable personal property, less depreciation in accordance with the regulations of the Nevada Tax Commission but in no case an amount in excess of the full cash value. Depreciation of improvements to real property must be calculated at 1.5% of the cost of replacement for each year of adjusted actual age up to a maximum of 50 years. Adjusted actual age is actual age adjusted for any addition or replacement. The maximum depreciation allowed is 75% of the cost of replacement. When a substantial addition or replacement is made to depreciable property, its "actual age" is adjusted i.e., reduced to reflect the increased useful term of the structure. The adjusted actual age has been used on appraisals for taxes since 1986-87.

In Nevada, county assessors are responsible for assessments in the counties except for certain properties centrally assessed by the State, which include railroads, airlines, and utility companies.

History of Assessed Valuation. The following table provides a history of the assessed valuation in the County. However, due to property tax abatement laws enacted in 2005 (described in "Required Property Tax Abatements" below) the taxes collected by taxing entities within the County will be capped and likely will not change at the same rate as the assessed value.

History of Assessed Value

Fiscal Year Ended June 30,	Total Assessed Valuation of Clark County(1)	Percent Change
2006	$ 64,498,993,015	--
2007	89,520,974,828	38.8%
2008	106,134,241,089	18.6
2009	111,906,539,236	5.4
2010	89,981,571,327	(19.6)

(1) Excludes the assessed valuations of the Boulder City Redevelopment Agency, the Clark County Redevelopment Agency, the Henderson Redevelopment Agency, the Las Vegas Redevelopment Agency, the Mesquite Redevelopment Agency and the North Las Vegas Redevelopment Agency (collectively, the "Redevelopment Agencies") in the following aggregate amounts: fiscal year 2006 - $1,083,494,385; fiscal year 2007 - $2,101,460,109; fiscal year 2008 - $3,078,678,754; fiscal year 2009 - $3,883,661,314; and fiscal year 2010 - $3,809,220,347.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada Department of Taxation, 2005-06 through 2009-10.

Property Tax Collections

In Nevada, county treasurers are responsible for collecting property taxes, and forwarding the allocable portions thereof to the overlapping taxing units within the counties. A history of the County's tax roll collection record appears in the following table.

Property Tax Levies, Collections and Delinquencies - Clark County, Nevada(1)

Fiscal Year Ending June 30	Net Secured Roll Tax Levy	Current Tax Collections	% of Levy (Current) Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as % of Current Levy(2)
2005	$1,449,273,775	$1,439,911,686	99.35%	$ 9,317,091	$1,449,228,777	100.00%
2006	1,639,434,887	1,632,191,297	99.56	7,175,577	1,639,366,874	100.00
2007	1,927,425,762	1,909,964,723	99.09	16,747,770	1,926,712,493	99.96
2008	2,179,996,043	2,144,481,519	98.37	27,387,552	2,171,869,071	99.63
2009	2,358,212,711	2,310,905,968	97.99	10,327,972	2,321,233,940	98.43
2010(3)	2,280,402,074	595,592,207	26.12	--	595,592,207	26.12

(1) Subject to revision. Represents the real property tax roll levies and collections.
(2) Figured on collections to net levy (actual levy less stricken taxes). In 2009, the total does not include any delinquent tax collections since those amounts are still being collected.
(3) As of August 31, 2009.

Source: Clark County Treasurer's Office.

Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in installments on or before the third Monday in August and the first Mondays in October, January and March of each fiscal year. Penalties are assessed if any taxes are not paid within 10 days of the due date as follows: 4% of the delinquent amount if one installment is delinquent, 5% of the delinquent amount plus accumulated penalties if two installments are delinquent, 6% of the delinquent amount plus accumulated penalties if three installments are delinquent, and 7% of the delinquent amount plus accumulated penalties if four installments are delinquent. In the event of nonpayment, the County Treasurer is authorized to hold the property

for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 10% per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien and assessments by local governments for improvements to the property.

Largest Taxpayers in the County

The following table represents the ten largest property-owning taxpayers in the County based on fiscal year 2008-2009 assessed valuations. No independent investigation has been made of, and consequently there can be no representation as to, the financial conditions of the taxpayers listed, or that any such taxpayer will continue to maintain its status as a major taxpayer based on the assessed valuation of its property in the County.

Recently published news stories have indicated that several of the taxpayers in the following list, including MGM Mirage, Harrah's Entertainment Incorporated, General Growth Properties, Station Casinos Incorporated and certain Focus Property Group entities, are facing financial difficulties of varying severity. It is not possible to predict the extent of such difficulties or what effect they may have upon the timely payment of property taxes in the future.

Ten Largest Property Taxpayers in the County

Taxpayer	Type of Business	2008-09 Assessed Value	% of Total Assessed Value(1)
MGM Mirage (2)	Hotels/Casinos	$ 6,032,250,906	5.39%
Harrah's Entertainment Incorporated	Hotels/Casinos	2,557,837,041	2.29
General Growth Properties (3)	Retail/Shopping Malls/Developer	1,784,197,744	1.59
Las Vegas Sands Corporation	Hotels/Casinos	1,158,445,520	1.04
Nevada Power Company (now NV Energy)	Utility	1,047,614,445	0.94
Wynn Las Vegas LLC	Hotels/Casinos	953,023,167	0.85
Boyd Gaming Corporation	Hotels/Casinos	934,232,690	0.83
Station Casinos Incorporated (4)	Hotels/Casinos	880,508,026	0.79
Focus Property Group	Developers	644,872,052	0.58
Olympia Group LLC	Real Estate Investors	573,324,132	0.51
TOTAL		$16,566,305,723	14.80%

(1) Based on the County's fiscal year 2009 assessed valuation of $111,906,539,236 (secured and unsecured rolls), which excludes the assessed valuation attributable to the Redevelopment Agencies.

(2) MGM Mirage has since sold its Treasure Island property, one of numerous hotel-casinos owned by MGM Mirage; MGM Mirage also owns vacant property, golf courses and the City Center, a large mixed-use development currently under construction.

(3) On April 16, 2009, General Growth Properties filed for Chapter 11 bankruptcy protection on behalf of the parent company, subsidiaries owning approximately 166 regional shopping centers and certain other subsidiaries of General Growth Properties. According to public statements made by General Growth Properties, General Growth Properties' retail centers, office properties and master planned communities will remain open for business and continue operating. It is not possible to predict what impact the bankruptcy filing will have on General Growth Properties or its subsidiaries in the future. General Growth Properties also owns the Howard Hughes Corporation, the developer of Summerlin, a 22,500-acre development located in the City of Las Vegas. The developer owns approximately 7,500 acres of land within Summerlin; it is unclear at what pace land sales or development will continue due to the current economic environment. Further, General Growth Properties is in litigation with the Howard Hughes heirs with respect to payments allegedly owed them with respect to the Summerlin property.

(4) On July 28, 2009, Station Casinos filed for Chapter 11 bankruptcy protection on behalf of the parent company and its non-casino subsidiaries. According to public statements made by the companies chief accounting officer, the operating subsidiaries (which represent the company's 18 casinos) are not affected by the filing and will continue operating. It is not possible to predict what impact the bankruptcy filing will have on Station Casinos or its subsidiaries in the future.

Source: Clark County Assessor's Office website (derived from report dated October 31, 2008).

The 2009-10 property tax roll containing both secured and unsecured (personal) property is not yet available. Based upon top taxpayer information for the 2009-10 secured roll only, Focus Property Group is no longer one of the top 10 taxpayers; Turnberry Associates (developers) is included in the top 10 secured roll taxpayers.

Property Tax Limitations

Overlapping Property Tax Caps. Article X, Section 2, of the State constitution limits the total ad valorem property taxes levied by all overlapping governmental units within the boundaries of any county (i.e., the State, and any county, city, town, school district or special

district) to an amount not to exceed five cents per dollar of assessed valuation ($5 per $100 of assessed valuation) of the property being taxed. Further, the combined overlapping tax rate is limited by statute to $3.64 per $100 of assessed valuation in all counties of the State with certain exceptions that (a) permit a combined overlapping tax rate of up to $4.50 per $100 in assessed valuation in the case of certain entities that are in financial difficulties (or require a combined overlapping tax rate of $5.00 per $100 of assessed valuation in certain circumstances of severe financial emergency); and (b) require that $0.02 of the statewide property tax rate of $0.17 per $100 assessed valuation is not included in computing compliance with this $3.64 cap. (This $0.02 is, however, counted against the $5.00 cap). State statutes provide a priority for taxes levied for the payment of general obligation bonded indebtedness in any year in which the proposed tax rate to be levied by overlapping units within a county exceeds any rate limitation, a reduction must be made by those units for purposes other than the payment of general obligation bonded indebtedness, including interest thereon.

Local Government Property Tax Revenue Limitation. State statutes limit the revenues local governments, other than school districts, may receive from ad valorem property taxes for purposes other than paying certain general obligation indebtedness which is exempt from such ad valorem revenue limits. These revenue limitations do not apply to ad valorem taxes levied to repay the Bonds, which are exempt from such ad valorem revenue limits. This rate is generally limited as follows. First, the assessed value of property is first differentiated between that for property existing on the assessment rolls in the prior year (old property) and new property. Second, the property tax revenue derived in the prior year is increased by no more than 6% and the tax rate to generate the increase is determined against the current assessed value of the old property. Finally, this tax rate is applied against all taxable property to produce the allowable property tax revenues. This cap operates to limit property tax revenue dependent upon changes in the value of old property and the growth and value of new property.

A local government, other than a school district, may exceed the property tax revenue limitation if the proposal is approved by its electorate at a general or special election. In addition, the Executive Director of the Department of Taxation will add, to the allowed revenue from ad valorem taxes, the amount approved by the legislature for the costs to a local government of any substantial programs or expenses required by legislative enactment. In the event sales tax estimates from the Nevada Department of Taxation exceed actual revenues available to local governments, Nevada local governments receiving such sales tax may levy a property tax to make up the revenue shortfall.

The County and the cities within the County are levying various tax overrides as allowed or required by State statutes.

State statutes limit the revenues school districts may receive from ad valorem property taxes for operating purposes. Pursuant to NRS 387.195, each board of county commissioners shall levy a tax of $0.75 per $100 of assessed valuation for the support of the public schools within the county's school district. School districts are also allowed additional levies for voter-approved debt service and voter-approved tax overrides for capital projects.

The Nevada Tax Commission monitors the impact of tax legislation on local government services.

Constitutional Amendment - Abatement of Taxes for Severe Economic Hardship. At the November 5, 2002 election, the State's voters approved an amendment to the State constitution authorizing the Legislature to enact a law providing for an abatement of the tax upon or an exemption of part of the assessed value of an owner-occupied single-family residence to the extent necessary to avoid severe economic hardship to the owner of that residence.

The legislation implementing that amendment provides that the owner of a single-family residence may file a claim with the county treasurer to postpone the payment of all or part of the property tax due against the residence if (among other requirements): the residence has an assessed value of not more than $175,000; the property owner does not own any other real property in the State with an assessed value of more than $30,000; the residence has been occupied by the owner for at least 6 months; the owner is not in bankruptcy; the owner owes no delinquent property taxes on the residence; the owner has suffered severe economic hardship caused by circumstances beyond his control (such as illness or disability expected to last for at least 12 continuous months); and the total annual income of the owner's household is at or below the federally designated poverty level. The amount of tax that may be postponed may not exceed the amount of property tax that will accrue against the residence in the succeeding three fiscal years. Any postponed property tax (and any penalties and the interest that accrue as provided in the statute) constitutes a perpetual lien against the residence until paid. The postponed tax becomes due and payable if: the residence ceases to be occupied by the claimant or is sold; any non-postponed property tax becomes delinquent; if the claimant dies; or on the date upon which the postponement expires, as determined by the county treasurer. To date, the County Treasurer has not received material requests to postpone the payment of the property tax as described above.

Required Property Tax Abatements

General. In 2005, the Legislature approved legislation (the "Abatement Act") requiring reductions ("abatements") of ad valorem taxes imposed on property in certain situations. In the Abatement Act, the Legislature determined that year-to-year increases in property tax bills exceeding 3% constitute a severe economic hardship to homeowners; the State constitution permits the Legislature to prevent such hardships. The Abatement Act established formulas to determine whether tax abatements are required for property owners (including residential and low-income rental property) in any year. The general impact of the Abatement Act is to limit increases in ad valorem property tax revenues received by any taxing entity on existing property to approximately 3% per year (plus larger increases allowed for non-residential properties). That limitation could negatively impact the finances and operations of the taxing entities in the State, including the County, to an extent that cannot be determined at this time.

The Abatement Act directs the Tax Commission and the Committee on Local Government Finance to adopt regulations for the administration and interpretation of certain of its provisions, and some provisions of the Abatement Act likely will require additional interpretation through legislation, regulation or by the State's courts.

Formulas to Determine Abatements. For existing owner occupied residential properties, an abatement generally is required to reduce the amount of property taxes owed to not more than 3% more than the amount levied in the immediately preceding fiscal year. That same formula applies (as a charitable exemption) to commercial property that qualifies as low-income rental housing. Finally, for all existing properties, an abatement from ad valorem taxation is

required to reduce the amount of property taxes owed to no more than an amount determined pursuant to a two-part formula. The first part of the formula requires a determination of the lesser of: (1) the average percentage change in the assessed valuation of all taxable property in the county over the 10-year period immediately preceding the fiscal year in which a levy is to be made; or (2) 8%. The second part of the formula requires determination of the percentage equal to twice the increase in the Consumer Price Index for all Urban Consumers, U.S. City Average (All Items) for the immediately preceding calendar year. After making both determinations, the part of the formula that yields the greatest percentage is used to establish the maximum percentage increase (over the prior year) in tax liability for each existing property. This abatement formula also must be applied to existing owner-occupied residential properties and low-income rental properties if it yields a greater reduction in property taxes than the 3% test described above. Unless otherwise provided by a specific statute, if any legislative act imposes a duty on a taxing entity to levy a new ad valorem tax or to increase the rate of an existing ad valorem tax, the amount of any new tax or increase in the rate of the existing tax is exempt from the partial abatement formulas.

In addition to the required abatements, the Abatement Act requires the Nevada Tax Commission to adopt regulations simplifying the procedures to be followed by any business in the State to obtain a reduction in the assessed value of property used to conduct a business if such a reduction is appropriate under the "income approach" to property valuation.

Apportionment of Abatements. If the application of the partial abatement provisions require a reduction in the amount of ad valorem taxes levied in a county for a fiscal year, the Abatement Act requires that the amount of the reduction be allocated among all of the taxing entities and deducted from the amount of ad valorem taxes each taxing entity otherwise would be entitled to receive for that fiscal year. Generally, abatements caused by tax rate increases are to be allocated to the entities that increased their tax rates in proportion to the amount of tax rate increases for each such entity. Other abatements (i.e., those caused by an increase in assessed value) generally are required to be allocated among taxing entities in the same proportion as the rate of ad valorem taxes levied for that taxing entity bears to the total combined rate of all ad valorem taxes levied for that fiscal year. In order to assure that any required abatements apply to all taxing entities uniformly, the Tax Commission has adopted a regulation clarifying that future year abatements resulting from tax rate increases are to be allocated against the entity that would benefit from the tax increase rather than among all entities uniformly.

Recapture of Lost Revenue in Certain Cases. Notwithstanding the abatement provisions discussed above, if the taxable value of any property (a) decreases by 15% or more from its taxable value on July 1 of the second year immediately preceding the lien date for the current year; and (b) increases by 15% or more from its taxable value for the immediately preceding fiscal year, the amount of ad valorem taxes which would have been collected for the property as a result of that increase in taxable value if not for the required abatement (but excluding any amount attributable to any increase in the taxable value of the property above its taxable value on the date determined pursuant to clause (a) above), must be levied on the property over three fiscal years. The amount of taxes carried forward and levied on any property must be added to the amount of ad valorem taxes each taxing entity would otherwise be entitled to receive in a fiscal year using the allocation formula described above.

Levies for Debt Service. Notwithstanding the abatement provisions discussed above, a taxing entity may, if otherwise authorized by law, increase the rate of an ad valorem tax for the payment of any obligations secured by the proceeds of that tax ("tax-secured obligations") if the entity determines that the additional tax rate is necessary to satisfy those obligations. Pursuant to the Abatement Act, an additional tax rate is deemed necessary if the rate of the ad valorem tax most recently levied for the payment of the tax-secured obligations will not produce sufficient revenue, after considering the effect of the partial abatement, to satisfy those obligations during the next fiscal year. Such an increase in the rate of an ad valorem tax for the payment of tax-secured obligations is exempt from the partial abatement formulas if the obligations for which that increase is imposed are issued (a) before July 1, 2005 or (b) on or after July 1, 2005, if before the issuance of the obligations (1) the governing body of the taxing entity makes a finding that no increase in the rate of an ad valorem tax is anticipated to be necessary for payment of the obligations during their term and (2) the debt management commission of the county approves the finding. The tax rate also may be increased if otherwise authorized by law if voter approval is obtained. However, tax rates which were voter-approved before April 6, 2005, generally are not exempt from the Abatement Act formulas. Any increase in property taxes needed to repay the 2009 Bonds is *not exempt* from partial abatement. However, an increase in taxes is not expected to be needed to repay the 2009 Bonds.

Possible Effects on Operating Levies. Under existing State law, limited tax levies must be used to pay debt service on general obligation bonds before being used for operations. Even though increases in the rate of an ad valorem tax for the payment of tax-secured obligations and voter-approved taxes are exempt from the partial abatement formulas, the revenue limits imposed by the Abatement Act may require taxing entities in the State to cut operating revenues, and therefore the services funded by those revenues, to an extent that cannot be determined at this time. In addition, the abatement formulas may cause the statutory maximum combined overlapping tax rate of $3.64 per $100 of assessed valuation to be reached sooner than it would otherwise be reached.

Overlapping Tax Rates and Overlapping General Obligation Indebtedness

The following table presents a five-year tabulation of a sample overlapping tax rates within the County. The overlapping rates for areas within the County vary depending on the rates imposed by applicable taxing jurisdictions. The highest overlapping district tax rate in the County for 2009-10 is $3.4343 (per $100 of assessed valuation) in Mt. Charleston Town.

History of Statewide Average and Sample Overlapping Property Tax Rates(1)

Fiscal Year Ended June 30,	2006	2007	2008	2009	2010
Average Statewide rate	$3.1124	$3.1471	$3.1526	$3.1727	$3.2162
Clark County	$0.6575	$0.6566	$0.6541	$0.6541	$0.6541
Clark County School District	1.3034	1.3034	1.3034	1.3034	1.3034
Las Vegas Artesian Basin	0.0013	0.0009	0.0008	0.0008	0.0011
City of Las Vegas	0.7774	0.7777	0.7715	0.7715	0.7715
Las Vegas-Clark County Library District	0.0866	0.0866	0.0866	0.0866	0.0909
Las Vegas Metro Police	0.2850	0.2850	0.2850	0.2850	0.2850
State of Nevada (2)	0.1700	0.1700	0.1700	0.1700	0.1700
Total	$3.2812	$3.2802	$3.2714	$3.2714	$3.2760

(1) Per $100 of assessed valuation.
(2) $0.0200 of the State rate is exempt from the $3.64 cap. See "Property Tax Limitations" above.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada, Department of Taxation, 2005-06 through 2009-10.

Estimated Overlapping General Obligation Indebtedness. In addition to the general obligation indebtedness of the County (see "COUNTY DEBT STRUCTURE--Outstanding Indebtedness and Other Obligations"), other taxing entities are authorized to incur general obligation debt with boundaries which overlap or partially overlap the boundaries of the County. Other governmental entities also may overlap the County but have no general obligation debt outstanding. The following table sets forth the estimated overlapping general obligation debt chargeable to property owners within the County as of November 1, 2009.

Outstanding Overlapping Net General Obligation Indebtedness

Entity (1)	Total General Obligation Indebtedness	Presently Self-Supporting General Obligation Indebtedness	Net Direct General Obligation Indebtedness	Percent Applicable(2)	Overlapping Net General Obligation Indebtedness(3)
Clark County School District	$4,670,965,000	$919,900,000	$3,751,065,000	100.0%	$3,751,065,000
Henderson	329,452,961	289,077,961	40,375,000	100.0	40,375,000
Las Vegas	375,670,000	314,465,000	61,205,000	100.0	61,205,000
Mesquite	30,203,579	30,050,579	153,000	100.0	153,000
North Las Vegas	348,618,000	301,263,000	47,355,000	100.0	47,355,000
Clark County Water Reclamation District	451,040,000	451,040,000	0	100.0	0
Las Vegas Valley Water District	1,776,027,000	1,776,027,000	0	100.0	0
Las Vegas-Clark County Library District	66,700,000	0	66,700,000	100.0	66,700,000
Boulder City Library District	2,845,000	0	2,845,000	100.0	2,845,000
Big Bend Water District	7,541,547	7,541,547	0	100.0	0
Kyle Canyon	13,692	0	13,692	100.0	13,962
State of Nevada	2,236,020,000	695,840,000	1,540,180,000	75.2	1,158,215,360
TOTAL					$5,127,927,052

(1) Other taxing entities overlap the County and may issue general obligation debt in the future.
(2) Based on fiscal year 2010 assessed valuation in the respective jurisdiction. The percent applicable is derived by dividing the assessed valuation of the County into the assessed valuation of the governmental entity.
(3) Overlapping Net General Obligation Indebtedness equals total existing general obligation indebtedness less presently self-supporting general obligation indebtedness times the percent applicable.

Source: Compiled by the Financial Advisors.

The following table sets forth the total net direct and overlapping general obligation indebtedness attributable to the County as of November 1, 2009, after taking the issuance of the 2009 Bonds and the Refunding into account.

Net Direct & Overlapping General Obligation Indebtedness*

Total Direct General Obligation Indebtedness (1)	$3,073,588,941
Less: Presently Self-Supporting General Obligation Indebtedness (including Bond Bank Bonds) (1)	2,973,515,000
Net Direct General Obligation Indebtedness	100,073,941
Plus: Overlapping General Obligation Indebtedness	5,127,927,052
Direct & Overlapping General Obligation Indebtedness	$5,228,000,993

(1) See "COUNTY DEBT STRUCTURE--Outstanding Indebtedness and Other Obligations." Includes the issuance of the 2009 Bonds and the effect of the Refunding.

Source: The County for outstanding general obligation debt information; overlapping general obligation indebtedness compiled by the Financial Advisors.

* Subject to change.

Selected Debt Ratios

The following table sets forth selected ratios of the net direct debt of the County and overlapping debt within the County, after taking the issuance of the 2009 Bonds and the Refunding into account.

Direct General Obligation Debt Ratios*

Fiscal Year Ended June 30,	2006	2007	2008	2009	2010
Population (1)	1,874,837	1,954,319	1,967,716	1,967,716	1,967,716
Assessed Value (2)	$64,498,993,015	$89,520,974,828	$106,134,241,089	$111,906,539,236	$89,981,571,327
Taxable Value (2)	$184,282,837,186	$255,774,213,794	$303,240,688,826	$319,732,969,246	$257,090,203,791
Per Capita Income (3)	$38,309	$39,188	$39,188	$39,188	$39,188
Gross Direct G.O. Debt(4)(5)	$1,917,122,591	$2,227,685,133	$2,347,681,339	$3,116,471,556	$3,073,588,941
RATIO TO:					
Per Capita	$1,022.55	$1,139.88	$1,193.10	$1,583.80	$1,562.01
% of Per Capita Income	2.67%	2.98%	3.04%	4.04%	3.99%
Percent of Assessed Value	2.97%	2.49%	2.21%	2.78%	3.42%
Percent of Taxable Value	1.04%	0.87%	0.77%	0.97%	1.20%
Net Direct G.O. Debt (4)(6)	$124,400,000	$107,290,133	$96,366,339	$106,236,556	$100,073,941
RATIO TO:					
Per Capita	$ 66.35	$ 54.90	$ 48.97	$ 53.99	$50.86
% of Per Capita Income	0.17%	0.14%	0.13%	0.14%	0.13%
Percent of Assessed Value	0.19%	0.12%	0.09%	0.09%	0.11%
Percent of Taxable Value	0.07%	0.04%	0.03%	0.03%	0.04%

(1) Estimate as of July 1 of each year; 2009 and 2010 populations are the same as the 2008 estimate because that is the most recent estimate available. Source: Nevada State Demographer.
(2) See "Property Tax Base and Tax Roll" for an explanation of Assessed Value and Taxable Value. The assessed valuations of the Redevelopment Agencies are not included in calculating debt ratios.
(3) The estimated 2007 figure for the Las Vegas-Paradise MSA (which is comprised of the County) was used for all later years as no information is yet available for those years. Source: U.S. Department of Commerce, Bureau of Economic Analysis.
(4) Fiscal year 2010 debt as of November 1, 2010.
(5) Includes the 2009 Bonds and takes the Refunding into account.
(6) Includes general obligation bonds and medium-term bonds, but does not include Bond Bank bonds, self supporting general obligation bonds, revenue bonds, assessment district bonds, lease purchase agreements or contingent liabilities.

Source: Property Tax Rates for Nevada Local Governments - State of Nevada - Department of Taxation, 2005-06 through 2009-10; Nevada State Demographer; and Bureau of Economic Analysis. Debt information compiled by the Financial Advisors.

* Subject to change.

CLARK COUNTY, NEVADA

General

Clark County, a political subdivision of the State, was organized in 1909. The County has been and is now operating under the provisions of the general laws of the State. The County covers an area of 8,012 square miles in the southern portion of the State. Approximately 92% of the land in the County is owned by the United States or agencies thereof. The County is the most populous of the State's 17 counties and holds approximately 71.8% of the State's total population. The County seat and most populous city in the State is the City of Las Vegas. The economy of the County is dependent largely on tourism (which is based on legalized gaming and related forms of entertainment), federal government activities, industry, finance and retail merchandising.

The County provides a variety of governmental services, such as those of the County recorder, assessor and treasurer, and a criminal justice system, which includes the courts, district attorney, and public defender. In addition, the County provides local social and welfare services and local institutional youth services. The County also operates local public airports and hospitals from revenues provided from operations. The County supervises water and sewage systems through the Las Vegas Valley Water District, the Clark County Water Reclamation District, the Big Bend Water District, the Kyle Canyon Water District and the Coyote Springs Water Resources General Improvement District. The County provides road maintenance and construction, animal control, parks and recreation, fire protection, building inspection, and other local services to its unincorporated areas.

Board of County Commissioners

The Board of County Commissioners is the governing body of the County. The seven members are elected from County commission election districts for four-year staggered terms. The Board members also serve as the directors of the Las Vegas Valley Water District, as trustees of the University Medical Center of Southern Nevada, the Clark County Water Reclamation District, the Big Bend Water District, the Kyle Canyon Water District, the Coyote Springs Water Resources General Improvement District, and as members of the Clark County Redevelopment Agency, the Clark County Liquor and Gaming Licensing Board, and the Mount Charleston Fire Protection District.

The Board is also represented on: the Regional Transportation Commission of Southern Nevada, Clark County Regional Flood Control District, Debt Management Commission, Las Vegas Metropolitan Police Committee on Fiscal Affairs, Nevada Development Authority, Family and Juvenile Justice Services Policy and Fiscal Affairs Board, Nevada Association of Counties Executive Committee, National Association of Counties Board of Directors, Southern Nevada District Board of Health, Criminal Justice Advisory Commission (formerly known as the Regional Jail Commission), Southern Nevada Regional Planning Coalition (formerly known as the Government Efficiency Committee), Las Vegas Convention and Visitors Authority, Clark County School District Oversight Panel, Southern Nevada Workforce Investment Board, Southern Nevada Water Authority, Clean Water Coalition, Airport Hazard Areas Board of Adjustments, Air Pollution Control Hearing Board, Boulder City Library District Board of Trustees, Clark County Advisory Board to Manage Wildlife, Clark County Animal Advisory Committee, Clark County Board of Equalization, Clark County Boat Facilities

and Safety Committee, Clark County Business Development Advisory Council, Southern Nevada Regional Planning Commission A-95 Clearinghouse Subcommittee (formerly known as the Clark County Clearinghouse Council), Clark County Parks and Recreation Advisory Council, Clark County Planning Commission, Clark County Senior Advisory Council, Clark County Shooting Park, Combined Board of Building Appeals, Community Development Advisory Committee, Family Services Citizens Advisory Committee, Henderson Library District Board of Trustees, Jaycee Mobile Home Park Committee, Juvenile Justice/Family Services Citizens Advisory Committee, Las Vegas-Clark County Library District Board of Trustees, Local Emergency Planning Committee, Local law Enforcement Advisory Board (Justice Assistance Grant), Moapa Valley TV Maintenance District, Nuclear Waste (Yucca Mountain) Advisory Committee, Southern Nevada Enterprise Committee (SNEC), Southern Nevada Area Communications Council, Ryan White Title I Planning Council, Nevada Test Site Development Corporation, Economic Opportunity Board (EOB), and Nevada Business Service.

The current members of the Commission and their terms of office are as follows:

Commission Member	Years of Service	Expiration of Current Term
Rory Reid, Chairman	6 years	2011
Susan Brager, Vice Chair	2 years	2011
Lawrence L. Brown, III	9 months	2013
Tom Collins	4 years	2013
Chris Giunchigliani	2 years	2011
Steve Sisolak	9 months	2013
Lawrence Weekly	2 years	2013

County Commissioners are subject to term limitations (12 years) pursuant to a constitutional amendment approved by State voters in 1996.

Administration

The County Manager is the County's chief executive officer and serves at the pleasure of the Board. Virginia Valentine is the County Manager. A brief biography follows.

Virginia Valentine was appointed as County Manager of the County effective August 11, 2006. Previously, she was Assistant County Manager for the County since November 2002. As Assistant County Manager she oversaw numerous County departments including Air Quality & Environment Management, Comprehensive Planning, Development Services, Fire, Public Works, Real Property Management, Redevelopment Agency, Assessor, Recorder and the Clark County Water Reclamation District. Prior to her service to the County, Ms. Valentine served as City Manager for the City of Las Vegas, Nevada. Her appointment at Las Vegas in 1998 was preceded by her position as Senior Vice President of Post, Buckley, Schuh & Jernigan (PBSJ), a national consulting engineering firm. At PBSJ, Ms. Valentine was principal in charge of the Public Works and Environmental projects. Ms. Valentine was the first Chief Engineer and General Manager of the Clark County Regional Flood Control District, which was created in 1986. As general manager of the newly formed agency, she developed all the district's programs including master planning, capital improvement, regulatory, flood warning and stormwater quality programs. Ms. Valentine has a Master of Public Administration degree from the

University of Nevada, Las Vegas and a Bachelor of Science degree in engineering from the University of Idaho.

Employee Relations, Benefits and Pension Matters

Employee Relations. The County considers its relations with its employees to be satisfactory. The County estimates that as of September 2009, there were approximately 7,437 full-time equivalent employees. Approximately 69% of these employees (other than the County's executive officers) belong to the employee unions and associations which represent their respective employees in negotiation with the County for employee benefits including wages.

The employees of the County are represented by seven collective bargaining associations which include the Nevada Service Employees Union/SEIU Local 1107, the International Association of Fire Fighters (IAFF), the International Association of Fire Fighters Supervisory Personnel (IAFFSP), the Park Police Association, the Clark County District Attorney Investigators Association, the Clark County Prosecutors Association and the Clark County Deputy Sheriff's Association. The contracts for the Nevada Service Employees Union/SEIU Local 1107, the IAFF, the Park Police Association, the Clark County District Attorney Investigators Association and the Clark County Deputy Sheriff's Association expire on June 30, 2010. The contract for the IAFFSP expired in June 2007; that contract currently is in arbitration. The County also has executed a letter of agreement with the Clark County Prosecutors Association (CCPA); however, the CCPA has filed suit against the County claiming insufficiency in its cost of living increases. The amount at issue in that suit is not material.

Benefits. The County provides a deferred compensation plan to its employees, as well as long term disability and life insurance, health insurance, paid vacation, sick leave and holidays, and reimbursement for certain educational expenses.

Pension Matters. The State Public Employees' Retirement System ("PERS") covers substantially all public employees of the State, its agencies and its political subdivisions, including the County. PERS, established by the Nevada legislature effective July 1, 1948, is governed by the Public Employees' Retirement Board whose seven members are appointed by the Governor. Retirement Board members serve for a term of four years.

All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing multiple-employer defined benefit plan. 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 PERS include pension benefits, disability benefits, and death benefits.

Regular members of PERS currently are eligible for retirement benefits at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Police and fire members are eligible for retirement benefits with 5 years of service at age 65, with 10 years of service at age 55, with 20 years of service at age 50, or at any age with 25 years of service. In its 2009 session, the Legislature made changes to the benefit structure for newly hired members of PERS on or after January 1, 2010.

PERS has an annual actuarial valuation showing unfunded liability and the contribution rates required to fund PERS on an actuarial reserve basis; however, actual contribution rates are established by the State Legislature. The most recent independent actuarial valuation report of PERS was completed as of June 30, 2008. At that time, PERS reported an unfunded accrued liability ("UAAL") of approximately $7.26 billion (an increase of approximately 13.1% from the prior year UAAL). The amortization method used for the unfunded actuarial liability is the year to year closed method, with each amortization period set at 30 years. The funded ratio for all members was 76.2% in 2008, a slight decrease from 77.2% in fiscal year 2007.

See Note (II)(12) in the audited financial statements attached hereto as Appendix A for additional information on PERS. In addition, copies of PERS' most recent annual financial report, including audited financial statements and required supplemental information, are available from the Public Employees Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, telephone: (775) 687-4200.

Contribution rates to PERS are established by State statute. The statute allows for increases or decreases of the actuarially determined rate. Per the statute, there is no obligation on the part of the employer to pay for their proportionate share of the unfunded liability. The County is obligated to contribute all amounts due under PERS. For fiscal years 2007 and 2008, the contribution rate for regular members was 20.50% and for police and firemen it was 33.50%. Effective July 1, 2009, the contribution rate increased to 21.50% for regular members and 37.0% for police and firemen.

The County's contribution to PERS (which includes contributions for McCarran International Airport, the University Medical Center of Southern Nevada, the Las Vegas Metropolitan Police Department and the Clark County Water Reclamation District) for the years ended June 30, 2009, 2008 and 2007 were $275,939,395 (unaudited), $261,696,406 and $229,810,822, respectively, equal to the required contributions for each year.

Other Post-Employment Benefits

General. The County and the component units described in Note I of Appendix A contribute to four different defined benefit post-retirement health programs: Clark County Retiree Health program (the "County Plan"), Public Employee Benefit Program ("PEBP"), Clark County Firefighters Union Local 1908 (the "Fire Plan"), and Las Vegas Metro Employees Benefit Trust (the "Metro Plan"). Each plan provides medical, dental, and vision benefits to eligible active and retired employees and beneficiaries. Except for PEBP, benefit provisions are established and amended through negotiations between the respective unions and the employers. PEBP benefit provisions are established by the State Legislature. For a discussion of the plans' benefits and costs, see Note (II)(14) in the audited financial statements attached hereto as Appendix A.

Valuation of the OPEB Program and County Share. The County historically has funded its OPEB on a pay-as-you-go basis, but beginning in fiscal year 2007-08, GASB Statement No. 45 required that the County begin recording a liability for its share of the OPEB Program unless it sets aside into an irrevocable trust sufficient monies to fund its "ARC" (as defined below) in each year. The County has discussed the OPEB Program with consulting actuaries who have performed a study to determining the actuarial value of the obligations under

the OPEB Program. Results of this study, indicated that as of June 30, 2008, the total unfunded actuarial accrued liability ("UAAL") for the County's share of the OPEB Program was approximately $795,225,322 and the annual amount required to be paid to amortize this liability over 30 years and to accumulate an appropriate amount for current employees so that UAAL does not increase (the "Annual Required Contribution" or ARC) was approximately $87,939,170. These valuations were based on several assumptions, including future Retiree contribution rates, a 4% per annum discount rate and a 4% per annum investment rate.

Funding of UAAL. The County uses the Other postemployment Benefits Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2008, the Other Postemployment Benefit Reserve Fund has $42,513,190 in cash and investments, and $7,844,957 is due from other funds that the County intends to use for future OPEB obligations of the County, PEBP, and Fire plans, which total $26,332,879 as of June 30, 2008. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Life Insurance. The life insurance benefit offered to Retirees currently provides a $20,000 death benefit if the Retiree dies before age 70 and a $1,000 death benefit if the Retiree dies after that age; Retirees who elect to obtain this benefit must pay a premium of $45.60 per year if they are under 70 and a premium of $2 per year if they are over 70. Spouses of Retirees can also be covered at additional cost to the Retiree; the death benefit paid on the death of the spouse is $5,000 if the Retiree is under 70 and $1,000 if the Retiree is 70 or older.

COUNTY FINANCIAL INFORMATION

Annual Reports

General. The County Comptroller prepares a comprehensive annual financial report ("CAFR") setting forth the financial condition of the County as of June 30 of each fiscal year. The latest audited report is for the year ended June 30, 2008. The basic financial statements come from the CAFR, which is the official financial report of the County. The basic financial statements were prepared following generally accepted accounting principles. See Note I in the audited basic financial statements attached hereto as Appendix A for a summary of the County's significant accounting policies. The County's CAFR for the year ended June 30, 2008, currently can be found at the following internet address: www.co.clark.nv.us, Finance Department, Comptroller.

Certificate of Achievement. The Government Finance Officer's Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Clark County for its CAFR for the fiscal year ended June 30, 2008. This is the 27th consecutive year that the County has received this recognition. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR with contents conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Budgeting

Prior to April 15 of each year, the County Manager is required to submit to the State Department of Taxation the tentative budget for the next fiscal year which commences on July 1. The tentative budget contains the proposed expenditures and means of financing them. After reviewing the tentative budget, the State Department of Taxation is required to notify the County upon its acceptance of the budget. The County has met all of its statutory deadlines for submitting its budget requirements.

Following acceptance of the proposed budget by the State Department of Taxation, the Board is required to conduct public hearings on the third Monday in May. The Board normally is required to adopt the final budget on or before June 1.

The County Manager is authorized to transfer budgeted amounts within functions or funds, but any other transfers must be approved by the Board. Increases to a fund's budget other than by transfers are accomplished through formal action of the Board. With the exception of monies appropriated for specific capital projects or Federal and State grant expenditures, all unencumbered appropriations lapse at the end of the fiscal year.

Accounting

All governmental funds are accounted for using the modified accrual basis of accounting in which revenues are recognized when they become measurable and available as net current assets. Sales and use taxes, motor vehicle fuel taxes and privilege taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time. Ad valorem property taxes are considered measurable when received by the County.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. The exception to this general rule is principal and interest on general long-term debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting in which revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled service receivables are recorded at year end.

County Investment Policy

NRS 355.170 sets forth investments in which the County Treasurer may invest taxes and other County monies, which currently include United States Treasury notes, bonds and bills, certain federal agency securities, bankers acceptances, commercial paper, money market mutual funds, certificates of deposit of local banks, corporate securities, collateralized mortgage obligations, and repurchase agreements ("Authorized Investments for Counties"). Under the current investment policy approved by the Board of County Commissioners (the "Investment Policy"), the County Treasurer is required to invest all County monies in accordance with the Investment Policy. Under the Investment Policy, the County Treasurer may invest such moneys in investments described therein, which include certain State Authorized Investments (the "County Authorized Investments"). Certain other restrictions are contained in the Investment Policy, including limitations on maturities of certain County Authorized Investments and ratings qualifications on certain categories of investments.

A large portion of the money held by the County Treasurer for investment is invested through the Treasurer's general pooled investment fund (the "County Pool"). Unexpected withdrawals could force the sale of some investments prior to maturity and lead to realization of losses. Such unexpected withdrawals are considered highly unlikely by the County Treasurer. The current Investment Policy allocates gains on securities in the County Pool on a pro rata basis and the County Treasurer reports that any losses would be allocated on the same basis.

General Fund Information

General. The purpose of the General Fund is to finance the ordinary operations of the County (including debt service to the extent that the ad valorem tax levy is not sufficient to service outstanding debt) and to finance those operations not provided for in other funds. Included are all transactions related to the approved current operating budget, its accompanying revenue, expenditures and encumbrances, and its related asset, liability, and fund equity accounts.

Revenue and Expenditures. The County relies upon the consolidated tax, property taxes and revenue from licenses, permits and fees for the bulk of its General Fund revenues. The County's annual General Fund expenditures are dominated by the funding support of a variety of mandated functions. These include support of the court system, aid and relief to the indigent, public safety functions (i.e., police, fire protection and detention services), and several general government services (assessor, clerk, recorder, treasurer, commission/administration, etc.). Expenditures for aid and relief to the indigent are statutorily capped, while other functions are appropriated for on the basis of the demand for the service, subject to funding constraints.

History of County General Fund Revenues, Expenditures and Changes in Fund Balance

The following table presents a five-year history of the General Fund revenues, expenditures and changes in fund balance for the fiscal years ended June 30, 2005 through 2009 (unaudited). The information in this table for fiscal years 2005 through 2008 has been derived from the County's CAFR for each of those years. The unaudited 2009 information was provided by the County; that information remains subject to change by the County and adjustment as part of the audit process. The table also presents budgeted fiscal year 2010 information derived from the County's final budget.

The information in this table should be read together with the County's audited financial statements for the year ended June 30, 2008, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

County General Fund Statement of Revenues, Expenditures and Changes in Fund Balances

Fiscal Year Ended June 30,	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Unaudited)(1)	2010 (Budget)
Revenues						
Taxes	$ 237,128,773	$ 266,403,593	$ 306,803,962	$345,422,881	$383,096,346	$333,753,912
Licenses and permits	159,868,130	188,210,332	212,649,068	219,886,318	212,457,083	217,285,500
Intergovernmental revenue	5,683,762	8,384,856	12,543,720	5,702,891	10,492,519	6,176,565
Consolidated tax	313,642,515	341,790,734	340,102,045	324,868,936	277,391,610	288,900,000
Charges for services	88,027,159	90,156,159	91,872,856	82,533,326	84,860,360	85,342,091
Fines & forfeitures	12,916,684	14,666,431	20,767,142	24,644,256	24,523,778	23,200,500
Interest	9,325,492	13,677,370	21,542,826	27,324,416	7,869,934	9,000,000
Other	5,610,589	6,631,078	11,167,921	6,370,568	5,330,147	3,000,000
Total	832,203,104	929,920,553	1,017,449,540	1,035,753,592	1,006,021,777	966,658,568
Expenditures (2)						
General Government	119,894,855	122,314,860	116,465,703	105,966,417	124,636,569	123,324,284
Judicial	102,130,423	108,939,441	122,571,248	144,277,455	140,294,803	147,437,979
Public Safety	155,264,446	174,669,074	182,948,608	205,777,429	205,634,469	223,402,259
Public Works	13,612,688	13,481,338	14,308,081	15,227,899	15,066,409	15,070,251
Health	19,900,651	34,606,571	36,801,893	62,919,755	92,228,578	97,486,620
Welfare	59,479,322	68,273,896	84,392,332	83,974,688	105,901,556	93,628,297
Culture and Recreation	30,371,153	25,661,598	27,346,167	29,258,569	27,944,675	29,303,109
Other	63,596,194	73,674,990	99,312,998	108,771,107	99,055,247	120,369,115
Total	564,249,732	621,621,768	684,147,030	756,173,319	810,762,306	850,021,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	267,953,372	308,298,785	333,302,510	280,580,273	195,259,471	116,636,654
Other Financing Sources (Uses)						
Transfers from other funds (3)	219,794,772	245,843,588	265,508,753	303,535,415	311,764,080	323,967,879
Transfers to other funds (4)	(420,829,521)	(511,829,290)	(596,931,837)	(675,463,952)	(546,000,000)	(501,280,280)
Total	(201,034,749)	(265,985,702)	(331,423,084)	(371,928,537)	(234,235,920)	(177,312,401)
Net Change in Fund Balance(5)	66,918,623	42,313,083	1,879,426	(91,348,264)	(38,976,449)	(60,675,747)
Fund Balance - Beginning	198,691,015	265,609,638	307,922,722	309,802,148	218,453,884	188,205,683
Fund Balance - Ending	$265,609,638	$307,922,721	$309,802,148	$218,453,884	$179,477,435	$127,529,936
Reserved Portion of Ending Fund Balance (6)	$22,046,228	$25,091,004	$21,804,888	$38,257,822	$38,035,708	$23,637,842

Footnotes on following page.

(1) Unaudited year-end results only. Subject to amendment and adjustment during the audit process.
(2) The fluctuation in these categories is due in part to the reclassification of budget items.
(3) Transfers include funds received from unincorporated towns within the County and the Clark County Fire District for services that the County provides and interest earnings. The main source of transfers are taxes collected by the unincorporated towns and fire district via property taxes and/or consolidated tax.
(4) Includes transfers for detention, metropolitan police department and Capital Projects Fund.
(5) The deficiency in the 2008 column is attributable to budget augmentations for additional transfers to the County Capital Projects Fund, the Regional Justice Center Capital Construction Fund, and the Stabilization and Mitigation Fund. The deficiencies in 2009 and 2010 are due to decreases in revenues and increased expenses in health and welfare.
(6) The reserved portion of the ending fund balance is used for encumbrances and long-term receivables and is not available for other uses.

Source: Derived from the County's CAFR for fiscal years 2005 through 2008, unaudited 2009 information provided by the County and the County's Fiscal Year 2010 amended final budget.

Recent Developments

In the Las Vegas area, as in most of the nation, there has recently been a decline in the housing market. This has been the result of both national and local factors, including very large increases in housing prices prior to 2006, a significant number of home purchases financed with "sub-prime" mortgages and record housing inventory. New developments valued at approximately $20 billion in the vicinity of the Las Vegas strip are now under construction. However, construction on several of those projects is proceeding at a slower pace than originally planned; it is not known at this time whether those projects will completed within the next four years as originally expected. When and if completed, those new developments are expected to increase both the number of jobs and demand for housing in the Las Vegas Valley.

The recent housing market decline and the recent economic downturn have had an effect on the County's revenues, in particular the "consolidated tax" revenues (comprised primarily of sales taxes), which are less than budgeted by approximately 13% for fiscal year 2009. In addition, because of the effects of tax abatement in prior years, the decline in home construction activity and certain other economic activity in the Las Vegas Valley, and the decline in the value of homes, are not expected to adversely affect the County's ad valorem property tax revenues. See "PROPERTY TAX INFORMATION--Required Property Tax Abatements" above.

The County intends to continue to monitor the situation and adjust its budget, as necessary, to take into account the developing situation. For the fiscal year 2010 budget, the County has conservatively projected the Consolidated Tax and Charges for Services will decline or remain relatively flat. These factors are due to trending declines in sales and use tax revenues (principally attributable to the slowdown in residential and commercial markets) and reduced Recorder Fees. Further, the County expects to continue cost containment efforts through the fiscal year 2009-10 budget cycle.

During its 2009 session, the State legislature approved legislation allowing the State to appropriate revenues attributable to 4 cents of the County's operating tax rate and reducing Medicaid and indigent accident revenues transferred to the County hospital. The estimated revenue loss from this legislation is approximately $50 million per year for the next two years. The State legislature mitigated the impact of these revenue transfers by increasing the

governmental services tax through modification of vehicle depreciation schedules and by allowing the County to utilize certain transportation-specific revenues over the biennium in the County general fund. The net impact to the County general fund for fiscal year 2009-10, which was not taken into account in the Fiscal Year 2009-10 budget, is estimated to be a decrease in money available for expenditure by the County in the general fund of $15 million. The State continues to experience economic difficulties. As a result, it is possible that the State legislature could appropriate additional County revenues for its own uses in the future.

Other County Funds

As shown in Appendix A, the County has numerous other funds, the largest of which are the Capital Projects Funds and the Enterprise Funds. Moneys on deposit in the Capital Projects Funds are used for the acquisition of capital equipment or construction of major capital facilities. Moneys on deposit in the Enterprise Funds are used for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the Board is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

County Debt Service Fund

The following table presents a five-year history of the Debt Service Fund (Long-Term County Bonds) revenues, expenditures and changes in fund balance for the years ended June 30, 2005 through 2009 (unaudited). The information in this table for fiscal years 2005 through 2008 has been derived from the County's CAFR for each of those years. The unaudited 2009 information was provided by the County; that information remains subject to change by the County and adjustment as part of the audit process. The table also presents budgeted fiscal year 2010 information derived from the County's final budget.

The information in this table should be read together with the County's audited financial statements for the year ended June 30, 2008, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

County Debt Service Fund History(1)

Fiscal Year Ended June 30,	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Unaudited)(2)	2010 (Budget)
Revenues						
Property taxes	$17,285,217	$15,182,973	$16,856,779	$17,041,764	$10,677,631	$ 9,799,864
Intergovernmental revenues (3)	48,105,183	56,077,927	54,869,394	64,240,187	82,279,849	90,585,304
Charges for services	--	--	50,000	--	--	--
Interest	3,908,909	6,568,255	7,463,010	9,625,643	4,660,527	2,656,000
Other	--	265	53	1,950	--	--
Total Revenues	69,299,309	77,829,420	79,239,236	90,909,544	97,618,007	103,041,168
Expenditures						
Services and supplies (4)(5)	1,764,829	48,530	2,275,662	2,380,819	417,709,755	2,656,000
Principal	50,235,000	54,700,000	58,365,000	60,715,000	60,760,000	71,285,000
Interest	72,788,531	70,399,384	67,377,041	76,958,433	92,823,825	98,225,597
Bond issuance costs	--	4,342,296	6,767,272	--	1,844,304	--
Advance refunding	--	3,912,563	4,292,682	--	--	--
Total Expenditures	124,788,360	133,402,773	139,077,657	140,054,252	573,137,884	172,166,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,489,051)	(55,573,353)	(59,838,421)	(49,144,708)	(475,519,877)	(69,125,429)
Other Financing Sources (Uses)						
Transfers from other funds (6)	59,512,328	59,089,563	57,031,882	58,339,205	56,984,335	75,933,750
Transfers to other funds	--	--	(1,789,205)	--	--	--
Proceeds of bonds and loans	124,830,000	410,250,000	626,465,000	71,045,000	424,875,000	--
Premium on bonds issued (5)	11,250,530	14,517,763	330,041	--	19,325,322	--
Discount on bonds issued (5)	--	--	(298,304)	--	--	--
Payment to escrow agent (5)	(134,000,265)	(421,612,116)	(619,682,414)	(71,770,707)	(24,693,649)	--
Total	61,592,593	62,245,210	62,057,000	57,613,498	476,491,008	75,933,750
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Uses	6,103,542	6,671,857	2,218,579	8,468,790	971,131	6,808,321
Beginning Fund Balance	82,689,509	88,793,051	95,464,908	97,683,487	106,152,277	106,611,724
Ending Fund Balance	$88,793,051	$95,464,908	$97,683,487	$106,152,277	$107,123,408	$113,420,045

(1) Includes long-term County bonds, does not include Searchlight Town, County Fire District, Medium-Term Bonds, Flood Control, MTP Revenue Stabilization, Special Assessment Bonds, Moapa and Regional Transportation Commission.

(2) Unaudited year-end results only. Subject to amendment and adjustment during the audit process.

(3) Clark County has entered into an interlocal agreement regarding the repayment of certain bonds. This amount represents the various entities' share.

(4) In the actual columns for 2005-2007, includes paying agent fees and certain costs of issuing refunding bonds.

(5) In the 2008, 2009 unaudited and 2010 budget columns, includes paying agent fees, certain costs of issuing refunding bonds, escrow securities on refunding issues, discounts on bonds issued, Bond Bank, distributions to SNWA and other expenditures. Certain of these expenditures are recorded as "Other Financing Sources (Uses)" in the audited financial statements.

(6) Includes debt service and transfers in for the payment of self-supported County general obligation debt.

Source: Derived from the County's CAFR for fiscal years 2005 through 2008, unaudited fiscal year 2009 information provided by the County and the County's 2010 budget.

Liability Insurance

The County has established a general liability self-insurance fund for losses up to a $25,000 per occurrence retention limit. Losses in excess of this retention are covered by the County liability insurance pool fund.

Since January 1, 1986, Clark County (along with the Clark County Health District, Regional Transportation Commission of Southern Nevada, and the Regional Flood Control District) has had a self-funded program for losses over the $25,000 retention up to a $2,000,000 per occurrence, accident or loss. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to $10,000,000. All claims handling procedures are performed by an independent claims administrator. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques. The pool had a cash balance of $7,161,044 as of August 28, 2009 (unaudited).

The following table reflects the combined activity for the general liability self-insurance fund and the liability insurance pool fund for fiscal years 2004 through 2009 (unaudited). The information in this table for fiscal years 2005 through 2008 has been derived from the County's CAFR for each of those years. The unaudited 2009 information was provided by the County; that information remains subject to change by the County and adjustment as part of the audit process. The table also presents budgeted fiscal year 2010 information derived from the County's final budget.

The information in this table should be read together with the County's audited financial statements for the year ended June 30, 2008, and the accompanying notes, which are included as Appendix A hereto. Financial statements for prior years can be obtained from the sources listed in "INTRODUCTION--Additional Information."

County Self-Funded Liability Insurance & Liability Insurance Pool(1)

Fiscal Year Ended June 30,	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Unaudited)(2)	2010 (Budget)
Total Revenues (3)	$ 5,947,756	$ 7,742,415	$ 8,565,716	$9,541,301	$6,860,107	$7,138,119
Total Expenses (4)	6,729,125	5,127,782	6,154,739	(8,052,158)	(6,767,675)	(9,224,457)
Change in Net Assets	(781,369)	2,614,633	2,410,977	1,489,143	92,432	(2,086,338)
Net Assets, Beginning	13,348,930	12,567,561	15,182,194	17,593,171	19,582,314	18,350,862
Transfers (5)	--	--	--	500,000	--	--
Net Assets, Ending	$12,567,561	$15,182,194	$17,593,171	$19,582,314	$19,674,746	$16,264,524

(1) Represents combined information for the County's Self-Funded Liability Insurance Fund and Liability Insurance Pool (together, the "Liability Funds").
(2) Unaudited year-end results only. Subject to amendment and adjustment during the audit process.
(3) Represents combined total operating and non-operating revenue for the Liability Funds.
(4) Represents combined total operating and non-operating expenses for the Liability Funds.
(5) Represents a transfer in from the fire service district.

Source: Derived from the County's CAFR for fiscal years 2004 through 2008, unaudited 2009 information provided by the County and the County's 2010 budget.

COUNTY DEBT STRUCTURE

Capital Program

The County has implemented a comprehensive capital replacement program to provide for annual departmental capital replacements. Long term needs are addressed as a component of the Clark County Master Plan. Capital replacements as well as new capital needs are addressed in the County's Capital Improvement Program, which is funded through annual appropriations. These appropriations have ranged from $40,000,000 to $212,780,000 per year in five fiscal years 2005 through 2009. The County has budgeted a transfer of $40,000,000 to the Capital Improvement Fund for fiscal year 2010.

Debt Limitation

State statutes limit the aggregate principal amount of the County's general obligation debt (other than Bond Bank debt) to 10% of the County's total reported assessed valuation. Based upon the assessed valuation for fiscal year 2010 of $93,790,791,674 (including the assessed valuations of the Redevelopment Agencies), the County is limited to general obligation indebtedness in the aggregate amount of $9,379,079,167. The County has $1,517,618,251 of general obligation debt outstanding as of November 1, 2009 (excluding the 2009 Bonds and other Bond Bank bonds). The County has integrated a debt management policy with its capital planning process.

The following table presents a record of the County's outstanding general obligation indebtedness with respect to its statutory debt limitation, excluding Bond Bank debt.

County Statutory Debt Limitation - Excluding Bond Bank Debt

Fiscal Year Ended June 30,	Assessed Valuation (1)	Debt Limit	Outstanding General Obligation Debt (2)	Statutory Debt Capacity
2005	$ 50,803,469,742	$ 5,080,346,974	$ 1,161,010,000	$ 3,919,336,974
2006	65,582,487,400	6,558,248,740	1,288,342,591	5,269,906,149
2007	91,622,434,937	9,162,243,494	1,209,085,133	7,953,158,361
2008	109,212,919,843	10,921,291,984	1,143,131,339	9,778,160,645
2009	115,793,611,925	11,579,361,193	1,523,666,556	10,052,694,637
2010	93,790,791,674	9,379,079,167	1,499,983,941(3)	7,879,095,226

(1) Includes the assessed valuation of the Redevelopment Agencies. These values are included for purposes of calculating the debt limit but are not subject to County taxation for the retirement of general obligation bond debt.
(2) Includes general obligation bonds, general obligation revenue bonds and notes (but excludes Bond Bank bonds).
(3) Outstanding as of November 1, 2009. See "Outstanding Indebtedness and Other Obligations" below.

Source: Clark County Comptroller's Office; compiled by the Financial Advisors.

Bond Bank Debt Limitation

The County Bond Law provides a County debt limitation of 15% for assessed valuation for general obligation bonds issued through its Bond Bank. This Bond Bank debt limitation is separate from and in addition to the 10% debt limitation for the County's general

obligation debt as described above. Based upon the County's assessed valuation for fiscal year 2010 of $93,790,791,674 (including the assessed valuations of the Redevelopment Agencies), the County is limited to general obligation Bond Bank indebtedness in the aggregate amount of $14,068,618,751. As of November 1, 2009, the County has $1,573,605,000* of general obligation Bond Bank debt subject to this limit, assuming issuance of the 2009 Bonds and completion of the Refunding.

County Bond Bank Statutory Debt Limitation*

Fiscal Year Ended June 30,	Assessed Valuation (1)	Debt Limit	Outstanding Bond Bank General Obligation Debt	Statutory Debt Capacity
2005	$ 50,803,469,742	$ 7,620,520,461	$ 632,000,000	$ 6,988,520,461
2006	65,582,487,400	9,837,373,110	628,780,000	9,208,593,110
2007	91,622,434,937	13,743,365,241	1,018,600,000	12,724,765,241
2008	109,212,919,843	16,381,937,976	1,204,550,000	15,177,387,976
2009	115,793,611,925	17,369,041,789	1,589,805,000	15,779,236,789
2010	93,790,791,674	14,068,618,751	1,573,605,000(2)	12,495,013,751

(1) Includes the assessed valuation of the Redevelopment Agencies. These values are included for purposes of calculating the debt limit but are not subject to County taxation for the retirement of general obligation bond debt.

(2) Outstanding as of November 1, 2009; includes the 2009 Bonds and the effect of the Refunding. See "Outstanding Indebtedness and Other Obligations" below.

Source: Clark County Comptroller's Office; compiled by the Financial Advisors.

The County may issue general obligation bonds by means of authority granted to it by its electorate or the State Legislature or, under certain circumstances, without an election as provided in existing statutes.

Outstanding Indebtedness and Other Obligations

The following table presents the outstanding indebtedness and other obligations of the County as of November 1, 2009, after taking issuance of the 2009 Bonds into account.

* Subject to change.

County Outstanding Debt and Other Obligations*

	Dated Date	Original Amount	Outstanding
GENERAL OBLIGATION BONDS (1)			
Public Safety Refunding Bonds	04/01/04	$ 75,610,000	$ 57,895,000
Street Refunding Bonds	07/06/05	20,475,000	3,640,000
TOTAL			61,535,000
SELF-SUPPORTING GENERAL OBLIGATION BONDS (1)(2)			
Transportation Improvement Bonds, 1992A	06/01/92	136,855,000	11,675,000
Transportation Improvement Bonds, 1992B	06/01/92	103,810,000	9,370,000
Transportation Improvement Bonds, 1992C	06/01/92	9,335,000	755,000
LVCVA Refunding Bonds, 1998A	04/01/98	36,200,000	24,885,000
Flood Control Bonds	09/15/98	150,000,000	32,740,000
Transportation Improvement Bonds, 1998A	12/01/98	60,000,000	22,115,000
Transportation Improvement Bonds, 1998B	12/01/98	40,000,000	14,750,000
Transportation Bonds, 2000A	02/01/00	45,000,000	6,515,000
Transportation Bonds, 2000B	02/01/00	40,000,000	5,785,000
Hospital Bonds	03/01/00	56,825,000	7,395,000
Public Safety Bonds	03/01/00	18,000,000	2,650,000
Airport Refunding Bonds, Series 2003B	05/29/03	37,000,000	37,000,000
Hospital Improvement & Refunding Bonds	11/01/03	36,765,000	9,935,000
Government Center Refunding Bonds, Series 2004B	04/01/04	7,910,000	6,070,000
MTP (transportation) Refunding Bonds, Series 2004A	12/07/04	41,685,000	41,015,000
MTP (transportation) Refunding Bonds, Series 2004B	12/07/04	33,210,000	32,800,000
Park, RJC & Public Safety Ref Bonds, Series 2004C	12/07/04	48,935,000	47,905,000
Park & RJC Refunding Bonds, Series 2005B	07/06/05	32,310,000	32,310,000
Hospital Refunding Bonds	07/28/05	48,390,000	47,740,000
Flood Control Refunding Bonds	02/21/06	200,000,000	199,800,000
Transportation Refunding Bonds, Series 2006A	03/06/06	64,240,000	64,240,000
Transportation Refunding Bonds, Series 2006B	03/06/06	51,345,000	51,345,000
Hospital Refunding Bonds	05/22/07	18,095,000	18,065,000
Public Facilities and Refunding Bonds, Series 2007A	05/24/07	2,655,000	2,655,000
Public Facilities and Refunding Bonds, Series 2007B	05/24/07	5,800,000	5,800,000
Public Facilities and Refunding Bonds, Series 2007C	05/24/07	13,870,000	13,775,000
LVCVA Refunding Bonds	05/31/07	38,200,000	34,340,000
Transportation Refunding Bonds, 2008A	03/13/08	64,625,000	59,700,000
Transportation Refunding Bonds, 2008C	03/13/08	6,420,000	6,370,000
Airport Refunding Bonds, Series 2008A (VRDO)	02/26/08	43,105,000	43,105,000
LVCVA Transportation Bonds	08/19/08	26,455,000	26,015,000
Flood Control Refunding Bonds	08/20/08	50,570,000	50,160,000
MTP (transportation) Commercial Paper, Series 2008	09/25/08	200,000,000	200,000,000
Public Facilities and Refunding Bonds, Series 2009A	05/14/09	10,985,000	10,985,000
Public Facilities and Refunding Bonds, Series 2009B	05/14/09	5,820,000	5,820,000
Public Facilities and Refunding Bonds, Series 2009C	05/14/09	8,060,000	8,060,000
Flood Control BABS, Series 2009B	06/23/09	150,000,000	146,265,000
Transportation BABS, Series 2009B-1	06/23/09	60,000,000	60,000,000
TOTAL			1,399,910,000
MEDIUM-TERM GENERAL OBLIGATION BONDS (3)			
Medium-Term Bonds, Series 2002B	01/01/02	20,000,000	6,835,000
Hospital Medium-Term Note	05/20/04	8,079,363	2,058,941
Hospital Medium-Term Bonds	03/10/09	6,950,000	6,950,000
Public Facilities Bonds	03/10/09	24,750,000	22,695,000
TOTAL			38,538,941
TOTAL GENERAL OBLIGATION BONDS SUBJECT TO 10% LIMIT			$1,499,983,941

Continued on next page.

* Subject to change.

Outstanding Debt and Other Obligations (Continued)*

	Dated Date	Original Amount	Outstanding
SELF SUPPORTING BOND BANK BONDS (1)(2)(4)			
Bond Bank Bonds (SNWA 2000)	07/01/00	$ 200,000,000	$ 0(4)*
Bond Bank Bonds (SNWA 2001)	06/01/01	250,000,000	37,385,000(4)*
Bond Bank Bonds (SNWA 2002)	11/01/02	200,000,000	69,730,000(4)*
Bond Bank Refunding Bonds (SNWA 2006)	06/13/06	242,880,000	238,630,000
Bond Bank Bonds (SNWA 2006)	11/01/06	604,140,000	591,925,000(4)*
Bond Bank Commercial Paper Notes, 2008A and 2008B (CWC)	04/01/08	200,000,000	200,000,000(5)
Bond Bank Bonds (SNWA 2008)	07/02/08	400,000,000	385,960,000(4)*
Bond Bank Refunding Bonds (SNWA 2009) (*this issue)*	11/10/09	49,975,000*	49,975,000(4)*
TOTAL GENERAL OBLIGATION BONDS SUBJECT TO 15% LIMIT			$1,573,605,000
TOTAL GENERAL OBLIGATION BONDS			**$3,073,588,941**
SELF SUPPORTING COMMERCIAL PAPER			
Sales Tax (Transit Project) Notes (Revolving)	01/23/08	$ 200,000,000	$200,000,000
Highway (Motor Vehicle Fuel Tax) Notes (Revolving)	03/04/08	200,000,000	200,000,000
TOTAL			$400,000,000
REVENUE BONDS (6)			
Airport Refunding, Series 1993A	05/18/93	$ 339,000,000	$ 96,700,000
Airport PFC Rfg Rev Bonds	04/01/98	214,245,000	81,690,000
Airport Subordinate Lien Revenue 1998A	04/01/98	121,045,000	8,470,000
Airport PFC Refunding 2002A	10/01/02	34,490,000	13,940,000
Airport 2003C	05/29/03	105,435,000	96,420,000
Highway Improvement	09/01/03	200,000,000	158,995,000
Airport Bonds 2004A-1	09/01/04	128,430,000	128,430,000
Airport Bonds 2004A-2	09/01/04	232,725,000	232,725,000
Airport PFC Refunding 2005A-1	04/04/05	130,000,000	115,000,000
Airport PFC Refunding 2005A-2	04/04/05	129,900,000	114,900,000
Airport Revenue Senior 2005A	09/14/05	69,590,000	69,590,000
Airport Subordinate Lien Revenue 2006A	09/19/06	100,000,000	63,405,000
Airport PFC Bonds 2007A-1	04/27/07	113,510,000	113,510,000
Airport PFC Bonds 2007A-2	04/27/07	105,475,000	105,475,000
Airport Subordinate Lien Bonds 2007A-1	05/16/07	150,400,000	150,400,000
Airport Subordinate Lien Bonds 2007A-2	05/16/07	56,225,000	56,225,000
Highway Revenue (Motor Vehicle Fuel Tax) Imp. & Refunding	06/12/07	300,000,000	281,965,000
Airport Subordinate Lien 2008C1	03/19/08	122,900,000	122,900,000
Airport Subordinate Lien 2008C2	03/19/08	71,550,000	71,550,000
Airport Subordinate Lien 2008C3	03/19/08	71,550,000	71,550,000
Airport Subordinate Lien 2008D1	03/19/08	58,920,000	58,920,000
Airport Subordinate Lien 2008D2	03/19/08	199,605,000	199,605,000
Airport Subordinate Lien 2008D3	03/19/08	122,865,000	122,865,000
Airport Refunding Bonds 2008E	05/28/08	61,430,000	61,165,000
Airport Bonds 2008A PFC	06/26/08	115,845,000	115,845,000
Airport 2008A VRB	06/26/08	150,000,000	150,000,000
Airport 2008B VRB	06/26/08	150,000,000	150,000,000
Car Rental Fee Bonds	04/01/09	10,000	10,000
Airport 2009 Bonds	07/01/09	400,000,000	400,000,000
Airport 2009B BABS	09/24/09	300,000,000	300,000,000
Airport 2009C	09/24/09	168,495,000	168,495,000
TOTAL REVENUE BONDS			$3,880,745,000

Continued on next page.

* Subject to change.

Outstanding Debt and Other Obligations (Continued)*

	Dated Date	Original Amount	Outstanding
LAND-SECURED ASSESSMENT BONDS (7)			
Special Improvement District No. 128B - Fixed	05/17/01	$ 10,000,000	$ 4,935,000
Special Improvement District No. 132	05/17/01	24,000,000	15,935,000
Special Improvement District No. 128A - Fixed	11/03/03	10,000,000	7,795,000
Special Improvement District No. 142	12/04/03	92,360,000	75,095,000
Special Improvement District No. 108A Sr.	12/11/03	17,335,569	10,279,920
Special Improvement District No. 108A Sub.	12/11/03	8,375,273	5,153,528
Special Improvement District No. 124A Sr.	12/11/03	4,399,431	2,950,080
Special Improvement District No. 124A Sub.	12/11/03	1,929,727	1,331,472
Special Improvement District No. 151	10/12/05	25,485,000	22,240,000
Special Improvement District No. 121A Sr.	05/31/06	30,620,000	24,320,000
Special Improvement District No. 121A Sub.	05/31/06	13,515,000	11,950,000
Special Improvement District No. 128 (two issues)	05/01/07	11,235,000	10,735,000
Special Improvement District No. 112	05/13/08	70,000,000	68,420,000
TOTAL LAND SECURED ASSESSMENT BONDS			$261,140,000
OTHER ASSESSMENT BONDS (8)			
Improvement District No. 81 Refunding Bonds, Series 1998A	09/01/98	$ 7,155,000	$ 2,395,000
Improvement District No. 71A Refunding Bonds, Series 1998B	09/01/98	2,155,000	585,000
Improvement District No. 82, 103, 106	01/01/00	1,227,000	85,000
Improvement District No. 109	03/01/00	2,123,000	240,000
Improvement District No. 105	01/01/01	1,604,000	245,000
Improvement District No. 89, 116, 118, 119A, 120, 123	06/01/02	1,355,000	235,000
Improvement District No. 97A	05/01/03	6,970,000	2,885,000
Improvement Districts 117, 125, 126A, 136, 139	05/01/03	3,545,000	1,670,000
Imp. Districts No. 113, 130, 133, 138, 143, 141, 144B	06/29/04	5,774,000	3,155,000
Improvement District No. 127, 134, 140, 145	05/23/06	2,377,000	1,380,000
Improvement District No. 131, 144A, 146,148,150	05/02/07	7,466,000	1,300,000
Improvement District No. 135 and 144C (Proposed)	11/10/09*	5,680,000*	5,680,000(9)*
TOTAL OTHER ASSESSMENT BONDS			$19,855,000
GRAND TOTAL			**$7,635,328,941***

(1) General obligation bonds (or commercial paper notes) secured by the full faith, credit and taxing power of the County. The ad valorem tax available to pay these bonds is limited to the $3.64 statutory and the $5.00 constitutional limit (see "PROPERTY TAX INFORMATION--Property Tax Limitations").

(2) General obligation bonds (or commercial paper notes) additionally secured by pledged revenues; if revenues are not sufficient, the County is obligated to pay the difference between the revenues and debt service requirements of the respective bonds.

(3) General obligation bonds secured by the full faith and credit of the County and are payable from any legally available funds of the County. The ad valorem tax rate available to pay these bonds is limited to the statutory and the constitutional limit as well as to the County's maximum operating levy (see "PROPERTY TAX INFORMATION--Property Tax Limitations").

(4) Includes issuance of the 2009 Bonds and takes the Refunding into effect.

(5) The County has not yet issued the entire $200 million of authorized commercial paper notes; however, the entire amount is assumed to be outstanding for purposes of this table.

(6) Highway improvement bonds are secured solely by County and State taxes on motor vehicle fuels. Airport bonds and airport refunding bonds are secured solely by airport revenues. Economic Development Revenue Bonds issued for and payable by private companies are not included.

(7) Secured by assessments against property improved. These bonds do not constitute a debt of the County, and the County is not liable thereon. In the event of a delinquency in the payment of any assessment installment, the County will not have any obligation with respect to these bonds other than to apply available funds in the reserve fund and the bond fund and to cause to be commenced and pursued, foreclosure proceedings with respect to the property in question.

(8) Secured by assessments against property improved; also secured by reserve funds (in some instances), the Surplus and Deficiency Fund, the General Fund and the County's general taxing power if assessment collections are insufficient.

(9) Includes the proposed issuance of the County's District Nos. 135 and 144C Local Improvement Bonds, Series 2009, which are expected to be issued on or about November 10, 2009.

Source: Clark County Comptroller's Office.

* Subject to change.

Additional Contemplated Indebtedness

The County may issue general obligation bonds by means of authority granted to it by its electorate or the State Legislature or, under certain circumstances, without an election as provided in existing statutes. The County reserves the right to issue bonds as needed. The County reserves the ability to issue general obligation bonds for refunding purposes at any time.

The County has authority to issue $900,000,000 in general obligation notes (additionally secured by pledged revenues) for the Master Transportation Plan. The County has drawn $92,000,000 so far and intends to fix out the notes in the next six months. The notes will then reset to $200,000,000 and the County will have available that amount again to draw upon, subject to satisfying the additional bonds test to be specified in the documents. This process will continue for up to six years and at that time up to $900,000,000 of long-term debt will have been issued.

The County has authority to issue $60,000,000 in general obligation bonds (additionally secured by pledged revenues) for the Master Transportation Plan Resort Corridor Room Tax. The County reserves the privilege of issuing general obligation bonds at any time legal requirements are satisfied.

The Clean Water Coalition (the "Coalition") has authority to issue $220,000,000 in general obligation bond bank notes (additionally secured by pledged revenues) for the System Conveyance and Operation Program. The Coalition has drawn $20,000,000 so far and intends to fix out the notes every two to three years as the amount of the outstanding notes approaches $220,000,000. The notes will then reset to $220,000,000 and the Coalition will have available that amount again to draw upon, subject to satisfying the additional bonds test to be specified in the documents. This process will continue for up to six years and at that time up to $800,000,000 of long-term debt will have been issued.

The County also has authority to issue $273,545,000 in general obligation bonds (additionally secured by pledged revenues) for the purpose of constructing certain transportation projects on behalf of the Las Vegas Convention and Visitors Authority for the Nevada Department of Transportation.

The County sells bonds and interim warrants for assessment districts from time to time, which may be additionally secured by the General Fund and taxing powers.

County Annual Debt Service Requirements

The following table illustrates the debt service requirements for the County's outstanding general obligation bonds. This table does not take the issuance of the 2009 Bonds into account, nor does it reflect the effect of the Refunding Project.

Annual Debt Service Requirements - Clark County, Nevada(1)
As of November 1, 2009

Fiscal Year Ended	General Obligation Bonds (2)		Self-Supporting General Obligation Bonds (3)		Medium-Term General Obligation Bonds (4)		Existing Bond Bank Bonds (5)		Grand
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2010	$ 6,030,000	$ 2,947,000	$ 40,405,000	$ 39,588,360	$ 3,033,874	$ 701,191	$ 11,330,000	$ 51,653,675	$ 155,689,100
2011	9,985,000	2,645,500	61,355,000	56,930,799	5,710,067	1,184,789	30,385,000	64,349,131	232,545,286
2012	6,670,000	2,237,250	63,990,000	54,210,769	5,330,000	965,575	31,825,000	62,893,081	228,121,675
2013	7,015,000	1,903,750	66,635,000	51,352,430	3,045,000	756,825	33,435,000	61,319,531	225,462,536
2014	7,375,000	1,553,000	69,660,000	48,245,616	3,135,000	664,125	35,290,000	59,488,556	225,411,297
2015	7,750,000	1,184,250	69,120,000	44,920,276	3,650,000	562,350	37,035,000	57,739,606	221,961,482
2016	8,130,000	835,500	70,515,000	41,632,193	3,795,000	450,675	38,675,000	56,102,719	220,136,087
2017	8,580,000	429,000	75,425,000	38,235,137	3,920,000	325,150	40,705,000	54,079,663	221,698,949
2018	0	0	56,065,000	34,303,788	4,050,000	185,675	42,690,000	52,101,863	189,396,326
2019	0	0	59,125,000	31,662,956	2,870,000	57,400	44,770,000	50,027,438	188,512,793
2020	0	0	48,095,000	28,980,206	0	0	46,950,000	47,830,275	171,855,481
2021	0	0	30,565,000	26,937,990	0	0	49,250,000	45,525,663	152,278,653
2022	0	0	31,900,000	25,416,728	0	0	51,685,000	43,084,763	152,086,491
2023	0	0	39,480,000	23,628,472	0	0	54,550,000	40,240,063	157,898,534
2024	0	0	50,490,000	21,385,508	0	0	57,320,000	37,494,650	166,690,158
2025	0	0	43,365,000	18,986,288	0	0	60,220,000	34,610,113	157,181,401
2026	0	0	24,655,000	17,181,951	0	0	63,280,000	31,579,638	136,696,588
2027	0	0	25,815,000	15,770,125	0	0	66,180,000	28,700,588	136,465,713
2028	0	0	64,645,000	13,563,228	0	0	68,915,000	25,991,738	173,114,966
2029	0	0	22,540,000	11,448,530	0	0	71,805,000	23,126,550	128,920,080
2030	0	0	19,180,000	10,129,503	0	0	75,765,000	19,955,631	125,030,134
2031	0	0	20,135,000	9,052,800	0	0	65,220,000	16,236,100	110,643,900
2032	0	0	21,150,000	7,915,063	0	0	52,025,000	12,950,725	94,040,788
2033	0	0	22,210,000	6,720,463	0	0	41,015,000	10,323,850	80,269,313
2034	0	0	23,330,000	5,466,188	0	0	42,865,000	8,470,150	80,131,338
2035	0	0	24,505,000	4,149,063	0	0	44,755,000	6,580,988	79,990,050
2036	0	0	25,745,000	2,765,788	0	0	46,725,000	4,613,575	79,849,363
2037	0	0	9,465,000	1,730,538	0	0	48,540,000	2,798,563	62,534,100
2038	0	0	9,930,000	1,061,275	0	0	25,570,000	1,278,500	37,839,775
2039	0	0	10,415,000	359,319	0	0	0	0	10,774,319
Total	$61,535,000	$13,735,250	$1,199,910,000	$693,731,343	$38,538,941	$5,853,755	$1,378,775,000	$1,011,147,381	$4,403,226,670

FOOTNOTES ON FOLLOWING PAGE.

(1) Totals may not total due to rounding. This table does not take the issuance of the 2009 Bonds into account, nor does it reflect the effect of the Refunding Project.
(2) Does not include contingent liability of the County on general obligation revenue bonds, special assessment bonds, and other indebtedness not currently paid with ad valorem tax proceeds.
(3) General obligation bonds additionally supported by non-ad valorem revenues and project revenues; if revenues are not sufficient, the County is obligated to pay the difference between such revenues and debt service requirements of the respective bonds. Does not include MTP Commercial Paper Notes of $200 million.
(4) The ad valorem tax rate available to pay these bonds is limited to the County's maximum operating levy and certain tax overrides. See "PROPERTY TAX INFORMATION - Property Tax Limitations."
(5) General obligation bonds additionally supported by non-ad valorem revenues and project revenues; if revenues are not sufficient, the County is obligated to pay the difference between such revenues and debt service requirements of the respective bonds. Does not include the CWC Bond Bank Commercial Paper Notes of $200 million.

Source: Clark County Comptroller's Office; Compiled by the Financial Advisors.

SOUTHERN NEVADA WATER AUTHORITY

General

On July 25, 1991, the Members (i.e., Boulder City, Henderson, Las Vegas, the LVVWD, North Las Vegas, the Big Bend Water District and the Clark County Water Reclamation District) formed the SNWA as a regional water agency pursuant to NRS Chapter 277 and the Cooperative Agreement. SNWA addresses water resource management and water conservation on a regional basis and is the agency charged with planning, managing and developing additional supplies of water for southern Nevada.

The SNWA is governed by a seven-member board of directors, composed of one director from each member agency (the "SNWA Board"). SNWA Board members serve at the will of the appointing Member. Current members of the SNWA Board are as follows:

Name and Title	Representing	Elected Position
Shari Buck, Chair	City of North Las Vegas	North Las Vegas Mayor
Steven Kirk, Vice Chair	City of Henderson	Henderson Councilman
Susan Brager	Las Vegas Valley Water District	Clark County Commissioner
Tom Collins	Clark County Water Reclamation District	Clark County Commissioner
Duncan McCoy	City of Boulder City	Boulder City Councilman
Steve Sisolak	Big Bend Water District	Clark County Commissioner
Lois Tarkanian	City of Las Vegas	Las Vegas City Councilwoman

Management and Employees

The LVVWD acts as the SNWA's operating agent and, pursuant to annual appointment by the SNWA Board, the LVVWD's General Manager currently acts as the General Manager for SNWA. The SNWA has no employees; the LVVWD provides all employees and operations for the SNWA. The SNWA pays the LVVWD for the costs of providing the employees and operations in an amount equal to the costs of the services provided.

The following are brief biographies for the LVVWD's General Manager and other staff members involved in issuance of the 2009 Bonds (who are appointed by the General Manager).

Patricia Mulroy, General Manager. Ms. Mulroy was appointed General Manager of the LVVWD in September 1989 after serving as Deputy General Manager for four years. Ms. Mulroy also has been appointed General Manager of the Southern Nevada Water Authority annually since January 1993. Before coming to the LVVWD, she was assistant to the Clark County Manager and Court Administrator for the Las Vegas Justice Court. She began her college career in Munich, West Germany, and completed both her Bachelor's and Master's degrees at the University of Nevada, Las Vegas. Ms. Mulroy is active in water issues on a national basis, serving on the Board of Directors of the Association of Metropolitan Water Agencies. She is a member of the American Water Works Association, the Colorado River Water Users Association, the Western Urban Water Coalition, and serves on the Desert Research Institute Research Foundation Board of Trustees.

Richard J. Wimmer, Deputy General Manager, Administration. Mr. Wimmer was appointed Deputy General Manager of Administration in September 1989. He came to the

LVVWD in 1985 as Director of Information Systems. Previous to that, he held several positions at Clark County over a 14-year period. Mr. Wimmer graduated from Utah State University with a major in computer science and a minor in business administration. He is a member of the American Water Works Association, the Government Finance Officers Association, the American Public Works Association, and the Colorado River Water Users Association.

Thomas A. Minwegen, Deputy General Manager, Engineering/Operations. Mr. Minwegen was appointed Deputy General Manager of Engineering and Operations in 2002. Prior to this appointment, Mr. Minwegen served as Director of Engineering. Mr. Minwegen holds a bachelor of science in civil engineering from Bradley University in Peoria, Illinois and is a registered professional engineer in the State. Mr. Minwegen began working at the LVVWD in 1982, and in addition to serving as Director of Engineering, he has held the position of Senior Civil Engineer, Automated Mapping and Drafting Division Manager and Engineering Design Division Manager.

Kay Brothers, Deputy General Manager, SNWA Engineering/Operations. Ms. Brothers was appointed Deputy General Manager of SNWA Engineering/Operations in April 2002. She joined the LVVWD in 1986 as a hydrologist and in 1995 became the Director of SNWA Resources. Ms. Brothers graduated from New Mexico Institute of Mining and Technology with a Bachelor of Science degree in Environmental Engineering. After graduation she worked in the petroleum and mining industry. She is an active member of the American Water Works Association, Western Coalition of Arid States, and the National Ground Water Association, and is current president of the Nevada Water Resources Association.

Cary M. Casey, Director of Finance. Mr. Casey joined the LVVWD in August 1985. His experience includes various positions in finance, accounting, and marketing for several firms and businesses including the Silver Nugget Casino, the Aladdin Hotel and Casino, Del Webb Hotels, and the Park Tahoe Hotel and Casino. Prior to holding these positions, Mr. Casey was an auditor for the Nevada Gaming Control Board. Mr. Casey began his career with the accounting firms of Deloitte, Haskins and Sells and Arthur Andersen & Co. He has a degree in Accounting from the University of Nevada, Las Vegas and is a Certified Public Accountant in the State of Nevada. Mr. Casey is an active member of the American Institute of Certified Public Accountants and the Government Finance Officers Association.

Funding Sources

To meet its debt service requirements and to provide funds for the costs of operation and maintenance of the SNWS, the SNWA entered into the Operations Agreement with the Members. The Operations Agreement requires that the Members reimburse the SNWA for all operation and maintenance expenses (excluding depreciation), debt service and reserve requirements of the SNWS.

The SNWA Board has the power to periodically assess the Members for operating and capital budgets and for the satisfaction of its liabilities, charges and assessments made by the SNWA to the Members under the Operations Agreement (described below). For fiscal year 2009-10, assessments for the SNWA operations and capital budget are being apportioned among the Members as follows:

Las Vegas Valley Water District	70%
Henderson	15
North Las Vegas	12
Boulder City	3
Others (1)	<1

(1) Includes the Big Bend Water District, Nellis Air Force Base, the City of Las Vegas and the Clark County Water Reclamation District.

The Operations Agreement

The following is a brief description of the Operations Agreement. The SNWA is obligated to impose rates and charges with respect to the use of the SNWS sufficient to pay the SNWA Bond and all other SNWA obligations. However, the Operations Agreement may be amended, modified and/or repealed in any or all respects at any time in accordance with its terms.

Charges. Under the Operations Agreement, the SNWA establishes, revises as necessary, and uses every reasonable effort to collect charges, which in the aggregate, will have the purpose of funding, and will be set at levels sufficient to fund (i) reserves authorized or required by the Operations Agreement or required by any bond or other debt instrument for which the SNWA is responsible, directly or indirectly, relating to the SNWS and (ii) the payment when due of all costs, expenses, capital outlays not otherwise funded, and liabilities including debt service of the SNWA relating to the SNWS.

Under the Operations Agreement, the SNWA currently assesses four types of charges: (1) a Wholesale Delivery Charge, (2) a Connection Charge, (3) a Commodity Charge and (4) a Reliability Surcharge. The Wholesale Delivery Charge is a delivery charge to be paid by Boulder City, Henderson, North Las Vegas and the LVVWD (the "Municipal Water Users") for each acre-foot of water delivered to the Municipal Water User; Nellis Air Force Base also pays a modified Wholesale Delivery Charge. The Connection Charge is a charge for each new connection within the service areas of Henderson, North Las Vegas, and the LVVWD to their customers. The Commodity Charge is a charge for each 1,000 gallons of potable water, from any source whatever, delivered and metered by the City Henderson, North Las Vegas and the LVVWD to their customers. The SNWA reliability surcharge is an excise tax on all residential customers at 0.25% of the total water bill and at 2.5% for all other customer classes.

The SNWA Connection Charge, the SNWA Commodity Charge, the Reliability Surcharge and certain payments due from Boulder City are to be used primarily to pay debt service on bonds issued for expansion of the SNWS ("New Expansion Debt"), 100% of the debt service on the obligations listed as "SNWA Parity Obligations" and "Subordinate Obligations" in the table entitled "SNWA Obligations" in "SOUTHERN NEVADA WATER AUTHORITY--SNWA Financial Information - Outstanding SNWA Obligations" below, and any required debt service reserve and to pay the capital cost of improvements or expansions to the SNWS. The SNWA is required to set the Connection Charge and Commodity Charge at levels at least sufficient to ensure that the SNWA will at all times have available sufficient funds derived from the Connection Charge and the Commodity Charge for the purposes described above. To the maximum extent practicable the Connection Charge and the Commodity Charge shall be set (after taking into account the amount of other resources including proceeds of the sales tax and the Reliability Surcharge then available) at levels with respect to each other so that over the total

period during which New Expansion Debt is amortized (but not necessarily in any particular fiscal year): (i) the Connection Charge shall pay that portion of the total cost of construction of facilities to improve and expand the SNWS, including debt service, which is substantially the same as the percentage of additional capacity that has been allocated to service new connections within the service area of the Municipal Water Users and (ii) the Commodity Charge shall pay that portion of the total cost of construction of facilities to improve and expand the SNWS, including debt service, which is substantially the same as the percentage of additional capacity that has been allocated to increase system reliability.

If revenues from the Connection Charge and Commodity Charge, and, to the extent not required to be maintained at a specified level by any debt instrument, funds in the new expansion debt service reserve fund established under the Facilities and Operation Agreement are insufficient for payment of debt service, the SNWA is required to equitably make assessments to Henderson, North Las Vegas and the LVVWD to pay such insufficiencies.

The Wholesale Delivery Charge is to be charged against the Municipal Water Users and is to be used for the purpose of providing, and set at levels to ensure that the SNWA at all times will have available sufficient funds to pay, the following: (1) operation, maintenance, and replacement costs of the SNWS, including water delivery and other charges of the United States; (2) capital outlays not related to the improvement or expansion of the SNWS; (3) the SNWA administrative expenses relating to the SNWS; (4) an appropriate part of the SNWA's contribution to the CRC's water administrative and operating budget; (5) maintenance of a reserve fund as required by the SNWA Federal Water Delivery Contract (which no longer is required); (6) maintenance of an operations and maintenance reserve fund at required levels; (7) debt service on any bonds or other obligations issued for the purpose of funding the repair, replacement, or reconstruction of SNWS facilities or to refund any such bonds or other obligations; and (8) any other cost, expense, capital outlay, or liability of the SNWA with respect to the SNWS, including liabilities of the CRC assumed by the SNWA pursuant to the Transfer Act, other than New Expansion Debt.

Optional Step-Up Charges. If any Municipal Water User is delinquent for more than 60 days in making payment to the SNWA of any amount due as a Connection Charge, Commodity Charge, or Wholesale Delivery Charge, or Boulder City is delinquent for more than 60 days in making payments to the SNWA under the Facilities and Operations Agreement, and the SNWA has determined that, as a result of such delinquency, either default in the payment of any debt service will occur within the next 90 days or reserve funds required to be maintained under any debt instrument will be depleted below the required level within the next 90 days, then the SNWA shall have the right, but not the obligation, to immediately require the payment of such delinquency by the other Municipal Water Users. Such delinquency shall be apportioned proportionate to the liability of such Municipal Water Users for such charge during the preceding month. In no event, however, shall the delinquency apportioned to a Municipal Water User with respect to any of the Connection Charge, Commodity Charge, or Wholesale Delivery Charge for any period of delinquency be greater in amount than 100% of the amount of such charge the Municipal Water User is otherwise required to pay with respect to such period. Such Municipal Water Users are required to pay any such step-up charges assessed within 45 days of billing. The SNWA may continue to apportion such delinquencies to Municipal Water Users for so long as a delinquency by a Municipal Water User of more than 60 days continues to exist.

Withholding of Water Deliveries; Late Charges. The SNWA may, but is not required to, withhold in whole or in part delivery of water to any Municipal Water User that is delinquent in the payment of any charges or other amounts payable to the SNWA under the Operations Agreement, for more than 90 days after such payment was due. The SNWA shall have the right to establish late charges to be paid by a Municipal Water User which is delinquent by more than 60 days in any charge or other payment due under the Operations Agreement.

Automatic Assignment of Connection Charges. If any of Henderson, North Las Vegas, or the LVVWD is delinquent for more than 60 days in making payment to the SNWA of any Connection Charges due under the Operations Agreement, such delinquent Municipal Water User without any further notice or demand by the SNWA, has assigned and transferred to the SNWA all connection fees and charges, tap fees, and similar fees and charges (the "Assigned Fees"), if any, payable to the delinquent Municipal Water User by each customer whose connection gives rise to a Connection Charge under the Operations Agreement, together with the right, power, and authority to collect all such Assigned Fees directly from such customer. The SNWA shall be entitled to retain all such Assigned Fees and shall credit them to the delinquent Connection Charge, any late charge assessed by the SNWA, interest due on the delinquent Connection Charge, and all of the costs and expenses incurred by the SNWA in collecting the Assigned Fees.

Allocation of SNWA Water Revenues

In the 1995 Legislative session, the Legislature enacted the Transfer Act which transferred certain rights, powers, obligations and liabilities relating to the SNWS from the State and CRC to the SNWA effective January 1, 1996. Pursuant to the Transfer Act, the SNWA holds in its own name and assumes all liabilities of the State and the CRC relating to the SNWS. The debt of the CRC related to the SNWS is composed of general obligation bonds of the State (see "SOUTHERN NEVADA WATER AUTHORITY--SNWA Financial Information - Outstanding SNWA Obligations") which have a lien on the SNWA Water Revenues which is superior to the lien thereon of the 2009 Bonds. The SNWA has obtained title to all SNWS facilities originally constructed by the federal government.

Section 3 of the Transfer Act provides that the SNWA Water Revenues (as defined herein) must be applied in the following order. Generally, that order is:

(1) the costs of operation and maintenance of the SNWS.

(2) the payment of compensation and expenses to the SNWA and all other obligations incurred through performance by the SNWA of its duties under the Transfer Act, including the CRC's general obligation bonds issued prior to January 1, 1996 (no CRC general obligation bonds issued prior to January 1, 1996 remain outstanding).

(3) the payment of the principal, interest and any other charges related to any obligations incurred to refund any general obligations of the State issued for the acquisition, construction, improvement or equipment of the SNWS, presently outstanding in the aggregate principal amount of $131,225,000.

(4) the payment of the principal, interest and any other charges related to any obligations incurred by the SNWA for the acquisition, construction, improvement or equipment of the SNWS or other facilities designed to provide water to southern Nevada, including: (i) any

Outstanding SNWA revenue bonds; (ii) obligations to the LVVWD and the State to repay money borrowed by SNWA to provide funds to improve the SNWS; and (iii) any obligations incurred to refund any of those obligations (collectively, the "SNWA Obligations"). See "SNWA Financial Information - Outstanding SNWA Obligations" below.

(5) the payment of expenses incurred by the SNWA related to the acquisition, construction, improvement or equipment of the SNWS or other facilities designed to provide water to southern Nevada.

SNWA Financial Information

Annual Reports. The SNWA prepares a CAFR setting forth the financial condition of the SNWA as of June 30 of each fiscal year. The latest completed report is for the year ended June 30, 2008. The CAFR is the official financial report of the SNWA. It was prepared in accordance with GAAP. The SNWA's audited basic financial statements for fiscal year ended June 30, 2008, which are included in SNWA's CAFR, are attached to this Official Statement as Appendix B.

Budgeting. Prior to April 15 of each year, the SNWA submits to the State Department of Taxation the tentative budget for the next fiscal year which commences on July 1. The tentative budget contains the proposed expenditures and means of financing them. After reviewing the tentative budget, the State Department of Taxation is required to notify the LVVWD upon its acceptance of the budget.

Following acceptance of the proposed budget by the State Department of Taxation, the SNWA Board is required to conduct public hearings on the third Thursday in May. The SNWA Board normally is required to adopt the final budget on or before June 1.

The SNWA management is authorized to transfer budgeted amounts within functions, but any other transfers must be approved by the SNWA Board. Increases to a fund's budget other than by transfers are accomplished through formal action of the SNWA Board. With the exception of monies appropriated for specific capital projects or Federal and State grant expenditures, all unencumbered appropriations lapse at the end of the fiscal year.

Fiscal Year 2009-10 Budget Considerations. In preparing its 2009-10 Final Budget, SNWA made revenue estimates made in accordance with current market conditions and estimates of growth from authoritative outside sources (State of Nevada, Center for Business and Economic Research, etc). Expense estimates take into consideration any deferral of projects or operating costs that can be reasonably made without severely affecting services to existing customers or development that will benefit future customers. The fiscal year 2009-10 budget will reflect an increase in the wholesale delivery charges of eight dollars per acre-foot (3.1%) to $270 per acre-foot.

The 2009-10 Final Budget contains the following reductions and deferrals:

1. The SNWA has cut an additional $12.7 million in operating capital and other non-payroll expenses from its projected fiscal year 2009-10 budget. This includes reductions and deferral to equipment purchases, purchased services, travel and training, temporary help, professional and technical services, and advertising.

2. The SNWA has cut an estimated $1.7 million from its projected fiscal year 2009-10 budget through contingent staff reductions (interns, limited term positions, contractors and temporary help). Resource sharing was also implemented to ensure sustained service levels in light of contingent staff reductions. These efforts are estimated to save an additional $3 million for fiscal year 2009-10.

3. Employees will forego a Cost of Living Increase (COLA) for fiscal year 2009-10. To further reduce costs, a voluntary furlough program has been implemented where employees may elect to take unpaid leave.

4. In the past, the SNWA has paid for the Water Smart Landscaping Program as the costs have been incurred. Given current economic conditions, the SNWA must be able to finance this cash flow. To finance these costs, the SNWA must have assurance that the owner will not restore the grass removed as a result of the program payment. Financing this program is expected to improve the SNWA's cash flow in excess of $31 million per year.

The CIP remains in place with no proposed increases. Approximately 93% of the CIP costs remaining after the deferrals discussed above are for Lake Mead's Intake No.3, which is critical to help protect the community from the effects of prolonged drought in the Colorado River Basin. Intake No.3 will draw water from a lake elevation of 860 feet above sea level, 190 feet lower than the current level of intake No.1 and 140 feet lower than the level of intake No.2. The lower intake will provide increased drought protection and improved water quality. It is scheduled to be completed in 2013.

Despite these responsive actions, the SNWA will have to consider an increase to the Regional Commodity Charge in order to complete Intake No.3. On September 17, 2009, the SNWA Board approved Regional Commodity Charge rate increases of $0.10 per 1,000 gallons of water delivered to be effective on January 1, 2011 and 2012. The SNWA will continue to monitor and make appropriate adjustments to maintain its financial integrity.

SNWA Budget Summary and Comparison. The following table sets forth a summary of the 2007-08 and 2008-09 budgets for the SNWA's Proprietary Enterprise Fund, compared to actual results for the fiscal years ended June 30, 2008 and 2009 (unaudited). The table also sets forth information from the SNWA's Final Budget for 2009-10. The following table is presented in budgetary basis and is not intended to conform to GAAP. The budget information in the table also does not identify beginning fund balances that also are available for appropriation and expenditure. See "Summary of Operating Revenues, Expenses and Changes in Fund Equity" below for a history of fund balances in the SNWA Proprietary Enterprise Fund.

SNWA Propriety Enterprise Fund Budget Summary and Comparison - Budgetary Basis

	2008 Budget	2008 Actual	2009 Budget(2)	2009 Actual(1)	2010 Budget
Operating Revenue					
Wholesale delivery charge	$122,445,359	$118,782,982	$125,052,051	$112,551,974	$121,669,339
Groundwater program revenues	2,000,000	1,976,911	2,000,000	2,047,626	914,795
Las Vegas Wash revenues	842,700	1,196,028	1,843,877	690,000	2,192,718
Purveyor administration cost billings	315,410	367,710	2,767,856	379,306	2,648,332
Other revenues	--	2,010,404	--	2,648,858	--
Total operating revenue	125,603,469	124,334,035	131,663,784	118,317,764	127,425,184
Operating Expenses					
Personnel & related	37,677,432	37,430,481	44,175,010	32,481,773	37,681,386
Electric power	45,933,349	35,233,331	43,786,191	39,409,182	40,200,893
Other (3)	69,272,679	63,839,825	86,242,301	71,021,821	45,639,590
Depreciation	55,000,000	57,234,105	65,000,000	59,868,716	65,000,000
Total Operating Expenses	207,883,460	193,737,742	239,203,502	202,781,492	188,521,869
Operating Loss/Income	(82,279,991)	(69,403,707)	(107,539,718)	(84,463,728)	
Non-operating Revenues (Expenses)					
Investment income	26,933,897	24,494,593	14,098,051	10,709,321	13,291,354
Interest expense	(70,820,101)	(65,800,690)	(71,191,644)	(64,366,759)	(81,565,009)
Amortization of refunding costs	240,000	(1,286,877)	(1,500,000)	(1,118,050)	(1,350,000)
Amortization of bond issue costs, premiums and discounts	660,000	944,972	250,000	628,592	230,000
Gain (loss) on sale of assets	--	5,200	--	(753,735)	--
Capital Contributions (4)	239,405,613	210,871,628	183,155,188	95,265,231	83,859,809
Total Non-operating (Expenses)	196,419,409	169,228,130	124,811,595	40,364,600	(69,393,655)
Net Income	$114,139,418	$99,824,423	$17,271,877	$(44,099,128)	$(46,630,531)

(1) Unaudited; interim results only.
(2) Does not include the effects of the budget reductions and deferrals discussed above.
(3) Includes legal and professional, research and development, conservation and other expenses.
(4) Includes regional connection charges (which are budgeted to be approximately 86% lower than the prior year budget) as well as sales taxes and other revenue sources.

Source: Southern Nevada Water Authority.

Summary of Operating Revenues, Expenses and Changes in Fund Equity. Set forth in the following table is a comparative statement of the operating revenues, expenses and changes in fund equity for the SNWA's Proprietary Enterprise Fund for fiscal years 2005 through 2009 (unaudited). The information for fiscal years 2005 through 2008 was derived from the SNWA's CAFRs for those years. The unaudited information for fiscal year 2009 was obtained from the SNWA and remains subject to change and adjustment during the budget process.

The information in this table should be read together with the SNWA's audited basic financial statements for the fiscal year ended June 30, 2008, and the accompanying notes, which are attached to this Official Statement as Appendix B. Financial statements for prior fiscal years can be obtained from the sources listed in "INTRODUCTION--Additional Information." A summary of the SNWA's significant accounting policies can be found in Note 1 in the audited financial statements attached hereto as Appendix B.

SNWA Summary of Operating Revenues, Expenses and Changes In Fund Equity

Fiscal Year Ending June 30,	2005 (Actual)	2006 (Actual)	2007 (Actual)	2008 (Actual)	2009 (Unaudited)(1)
Operating Revenues					
Wholesale delivery charge (2)	$100,460,557	$115,532,042	$121,449,812	$118,782,982	$112,551,974
Groundwater management fees	2,039,010	1,952,143	1,953,768	1,976,911	2,047,626
Las Vegas Wash revenues	1,071,600	1,074,374	842,700	1,196,028	690,000
Purveyor admin cost reimbursements	361,958	351,527	359,042	367,710	379,306
Other revenues	--	--	1,586,346	2,010,404	2,648,858
Total operating revenues	103,933,125	118,910,086	126,191,668	124,334,035	118,317,764
Operating Expenses					
Personnel & related	29,082,767	32,131,870	33,754,022	37,430,481	32,481,773
Electric power	54,461,787	56,584,777	47,268,452	35,233,331	39,409,182
Other	51,321,569	38,966,643	43,170,486	63,839,825	71,021,821
Depreciation	48,259,934	50,389,946	53,032,871	57,234,105	59,868,716
Total operating expenses	183,126,057	178,073,236	177,225,831	193,737,742	202,781,492
Operating Loss	(79,192,932)	(59,163,150)	(51,034,163)	(69,403,707)	(84,463,728)
Non-operating Revenues (Expenses)					
Investment income	13,887,489	13,370,675	29,484,713	24,494,593	10,709,321
Interest expense	(64,248,754)	(66,031,609)	(70,962,485)	(65,800,690)	(64,366,759)
Amortization of refunding costs	(186,214)	(978,821)	(1,467,458)	(1,286,877)	(1,118,050)
Amortization of bond issue costs, premiums and discounts	(655,616)	(25,329)	540,036	944,276	628,592
Other	1,136	491,492	835,062	5,200	(753,735)
Total Non-Operating (Expenses)	(51,201,959)	(53,173,592)	(41,570,132)	(41,643,498)	(54,900,631)
Net Loss before Capital Contribution	(130,394,891)	(112,336,742)	(92,604,295)	(111,047,205)	40,364,600
Capital Contributions (3)	311,551,073	396,406,624	239,207,602	210,871,628	95,265,231
Net Income (loss)	181,156,182	284,069,882	146,603,307	99,824,423	(44,099,128)
Fund Equity - Beginning of Year (4)	847,854,581	1,029,010,763	1,313,080,645	1,459,683,952	1,559,508,375
Fund Equity - End of Year (4)	$1,029,010,763	$1,313,080,645	$1,459,683,952	$1,559,508,375	$1,515,409,247

(1) Unaudited information only. Subject to change and adjustment during the audit process.
(2) The large increase in 2006 is due to the increase in Wholesale Delivery Charges to $252 per acre foot (from $243 per acre-foot).
(3) Includes Regional Connection Charge, Regional Commodity Charge and Regional Reliability Charge as well as other revenue sources. See Note 16 to the Basic Financial Statements in Appendix B for a description of the capital contributions.
(4) Fund Equity includes the value of all assets attributable to the proprietary fund, not just those acquired during the year presented.

Source: Derived from the SNWA's audited financial statements for the years ended June 30, 2005 through 2008 and from unaudited fiscal year 2009 information provided by the SNWA.

SNWA Outstanding Obligations

General. The SNWA may issue bonds or enter into interlocal agreements with other governments pursuant to which bonds are issued for the benefit of the SNWA and the payment of which is the responsibility of the SNWA. The SNWA has issued bonds through or entered into such interlocal agreements with the LVVWD, the County (which loans money to the SNWA through its Bond Bank) and the State (which also loans money to the SNWA through its

bond bank). These obligations are payable from the SNWA Water Revenues, or specified portions thereof. Generally, the SNWA Water Revenues are those revenues received by the SNWA from its operation of the SNWS including, without limitation, water revenues received by the SNWA from the Municipal Water Users pursuant to the Operations Agreement.

Outstanding SNWA Obligations. The following table illustrates the SNWA's outstanding long-term obligations as of November 1, 2009 (after taking the issuance of the 2009 Bonds and the Refunding into account).

SNWA Obligations*
(As of November 1, 2009)

	Issue Date	Original Amount	Principal Outstanding
SNWA SUPERIOR OBLIGATIONS (1)			
CRC Refunding Bonds, Series September 15, 1997B	09/15/97	$ 5,545,000	$ 2,210,000
CRC Refunding Bonds, Series 2003C	09/01/03	21,515,000	610,000
CRC Refunding Bonds, Series 2005H	04/13/05	36,130,000	31,620,000
CRC Refunding Bonds, Series 2006D	07/18/06	111,840,000	96,785,000
Total SNWA Superior Obligations			131,225,000
PARITY OBLIGATIONS			
MBRA Parity Obligations (2)			
Refunding Bonds, Series 2003B	01/01/03	250,000,000	212,265,000
Refunding Bonds, Series 2005B	05/04/05	27,925,000	7,010,000
Refunding Bonds, Series 2008B	02/19/08	171,720,000	170,025,000
Taxable BABS, Series 2009A	08/05/09	90,000,000	90,000,000
2009B Bonds	08/05/09	10,000,000	10,000,000
Total MBRA Parity Obligations			489,300,000
The Notes (3)	various	400,000,000	400,000,000
Total MBRA Obligations			889,300,000
SNWA Parity Obligations (4)			
SNWA Water Revenue Bond, Series 2000	07/01/00	200,000,000	0(5)*
SNWA Water Revenue Bond, Series 2001	06/01/01	250,000,000	37,385,000(5)*
SNWA Water Revenue Bond, Series 2002	11/01/02	200,000,000	69,730,000(5)*
CRC Refunding Bonds, Series 2005I	04/13/05	65,300,000	62,500,000
SNWA Water Revenue Refunding Bond, Series 2006	06/13/06	242,880,000	238,630,000
SNWA Water Revenue Bond, Series 2006	11/02/06	604,140,000	591,925,000(5)*
SNWA Water Revenue Bonds, Series 2008	07/02/08	400,000,000	385,960,000(5)*
The SNWA Bond (this issue)	11/10/09	49,975,000*	49,975,000(5)*
Total SNWA Parity Obligations			1,436,105,000(5)*
Total Parity Obligations			2,325,405,000(5)*
SUBORDINATE OBLIGATIONS (6)			
SNWA Bonds, Series July 1, 1998 (State Bond Bank)	07/09/98	300,000,000	21,350,000
State of Nevada Safe Drinking Water Loan #1	09/01/99	12,269,695	7,518,378
State of Nevada Safe Drinking Water Loan #2	06/29/01	10,000,000	6,797,060
SNWA Refunding Bonds, Series 2005F (State Bond Bank)	05/17/05	249,365,000	242,650,000
Total			278,315,438
OTHER SUBORDINATE OBLIGATIONS (7)			
Subordinate Lien Revenue Bond (Clean Renewable Energy), Series 2008	07/30/08	6,900,000	6,440,000
TOTAL OUTSTANDING SNWA OBLIGATIONS			$2,741,385,438(5)*

Footnotes on the following page.

* Subject to change.

(1) Payable from the SNWA Water Revenues prior to any payments under the MBRA. No SNWA Water Revenues become subject to the MBRA until all SNWA operation and maintenance expenses and all obligations with respect to the SNWA Superior Obligations are satisfied.
(2) SNWA Water Revenues are available to fund the MBRA after the SNWA Superior Obligations are paid.
(3) Payable from the SNWA Pledged Revenues after payment of the MBRA Parity Obligations. The LVVWD is authorized to have a maximum of $400,000,000 in Notes outstanding at any time; all of which are outstanding.
(4) The SNWA Parity Obligations are not payable from the MBRA, but do have a lien on the SNWA Water Revenues that is on a parity with the lien thereon of the MBRA.
(5) Includes the issuance of the SNWA Bond and takes the Refunding into account.
(6) Payable from SNWA Water Revenues after payment of the SNWA Parity Obligations.
(7) The SNWA's Subordinate Lien Revenue Bond (Clean Renewable Energy), Series 2008 (the "CREBS") have a lien on the SNWA Water Revenues that is subordinate to the lien thereon of the MBRA and the SNWA Parity Obligations and on a parity with the obligations listed as "Subordinate Obligations" in the table above. The CREBS also is secured with a lien on the quarter-cent Sales Tax (discussed in "SOUTHERN NEVADA WATER SYSTEM--Capital Improvement Funding Plan - The CIP" below).

Source: Southern Nevada Water Authority; compiled by NSB Public Finance.

SNWA Total Debt Service Requirements. The following table sets forth the debt service requirements for all of the outstanding bonds and other obligations payable from the SNWA Water Revenues (except the Notes). This table is as of November 1, 2009, but *does not* take the issuance of the SNWA Bond into account, nor does it reflect the effect of the Refunding Project., after taking the Refunding into account.

SNWA Annual Debt Service Requirements (1)

Fiscal Year Ending June 30	Total Debt Service on Outstanding Superior Obligations	Total Debt Service on Outstanding Parity Obligations(2)	Total Debt Service on Outstanding Subordinate Obligations	Grand Total
2010(4)	$ 3,218,044	$ 105,810,956	$ 22,110,372	$ 240,168,371
2011	11,948,250	142,493,800	23,660,754	332,544,854
2012	11,630,672	142,449,025	23,654,622	331,814,016
2013	11,472,072	142,497,363	23,654,740	331,593,609
2014	10,668,088	143,215,325	23,644,983	331,411,808
2015	10,666,213	143,218,050	23,639,226	331,407,751
2016	10,651,088	141,443,050	23,635,969	327,824,244
2017	10,642,213	138,897,644	23,633,712	322,713,424
2018	10,633,713	138,893,456	23,626,080	322,680,417
2019	10,624,838	138,898,006	23,621,573	322,667,260
2020	10,614,838	138,887,219	23,613,566	322,617,678
2021	10,602,963	138,886,350	22,738,771	321,717,396
2022	10,593,169	138,885,344	22,390,044	321,347,069
2023	10,585,413	138,908,481	22,037,191	321,024,979
2024	10,574,200	138,944,819	21,574,500	320,612,538
2025	10,557,825	138,960,731	21,566,625	320,603,738
2026	11,323,025	139,026,550	21,573,500	322,272,650
2027	11,308,894	125,408,369	21,572,625	295,007,150
2028	11,286,844	107,150,506	22,417,500	259,292,200
2029	0	103,845,488	0	207,690,975
2030	0	103,684,900	0	207,369,800
2031	0	88,665,900	0	177,331,800
2032	0	72,186,675	0	144,373,350
2033	0	59,348,850	0	118,697,700
2034	0	59,310,130	0	118,620,260
2035	0	59,265,268	0	118,530,535
2036	0	59,221,830	0	118,443,660
2037	0	59,175,113	0	118,350,225
2038	0	59,127,310	0	118,254,620
2039	0	58,465,890	0	116,931,780
Total	$199,602,356	$3,365,172,396	$434,366,351	$7,563,915,855

(1) Excludes debt service on the Notes. Also does not take the issuance of the SNWA Bond or the Refunding into account.

(2) Combined debt service on the MBRA Parity Obligations and the SNWA Parity Obligations (other than the SNWA Bond). With respect to the LVVWD Bonds, Series 2009A, the amounts shown are net of a Build America Bond Credit ("BAB Credit") equal to 35% of the interest due on those bonds. If the BAB Credit is not received, the interest due will be higher.

(3) Debt service remaining as of November 1, 2009.

Source: Southern Nevada Water Authority; compiled by the Financial Advisors.

Additional Obligations. See Notes 12 and 18 in the audited financial statements attached hereto as Appendix B for a description of certain other SNWA commitments, including operating leases, forward power contracts and gas and power swaps as of June 30, 2008. Investors are cautioned that market conditions, which can change at any time, may affect the value of certain of the contracts and other commitments involved to an extent that cannot be stated at this time.

The SNWA also reimburses the LVVWD for amounts paid as operating expenses on its behalf. The LVVWD has allocated a portion of its OPEB liability to the SNWA; however, the SNWA has not yet reimbursed the LVVWD for such amounts. See Note 11 in the audited financial statements attached hereto as Appendix B for a description of those related party transactions.

SNWA Additional Contemplated Indebtedness

The LVVWD, on behalf of the SNWA, currently is authorized to issue an additional $400 million of bonds to fund the remaining costs of the third intake at Lake Mead. The SNWA currently anticipates that the LVVWD will issue the remaining $400 million of that amount on its behalf in late 2009. However, the timing of those issuances may change based upon SNWA needs.

The SNWA anticipates that it will issue additional bonds in the future to fund portions of its capital plans (see "SOUTHERN NEVADA WATER SYSTEM--Capital Improvement Funding Plan") below; several projects remain to be completed. The SNWA reserves the right to issue additional bond or other obligations as needed upon the satisfaction of all legal requirements.

SOUTHERN NEVADA WATER SYSTEM

The Service Area

The Southern Nevada Water System treats and delivers wholesale water to entities that serve the major metropolitan areas of Clark County, Nevada. This service area is arid desert characterized by small amounts of precipitation, little snow, low humidity, abundant sunshine, short and relatively mild winters, long, hot summers, and wide extremes in daily temperatures.

According to the U.S. Bureau of Census, the County experienced a population increase of approximately 86% from 741,459 in 1990, to 1,375,765 in 2000. The State Demographer estimated the County's 2008 population to be 1,967,716.

Water Supply in the Service Area

General. The Big Bend Water District, City of Boulder City, City of Henderson, City of North Las Vegas, and Las Vegas Valley Water District are purveyor members (or Municipal Water Users) of the SNWA and provide retail potable water service to approximately 96% of the population of Clark County. There are two primary sources of water supply in the SNWS service area - Colorado River water and groundwater. Permanent groundwater supplies totaling approximately 46,000 acre-feet per year are owned by the City of North Las Vegas and the LVVWD. Prior to the 1970's, water providers relied on groundwater sources to provide water service. Since that time, Colorado River water (discussed below) has become the primary source and has provided the overwhelming majority of water. Although the SNWA continues to pursue groundwater rights (see "Integrated Water Planning; In-State Water Resources" below), that situation is not expected to change for the foreseeable future. Colorado River water is delivered primarily through the SNWS. The SNWA also provides wholesale water service to Nellis Air Force Base through the SNWS.

The State's annual consumptive use right to Colorado River water is 300,000 acre-feet. This right was established pursuant to the Colorado River Compact, various federal laws and contracts and various court decrees. Consumptive use is the amount of water withdrawn, less water that is returned to the river. The SNWA and its purveyor members' share of the State's annual Colorado River consumptive use right is about 272,000 acre-feet annually. In the twelve months ending in April 2009, the SNWA diverted approximately 429,743 acre-feet to consumptively use this amount, including approximately 84 acre-feet for water banking under the Southern Nevada Water Bank. In addition, approximately 45,000 acre-feet has been stored in the California water bank. See Note 8 in the audited financial statements attached hereto as Appendix B. The diversion figure takes into account the fact that the SNWA's members return water to the Colorado River system, thereby increasing the total amount of water available for delivery. The SNWA also has a contract right to unused and surplus Colorado River water when available as determined by the Secretary of the Interior. See "Seven Basin States Proposal" below.

In January 2001, the Secretary of the Interior (the "Secretary") approved the Colorado River Interim Surplus Guidelines (the "Guidelines"); the Guidelines were amended effective December 2007. The Guidelines are designed to reduce California's overuse of its 4.4 million acre-feet allocation of Colorado River water and will be used to determine the

availability of "surplus" Colorado River water for use within the states of Arizona, California and Nevada. See "Seven Basin States Record of Decision" below.

Additional Purveyors. There are additional water purveyors located in Clark County that are not customers of the SNWA. These purveyors include the Virgin Valley Water District, which serves the City of Mesquite and the surrounding area, and the Moapa Valley Water District, which serves Logandale, Overton, Moapa, and Glendale. In addition, the LVVWD provides water service to the communities of Jean, Kyle Canyon, Blue Diamond, and Searchlight. Water supplies for these communities are supplied from locally available water resources.

Water Resource Plan, Drought Planning and Integrated Water Resource Planning

General. As part of its mission, the SNWA maintains several key planning documents, including a Water Resource Plan and a Drought Plan. The SNWA Water Resource Plan and Drought Plan are reviewed annually and updated as needed. These documents summarize existing resources and options that reflect current conditions. The most current Water Resource Plan, which is discussed below, can be viewed on SNWA's website at http://www.snwa.com/html/wr_resource_plan.html. The most current Drought Plan, which is discussed below, can be viewed on SNWA's website at http://www.snwa.com/html/drought_plan.html.

Water Resource Plan. The first SNWA Water Resource Plan, which provides a comprehensive overview of water resources and demands in southern Nevada, was adopted in 1996. The plan is reviewed annually and updated as needed, most recently in May 2009. The 2009 Water Resource Plan represents the eighth revision. The SNWA Water Resource Plan provides a demand projection for southern Nevada for a 50-year period and outlines a portfolio of resource options to meet the projected demand. This resource portfolio includes local groundwater, as well as Nevada's 300,000 acre-feet basic Colorado River apportionment, surplus Colorado River water when available, wastewater reuse and other current and potential supplies.

In addition, the SNWA amended its agreement with the Arizona Water Banking Authority in 2004 to guarantee the availability of 1.25 million acre-feet of Colorado River water storage credits for Nevada's future use. Under the amended storage agreement, the SNWA is entitled to consumptively use up to 20,000 acre-feet annually in 2007 and 2008, up to 30,000 acre-feet annually in 2009 and 2010, and up to 40,000 acre-feet annually in 2011 and beyond. The amended agreement will remain in force until the SNWA uses all its storage credits or June 1, 2060, whichever comes first. In 2004, the SNWA also entered into agreements with the Metropolitan Water District of Southern California ("MWD") and the federal Bureau of Reclamation to store a portion of the State's unused Colorado River water in southern California until it is needed; under those agreements, the State can recover up to 30,000 acre-feet per year from the storage account, with six months advance notice provided to MWD. The acquisition and use of Colorado River water remains one of the best and most cost-effective options to meet future demands in southern Nevada, surpassed only by conservation.

See Notes 8 and 18 in the audited financial statements attached hereto as Appendix B for a further description for a further description of the SNWA's natural resource rights.

Drought Plan. The Colorado River Basin is experiencing one of the worst droughts on record, which impacts Lake Mead reservoir levels. Should the drought worsen and reservoir levels along the Colorado River decline low enough, the Lower Basin States (including Nevada) could see their basic apportionment of Colorado River water curtailed in some years. This shortage condition is the worst-case scenario on the river. As part of its response to these drought conditions, the SNWA and its member agencies have prepared the regional Drought Plan as a supplement to the SNWA Water Resource Plan. The original Drought Plan has been amended several times, most recently in February 2009.

The Drought Plan establishes stages of drought conditions (No Drought, Drought Watch, Drought Alert and Drought Critical). The Drought Plan clarifies the overall process for declaring drought stages. In determining whether the various drought stages exist, the SNWA Board will consider the Lake Mead water level projections from the Bureau of Reclamation in conjunction with the community's conservation achievements, projected water demands and other related factors. To date, measures restricting water demands have been developed for Drought Watch and Drought Alert. Those restrictions include watering restrictions, golf course watering budgets, more restrictive landscape development codes for new developments and water waste enforcement and fees. Restrictions for a Drought Critical stage will depend on resource needs at the time and will be developed to achieve the greatest level of water savings. Those restrictions will be defined and incorporated into the Drought Plan prior to any declaration of Drought Critical.

Local purveyors in the Las Vegas Valley (including the LVVWD) have enacted ordinances to support enforcement of the restrictions included in the Drought Plan and also have implemented rate increases to promote additional conservation and greater awareness of drought conditions. The drought stage currently is Drought Alert.

Integrated Water Planning Process. The SNWA is engaged in the development of additional in-state water resources. The development of these in-state resources will be a significant focus of the SNWA over the next decade. Currently, the SNWA is in the preliminary stages of planning and environmental compliance for the construction of necessary infrastructure to transport unused groundwater in Clark, Lincoln and White Pine counties to the Las Vegas Valley. Applications for various rights-of-way have been submitted to the appropriate Bureau of Land Management ("BLM") offices and technical analyses are underway. In September 2006, the SNWA participated in its first hearings before the State Engineer to consider the SNWA's applications for unappropriated groundwater in Spring Valley, Nevada. During those hearings, the SNWA presented its plan to convey groundwater from Lincoln and White Pine Counties to Clark County. In April 2007, the State Engineer approved a portion of the groundwater rights applications, enabling SNWA to develop a maximum of 60,000 acre-feet annually from the basin. To aid in the management of the Spring Valley, SNWA has begun to acquire a number of ranch properties, and the water rights associated with them; the ranches will be an essential tool in managing the overall groundwater system in Spring Valley. See Notes 8 and 18 in the audited financial statements attached hereto as Appendix B for a description of recent water right acquisitions. In the spring of 2008, the SNWA amended prior agreements with the Virgin Valley Water District and the Moapa Valley Water District ("MVWD") to implement the acquisition and development of Virgin Valley River water rights and Muddy River water rights and to provide for the development, treatment and transport of Coyote Spring Valley groundwater through the MVWD system.

Seven Basin States Record of Decision

On December 13, 2007, the Secretary of the Interior ("Secretary") signed a Record of Decision ("ROD") approving adoption of "Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead." The ROD is the result of a lengthy public process that began in 2005 when the Secretary requested input from the seven states of the Colorado River Basin ("Seven Basin States") and other stakeholders regarding development of additional operational guidelines and tools to meet the challenges of the ongoing drought in the Colorado River Basin. During this process, the Bureau of Reclamation issued a Draft Environmental Impact Statement and a Final EIS that reflected comments from the Seven Basin States, general public and other interested parties.

The ROD approves and outlines specific interim Lower Basin shortage guidelines and coordinated management strategies for Lakes Powell and Mead under low reservoir conditions. Except for several operational refinements as a result of the public input, the approved guidelines and strategies substantially reflect a conceptual plan and subsequent comments developed by the Seven Basin States and submitted to the Secretary on February 3, 2006 and April 30, 2007, respectively. These guidelines and strategies, which are intended to remain in effect through 2036 regarding water supply and through 2026 regarding reservoir operating decisions, include:

- Establishment of discrete levels of shortage volumes associated with Lake Mead elevations to conserve reservoir storage and provide water users and managers in the Lower Basin with greater certainty to know when, and by how much, water deliveries will be reduced in drought and other low reservoir conditions;

- Coordinated operation of Lake Powell and Lake Mead determined by specified reservoir conditions that would minimize shortages in the Lower Basin and avoid the risk of curtailments in the Upper Basin;

- A mechanism to encourage and account for augmentation and conservation of water supplies, referred to as Intentionally Created Surplus ("ICS"), that would minimize the likelihood and severity of potential future shortages; and

- The modification and extension of the Interim Surplus Guidelines through 2025.

Other elements of the agreement relating to tributary and imported water will be in effect past the expiration of reservoir operating and water supply guidelines and strategies.

As approved and adopted, the new guidelines implement interim reservoir operations that are designed to minimize shortages in the Lower Basin and avoid the risk of curtailments in the Upper Basin through an operating strategy for Lakes Powell and Mead that strives to balance the water supply between these reservoirs, while maximizing their use. The guidelines replace the existing Interim Surplus Guidelines by extending the Interim Surplus Guidelines through 2025, with amendments that (a) remove the partial domestic surplus category (which was implemented in 2001), (b) limit domestic surpluses for the Metropolitan Water

District, Arizona and the SNWA to 250,000 acre-feet, 100,000 acre-feet, and 100,000 acre-feet per year, respectively, during the years 2016 through 2025, and (c) implement shortage conditions when Lake Mead's elevation is at 1,075 feet or lower. The guidelines also provide an opportunity for Lower Basin States to develop, store and access ICS water through extraordinary conservation efforts, tributary conservation, system efficiency projects or importation of non-Colorado River water into the mainstream of the Colorado River. In any one year, the creation of extraordinary conservation ICS for California, Nevada and Arizona will be limited to 400,000 acre-feet, 125,000 acre-feet, and 100,000 acre-feet, respectively, while the maximum amount of extraordinary conservation ICS water that California, Nevada and Arizona can accumulate at any one time is limited to 1.5 million acre-feet, 300,000 acre-feet, and 300,000 acre-feet, respectively. These limits do not apply to other categories of ICS water available to Nevada.

With regard to shortage conditions, Arizona and Nevada have executed a Shortage Sharing Agreement premised upon the Secretary's reductions in deliveries with the United States of 333,000, 417,000 and 500,000 acre-feet per year based upon specific Lake Mead elevations. The Shortage Sharing Agreement between Arizona and Nevada is based on the assumption that the United States would also determine how it will reduce the quantity of water to Mexico during declared shortages.

The ROD also activates an existing agreement between the Seven Basin States ("Seven States Agreement") to diligently pursue interim water supplies, system augmentation, system efficiency and water enhancement projects within the Colorado River system, including the addition of new sources of supply to the Colorado River Basin (including but not limited to importation from outside the Colorado River Basin or desalination of ocean water or brackish water).

The SNWA believes that the ROD and associated guidelines are a major advancement in the management of Colorado River water resources with significant benefits to southern Nevada. The guidelines provide for the development of procedures that will allow Nevada's pre-compact tributary and imported groundwater water resources to be introduced, conveyed through and diverted from the Colorado River system. Ninety-five percent of this water would be recoverable and available during any shortage and could contribute to return flow credits. As the SNWA pursues development of available groundwater supplies within Nevada, these procedures would provide opportunity for the southern Nevada area to significantly extend the use of these resources. The guidelines also allow Nevada to participate in the implementation of system efficiency projects such as the Drop 2 Reservoir along the All American Canal in California and the Yuma Desalting Plant in Arizona, as well as future augmentation projects. Participation in the Drop 2 project will give Nevada access to a one-time supply of water (at least 400,000 acre-feet) that can be accessed in future years on an as-needed basis.

Historic Water Demand

The following table sets forth treated water deliveries by the SNWA to each of the Municipal Water Users and Nellis Air Force Base during the past ten fiscal years:

Annual Treated Water Delivered by the Southern Nevada Water System(1)

Fiscal Year Ended June 30	Boulder City	Henderson	Las Vegas Valley Water District	Nellis Air Force Base	North Las Vegas	Total Deliveries
2000	9,719	52,344	316,547	2,382	37,731	418,224
2001	10,251	56,593	323,184	1,596	38,799	430,813
2002	11,519	62,970	315,467	1,938	49,527	441,421
2003	13,038	66,507	314,447	1,938	49,527	445,456
2004	11,939	62,716	334,580	1,837	45,180	456,252
2005 (2)	10,367	62,473	298,261	1,938	43,096	416,134
2006	10,887	66,451	328,012	2,022	49,527	456,899
2007	11,239	69,738	344,200	2,682	55,436	483,294
2008	11,345	66,897	328,435	2,664	53,987	463,329
2009	11,121	64,611	301,854	1,797	51,306	430,869

(1) Acre-feet. Amounts may not total due to rounding.
(2) Reduction in water deliveries is due, in part, to the public's response to drought restrictions and retail prices and to banked water of 10,000 acre feet in Arizona and 10,000 acre feet in California.

Source: Southern Nevada Water Authority.

Water System Facilities

The SNWS has two major components: Transmission Facilities and Treatment Facilities. The Transmission Facilities are composed primarily of pumping and transmission facilities and include source-of-supply intake tunnels at Saddle Island on Lake Mead; a 3.78 mile long, 10-foot diameter tunnel through the River Mountains; approximately 163 miles of water transmission pipelines of various sizes; 30 pumping stations; 34 rate-of-flow control stations; and other appurtenant facilities.

The Treatment Facilities include the Alfred Merritt Smith Water Treatment Facility and the River Mountains Water Treatment Facility, which are used to treat Lake Mead water. Today, the SNWS has a delivery capacity of over 900 mg per day. Raw water is drawn from the Transmission Facilities through two source-of-supply intake tunnels at Saddle Island on Lake Mead and is transported to the treatment plant via the Low Lift Pumping Plants. The Treatment Facilities utilize such processes as ozonation, disinfection, aeration, coagulation, flocculation, filtration and post treatment. Chemicals are added to the raw water for taste and odor control, and to the filtered water for corrosion control and disinfection. All filter backwash water is reclaimed and recycled to the influent of the treatment plant. Sludge from the backwash process is collected, spread on drying beds and then hauled from the plant site. Water is disinfected with chlorine prior to leaving the plant. If necessary, portable chlorination equipment can be connected to the injection points at the terminal delivery sites. As an alternative to chlorination, a chlorine dioxide system at the plant could be utilized, if necessary, in order to reduce the formation of trihalomethanes during the more troublesome winter months.

Treated water exits the plant to a High Lift Pumping Plant where it is then either routed to a pipeline providing water to Boulder City or to two tunnels through the River Mountains to the Las Vegas Valley. From the western tunnel portal, water is delivered to the Municipal Water Users by way of lateral pipelines.

The electrical power needs of the SNWS are supplied from several sources, including purchases from Nevada Energy, purchases from the Colorado River Commission (CRC), and obligations to pay the costs associated with several pass-through contracts purchased by CRC and paid for by the SNWA. The SNWA also owns 25% of the 500-megawatt Silverhawk power plant that is expected to eventually supply approximately 50% of SNWA's power needs.

The water treatment facilities that are a part of the SNWS are subject to regulatory requirements relating to State law and the Federal Safe Drinking Water Act. The SNWS has met the primary and secondary standards established by the Federal Safe Drinking Water Act in all areas. In the area of total dissolved solids, the SNWS has exceeded the Safe Drinking Water Act recommended standard but has met State standards for this parameter, which is less stringent than the Safe Drinking Water Act recommended standard. Increased Federal and State regulation of facilities such as the SNWS may be anticipated in the future. The SNWA cannot predict the impact of such regulations, if any, on the operation of the SNWS or the costs thereof.

Capital Improvement Funding Plan

General. The SNWA maintains three capital construction programs: (1) the Capital Improvements Plan ("CIP") which includes those capital projects that collectively expand capacity of the SNWS from 400 million gallons per day ("mgd") in 1996 to 900 MGD by 2014, (2) the Major Construction and Capital Plan ("MCCP") which, pursuant to the Operations Agreement, includes capital projects not associated with the CIP, and (3) the Las Vegas Wash Capital Improvements Plan ("LVWCIP"), which are capital projects associated with improving water quality in the Las Vegas Wash, the natural channel that drains the Las Vegas valley into Lake Mead. The LVWCIP is comprised of approximately $140 million in projects to be funded by a portion of the SNWA's sales tax (discussed below) and various grants. See Note 9 in the audited financial statements attached hereto as Appendix B for a further description of the three capital construction programs.

The CIP. The CIP is intended to be completed by 2014. It is updated annually as part of the SNWA's budget process; the most recent amendment was approved in December 2008. Approximately $2.5 billion of the SNWA's $2.9 billion CIP had been spent or committed through February 2009. The funding for most of these expenditures has come from the sale of tax-exempt municipal bonds. These bonds are being repaid from the following revenue sources (1) Regional Connection Charge; (2) Quarter Penny Sales Tax; (3) Regional Commodity Charge; (4) Regional Reliability Surcharge; and (5) the Southern Nevada Public Lands Management Act. Each is discussed below.

The Regional Connection Charge is applied to any new customer who connects to the system of one of the SNWA's participating purveyor members. The charge is collected by the purveyor member and remitted to the SNWA monthly. The amount is based on various factors. Since inception in March 1996 through July 2009, the SNWA has received approximately $1.291 billion in Regional Connection Charges. This revenue source has been volatile, but is expected to provide more than half of the revenue for the CIP.

The second major source of revenue for the CIP is sales tax. This ¼ of 1% sales tax (the "Sales Tax") was added to the County sales tax rate in April 1999. This revenue is collected by the State Department of Taxation and remitted to the SNWA monthly with a two-

month lag. The SNWA shares this revenue with wastewater agencies in the Las Vegas valley, rural water and wastewater systems, and for projects related to the Las Vegas Wash (a tributary that channels storm water, urban runoff, shallow groundwater and highly-treated wastewater into the Las Vegas Bay at Lake Mead). The Sales Tax will sunset on June 30, 2025, or when $2.3 billion has been collected, whichever occurs first. During the term that the Sales Tax is levied, the SNWA is projected to receive about 58% of the gross proceeds; that amount is expected to provide approximately 28% of the CIP revenue. The SNWA has received approximately $454 million of the $727 million gross Sales Tax collected through August 2009. The Sales Tax revenues can be used to make CIP debt service payments, or to pay construction costs directly which reduces the amount of money that needs to be borrowed. The SNWA plans to use most of the Sales Tax to pay construction costs directly.

The third major revenue source for the CIP is the Regional Commodity Charge. This charge is $0.10 per 1,000 gallons of water delivered from any source by the purveyor members of the SNWA. This charge is collected by purveyor members and remitted to the SNWA monthly. Through July 2009, the SNWA has received approximately $113.5 million of Regional Commodity Charge revenues. This revenue source is projected to provide 10% of total CIP revenue.

The Regional Reliability Surcharge is a charge added to the water bills of the SNWA purveyor members. The charge is 0.25% of the total water bill for residential customers and 2.5% for commercial customers. Through July 2009, the SNWA has received approximately $36.2 million of Regional Reliability Surcharge revenues. This revenue source is projected to provide 5% of CIP revenue.

The Southern Nevada Public Lands Management Act ("SNPLMA") is a 1998 federal law that gives the SNWA 10% of the sale price of certain public lands in Clark County to defray some of the cost of the SNWA CIP. This revenue was not anticipated when the CIP Funding Plan was developed in 1997. Because which parcels of land will be sold and their sale prices are unknown, revenue is not predictable. Through May 2009, the SNWA has received $287 million from the SNPLMA.

The MCCP. The MCCP defines and authorizes projects that are necessary to maintain facilities in a sound and functional condition, maintain or improve water quality, develop water resources, reduce operating costs, address environmental and safety issues, provide support facilities (including power), and meet other objectives defined by the SNWA Board. As most recently amended in December 2008, the MCCP currently authorizes projects totaling approximately $1.2 billion. The largest items currently in the MCCP are funds for Colorado River supplies ($489 million), water resource acquisition and development costs ($125 million), and Clark, Lincoln and White Pine county groundwater development costs ($106 million). Of the $1.2 billion in projects currently authorized by the MCCP, approximately 83% is expected to be funded by new expansion revenues and approximately 17% is expected to be funded by the wholesale delivery charge.

.

ECONOMIC AND DEMOGRAPHIC INFORMATION

This portion of the Official Statement contains general information concerning the economic and demographic conditions in the County. This information is intended only to provide prospective investors with general information regarding the County's community. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. The information presented was obtained from the sources indicated, and the County makes no representation as to the accuracy or completeness of the data obtained from parties other than the County.

Population and Age Distribution

The table below shows the population growth of the City, the County and the State since 1970. Between 2000 and 2008, the City's population increased by 24.1%, the County's population increased by 43.0% and the State's population increased by 37.1% over the same time period.

Population(1)

Year	Clark County	Percent Change	State of Nevada	Percent Change
1970	273,288	--	488,738	--
1980	463,087	--	800,493	--
1990	741,459	--	1,201,833	--
2000	1,375,765	--	1,998,257	--
2001	1,485,855	8.0%	2,132,498	6.7%
2002	1,549,657	4.3	2,206,022	3.5
2003	1,620,748	4.6	2,296,566	4.1
2004	1,715,337	5.8	2,410,768	5.0
2005	1,796,380	4.7	2,518,869	4.5
2006	1,874,837	4.4	2,623,050	4.1
2007	1,954,319	4.2	2,718,337	3.6
2008	1,967,716	0.7	2,738,733	0.8

(1) 1970, 1980, 1990 and 2000 are U.S. census figures as of April 1st of each census year. The 2001-2008 figures are estimated by the Nevada State Demographer as of July 1st and are subject to periodic revision.

Source: U.S. Bureau of the Census; State Demographer.

The following table sets forth a comparative age distribution profile for the County, the State and the United States as of January 1, 2008.

Age Distribution

Age	Percent of Population		
	Clark County	State of Nevada	United States
0-17	25.8%	25.3%	24.4%
18-24	8.5	8.7	9.8
25-34	15.4	14.7	13.4
35-44	15.4	14.8	14.2
45-54	13.3	13.8	14.5
55-64	10.8	11.2	11.0
65-74	6.3	6.7	6.6
75 and Older	4.5	4.8	6.1

Source: Trade Dimensions International, Inc. "Demographics USA 2008," County Edition.

Income

The following two tables reflect Median Household Effective Buying Income ("EBI") and also the percentage of households by EBI Groups. EBI is defined as "money income" (defined below) less personal tax and nontax payments. "Money income" is defined as the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income. unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deductions are made for personal income taxes (federal, state and local), personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied nonbusiness real estate. The resulting figure is known as "disposable" or "after-tax" income.

Median Household Effective Buying Income

Year	Clark County	State of Nevada	United States
2004	$41,208	$41,389	$38,201
2005	42,168	42,322	39,324
2006	43,682	43,676	40,529
2007	45,135	45,041	41,255
2008	48,012	47,381	41,792

Source: Sales and Marketing Management, "Survey of Buying Power," 2004-2005 editions; and Trade Dimensions International, Inc. "Demographics USA, 2006-2008," County Edition.

Percent Of Households By Effective Buying Income Groups - 2008

Effective Buying Income Group	Clark County	State of Nevada	United States
Under $24,999	20.4%	20.9%	26.8%
$25,000 - $49,999	31.8	32.0	33.3
$50,000 - $74,999	23.3	23.3	19.7
$75,000 - $99,999	13.7	13.4	11.0
$100,000 - $149,999	7.0	6.7	6.0
$150,000 or more	3.8	3.7	3.2

Source: Trade Dimensions International, Inc. "Demographics USA 2008," County Edition.

The following table sets forth annual per capita personal income levels of Clark County, the State and the United States.

Per Capita Personal Income(1)

Year	Clark County	State of Nevada	United States
2003	$30,949	$31,802	$31,504
2004	33,463	34,533	33,157
2005	36,869	37,481	34,690
2006	38,309	38,850	36,794
2007	39,188	39,853	38,615
2008 (2)	n/a	40,353	39,751

(1) County figures revised April 2009, state and national revised March 2009. Subject to periodic revision.
(2) Preliminary.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Employment

Beginning with the release of January 2005 data, the State's Employment and Security Department ("DETR") began publishing labor force and industrial employment data using a new Bureau of Labor Statistics ("BLS") methodology. This new methodology introduces newly-defined metropolitan statistical areas ("MSA"). The Las Vegas MSA has been reconfigured to include Clark County only and is defined as the "Las Vegas - Paradise MSA." Historical data has been revised to reflect the reconstructed Las Vegas - Paradise MSA.

The Las Vegas - Paradise MSA average annual labor force summary as prepared by DETR is as follows:

Average Annual Labor Force Summary(1)
Las Vegas - Paradise MSA, Nevada (Estimates in Thousands)

CALENDAR YEAR	2004	2005	2006	2007	2008	2009(2)
TOTAL LABOR FORCE	836.9	873.4	917.4	953.6	988.0	
Unemployment	38.5	36.4	38.4	45.9	65.1	
Unemployment Rate (3)(4)	4.6%	4.2%	4.2%	4.8%	6.6%	
Total Employment (5)	798.4	837.0	879.0	907.7	922.9	

(1) Revised 2004-2005 numbers as of May 2007; revised 2006-2007 numbers as of April 2008.
(2) Through July 2009.
(3) According to the U.S. Department of Labor, Bureau of Labor Statistics, the U.S. average unemployment rates for the years 2004 through 2008 were 5.5%, 5.1%, 4.6%, 4.6%, and 5.8% respectively, while the average unemployment rate for August 2009 is 9.7%.
(4) The DETR attributes the increased unemployment rate primarily to the housing slowdown which very likely contributed to the weakness in the financial industry and employment services sectors as well.
(5) Adjusted by census relationships to reflect number of persons by place of residence.

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

The following table indicates the number of persons employed, by type of employment, in non-agricultural industrial employment in the Las Vegas - Paradise MSA.

Establishment Based Industrial Employment(1)
Las Vegas-Paradise MSA, Nevada (Clark County)
(Estimates in Thousands)

Calendar Year	2004	2005	2006	2007	2008	2009(2)
Natural Resources and Mining	0.4	0.4	0.5	0.5	0.5	0.4
Construction	88.6	101.5	108.6	102.7	93.4	79.2
Manufacturing	23.4	25.0	27.1	26.7	26.5	24.0
Trade (Wholesale and Retail)	109.8	116.0	121.3	124.2	126.6	118.4
Transportation, Warehousing & Utilities	30.3	32.4	34.8	36.9	37.3	37.1
Information	10.3	10.4	11.0	11.3	11.1	10.4
Financial Activities	46.2	48.8	50.2	50.0	48.6	45.4
Professional and Business Services	95.9	106.1	115.2	116.2	112.5	105.2
Education and Health Services	54.1	57.6	60.1	63.4	66.4	68.4
Leisure and Hospitality (casinos excluded)	81.9	87.4	93.3	98.6	100.4	100.4
Casino Hotels and Gaming	165.8	174.9	178.4	174.5	172.5	156.2
Other Services	22.7	23.5	24.8	25.6	26.1	25.7
Government	83.2	87.5	92.1	97.5	102.1	99.3
TOTAL ALL INDUSTRIES	812.7	871.6	917.3	928.0	924.0	870.2

(1) Totals may not add up due to rounding. Reflects employment by place of work. Does not necessarily coincide with labor force concept. Includes multiple job holders. Subject to periodic revision.
(2) Estimates through July 2009.

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

The following table lists the firm employment size breakdown for the County..

Size Class of Industries(1)
Clark County, Nevada (Non-Government Worksites)

CALENDAR YEAR	1st Qtr 2009	1st Qtr 2008	Percent Change 2009/2008	Employment Totals 1st Qtr 2009
TOTAL NUMBER OF WORKSITES	49,982	49,827	0.3%	735,952
Less Than 10 Employees	38,340	37,269	2.9	89,254
10-19 Employees	5,629	5,882	(4.3)	76,374
20-49 Employees	3,748	4,109	(8.8)	111,715
50-99 Employees	1,291	1,432	(9.8)	89,232
100-249 Employees	672	791	(15.0)	99,669
250-499 Employees	145	168	(13.7)	51,365
500-999 Employees	93	108	(13.9)	64,566
1000+ Employees	64	68	(5.9)	153,777

(1) Subject to revisions.

Source: State of Nevada, Department of Employment Training and Rehabilitation.

The following table is based on unemployment insurance tax account numbers and is an estimate based on reported information. No independent investigation has been made of and consequently no assurances can be given as to the financial condition or stability of the employers listed below or the likelihood that such entities will maintain their status as major employers in the County.

Clark County's Ten Largest Employers
1st Quarter 2009

Employer	Employment Range	Industry
Clark County School District	30,000 - 39,999	Public education
Clark County	9,000 - 9,499	Local government
Wynn Las Vegas	8,500 - 8,999	Casino hotel
Bellagio LLC	8,000 - 8,499	Casino hotel
MGM Grand Hotel/Casino	7,500 - 7,999	Casino hotel
Mandalay Bay Resort and Casino	6,000 - 6,499	Casino hotel
Las Vegas Metropolitan Police	5,500 - 5,999	Police protection
University of Nevada - Las Vegas	5,500 - 5,999	University
Caesars Palace	5,000 - 5,499	Casino hotel
Venetian Casino Resort	4,500 - 4,999	Casino hotel

Source: State of Nevada - Department of Employment, Training & Rehabilitation.

Retail Sales

The following table presents a record of taxable sales in the County and the State.

Taxable Sales(1)

Fiscal Year(2)	County Total	Percent Change	State Total	Percent Change
2005	$32,606,312,337	--	$44,192,447,817	--
2006	35,745,051,299	9.6%	48,581,095,724	9.9%
2007	36,262,388,158	1.5	49,427,707,106	1.7
2008	35,930,373,796	(0.9)	48,196,848,945	(2.5)
2009	31,378,241,926	(12.7)	42,086,614,338	(12.7)

(1) Subject to revision.
(2) Fiscal year runs from July 1 to the following June 30.

Source: State of Nevada - Department of Taxation.

Construction

Construction valuation is a value placed on a project in order to determine permit and plans check fees. Construction valuation has no relationship to assessed valuation. Set forth in the following table is a summary of the number and valuation of new single-family (including townhomes and condos) building permits within the County and its incorporated areas.

Residential Building Permits
(Values in Thousands)

Calendar Year	2005		2006		2007		2008		2009(1)	
	Permits	Value	Permits	Value	Permits	Value	Permits	Value	Permits	Value
Las Vegas	4,270	$ 549,751	2,998	$ 386,419	2,406	$ 319,664	1,092	$262,902	371	$43,183
North Las Vegas	6,889	1,038,382	3,990	633,934	2,346	336,718	907	215,858	284	39,073
Henderson	5,177	683,443	4,326	621,443	2,463	345,828	1,098	146,907	266	34,501
Mesquite	637	83,228	337	50,433	479	66,124	378	60,870	63	8,842
Unincorporated Clark County	13,755	1,848,316	10,022	2,270,947	6,102	2,818,856	2,676	619,447	1,088	122,286
Boulder City (2)(3)	25	9,078	16	7,979	19	4,430	88	15,388	--	--
TOTAL	30,753	$4,212,198	21,689	$3,971,155	13,815	$3,891,620	6,160	$1,309,428	2,072	$247,885

(1) As of July 2009.
(2) Boulder City imposed a strict growth control ordinance effective July 1, 1979.
(3) Due to a new computer program and reporting methods, Boulder City's November 2008 summary reflected an extraordinary amount of activity due to the program change and combining information from both systems. Further, no information is available for 2009 until the program is functional.

Source: Department of Building - Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County Development Services and Boulder City.

The following table is a summary of the total valuation of all building permits within the County and its incorporated areas.

Total Building Permits

Calendar Year	2005	2006	2007	2008	2009(1)
Las Vegas	$1,517,709,030	$1,662,736,850	$1,085,621,651	$ 715,859,589	$604,821,271
North Las Vegas	1,311,961,499	881,272,586	906,339,931	468,943,518	118,477,391
Henderson	1,104,540,539	946,162,801	808,502,032	446,490,205	106,995,443
Mesquite	148,668,272	95,349,631	117,115,672	102,527,883	15,036,202
Unincorporated Clark County	4,221,262,482	4,877,842,956	6,840,305,524	4,219,999,765	731,409,466
Boulder City	20,067,637	29,721,714	14,317,325	36,862,942	-- (2)
TOTAL	$8,324,209,459	$8,493,086,538	$9,772,202,135	$5,990,683,902	$1,576,739,773
% Change	12.07%	2.03%	15.06%	(38.70)%	--

(1) Through July 2009.
(2) Boulder City numbers are not currently available due to computer program problems.

Source: Department of Building - Las Vegas, North Las Vegas, Henderson, Mesquite, Clark County Development Services and Boulder City.

Gaming

General. The economy of the County and the State is heavily dependent upon a tourist industry based on legalized casino gambling. Gaming has been legal in Nevada since 1931 and is controlled and regulated by the State. Control is vested in a five-member Gaming Commission and a three- member Gaming Control Board. All of the board and commission members are appointed by the Governor. These bodies investigate and approve all licenses, establish operating rules, and collect gaming taxes due the State. Prior to 2002, gross taxable gaming revenues in the State and the County had never declined from one fiscal year to the next, notwithstanding the changing economic condition of the nation. The County's gross taxable 2009 gaming revenue represents 83.7% of the State's total 2009 gaming revenue. The following table presents a six-year record of gross taxable gaming revenues and total gaming taxes collected on a State-wide basis and in the County.

Gross Taxable Gaming Revenue and Total Gaming Taxes(1)

Fiscal Year	Gross Gaming Revenue (2)		% Change	State Gaming Collection (3)		% Change
Ended June 30	State Total	Clark County	Clark County	State Total	Clark County	Clark County
2005	$10,609,819,932	$ 8,742,377,274	--	$ 904,122,239	$ 754,652,285	--
2006	11,802,532,867	9,835,182,641	12.50%	1,002,447,124	848,204,810	12.40%
2007	12,220,614,419	10,234,740,450	4.06	1,036,853,003	880,504,162	3.81
2008	11,925,067,415	10,022,673,531	(2.07)	980,052,427	831,333,768	(5.58)
2009	10,240,320,805	8,567,621,679	(14.52)	858,007,713	730,603,021	(12.12)
July 08	$937,016,349	$773,630,573	--	$57,151,759	$49,146,909	--
July 09	838,049,370	699,841,388	(9.54)%	46,614,922	38,280,280	(22.11)%

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.
(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).
(3) Cash receipts of the State from all sources relating to gaming (General Fund and other revenues) including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees, and miscellaneous collections. A portion of collections is deposited to the State funds other than the State's General Fund.

Source: State of Nevada - Gaming Control Board.

Gaming Competition. Different forms of legalized gaming have been authorized by many states, as well as the tribal casinos, across the United States. Other states may authorize gaming in the future in one form or another. The different forms of gaming range from casino gaming to riverboat gambling to lotteries and internet gaming. As presently operated, lotteries offer a considerably different gaming product than that offered in Nevada. The County cannot predict the impact of legalization of state lotteries and casino gaming in other states on the economy of the County or the State.

California Gaming Measure. In 2000, California voters approved a constitutional amendment allowing Las Vegas-style slot machines and card games at tribal casinos within California. To date, California has signed and ratified compacts with 67 of the State's 107 Indian tribes. Each compact specifies the number of casinos and slot machines a tribe may operate. There currently are 57 tribal casinos operated by 56 tribes.

No gaming revenues are pledged to pay debt service on the Bonds. It is not possible at this time to predict whether tribal casinos will negatively impact County revenues in the future.

Tourism

Tourism is an important industry in the County. Hoover Dam, Lake Mead, Mt. Charleston and other tourist attractions are in Clark County. Attractions such as the Great Basin, Grand Canyon, Yosemite, Bryce Canyon, Zion, and Death Valley National Parks are each within a short flight or day's drive of southern Nevada.

A reflection of the growth of tourism in southern Nevada is the increase in the number of hotel and motel rooms available for occupancy as shown in the following table. The area's hotels and motels have historically experienced higher occupancy rates than those on a national level.

Set forth in the table below is the Las Vegas Convention and Visitors Authority ("LVCVA") Marketing Department's estimate of the number of visitors to the Las Vegas Metropolitan Area since 2004. Las Vegas, as did most of the tourism industry, saw declines in tourism indicators in 2008 as the combined economic factors of housing crisis, frozen credit markets, volatile gas prices and increased unemployment translated to reduced consumer confidence and travel spending in much of the country.

Visitor Volume and Room Occupancy Rate
Las Vegas Metropolitan Area, Nevada

Calendar Year	Total Visitor Volume	Number of Hotel/Motel Rooms Available	Hotel/Motel Occupancy Rate(1)	National Occupancy Rate(2)
2004	37,388,781	131,503	88.6%	61.3%
2005	38,566,717	133,186	89.2	63.1
2006	38,914,889	132,605	89.7	63.4
2007	39,196,761	132,947	90.4	63.2
2008	37,481,552	140,529	86.0	60.4
Jan - July 2008	22,733,244	136,990	89.0	n/a
Jan - July 2009	21,358,828	141,520	82.9	n/a

(1) The sample size for this survey represents approximately 75% of the hotel/motel rooms available.
(2) 2004 through 2008 – Smith Travel Research, Lodging Outlook.

Source: Las Vegas Convention and Visitors Authority.

The LVCVA is financed with the proceeds of hotel and motel room taxes in the County and its incorporated cities. A history of the room tax revenue collected is presented in the following table.

Room Tax Revenue(1)
Las Vegas Convention & Visitors Authority, Nevada

Calendar Year	Revenue	Percent Change
2004	$164,821,755	--
2005	193,136,789	17.2%
2006	207,289,931	7.3
2007	219,713,911	6.0
2008	207,117,817	(5.7)

(1) Subject to revision. Room tax revenue represents a 5% tax allocated to the Las Vegas Convention & Visitors Authority; a total 9-11% room tax is assessed on all Clark County hotel/motel properties.

Source: Las Vegas Convention and Visitors Authority.

Transportation

Clark County, through its Department of Aviation, operates an airport system comprised of McCarran International Airport ("McCarran") and a reliever airport in North Las Vegas. Other general aviation airports in the County include Jean Sport, Overton-Perkins Field, and Henderson Executive Airport in Henderson. Boulder City Municipal Airport, which is not owned by the County, is located in the southeastern part of Clark County.

McCarran was the sixth busiest airport in North America and 15th busiest in the world, according to the year-end 2008 report from Airports Council International, in addition to being designated as an international port of entry. Nearly half of all Las Vegas visitors arrive by air via McCarran, making it a major driving force in the southern Nevada economy. In 2007,

McCarran completed the busiest year in its 60-year history, with approximately 47.7 million arriving and departing passengers. Passenger traffic declined, however, in 2008. In addition to scheduled carriers, McCarran is served by supplemental, commuter and charter carriers and continuously updates its long-range plan to meet anticipated growth in airline passengers and aircraft operations by building and maintaining state-of-the-art facilities, maximizing existing resources, and capitalizing on new and innovative technology.

McCarran International Airport Enplaned & Deplaned Passenger Statistics

Calendar Year	Scheduled Carriers	Charters, Commuter & Other Aviation	Total	Percent Change
2004	38,621,383	2,820,148	41,441,531	--
2005	40,948,538	4,951,161	45,899,699	10.8%
2006	43,719,825	2,584,551	46,304,376	0.9
2007	45,231,266	2,497,148	47,728,414	3.1
2008	42,269,065	1,805,642	44,074,707	(7.7)
Jan. - July 2008	25,718,927	1,143,692	26,862,619	--
Jan. - July 2009	23,103,436	679,579	23,783,015	(11.5)%

Source: McCarran International Airport website.

A major railroad crosses Clark County. There are nine federal highways in Nevada, two of which are part of the interstate system. Interstate 15, connecting Salt Lake City and San Diego, passes through Las Vegas and provides convenient access to the Los Angeles area. Interstate 80 connects Salt Lake City with the San Francisco Bay area and passes through the Reno-Sparks area. Several national bus lines and trucking lines serve the State.

U.S. Highways 95 and 93 are major routes north from Las Vegas, through Reno and Ely, Nevada, respectively. South of Las Vegas, U.S. 95 extends to the Mexican border, generally following the Colorado River, and U.S. 93 crosses Hoover Dam into Arizona.

Federal Activities

Operations and facilities of the Federal Government in the State have been significant, beginning with Hoover Dam in the 1930's, an Army Air Force gunnery school (which later became Nellis AFB) during World War II, and the subsequent creation of the Nevada Test Site. Currently, the following federal activities are located in the County.

Hoover Dam. Hoover Dam, operated by the Bureau of Reclamation, is a multiple-purpose development. The dam controls floods and stores water for irrigation, municipal and industrial uses, hydroelectric power generation, and recreation. Hoover Dam is still one of the world's largest hydroelectric installations with a capacity of more than 2,000,000 kilowatts. Hoover Dam also is a major tourist attraction in the County.

Nellis Air Force Base. Nellis Air Force Base, a part of the U.S. Air Force Air Combat Command, is located adjacent to the City of Las Vegas. The base itself covers more than 14,000 acres of land, while the total land area occupied by Nellis Air Force Base and its ranges is over three million acres. The base hosts numerous military programs as well as civilian workers. It is the home base of the "Thunderbirds," the world famous air demonstration squadron.

Nevada Test Site. The Nevada Test Site ("NTS") was established in 1950 as the nation's proving ground for nuclear weapons testing. In recent years, under the direction of the Department of Energy's (DOE) Nevada Operations Office, NTS use has diversified into many other areas such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management projects that can best be conducted in this remote desert area. The NTS has been designated as an Environmental Research Park where scientists and students can conduct research on environmental issues. Located 65 miles northeast of Las Vegas, the NTS is a massive outdoor laboratory and national experimental center. NTS comprises 1,350 square miles, surrounded by thousands of additional acres of land withdrawn from the public domain for use as a protected wildlife range and for a military gunnery range, creating an unpopulated area of some 5,470 square miles. Federal employees and independent contractors are employed at NTS.

Yucca Mountain. President Bush, on the Department of Energy's recommendation, approved the suitability of Yucca Mountain (located near Las Vegas in Nye County) as a national nuclear repository for high level waste and spent fuel from nuclear power plants around the country. Following several years of procedural and legal battles, the Department of Energy continued its planning for Yucca Mountain, including addressing design and transportation issues. Due to budget constraints and regulatory issues, the timeline for opening the project has been delayed several times. IF the NRC grants the licenses to proceed with the construction and operation of a monitored geologic repository at Yucca Mountain, it is currently expected that acceptance of radioactive materials would begin in 2020. However, in late February 2009, the Obama administration's proposed budget slashed funding for the Yucca Mountain site in accordance with its stated position that nuclear waste not be stored there. It is not certain at this time whether or when Yucca Mountain will be used as the national nuclear repository.

Development Activity

The Nevada Development Authority ("NDA") is a nonprofit organization dedicated to the expansion and diversification of the entire southern Nevada community. Now in its fifth decade of service, NDA's membership is comprised of hundreds of business-oriented individuals. NDA's primary function is to provide information to companies considering relocation as well as to firms already doing business in southern Nevada. Nevada does not have corporate or personal income tax, gift tax, unitary franchise on income, admission's tax, inventory tax, chain-store tax, special intangible tax or franchise tax, which attracts many businesses to the area.

Complementing the area's emphasis on economic diversification are the numerous business incentives unique to the State of Nevada. Competitive wage rates, an expanding labor force, low out-bound freight transportation costs to other prominent southwestern markets and a graduated schedule for payment of sales and use tax on new capital equipment combine to give business and industry an attractive advantage. The State also abates sales and use taxes on capital equipment for qualified relocating or expanding companies. Additional incentives include a customized job training program (Train Employees Now) as well as no corporate, personal or inventory taxes.

Utilities

Electric utility services are provided to the vast majority of southern Nevada residents by NV Energy (formerly Nevada Power, a stand-alone subsidiary of Sierra Pacific Resources) with headquarters in Las Vegas, Nevada, and natural gas is provided by Southwest Gas Corporation.

Embarq is the largest provider of local telephone service to the greater Las Vegas area, including the smaller communities of Blue Diamond, Boulder City, Cal-Nev-Ari, Cottonwood Cove, Goodsprings, Jean, Laughlin, Mt. Charleston, Nelson, Primm and Searchlight.

Water

The major water purveyors in Clark County are the Big Bend Water District; the cities of Boulder City, Henderson, and North Las Vegas; the Las Vegas Valley Water District (LVVWD); and Nellis Air Force Base. The LVVWD provides water service to the City of Las Vegas, the unincorporated urban areas of Clark County, Jean, Kyle Canyon, Blue Diamond, and Searchlight. The Big Bend Water District serves the Town of Laughlin. In addition, the Virgin Valley Water District serves the City of Mesquite and surrounding area, and the Moapa Valley Water District serves Logandale, Overton, Moapa and Glendale.

See "SOUTHERN NEVADA WATER AUTHORITY" and "SOUTHERN NEVADA WATER SYSTEM" for a further information regarding water delivery, conservation and resource management.

Clean Water Coalition

The Clean Water Coalition (the "CWC" or the "Coalition") is a joint powers authority created in 2002 by cooperative agreements between the City of Las Vegas, the City of Henderson, the Clark County Water Reclamation District and the City of North Las Vegas (the "Members"). The purpose of the CWC is to carry out the Systems Conveyance and Operations Program ("SCOP"). The SCOP encompasses the planning, design, financing, construction, and operation and maintenance of a regional system to transport highly treated wastewater effluent from the facilities of the Member agencies to the ultimate outfall location within the Colorado River system. The primary objective of the SCOP is to improve water quality in Lake Mead at the point of discharge. The CWC is prohibited from performing any function that is being performed by a Member without the written consent of that Member.

Construction of the SCOP currently is anticipated to cost approximately $828 million. The County Bond Bank has issued special obligation commercial paper notes on behalf of the CWC in an amount not to exceed $800,000,000 (not more than $200,000,000 may be outstanding at any time). The proceeds of the notes will be used to pay all or part of the cost of the SCOP. The notes are secured by and payable from regional fees comprised of sewer connection charges and sewer usage charges assessed by CWC (the "Regional Fees") and certain other CWC revenues. All of the Members have begun imposing Regional Fees. However, if the Regional Fees are inadequate, the Members are required to pay CWC's financial obligations in the following percentages: City of Las Vegas - 30%, Clark County Water Reclamation District - 46%, City of Henderson - 14%, and City of North Las Vegas - 10%. Each Member, in its sole

judgment, determines the method of raising the funds needed to satisfy its obligations under the cooperative agreements.

Clean Air

The County is subject to various clean air requirements imposed by the federal government and enforced by the U.S. Environmental Protection Agency ("EPA"). These include carbon monoxide, dust and ozone concerns. The County has submitted a clean air plan for the Las Vegas Valley serious carbon monoxide ("CO") nonattainment area and the EPA has issued a finding that the applicable standard has been met. The County must prepare a CO maintenance plan for EPA approval in order to be designated as a CO attainment area.

The County finalized and submitted a clean air plan to address PM10 (dust) concerns in the Las Vegas Valley in accordance with the Federal Clean Air Act on June 19, 2001 and has attained the PM10 standard and submitted a final report as required by EPA.

On April 30, 2004, the U.S. EPA published in the Federal Register nonattainment designations for the new 8-hour ozone standard, classifying Clark County as a Subpart 1 ozone nonattainment area. The classification requires Clark County to attain the 8-hour ozone standard no later than 2009. In December 2006, the District of Columbia circuit court vacated EPA's Phase I implementation rule, which contained the standards for Subpart 1 designated areas. The court's action remanded the rule back to EPA for further action. However, Clark County is currently in attainment with the ozone standard for the latest three-year average of the 4th highest reading (2004, 2005, 2006) and can demonstrate attainment through 2018. Therefore, the County is working with EPA on receiving a clean data finding and submission of an ozone maintenance plan. Clark County submitted the request to the EPA on June 7, 2007, and is awaiting their decision.

If the U.S. EPA disapproves a clean air plan, the County could face sanctions, including withholding federal funds for new transportation projects, and could include the diversion of federal funds to projects outside the Las Vegas valley until acceptable plans are approved. The County cannot predict the effect of a plan disapproval on highway and road projects or other possible effects of the withholding of federal funds or its effect on growth in the County. The nature and scope of these effects will depend, among other things, on the projects and the period of time for which funding is withheld.

Education

Clark County School District provides public education services to the residents of the County and enrolls approximately 72% of all school children in the State; it is the fifth largest school district in the United States. Higher education is provided by the College of Southern Nevada (a two-year institution), by Nevada State College in Henderson (a four-year institution) and by the University of Nevada, Las Vegas (a four-year university). All of these institutions are part of the Nevada System of Higher Education

LEGAL MATTERS

Litigation

There are various suits pending in courts within the State to which the County is a party. In the opinion of the District Attorney, however, there is no litigation or controversy of any nature now pending, or to the knowledge of the District Attorney threatened: (i) restraining or enjoining the issuance, sale, execution or delivery of the 2009 Bonds or (ii) in any way contesting or affecting the validity of the 2009 Bonds or any proceedings of the County taken with respect to the issuance or sale thereof or the pledge or application of any moneys or security provided for the payment of the 2009 Bonds. Further, the District Attorney is of the opinion that current litigation facing the County will not materially affect the County's ability to perform its obligations to the owners of the 2009 Bonds.

Legal Opinions

The approving opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C., as Bond Counsel, will be delivered with the 2009 Bonds. The form of the Bond Counsel opinion is attached to this Official Statement as Appendix F. The opinion will include a statement that the obligations of the District are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of the powers delegated to it by the federal constitution, including bankruptcy. Swendseid & Stern, a member in Sherman & Howard L.L.C., has also acted as Special Counsel to the District in connection with this Official Statement. Certain matters will be passed upon for the County by the District Attorney.

Police Power

The obligations of the District are subject to the reasonable exercise in the future by the State and its governmental bodies of the police power and powers of taxation inherent in the sovereignty of the State, and to the exercise by the United States of the powers delegated to it by the federal constitution (including bankruptcy).

Sovereign Immunity

Pursuant to State statute (NRS Section 41.035), an award for damages in an action sounding in tort against the County may not include any amount as exemplary or punitive damages and is limited to $75,000 per cause of action. The limit will increase to $100,000 effective October 1, 2011. The increase in the limitation will have the effect of increasing the liability insurance costs for the County. The limitation does not apply to federal actions brought under federal law such as civil rights actions under 42 U.S.C. Section 1983 and actions under The Americans with Disabilities Act of 1990 (P.L. 101-336), or to actions in other states.

TAX MATTERS

Federal Tax Matters

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2009 Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Tax Code, and interest on the 2009 Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described below.

The Tax Code imposes several requirements which must be met with respect to the 2009 Bonds in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations). Certain of these requirements must be met on a continuous basis throughout the term of the 2009 Bonds. These requirements include: (a) limitations as to the use of proceeds of the 2009 Bonds; (b) limitations on the extent to which proceeds of the 2009 Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the 2009 Bonds above the yield on the 2009 Bonds to be paid to the United States Treasury. The County will covenant and represent in the Bond Ordinance that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the 2009 Bonds from gross income and alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations) under federal income tax laws in effect when the 2009 Bonds are delivered. Bond Counsel's opinion as to the exclusion of interest on the 2009 Bonds from gross income and alternative minimum taxable income (to the extent described above) is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the County to comply with these requirements could cause the interest on the 2009 Bonds to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the County and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation's "adjusted current earnings" over the corporation's alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum tax net operating loss deduction) is included in the corporation's alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. "Adjusted current earnings" includes interest on the 2009 Bonds.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2009 Bonds. Owners of the 2009 Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and state tax

consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2009 Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Certain of the 2009 Bonds may be sold at a premium, representing a difference between the original offering price of those 2009 Bonds and the principal amount thereof payable at maturity. Under certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest on the 2009 Bonds from gross income and alternative minimum taxable income as described above and will state that no opinion is expressed regarding other federal tax consequences arising from the receipt or accrual of interest on or ownership of the 2009 Bonds. Owners of the 2009 Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the 2009 Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the 2009 Bonds, the exclusion of interest on the 2009 Bonds from gross income or alternative minimum taxable income except to the extent described above or both from the date of issuance of the 2009 Bonds or any other date, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the 2009 Bonds. Owners of the 2009 Bonds are advised to consult with their own tax advisors with respect to such matters.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the 2009 Bonds. If an audit is commenced, the market value of the 2009 Bonds may be adversely affected. Under current audit procedures the Service will treat the District as the taxpayer and the 2009 Bond owners may have no right to participate in such procedures. The District has covenanted in the Bond Resolution not to take any action that would cause the interest on the 2009 Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income for the owners thereof for federal income tax purposes. None of the District, the SNWA, the Financial Advisors, the Underwriter, Bond Counsel or Special Counsel is responsible for paying or reimbursing any 2009 Bond holder with respect to any audit or litigation costs relating to the 2009 Bonds.

State Tax Exemption

The 2009 Bonds, their transfer, and the income therefrom, are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

RATINGS

Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies ("S&P") have assigned ratings to the 2009 Bonds as shown on the cover page of this Official Statement. An explanation of the significance of any ratings given by S&P may be obtained from S&P at 55 Water Street, New York, New York 10041. An explanation of the significance of the ratings given by Moody's may be obtained from Moody's at 7 World Trade Center at 250 Greenwich Street, New York, New York 10007.

There is no assurance that such ratings will be obtained, or if obtained, will continue for any given period of time after they are received or that they will not be lowered or withdrawn entirely if, in the judgment of the rating agencies, circumstances so warrant. Other than the obligations of the County and the SNWA under the applicable Disclosure Certificate, none of the County, the SNWA or the Financial Advisors has undertaken any responsibility either to bring to the attention of the owners of the 2009 Bonds any proposed change in or withdrawal of such ratings or to oppose any such proposed revision. Any such change in or withdrawal of the ratings could have an adverse effect on the market price of the 2009 Bonds.

INDEPENDENT AUDITORS

The County. The County's audited basic financial statements as of and for the year ended June 30, 2008, and the report rendered thereon by Kafoury, Armstrong & Co. ("Kafoury"), independent certified public accountants, Las Vegas, Nevada, have been included in this Official Statement as Appendix A.

The SNWA. The SNWA's audited basic financial statements as of and for the year ended June 30, 2008, and the reports rendered thereon by Piercy Bowler Taylor & Kern ("Piercy"), independent certified public accountants, Las Vegas, Nevada, have been included in this Official Statement as Appendix B.

No Auditor Consents Requested or Obtained. The audited basic financial statements of the County and the SNWA, including the auditors report thereon, are public documents and pursuant to State law, no consent from the auditors is required to be obtained prior to inclusion of the audited basic financial statements in this Official Statement. Since the date of their respective reports, neither Kafoury nor Piercy has been engaged to perform or has performed any procedures on the basic financial statements addressed in its report, nor has Kaufoury or Piercy performed any procedures relating to this Official Statement.

FINANCIAL ADVISORS

NSB Public Finance, Hobbs, Ong & Associates, Inc. and Public Financial Management, Inc. are serving as Financial Advisors in connection with the 2009 Bonds. See "INTRODUCTION--Additional Information" for contact information for the Financial Advisors. The Financial Advisors have not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the County or the SNWA, with respect to the accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Financial Advisors respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement.

PUBLIC SALE

The County expects to sell the 2009 Bonds at public sale on October 22, 2009. See the Official Notice of Bond Sale attached hereto as Appendix B.

OFFICIAL STATEMENT CERTIFICATION

The undersigned official of the County hereby confirms that the execution and delivery of this Official Statement and its use in connection with the offering and sale of the 2009 Bonds have been duly authorized by the Board.

CLARK COUNTY, NEVADA

By: _____
Chief Financial Officer

APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE COUNTY AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2008

(THIS PAGE INTENTIONALLY LEFT BLANK)

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Clark County, Nevada, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, or Department of Aviation, which, when combined, represent 98 percent, 96 percent, and 94 percent, respectively, of the assets, net assets, and revenues of the Enterprise Funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, and Department of Aviation is based solely on the reports of the other auditors.

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

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof, for the year

then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2009, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the budgetary comparison information, and pension trend data on pages 3 through 12 and 102 through 117 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures to the management's discussion and analysis and pension trend data, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clark County, Nevada's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical tables, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
January 13, 2009

Clark County, Nevada

Management's Discussion and Analysis
June 30, 2008

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

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

Financial Highlights – Primary Government

- The auditors' report offers an unqualified opinion that the County's financial statements are presented fairly in all material respects.

- Government-wide net assets totaled $11,255,480,998. Net assets of governmental activities totaled $6,918,700,917 and those of business-type activities totaled $4,336,780,081.

- The County's total net assets increased by $913,893,824, resulting from an increase in net assets from governmental activities of $689,278,519 (including a restatement of $2,798,703 discussed in note 16) and an increase in net assets from business-type activities of $224,615,305. Net assets from governmental activities increased mainly due to cash and investment increases resulting from ad valorem taxes and interest income, as well as infrastructure additions of roadways and improvements. Net assets from business-type activities increased due to increases in net capital assets of the Las Vegas Valley Water District, Clark County Department of Aviation and Clark County Water Reclamation District.

- Unrestricted net assets were $1,847,794,228, with $1,218,285,419 resulting from governmental activities and $629,508,809 from business-type activities. Unrestricted net assets from governmental activities decreased by 1 percent from the prior year, and unrestricted net assets from business-type activities decreased by 30 percent over the prior year.

- Net capital assets were $11,537,972,072 of which $5,230,348,275 were from governmental activities and $6,307,623,796 were from business type activities. Major additions for governmental activities during the year included $259 million toward roadways and streets, mainly for beltway construction. Major additions for business-type activities during the year included $71 million in water system additions, $211 million for terminal 3 and other additions for the Department of Aviation, and $135 million in sewer system additions. Depreciation expense attributable to assets of governmental activities amounted to $192,478,854 for the year, and $227,670,319 for business-type activities.

- Bonds and loans payable totaled $7,002,740,640. The following new debt was issued during the fiscal year:

  Governmental activities:
  General obligation bonds:
  $71,045,000 in transportation refunding bonds

  Special assessment bonds:
  $70,000,000 in special assessment bonds

  Business-type activities:
  General obligation bonds:
  $43,105,000 in refunding bonds for the Department of Aviation
  $55,000,000 in refunding bonds for the Water Reclamation District
  $7,000,000 in bonds for University Medical Center (UMC)
  $362,480,000 in refunding bonds for Las Vegas Valley Water District

Revenue Bonds:
$400,000,000 in bonds for the Department of Aviation
$1,124,665,000 in refunding bonds for the Department of Aviation

- The County's primary revenue sources for governmental activities were ad valorem taxes ($799,257,814) consolidated taxes ($489,752,501), and sales and use tax ($265,477,538). These three revenue sources comprised 25 percent, 15 percent, and 8 percent, respectively, or 48 percent of total governmental activities revenues.

- The County's total expenses were $4,205,515,941. Governmental activities comprised $2,506,782,626 of total expenses, the largest functional expenses being public safety ($1,082,216,327) and public works ($467,845,743). Business-type activities contributed $1,698,733,315 to total expenses, the largest components being hospital ($589,797,799), water ($431,929,066) and airport ($495,754,402).

- Public safety expenses were $1,082,216,327, or 18 percent higher than in the prior year. This increase is due to continued growth in the program to hire new police officers funded by a voter-approved one-quarter of a cent sales tax as well as growth in fire protection costs.

- Public works expenses were $467,845,743, or 44 percent lower than in the prior year, largely because of $389,820,000 in bond bank proceeds transferred to the Southern Nevada Water Authority and classified as expense in fiscal year 2007.

- At the end of the fiscal year, the unreserved fund balance for the General Fund was $180,196,062 or 13 percent of total General Fund expenditures and transfers out. This was a decrease of $107,801,198, or 37 percent, from the prior year.

Overview of the Financial Statements

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

  Government-Wide Financial Statements

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

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

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

  - The government-wide financial statements report three types of activities: governmental activities, business-type activities, and discretely presented component units. The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health, welfare, culture and recreation, community support, other, and interest on long-term debt. The business-type activities of the County include operations of its hospital, airports, water and sewer utilities, and other operations. Discretely presented component units account for functions of legally separate entities for whom the County is financially accountable, but whose governing bodies are not substantially the same as the County. The activities of the discretely presented component units include regional transportation and flood control planning.

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

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

Fund Financial Statements

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

  Governmental Funds

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

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

  - The County maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Las Vegas Metropolitan Police Department, and the Master Transportation Plan fund, each of which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules.

  - The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statements for the major governmental funds are presented as required supplementary information; the budgetary comparison statements for all other governmental funds are included in the fund financial statements accompanying information.

  Proprietary Funds

  - The County maintains two distinct types of proprietary funds.

    - Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its hospital, airport, water, sewer, and other activities.

- Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County uses internal service funds to account for the following activities:

  * Construction management
  * Fleet maintenance
  * Investment pool operations
  * Employee benefits
  * Central printing and mailing
  * Information systems development
  * Self-insurance activities, including:
    + Liability insurance
    + Workers' compensation
    + Group insurance
    + Other post-employment benefits

- Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. The proprietary fund financial statements provide separate information for the UMC, Clark County Water Reclamation District, and the Las Vegas Valley Water District, each of which is a blended component unit and reported as a major fund within the fund financial statements. In addition, separate information is provided for an additional major fund, the Department of Aviation. Conversely, the internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the combining and individual fund statements and schedules.

Fiduciary Funds

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

Notes to Financial Statements

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

Other Information

- In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Las Vegas Valley Water District's progress in funding its obligation to provide pension benefits to its employees. It also includes a schedule of budgetary comparisons for the following major governmental funds:

  - General Fund

  - Special Revenue Funds:
    * Las Vegas Metropolitan Police Department
    * Master Transportation Plan

- The combining statements and individual fund schedules are presented immediately following the required supplementary information.

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

Government-Wide Financial Analysis

- Net assets of the County as of June 30, 2008, and June 30, 2007, are summarized and analyzed below:

Clark County, Nevada Net Assets – Primary Government

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Assets						
Current and other assets	$ 4,835,784,306	$4,573,953,320	$ 4,104,821,265	$4,036,443,489	$ 8,940,605,571	$ 8,610,396,809
Net capital assets	5,230,348,275	4,834,436,227	6,307,623,796	5,402,294,793	11,537,972,071	10,236,731,020
Total assets	10,066,132,581	9,408,389,547	10,412,445,061	9,438,738,282	20,478,577,642	18,847,127,829
Liabilities						
Long-term liabilities	1,974,091,972	1,984,131,419	4,669,661,491	3,818,085,813	6,643,753,463	5,802,217,232
Other liabilities	1,173,339,692	1,194,835,730	1,406,003,489	1,508,487,693	2,579,343,181	2,703,323,423
Total liabilities	3,147,431,664	3,178,967,149	6,075,664,980	5,326,573,506	9,223,096,644	8,505,540,655
Net assets						
Invested in capital assets, net of related debt	4,436,761,991	3,934,405,026	3,023,318,923	1,676,012,461	7,460,080,914	5,610,417,487
Restricted	1,263,653,507	1,071,678,656	683,952,349	1,539,605,868	1,947,605,856	2,611,284,524
Unrestricted	1,218,285,419	1,223,338,716	629,508,809	896,546,447	1,847,794,228	2,119,885,163
Total net assets	$ 6,918,700,917	$6,229,422,398	$ 4,336,780,081	$4,112,164,776	$11,255,480,998	$10,341,587,174

- As noted earlier, net assets may serve over time as a useful indicator of the County's financial position. Assets exceeded liabilities by $11,255,480,998 as of June 30, 2008, and by $10,341,587,174 as of June 30, 2007, a net increase of $928,516,870, or 9 percent.

- The largest portion of the County's net assets (66 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.), less any related debt outstanding used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

- The County's restricted net assets (17 percent) represent resources that are subject to external restrictions on how they may be used. Of these restricted net assets, 43 percent is for construction of capital assets (unspent proceeds from long-term debt issues), 35 percent is for repayment of long-term debt, and the balance is restricted for the County's special revenue funds.

- The remaining portion of the County's net assets (17 percent) is unrestricted and may be used to meet the County's ongoing obligations to citizens and creditors.

- At June 30, 2008, the County had positive balances in all three categories of net assets, both for the government as a whole, as well as for separate governmental and business-type activities.

Clark County, Nevada Changes in Net Assets – Primary Government

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program revenues:						
Charges for services	$ 487,124,450	$ 434,707,492	$1,581,233,246	$1,396,379,893	$2,068,357,696	$ 1,831,087,385
Operating grants and Contributions	414,259,506	839,811,992	31,000,000	5,711,070	445,259,506	845,523,062
Capital grants and contributions	253,029,125	121,599,428	132,905,410	291,717,009	385,934,535	413,316,437
General revenues:						
Ad valorem taxes	799,257,814	706,958,778	15,181	13,437	799,272,995	706,972,215
Consolidated tax	489,752,501	510,113,865	65,526	89,561	489,818,027	510,203,426
Sales and use tax	265,477,538	274,441,898	15,813,975	16,475,970	281,291,513	290,917,868
Franchise fees	91,081,001	83,299,640	-	-	91,081,001	83,299,640
Fuel taxes	77,710,751	77,971,661	-	-	77,710,751	77,971,661
Motor vehicle privilege tax	47,805,025	48,010,194	-	-	47,805,025	48,010,194
Room tax	45,917,555	44,426,388	-	-	45,917,555	44,426,388
Other	34,901,285	31,350,915	-	-	34,901,285	31,350,915
Gain (loss) on sale or disposition of assets	2,620,375	5,136,782	323,033	-	2,943,408	5,136,782
Interest income	208,926,347	137,693,927	137,391,418	98,788,139	346,317,765	236,482,066
Total revenues	3,217,863,273	3,315,522,960	1,898,747,789	1,809,175,579	5,116,611,062	5,124,698,539
Expenses						
General government	220,165,615	234,250,001	-	-	220,165,615	234,250,001
Judicial	199,563,451	168,895,185	-	-	199,563,451	168,895,185
Public safety	1,082,216,327	917,463,036	-	-	1,082,216,327	917,463,036
Public works	467,845,743	832,920,960	-	-	467,845,743	832,920,960
Health	84,025,232	55,814,102	-	-	84,025,232	55,814,102
Welfare	174,289,857	154,155,995	-	-	174,289,857	154,155,595
Culture and recreation	54,067,340	42,704,498	-	-	54,067,340	42,704,498
Community support	19,710,319	-	-	-	19,710,319	-
Other	113,762,028	103,518,536	-	-	113,762,028	103,518,536
Interest on long-term debt	91,136,714	85,412,573	-	-	91,136,714	85,412,573
Hospital	-	-	589,797,799	563,070,068	589,797,799	563,070,068
Water	-	-	431,929,066	455,666,217	431,929,066	455,666,217
Airport	-	-	495,754,402	416,371,633	495,754,402	416,371,633
Sewer	-	-	106,987,817	91,559,270	106,987,817	91,559,270
Other	-	-	74,264,231	65,694,558	74,264,231	65,694,558
Total expenses	2,506,782,626	2,595,134,886	1,698,733,315	1,592,361,746	4,205,515,941	4,187,496,632
Increase in net assets before transfers	711,080,647	720,388,074	200,014,474	216,813,833	911,095,121	937,201,907
Transfers	(24,600,831)	(71,059,904)	24,600,831	71,059,904	-	-
Increase (decrease) in net assets	686,479,816	649,328,170	224,615,305	287,873,737	911,095,121	937,201,907
Net assets – beginning	6,229,422,398	5,580,094,228	4,112,164,776	3,824,291,039	10,341,587,174	9,404,385,267
Restatement of beginning fund balances	2,798,703	-	-	-	2,798,703	-
Net assets restated	6,232,221,101	5,580,094,228	4,112,164,776	3,824,291,039	10,344,385,877	9,404,385,267
Net assets – ending	$6,918,700,917	$6,229,422,398	$4,336,780,081	$4,112,164,776	$11,255,480,998	$10,341,587,174

- Program revenues included charges for services, fines and forfeitures, certain licenses and permits, special assessments, and both operating and capital grants and contributions. Program revenues from governmental activities decreased by $241,705,831, or 17 percent, due to $389 million revenue recorded to recognize the liability of the Southern Nevada Water Authority for a bond bank debt issuance during 2007. Program revenues from business-type activities increased by $51,330,684, or 3 percent, due to increases in charges for services and decreases in capital grants and contributions, the largest item being a decrease of $100 million in capital contributions to the Department of Aviation.

- General revenues consisted of taxes and interest not allocable to specific programs. For governmental activities, the largest of these revenues, ad valorem taxes, increased by $92,299,036, or 13 percent. This increase was due mainly to increases in assessed valuation. Franchise fees grew $7,781,361, or 9 percent, due to increases in customer accounts and franchise revenues. Sales and use tax decreased in governmental activities by $8,964,360, or 3 percent, due to the general economic downturn during fiscal year 2008. Interest revenue for governmental activities increased by $71,232,420 or 52

percent; interest revenue for business-type activities increased by $38,602,779, or 39 percent. These increases were due to higher rates of investment returns.

- The County had a gain on disposition of assets of $323,033 from governmental activities. This was mainly due to sales of County right-of-way and equipment during the fiscal year.

- The County had double-digit expense growth in several functional areas, again demonstrating the impacts of growth in the region. Increases in the judicial function of 18 percent were due to the reorganization of the Clerk of the Court division from the general government function, as well as increases in staffing in the District Attorney and Special Public Defender offices. Public safety expenses for governmental activities increased $164,753,291, or 18 percent, mostly due to increased expenditures of the Las Vegas Metropolitan Police Department, including the hiring of new officers as a result of the previously mentioned sales tax. Increases in fire protection costs were also a factor. Public works expenses for governmental activities decreased by $365,075,217, or 44 percent, because of the already described $389 million bond bank issuance. Health expenditures increased $28,211,130 or 50 percent due to increased subsidies to the University Medical Center and greater demands for health care to low income clients. Welfare expenditures for governmental activities increased 20,133,862, or 13 percent, showing the growing demand on the County welfare system. Water functional area expenses decreased $23,737,151, or 5 percent, because of the decrease in the regional connection fees paid by the Las Vegas Valley Water District to the Southern Nevada Water Authority. Airport functional expenses increased $79,382,769, or 19 percent, because of two primary events; 1) the completion of the Airport's in-line baggage handling system which is owned and operated by the Airport and maintained by Airport system staff; and 2) unfunded security related mandates from the Transportation Security Administration which require the Airport to physically man all terminal access point doorways into the secured areas of the terminal.

Financial Analysis of the County's Funds

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

  Governmental Funds

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

  - As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of $2,370,241,507, an increase of $280,749,805, or 13 percent, from the prior year. Approximately 78 percent of fund balances ($1.8 billion) constitute unreserved fund balance. Approximately $1.2 billion dollars of the unreserved fund balance is designated for specific projects in special revenue and capital project funds. Of the unreserved fund balance, $612 million, or 34 percent, is undesignated. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period ($342 million), 2) to pay debt service ($221 million), and 3) as reserves for long-term receivables ($21 million).

  - The General Fund is the main operating fund of the County. At the end of the current fiscal year, the unreserved fund balance of the General Fund was $180,196,062, a decrease of $107,801,198, or 37 percent, from the prior year. The total fund balance was $218,453,884, a decrease of $91,348,264, or 29 percent, from the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures and transfers. Unreserved fund balance represented 13 percent of total General Fund expenditures and transfers out for the fiscal year ended June 30, 2008, and 22 percent for the fiscal year ended June 30, 2007. Total fund balance represented 15 percent and 24 percent of that same amount in the fiscal years ended June 30, 2008, and June 30, 2007, respectively.

  - Key factors in the change in fund balance in the General Fund are as follows:

- Revenues and transfers-in increased by $57,330,714, or 4 percent. General fund revenues increased by $19,304,052, or 2 percent. Ad valorem tax revenues generated the largest revenue increase of $38,618,919, or 13 percent, due to valuation increases. Licenses and permits increased by $7,237,250, or 3 percent, due to increased franchise fees as a result of population growth. The transfers in were primarily ad valorem and consolidated taxes from the unincorporated towns and the Clark County Fire District. Increases in ad valorem taxes were also reflected in transfers into the general fund, which increased by $38,026,662, or 14 percent.

- Expenditures and transfers out increased by $150,558,404, or 12 percent. General fund expenditures increased $72,026,289, or 11 percent. Transfers out increased by $78,532,115, or 13 percent. The transfers out are primarily to the Las Vegas Metropolitan Police Department and the Detention Services special revenue funds. In addition, periodic transfers are made from the general fund to the County Capital Projects Fund at the discretion of the Board of County Commissioners. Transfers between these funds were $208,352,070 and $209,808,852 for the fiscal years ended June 30, 2008, and 2007 respectively.

o Other major fund activity is as follows:

- The Las Vegas Metropolitan Police Department operates from current year resources and it budgets for a zero fund balance; however, it ended the year with a total fund balance of $60,973,189 of which $28,838,266 was reserved. Total revenues and transfers in were $535,815,471, which was an increase of 10 percent, or $48,112,669, over the prior year. This increased amount occurred primarily as a result of a 12 percent increase in ad valorem taxes of $17,037,706 and a combined 8 percent increase of $25,550,858 in City of Las Vegas contributions and County transfers. Expenditures, which are primarily personnel costs, increased 11 percent, or $50,864,394.

- The Master Transportation Plan fund accounts for tax proceeds from a variety of sources used to improve transportation in Clark County. Total revenues increased $62,926, or 0.02 percent, from the prior year, remaining flat due to a decline in development fees as a result of the slowing housing market. The proceeds of these taxes are then moved to the appropriate capital projects, debt service, or enterprise fund to effect the transportation improvements.

- The non-major governmental funds showed an increase in fund balances of $360,171,465, with total fund balances of $2,090,814,434, and unreserved fund balances of $1,573,904,868. All funds have the resources to meet their commitments.

Enterprise Funds

- The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Minor differences arise between the enterprise funds and the business-type activities in the government-wide statements due to the effects of consolidation of internal service fund activities related to the enterprise funds. Unrestricted net assets of the enterprise funds totaled $633,921,258 a decrease of $265,284,532, or 30 percent, and the total growth in net assets for these funds was $226,368,411, a 6 percent increase from the prior year. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

Internal Service Funds

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

Budgetary Highlights

- The General Fund's legal level of budgetary control is the function level. The final amended budget for expenditure appropriation was $798,383,917, an increase of $16,000,000 or 2 percent from the original budget. Actual expenditures were $750,490,656, or 6 percent less than the final budget, primarily due to the County's cost containment efforts.

- Revenues of the general fund exceeded the final budget by $24,401,706, or 2 percent. This was created by generally conservative revenue forecasts in spite of decreases to intergovernmental revenue, and charges for services.

Capital Assets and Debt Administration

Primary Government

- Capital Assets

  - The County's investment in capital assets, net of accumulated depreciation at June 30, 2008, was $11,537,972,071, an increase of $1,301,241,051, or 13 percent. Detail by type of activity and asset is summarized in the table below.

    Major additions for this fiscal year are as follows:

Governmental Activities		Business-Type Activities	
Roadways and streets (beltway)	$274 million	Water system additions	$126 million
Flood control projects	$ 77 million	Airport land acquisition and construction	$259 million
		Sewer system additions	$ 47 million

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

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land and improvements	$1,434,470,355	$1,353,843,627	$2,635,898,572	$2,413,816,588	$4,070,368,927	$ 3,767,660,215
Buildings	736,399,089	671,463,731	2,022,984,206	2,043,665,132	2,759,383,295	2,715,128,863
Machinery and equipment	106,367,566	103,385,094	507,978,156	521,311,033	614,345,722	624,696,127
Infrastructure	2,646,517,066	2,439,991,395	-	-	2,646,517,066	2,439,991,395
Construction in progress	306,594,199	265,752,380	1,140,762,862	423,502,040	1,447,357,061	689,254,420
Total	$5,230,348,275	$4,834,436,227	$6,307,623,796	$5,402,294,793	$11,537,972,071	$10,236,731,020

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

Long-Term Debt

Primary Government

- At June 30, 2008, the County had total outstanding bonds and loans of $7,002,740,640, an increase of $484,599,869, or 7 percent, from the prior year. Of this amount, $1,601,922,574 comprised general obligation debt backed by the full faith and credit of the County, $1,612,753,453 of general obligation bonds additionally secured by specified revenue sources, $424,862,279 of loans, primarily in the form of commercial paper, and $295,574,559 was special assessment debt for which the County is liable in the event of default by the property owners subject to assessment.

Clark County, Nevada Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General obligation bonds	$1,601,883,424	$1,669,208,726	$ 39,150	$ 50,978	$1,601,922,574	$1,669,259,704
Revenue backed general obligation bonds	-	-	1,612,753,453	1,448,186,686	1,612,753,453	1,448,186,686
Revenue bonds	-	-	3,067,627,775	2,746,436,773	3,067,627,775	2,746,436,773
Special assessment bonds	295,574,559	247,998,901	-	-	295,574,559	247,998,901
Loans	21,180,941	1,423,574	403,681,338	404,835,133	424,862,279	406,258,707
Total	$1,918,638,924	$1,918,631,201	$5,084,101,716	$4,599,509,570	$7,002,740,640	$6,518,140,771

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

Economic Factors

- After several years of significant economic growth, Las Vegas showed signs of continued slowing in 2008. Both taxable sales and new and existing home sales showed significant decreases. The County's unemployment rate at June 30, 2008, was 5.5 percent as compared to 4.7 percent in the prior year.

- Clark County remains an attractive place for people to relocate and find employment. Although population growth slowed in 2008, several significant projects in the County strip resort corridor provide the opportunity for continued growth.. The rapid growth in recent years, and the likelihood of growth in the near future, continues to create challenges in keeping up with infrastructure needs. The County has a Master Transportation Plan in place that was approved by the 1991 legislature. During the November 2002 general election, the voters of Clark County approved an additional funding measure, subsequently enacted by the legislature to allow an additional sales tax levy to further improve the County's transportation needs.

- UMC continues to deal with the impact of uninsured patients. UMC's operating loss was $54,999,992 for the fiscal year 2008 from $56,286,137 in fiscal year 2007 due to continued high levels of care for uninsured and underinsured patients. The County may need to help with the financing of these continued losses.

- Despite UMC's financial difficulties, the County has positioned itself to meet the needs of its citizens. A solid tax base continues to provide adequate revenues to provide basic services. A cost containment program continues to be in place, enforcing a reasonable pace of hiring and position savings. The County's general fund unreserved ending fund balance remains healthy. Together, these factors have placed the County in a sound financial position to mitigate short-term economic uncertainty.

Requests for Information

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

Basic Financial Statements Tab

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Clark County, Nevada
Statement of Net Assets
June 30, 2008

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
ASSETS					
Cash and investments:					
In custody of the County Treasurer	$ 2,509,772,980	$ 318,007,904	$ 2,827,780,884	$ 229,022,657	$ 281,401,493
In custody of other officials	7,128,120	11,462,827	18,590,947	488	60,500
With fiscal agent	141,845,748	-	141,845,748	3,517,645	41,753,364
Investments in custody of other officials	-	457,152,453	457,152,453	-	-
Loaned securities	480,843,376	26,801,088	507,644,464	43,106,571	53,881,470
Accounts receivable (net of provision for doubtful accounts)	16,415,187	247,571,920	263,987,107	6,530	1,432,733
Interest receivable	24,309,036	15,616,521	39,925,557	2,149,804	2,681,744
Bond bank receivable	34,745,000	-	34,745,000	-	-
Taxes receivable, delinquent	15,738,002	633	15,738,635	-	-
Penalties receivable on delinquent taxes	8,148,672	-	8,148,672	-	-
Special assessments receivable	296,032,895	-	296,032,895	-	-
Internal balances	27,756,648	(27,756,648)	-	-	-
Due from other governmental units	239,602,061	10,423,111	250,025,172	17,249,354	46,932,722
Inventories	486,713	33,096,711	33,583,424	-	-
Prepaid items and other current assets	2,105,370	3,656,327	5,761,697	-	-
Deferred charges and other assets	41,049,498	122,747,244	163,796,742	1,441,762	3,223,237
Restricted assets:					
Cash and investments:					
In custody of the County Treasurer	-	493,114,468	493,114,468	-	-
In custody of other officials	-	141,223,172	141,223,172	-	-
With fiscal agent	-	1,211,562,949	1,211,562,949	-	-
Loaned securities	-	228,624,713	228,624,713	-	-
Accounts receivable	-	422,189,954	422,189,954	-	-
Prepaid items and other current assets	-	25,918	25,918	-	-
Bond bank receivable, noncurrent	989,805,000	389,300,000	1,379,105,000	-	-
Capital assets not being depreciated	1,600,519,433	1,990,774,733	3,591,294,166	125,748	149,626,747
Capital assets being depreciated, net of accumulated depreciation	3,629,828,842	4,316,849,063	7,946,677,905	2,779,853	191,320,887
Total Assets	10,066,132,581	10,412,445,061	20,478,577,642	299,400,412	772,314,897

(Continued)

Clark County, Nevada
Statement of Net Assets
June 30, 2008
(Continued)

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
LIABILITIES					
Accounts payable	$ 250,849,445	$ 191,414,939	$ 442,264,384	$ 26,252,184	$ 64,344,349
Accrued payroll and other accrued liabilities	227,287,591	94,804,190	322,091,781	105,869	886,151
Accrued interest	13,923,355	-	13,923,355	2,359,140	11,274,041
Due to other governmental units	49,606,887	-	49,606,887	-	-
Loaned securities	483,378,265	138,800,108	622,178,373	43,333,818	54,165,520
Unearned revenue and other liabilities	48,888,759	171,991,328	220,880,087	-	-
Liabilities payable from restricted assets:					
Accounts payable	-	93,257,675	93,257,675	-	-
Customer deposits	-	5,621,507	5,621,507	-	-
Accrued expenses	-	70,294,973	70,294,973	-	-
Loaned securities	-	117,440,493	117,440,493	-	-
Bonds and loans payable, due within one year	-	506,825,000	506,825,000	-	-
Bonds and loans payable, due within one year	99,405,390	15,553,276	114,958,666	7,055,000	15,875,000
Bonds and loans payable, due after one year	1,819,233,534	4,561,723,440	6,380,956,974	296,913,500	570,153,358
Other non-current liabilities, due after one year	154,858,438	107,938,051	262,796,489	776,148	3,021,413
Total Liabilities	3,147,431,664	6,075,664,980	9,223,096,644	376,795,659	719,719,832
NET ASSETS					
Invested in capital assets, net of related debt	4,436,761,991	3,023,318,923	7,460,080,914	2,905,601	340,947,635
Restricted for:					
Capital projects	622,339,242	224,297,644	846,636,886	152,032,648	158,817,095
Debt service	220,641,995	459,654,705	680,296,700	9,345,244	68,533,453
Other purposes	420,672,270	-	420,672,270	62,289,760	3,447,135
Unrestricted	1,218,285,419	629,508,809	1,847,794,228	(303,968,500)	(519,150,253)
Total Net Assets	$ 6,918,700,917	$ 4,336,780,081	$ 11,255,480,998	$ (77,395,247)	$ 52,595,065

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

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2008

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets				
					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
Governmental activities:									
General government	$ 220,165,615	$ 205,306,476	$ 106,076,329	$ -	$ 91,217,190	$ -	$ 91,217,190	$ -	$ -
Judicial	199,563,451	50,990,053	19,283,563	-	(129,289,835)	-	(129,289,835)	-	-
Public safety	1,082,216,327	50,446,619	222,113,089	2,481,902	(807,174,717)	-	(807,174,717)	-	-
Public works	467,845,743	153,231,371	54,423,189	246,043,397	(14,147,786)	-	(14,147,786)	-	-
Health	84,025,232	8,750,448	2,594,900	-	(72,679,884)	-	(72,679,884)	-	-
Welfare	174,289,857	-	8,772,341	-	(165,517,516)	-	(165,517,516)	-	-
Culture and recreation	54,067,340	17,924,654	996,095	4,503,826	(30,642,765)	-	(30,642,765)	-	-
Community support	19,710,319	-	-	-	(19,710,319)	-	(19,710,319)	-	-
Other	113,762,028	474,829	-	-	(113,287,199)	-	(113,287,199)	-	-
Interest on long-term debt	91,136,714	-	-	-	(91,136,714)	-	(91,136,714)	-	-
Total governmental activities	2,506,782,626	487,124,450	414,259,506	253,029,125	(1,352,369,545)	-	(1,352,369,545)	-	-

(Continued)

Clark County, Nevada
Statement of Activities
For the fiscal year ended June 30, 2008
(Continued)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets				
					Primary Government			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada
Business-type activities:									
Hospital	$ 589,797,799	$ 529,627,459	$ 31,000,000	$ -	$ -	$ (29,170,340)	$ (29,170,340)	$ -	$ -
Water	431,929,066	359,819,825	-	60,502,744	-	(11,606,497)	(11,606,497)	-	-
Airport	495,754,402	506,442,294	-	22,315,727	-	33,003,619	33,003,619	-	-
Sewer	106,987,817	103,737,269	-	50,086,939	-	46,836,391	46,836,391	-	-
Other	74,264,231	81,606,399	-	-	-	7,342,168	7,342,168	-	-
Total business-type activities	1,698,733,315	1,581,233,246	31,000,000	132,905,410	-	46,405,341	46,405,341	-	-
Total primary government	$ 4,205,515,941	$ 2,068,357,696	$ 445,259,506	$ 385,934,535					
Component units:									
Clark County Regional Flood Control District	$ 105,754,563	$ -	$ -	$ -				$ (105,754,563)	$ -
Regional Transportation Commission of Southern Nevada	346,743,949	56,227,963	4,410,614	25,376,346				-	(260,729,026)
Total component units	$ 452,498,512	$ 56,227,963	$ 4,410,614	$ 25,376,346				$ (105,754,563)	$ (260,729,026)
General revenues:									
Ad valorem taxes					799,257,814	15,181	799,272,995	-	-
Consolidated tax					489,752,501	65,526	489,818,027	-	-
Sales and use tax					265,477,538	15,813,975	281,291,513	86,295,315	172,523,136
Franchise fees					91,081,001	-	91,081,001	-	-
Fuel taxes					77,710,751	-	77,710,751	-	74,954,816
Motor vehicle privilege tax					47,805,025	-	47,805,025	-	-
Room tax					45,917,555	-	45,917,555	-	-
Other					34,901,285	-	34,901,285	3,968,808	10,793,672
Gain on sale of capital assets					2,620,375	323,033	2,943,408	-	-
Interest income					208,926,347	137,391,418	346,317,765	19,857,170	24,340,000
Transfers					(24,600,831)	24,600,831	-	-	-
Total general revenues and transfers					2,038,849,361	178,209,964	2,217,059,325	110,121,293	282,611,624
Change in net assets					686,479,816	224,615,305	911,095,121	4,366,730	21,882,598
Net assets - beginning					6,232,221,101	4,112,164,776	10,344,385,877	(81,761,977)	24,952,123
Prior period adjustment					-	-	-	-	5,760,344
Net assets - beginning as restated					6,232,221,101	4,112,164,776	10,344,385,877	(81,761,977)	30,712,467
Net assets - ending					$ 6,918,700,917	$ 4,336,780,081	$ 11,255,480,998	$ (77,395,247)	$ 52,595,065

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

FUND FINANCIAL STATEMENTS

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2008

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments:					
In custody of the County Treasurer	$ 133,891,711	$ 83,340,311	$ 801,614	$ 2,003,687,679	$ 2,221,721,315
In custody of other officials	1,194,208	238,000	-	1,593,912	3,026,120
With fiscal agent	-	-	-	141,845,748	141,845,748
Loaned securities	54,706,186	15,793,769	7,065,802	358,800,898	436,366,655
Accounts receivable	26,418,759	2,328,571	-	4,437,113	33,184,443
Interest receivable	2,722,728	786,050	351,662	18,235,003	22,095,443
Taxes receivable, delinquent	7,097,734	2,972,556	-	5,667,712	15,738,002
Penalties receivable on delinquent taxes	8,148,672	-	-	-	8,148,672
Special assessments receivable	-	-	-	296,032,895	296,032,895
Due from other funds	400,543	-	-	21,514,059	21,914,602
Due from other governmental units	83,578,527	4,636,003	43,355,264	107,984,703	239,554,497
Prepaid items	-	738,931	-	-	738,931
Total Assets	$ 318,159,068	$ 110,834,191	$ 51,574,342	$ 2,959,799,722	$ 3,440,367,323

(Continued)

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2008
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 15,741,539	$ 10,263,770	$ 958,950	$ 122,719,218	$ 149,683,477
Accrued payroll	16,968,445	16,394,345	-	10,312,668	43,675,458
Due to other funds	279,455	455,471	7,540,333	17,331,396	25,606,655
Due to other governmental units	-	-	35,972,009	13,634,878	49,606,887
Loaned securities	54,994,593	15,877,030	7,103,050	360,692,402	438,667,075
Deferred revenue and other liabilities	11,721,152	6,870,386	-	344,294,726	362,886,264
Total Liabilities	99,705,184	49,861,002	51,574,342	868,985,288	1,070,125,816
Fund Balances:					
Reserved for encumbrances	17,390,541	28,838,266	-	296,267,571	342,496,378
Reserved for long-term receivables	20,867,281	-	-	-	20,867,281
Reserved for debt service	-	-	-	220,641,995	220,641,995
Unreserved:					
Designated for specific projects, reported in:					
Major funds	3,778,545	24,676,792	-	-	28,455,337
Special revenue funds	-	-	-	85,325,556	85,325,556
Capital projects funds	-	-	-	1,060,831,005	1,060,831,005
Undesignated, reported in:					
Major funds	176,417,517	7,458,131	-	-	183,875,648
Special revenue funds	-	-	-	424,328,489	424,328,489
Capital projects funds	-	-	-	3,419,818	3,419,818
Total Fund Balances	218,453,884	60,973,189	-	2,090,814,434	2,370,241,507
Total Liabilities and Fund Balances	$ 318,159,068	$ 110,834,191	$ 51,574,342	$ 2,959,799,722	$ 3,440,367,323

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Reconciliation of the Balance Sheet
to the Statement of Net Assets
June 30, 2008

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

Fund balances – governmental funds		$2,370,241,507
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Governmental capital assets	$6,876,479,046	
Less accumulated depreciation	(1,646,130,771)	5,230,348,275
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore not reported in governmental funds:		
Bonds payable, net of premiums and discounts	(1,897,457,983)	
Unamortized bond costs, premiums and discounts	21,745,749	
Loans payable	(21,180,941)	
Litigation liability	(55,193,173)	
Litigation settlement	(20,000,000)	
LVMPD OPEB liability	(49,996,761)	
Compensated absences	(170,413,790)	(2,192,496,899)
Accrued interest payable		(13,923,355)
Deferred revenue representing amounts that were not available to fund current expenditures and therefore are not reported in governmental funds		314,300,024
Long-term receivables reserved in governmental funds, adjusted to allowance for uncollectibles in statement of net assets		(20,867,281)
Long-term receivables not recorded in governmental funds:		
Bond bank receivable from So. Nevada Water Authority	1,024,550,000	
LVMPD OPEB receivable from City of Las Vegas	19,303,749	1,043,853,749
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds are reported with the governmental activities		182,832,448
Internal balances that are receivable from business-type activities		4,412,449
Net assets of governmental activities		$6,918,700,917

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2008

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 345,422,881	$ 155,881,191	$ 45,917,555	$ 304,118,472	$ 851,340,099
Special assessments	-	-	-	37,236,673	37,236,673
Licenses and permits	219,886,318	-	44,381,875	36,089,254	300,357,447
Intergovernmental revenue	330,571,827	141,455,100	273,626,768	552,850,441	1,298,504,136
Charges for services	82,533,326	23,780,005	-	56,004,093	162,317,424
Fines and forfeitures	24,644,256	-	-	2,063,775	26,708,031
Interest	27,324,416	6,811,363	3,081,155	157,074,086	194,291,020
Other	6,370,568	1,905,541	-	16,608,569	24,884,678
Total revenues	1,036,753,592	329,833,200	367,007,353	1,162,045,363	2,895,639,508
Expenditures:					
Current:					
General government	105,885,528		-	36,852,536	142,738,064
Judicial	144,277,455	-	-	41,716,390	185,993,845
Public safety	205,777,429	493,268,049	-	304,933,967	1,003,979,445
Public works	15,207,744	-	226,233,018	44,007,866	285,448,628
Health	62,919,755	-	-	19,509,296	82,429,051
Welfare	83,934,144	-	-	88,626,755	172,560,899
Culture and recreation	29,258,569	-	-	1,587,716	30,846,285
Community support	-	-	-	19,615,501	19,615,501
Other general expenditures	107,867,495	-	-	5,544,539	113,412,034
Capital outlays	1,045,200	16,154,747	-	363,450,464	380,650,411
Debt service:					
Principal	-	208,284	-	88,407,600	88,615,884
Interest	-	56,490	-	90,776,686	90,833,176
Bond issuance costs and other	-	-	-	441,645	441,645
Total expenditures	756,173,319	509,687,570	226,233,018	1,105,470,961	2,597,564,868
Excess (deficiency) of revenues over (under) expenditures	280,580,273	(179,854,370)	140,774,335	56,574,402	298,074,640

(Continued)

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the fiscal year ended June 30, 2008
(Continued)

	General Fund	Las Vegas Metropolitan Police Department	Master Transportation Plan	Other Governmental Funds	Total Governmental Funds
Other financing sources (uses):					
Transfers from other funds	303,535,415	205,982,271	-	798,006,432	1,307,524,118
Transfers to other funds	(675,463,952)	(17,000,000)	(140,774,335)	(563,683,662)	(1,396,921,949)
Bonds and loans issued	-	-	-	70,000,000	70,000,000
Refunding bonds issued	-	-	-	71,045,000	71,045,000
Payments to escrow agent	-	-	-	(71,770,707)	(71,770,707)
Total other financing sources (uses)	(371,928,537)	188,982,271	(140,774,335)	303,597,063	(20,123,538)
Net changes in fund balances	(91,348,264)	9,127,901	-	360,171,465	277,951,102
Fund balance:					
Begining of year	309,802,148	51,845,288	-	1,730,642,969	2,092,290,405
End of year	$ 218,453,884	$ 60,973,189	$ -	$ 2,090,814,434	$ 2,370,241,507

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

Clark County, Nevada
Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2008

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

Net change in fund balances – governmental funds		$277,951,102
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. The Regional Transportation Commission and Regional Flood Control District utilize capital projects funds to construct infrastructure, not all of which is retained by the County. Also, the County relinquished infrastructure that was annexed by the cities. The County does not capitalize items costing less than $5,000.		
Capital outlay recorded in governmental funds	$ 380,650,411	
Less amounts not capitalized	(94,916,543)	
Capitalized expenditures	285,733,868	
Less current year depreciation	(192,478,854)	93,255,014
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Donated capital assets	238,080,700	
Loss on sale of capital assets	(8,116,839)	
Change in deferred revenue	61,034,370	
Bond bank operating contribution	(14,050,000)	276,948,231
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds issued exceeded repayments:		
Bonds and loans issued	(141,045,000)	
Bond issuance and other deferred costs	441,645	
Accrued interest	610,493	
Amortized bond costs	(914,031)	
Principal payment	88,615,884	
Payments to escrow agents	71,770,707	19,479,698

(Continued)

Reconciliation of Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the year ended June 30, 2008

(Continued)

Some expenses reported in the statement of net activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Change in long-term compensated absences	(6,844,200)	
Change in LVMPD OPEB liability	(49,996,761)	$(56,840,961)
Long-term receivable is recorded in the governmental funds. The current portion of the provision for doubtful accounts is recognized in the statement of activities.		(1,355,486)
Long-term LVMPD OPEB receivable due from the City of Las Vegas		19,303,749
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of the internal service funds is reported with governmental activities.		55,985,363
Increase to internal balances that are receivable from business-type activities.		1,753,106
Change in net assets of governmental activities		$686,479,816

The accompanying notes are an integral part of these financial statements

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2008

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
ASSETS				
Unrestricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	$ 7,174,871	$ -	$ -	$ 174,713,546
In custody of other officials	12,000	7,306,011	4,014,616	127,550
Investments in custody of other officials	-	379,710,179	77,442,274	-
Loaned securities	-	-	-	-
Accounts receivable	149,320,907	14,571,498	57,197,279	26,183,188
Interest receivable	-	3,385,047	534,830	10,362,764
Taxes receivable, delinquent	-	-	-	-
Due from other funds	-	-	-	1,540,333
Due from other governmental units	-	-	-	10,406,640
Inventories	13,817,058	2,250,398	13,477,024	3,552,231
Prepaid items and other current assets	798,590	378,462	-	2,464,275
Total unrestricted current assets	171,123,426	407,601,595	152,666,023	229,350,527
Restricted current assets:				
Cash and cash equivalents:				
In custody of the County Treasurer	46,899,464	10,304,688	-	433,190,602
With fiscal agent	-	-	-	1,211,562,949
Investments in custody of other officials	-	-	141,223,172	-
Loaned securities	9,205,055	102,595,031	-	116,303,868
Accounts receivable	1,721,224	2,644,000	417,824,730	-
Interest receivable	-	-	-	-
Total restricted current assets	57,825,743	115,543,719	559,047,902	1,761,057,419
Total current assets	228,949,169	523,145,314	711,713,925	1,990,407,946
Noncurrent assets:				
Accounts receivable, restricted	-	-	389,300,000	-
Deferred charges and other assets	458,537	33,503,843	10,866,103	77,918,761
Capital assets:				
Property and equipment	291,347,425	1,512,040,132	2,511,704,427	4,072,759,372
Accumulated depreciation	(136,130,712)	(419,213,022)	(629,432,683)	(955,022,425)
Total capital assets, net of accumulated depreciation	155,216,713	1,092,827,110	1,882,271,744	3,117,736,947
Total noncurrent assets	155,675,250	1,126,330,953	2,282,437,847	3,195,655,708
Total assets	384,624,419	1,649,476,267	2,994,151,772	5,186,063,654

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
LIABILITIES				
Current liabilities (payable from current assets):				
Current maturities of long-term debt	$ 5,272,521	$ 5,825,000	$ -	$ -
Accounts payable	55,105,054	60,006,497	46,352,503	26,829,101
Accrued expenses	45,717,695	7,759,612	28,582,487	10,780,034
Due to other funds	18,984,366	-	-	5,900,166
Loaned securities	9,253,582	102,604,150	-	-
Deferred revenue	-	-	-	3,042,928
Deposits and other current liabilities	-	3,367,857	15,376,773	149,852,708
Total current liabilities (payable from current assets)	134,333,218	179,563,116	90,311,763	196,404,937
Current liabilities (payable from restricted assets):				
Current maturities of long-term debt	-	-	440,675,000	66,150,000
Accounts payable	-	-	6,141,037	87,116,638
Accrued expenses	-	-	8,437,539	61,857,434
Customer deposits	-	-	5,621,507	-
Loaned securities	-	-	-	116,916,989
Total current liabilities (payable from restricted assets)	-	-	460,875,083	332,041,061
Total current liabilities	134,333,218	179,563,116	551,186,846	528,445,998
Noncurrent liabilities:				
Long-term debt, less current maturities	94,036,943	82,475,682	1,299,286,562	3,080,025,662
Deferred revenue and other non-current liabilities	28,113,156	1,349,373	4,216,850	68,769,088
Total noncurrent liabilities	122,150,099	83,825,055	1,303,503,412	3,148,794,750
Total Liabilities	256,483,317	263,388,171	1,854,690,258	3,677,240,748
NET ASSETS				
Invested in capital assets, net of related debt	86,741,233	1,004,526,428	1,038,965,684	843,898,120
Restricted for:				
Capital projects	6,444,936	-	-	217,852,708
Debt service	-	12,948,688	13,546,266	430,416,864
Unrestricted	34,954,933	368,612,980	86,949,564	16,655,214
Total Net Assets	$ 128,141,102	$ 1,386,088,096	$ 1,139,461,514	$ 1,508,822,906

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2008
(Continued)

	Business-Type - Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
ASSETS			
Unrestricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	$ 136,119,487	$ 318,007,904	$ 288,051,665
In custody of other officials	2,650	11,462,827	4,102,000
Investments in custody of other officials	-	457,152,453	-
Loaned securities	26,801,088	26,801,088	44,476,721
Accounts receivable	299,048	247,571,920	4,098,025
Interest receivable	1,333,880	15,616,521	2,213,594
Taxes receivable, delinquent	633	633	-
Due from other funds	-	1,540,333	31,536,252
Due from other governmental units	16,471	10,423,111	47,564
Inventories	-	33,096,711	486,713
Prepaid items and other current assets	15,000	3,656,327	1,366,439
Total unrestricted current assets	164,588,257	1,125,329,828	376,378,973
Restricted current assets:			
Cash and cash equivalents:			
In custody of the County Treasurer	2,719,714	493,114,468	-
With fiscal agent	-	1,211,562,949	-
Investments in custody of other officials	-	141,223,172	-
Loaned securities	520,759	228,624,713	-
Accounts receivable	-	422,189,954	-
Interest receivable	25,918	25,918	-
Total restricted current assets	3,266,391	2,496,741,174	-
Total current assets	167,854,648	3,622,071,002	376,378,973
Noncurrent assets:			
Accounts receivable, restricted	-	389,300,000	-
Deferred charges and other assets	-	122,747,244	-
Capital assets:			
Property and equipment	89,127,463	8,476,978,819	24,429,187
Accumulated depreciation	(29,556,181)	(2,169,355,023)	(19,746,669)
Total capital assets, net of accumulated depreciation	59,571,282	6,307,623,796	4,682,518
Total noncurrent assets	59,571,282	6,819,671,040	4,682,518
Total assets	227,425,930	10,441,742,042	381,061,491

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Assets
June 30, 2008
(Continued)

	Business-Type - Enterprise Funds		
	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
LIABILITIES			
Current liabilities (payable from current assets):			
Current maturities of long-term debt	$ 4,455,755	$ 15,553,276	$ -
Accounts payable	3,121,784	191,414,939	101,165,968
Accrued expenses	7,453,946	100,293,774	42,866,847
Due to other funds	-	24,884,532	4,500,000
Loaned securities	26,942,376	138,800,108	44,711,190
Deferred revenue	300,309	3,343,237	-
Deposits and other current liabilities	50,753	168,648,091	302,520
Total current liabilities (payable from current assets)	42,324,923	642,937,957	193,546,525
Current liabilities (payable from restricted assets):			
Current maturities of long-term debt	-	506,825,000	-
Accounts payable	-	93,257,675	-
Accrued expenses	-	70,294,973	-
Customer deposits	-	5,621,507	-
Loaned securities	523,504	117,440,493	-
Total current liabilities (payable from restricted assets)	523,504	793,439,648	-
Total current liabilities	42,848,427	1,436,377,605	193,546,525
Noncurrent liabilities:			
Long-term debt, less current maturities	5,898,591	4,561,723,440	-
Deferred revenue and other non-current liabilities	-	102,448,467	-
Total noncurrent liabilities	5,898,591	4,664,171,907	-
Total Liabilities	48,747,018	6,100,549,512	193,546,525
NET ASSETS			
Invested in capital assets, net of related debt	49,187,458	3,023,318,923	4,682,518
Restricted for:			
Capital projects	-	224,297,644	-
Debt service	2,742,887	459,654,705	-
Unrestricted	126,748,567	633,921,258	182,832,448
Total Net Assets	$ 178,678,912	$ 4,341,192,530	$ 187,514,966
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(4,412,449)	
Net assets of business-type of activities		$ 4,336,780,081	

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

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2008

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Operating revenues:				
Licenses and permits:				
New development fees	$ -	$ -	$ -	$ -
Charges for services:				
Sewer services and operations	-	101,765,294	-	-
Water sales and related water fees	-	-	351,434,705	-
Services to patients	501,854,545	-	-	-
Landing and other airport fees	-	-	-	41,706,379
Building and land rental	-	-	-	133,907,751
Concession fees	-	-	-	197,451,187
Constable fees	-	-	-	-
Building fees and permits	-	-	-	-
Recreation fees	-	-	-	-
Parking fees	-	-	-	-
Insurance	-	-	-	-
Other	27,161,153	-	-	-
Other operating revenues	-	1,506,196	3,770,683	2,871,909
Total operating revenues	529,015,698	103,271,490	355,205,388	375,937,226
Operating expenses:				
Salaries and benefits	-	25,721,855		98,753,171
General and administrative	138,108,735	-	-	19,268,377
Other professional services	431,856,946	6,640,975	-	-
Operating and maintenance	-	25,483,043	312,112,789	138,451,419
Depreciation	14,050,009	42,402,545	79,632,209	81,013,873
Total operating expenses	584,015,690	100,248,418	391,744,998	337,486,840
Operating income (loss)	(54,999,992)	3,023,072	(36,539,610)	38,450,386

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Nonoperating revenues (expenses):				
Interest income	$ 3,154,252	$ 31,150,467	$ 5,543,414	$ 86,342,093
Interest expense	(5,207,053)	-	(35,326,780)	(157,604,320)
Gain (loss) on sale or abandonment of property and equipment	-	(6,673,493)	-	-
Consolidated tax	-	-	-	-
Sales and use tax	-	15,595,269	-	-
Contributions from other governmental units	31,000,000	-	-	-
Other	611,761	465,779	423,351	130,505,068
Total nonoperating revenues (expenses)	29,558,960	40,538,022	(29,360,015)	59,242,841
Income (loss) before contributions and transfers	(25,441,032)	43,561,094	(65,899,625)	97,693,227
Capital contributions	-	50,086,939	60,502,744	22,315,727
Transfers from other funds	13,800,000	-	-	9,498,355
Change in net assets	(11,641,032)	93,648,033	(5,396,881)	129,507,309
Net assets:				
Beginning of year	139,782,134	1,292,440,063	1,144,858,395	1,379,315,597
End of year	$ 128,141,102	$ 1,386,088,096	$ 1,139,461,514	$ 1,508,822,906

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Operating revenues:			
Licenses and permits:			
New development fees	$ 151,188	151,188	$ -
Charges for services:			
Sewer services and operations	-	101,765,294	-
Water sales and related water fees	4,116,040	355,550,745	-
Services to patients	-	501,854,545	-
Landing and other airport fees	-	41,706,379	-
Building and land rental	-	133,907,751	-
Concession fees	-	197,451,187	-
Constable fees	3,139,164	3,139,164	-
Building fees and permits	68,056,221	68,056,221	-
Recreation fees	9,339,325	9,339,325	-
Parking fees	564,140	564,140	207,562
Insurance	-	-	130,713,562
Other	-	27,161,153	49,872,462
Other operating revenues	356,571	8,505,359	6,221,775
Total operating revenues	85,722,649	1,449,152,451	187,015,361
Operating expenses:			
Salaries and benefits	51,489,602	175,964,628	66,773,381
General and administrative	-	157,377,112	-
Other professional services	-	438,497,921	-
Operating and maintenance	20,998,568	497,045,819	142,462,491
Depreciation	3,189,321	220,287,957	1,347,869
Total operating expenses	75,677,491	1,489,173,437	210,583,741
Operating income (loss)	10,045,158	(40,020,986)	(23,568,380)

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Assets
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Nonoperating revenues (expenses):			
Interest income	$ 11,201,192	$ 137,391,418	$ 18,823,016
Interest expense	(2,995,126)	(201,133,279)	(4,187,664)
Gain (loss) on sale or abandonment of property and equipment	323,033	(6,350,460)	81,075
Consolidated tax	65,526	65,526	-
Sales and use tax	233,887	15,829,156	-
Contributions from other governmental units	-	31,000,000	-
Other	74,836	132,080,795	211,950
Total nonoperating revenues (expenses)	8,903,348	108,883,156	14,928,377
Income (loss) before contributions and transfers	18,948,506	68,862,170	(8,640,003)
Capital contributions	-	132,905,410	-
Transfers from other funds	1,302,476	24,600,831	64,797,000
Change in net assets	20,250,982	226,368,411	56,156,997
Net assets:			
Beginning of year	158,427,930		131,357,969
End of year	$ 178,678,912		$ 187,514,966
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds		(1,753,106)	
Change in net assets of business-type activities		$ 224,615,305	

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

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash flows from operating activities:				
Cash received from customers	$ 520,486,625	$ 104,576,487	$ 349,238,081	$ 363,697,533
Cash paid for employees and for benefits	(325,921,004)	(24,996,690)	(108,628,284)	(98,529,311)
Cash paid for services and supplies	(233,907,057)	(25,130,860)	(210,020,041)	(148,877,592)
Other operating receipts	27,161,152	-	438,148	-
Net cash provided (used) by operating activities	(12,180,284)	54,448,937	31,027,904	116,290,630
Cash flows from noncapital financing activities:				
Cash provided by property taxes	-	-	-	-
Cash provided by consolidated taxes and sales and use taxes	-	-	-	-
Repayment of interfund loan	(1,000,000)	-	-	-
Federal and state grants	-	-	-	-
Transfers from other funds	13,800,000	-	-	-
Contributions from other governmental units	31,000,000	-	-	-
Other nonoperating revenues (expenses)	-	-	126,353	-
Net cash provided (used) by non-capital financing activities	43,800,000	-	126,353	-
Cash flows from capital and related financing activities:				
Cash provided by contributed capital	-	35,891,091	48,233,187	-
Bonds and loans issued	7,000,000	-	157,480,955	1,614,644,425
Federal and state grants	-	18,453	-	47,724,875
Cash used for bond issue costs	-	-	(236,478)	(10,335,042)
Acquisition, construction, or improvement of capital assets	(8,865,679)	(213,811,774)	(134,956,122)	(460,259,884)

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Cash used for debt service:				
Principal	$ (5,253,795)	$ (5,550,000)	$ (20,565,000)	$ (69,485,000)
Interest	(5,151,627)	(1,746,250)	(35,898,574)	(185,231,588)
Payments to bond refunding agent	-	-	-	(1,184,464,862)
Proceeds from the sale of capital assets	-	54,491,743	222,337	-
Proceeds from customer assessments	-	-	-	90,084,692
Sales tax apportionment	-	15,717,452	-	-
Cash provided by other capital	611,761	-	(1,354,238)	-
Net cash used by capital and related financing activities	(11,659,340)	(114,989,285)	12,926,067	(157,322,384)
Cash flows from investing activities:				
Transfer to joint venture	-	(10,788,961)	-	-
Purchase of investments	-	(97,364,650)	(19,748,582,048)	-
Proceeds from maturities of investments	-	146,869,206	19,667,820,500	-
Interest income	3,154,252	33,205,408	2,413,458	94,194,744
Net cash provided (used) by investing activities	3,154,252	71,921,003	(78,348,090)	94,194,744
Net increase (decrease) in cash and cash equivalents	23,114,628	11,380,655	(34,267,766)	53,162,990
Cash and cash equivalents:				
Beginning of year	30,971,707	6,230,044	38,282,382	1,766,431,657
End of year:				
Unrestricted	7,186,871	7,306,011	4,014,616	174,841,096
Restricted	46,899,464	10,304,688		1,644,753,551
Total cash and cash equivalents at end of year	$ 54,086,335	$ 17,610,699	$ 4,014,616	$ 1,819,594,647

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	$ (54,999,992)	$ 3,023,072	$ (36,539,610)	$ 38,450,386
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	14,050,009	42,402,545	79,632,209	81,013,873
Provision for doubtful accounts	200,968,657	-	-	-
(Increase) decrease in accounts receivable	(182,336,578)	1,416,596	(7,882,863)	(11,211,566)
(Increase) decrease in due from other funds	-	-	-	-
(Increase) decrease in due from other governmental units	-	-	-	-
(Increase) decrease in inventory	(4,747,875)	(503,571)	-	(1,226,761)
(Increase) decrease in prepaid expense	-	(35,349)	(2,982,707)	(623,282)
(Increase) decrease in other assets	2,110,152	-	(223,443)	8,693,170
Increase (decrease) in accounts payable	7,294,081	8,318,427	(6,954,360)	202,000
Increase (decrease) in accrued payroll	-	-	5,599,959	223,860
Increase (decrease) in other non-current liabilities	839,741	(172,783)	-	-
Increase (decrease) in deferred revenue	-	-	(30,912)	768,950
Increase (decrease) in deposits and other current liabilities	4,641,521	-	409,631	-
Net cash provided (used) by operating activities	$ (12,180,284)	$ 54,448,937	$ 31,027,904	$ 116,290,630

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Las Vegas Valley Water District	Department of Aviation
Noncash investing, capital and financing activities				
Donated mains and services	$ -	$ 12,457,110	$ 12,143,204	$ -
Property, plant and equipment purchased on account	-	48,458,441	-	-
Change in fair value of investments	-	6,549,887	(91,694)	-
Bond issuance costs deducted from bond proceeds	-	-	(491,787)	-
Debt issued on behalf of related party	-	-	171,720,000	-
Reduction of debt issued on behalf of related party	-	-	(197,975,000)	-
Liability for litigation settlements charged to capital assets	-	-	-	204,000,000

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:			
Cash received from customers	$ 85,458,923	$ 1,423,457,649	$ 172,439,979
Cash paid for employees and for benefits	(50,748,338)	(608,823,627)	(28,472,443)
Cash paid for services and supplies	(25,057,809)	(642,993,359)	(140,980,160)
Other operating receipts	356,571	27,955,871	6,221,775
Net cash provided (used) by operating activities	10,009,347	199,596,534	9,209,151
Cash flows from noncapital financing activities:			
Cash provided by property taxes	15,102	15,102	-
Cash provided by consolidated taxes and sales and use taxes	10,346	10,346	-
Repayment of interfund loan	-	(1,000,000)	-
Federal and state grants	74,836	74,836	-
Transfers from other funds	1,302,476	15,102,476	64,797,000
Contributions from other governmental units	-	31,000,000	-
Other nonoperating revenues (expenses)	-	126,353	211,950
Net cash provided (used) by non-capital financing activities	1,402,760	45,329,113	65,008,950
Cash flows from capital and related financing activities:			
Cash provided by contributed capital	-	84,124,278	-
Bonds and loans issued	2,856,311	1,781,981,691	-
Federal and state grants	-	47,743,328	-
Cash used for bond issue costs	-	(10,571,520)	-
Acquisition, construction, or improvement of capital assets	(3,157,265)	(821,050,724)	(1,438,428)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Cash used for debt service:			
Principal	$ (1,264,432)	$ (102,118,227)	$ -
Interest	(383,072)	(228,411,111)	-
Payments to bond refunding agent	-	(1,184,464,862)	-
Proceeds from the sale of capital assets	-	54,714,080	-
Proceeds from customer assessments	-	90,084,692	-
Sales tax apportionment	273,886	15,991,338	-
Cash provided by other capital	-	(742,477)	-
Net cash used by capital and related financing activities	(1,674,572)	(272,719,514)	(1,438,428)
Cash flows from investing activities:			
Transfer to joint venture	-	(10,788,961)	-
Purchase of investments	-	(19,845,946,698)	-
Proceeds from maturities of investments	-	19,814,689,706	-
Interest income	8,672,639	141,640,501	14,586,138
Net cash provided (used) by investing activities	8,672,639	99,594,548	14,586,138
Net increase (decrease) in cash and cash equivalents	18,410,174	71,800,681	87,365,811
Cash and cash equivalents:			
Beginning of year	120,431,677	1,962,347,467	204,787,854
End of year:			
Unrestricted	136,122,137	329,470,731	292,153,665
Restricted	2,719,714	1,704,677,417	-
Total cash and cash equivalents at end of year	$ 138,841,851	$ 2,034,148,148	$ 292,153,665

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash flows from operating activities:			
Operating income (loss)	$ 10,045,158	$ (40,020,986)	$ (23,568,380)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	3,189,321	220,287,957	1,347,869
Provision for doubtful accounts	-	200,968,657	-
(Increase) decrease in accounts receivable	(85,934)	(200,100,345)	1,376,161
(Increase) decrease in due from other funds	-	-	(9,782,224)
(Increase) decrease in due from other governmental units	174,919	174,919	(47,564)
(Increase) decrease in inventory	-	(6,478,207)	48,637
(Increase) decrease in prepaid expense	-	(3,641,338)	(108,755)
(Increase) decrease in other assets	-	10,579,879	-
Increase (decrease) in accounts payable	(4,046,726)	4,813,422	1,542,449
Increase (decrease) in accrued payroll	728,749	6,552,568	38,300,938
Increase (decrease) in other non-current liabilities	-	666,958	-
Increase (decrease) in deferred revenue	(220)	737,818	-
Increase (decrease) in deposits and other current liabilities	4,080	5,055,232	100,020
Net cash provided (used) by operating activities	$ 10,009,347	$ 199,596,534	$ 9,209,151

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the fiscal year ended June 30, 2008
(Continued)

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Other Enterprise Funds	Total Enterprise Funds	
Noncash investing, capital and financing activities			
Donated mains and services	$ -	$ 24,600,314	$ -
Property, plant and equipment purchased on account	-	48,458,441	-
Change in fair value of investments	-	6,458,193	-
Bond issuance costs deducted from bond proceeds	-	(491,787)	-
Debt issued on behalf of related party	-	171,720,000	-
Reduction of debt issued on behalf of related party	-	(197,975,000)	-
Liability for litigation settlements charged to capital assets	-	204,000,000	-

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

Clark County, Nevada
Fiduciary Funds
Statement of Net Assets
June 30, 2008

	Employee Benefit and Pension Funds	Agency Funds
ASSETS		
Cash and investments:		
In custody of the County Treasurer	$ 3,448,244	$ 164,642,480
In custody of other officials	-	39,681,315
With fiscal agent	125,224,502	-
Loaned securities	660,254	32,705,337
Accounts receivable	-	254,446
Interest receivable	1,088,815	1,627,735
Taxes receivable, delinquent	-	30,843,720
Due from other governmental units	-	3,748,565
Total Assets	130,421,815	273,503,598
LIABILITIES		
Accrued expenses	37,884	-
Loaned securities	663,735	32,877,751
Amounts held for others	-	240,625,847
Total Liabilities	701,619	273,503,598
NET ASSETS		
Held in trust for pension benefits and other purposes	$ 129,720,196	$ -

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

Clark County, Nevada
Fiduciary Funds
Statement of Changes in Net Assets
For the fiscal year ended June 30, 2008

	Employee Benefit and Pension Funds
ADDITIONS	
Contributions:	
Contributions from employer	$ 23,682,756
Contributions from employees	977,039
Total contributions	24,659,795
Investment earnings:	
Interest	1,788,361
Net increase in fair value of investments	(3,744,154)
Total investment earnings	(1,955,793)
Less investment expense	(150,302)
Net investment earnings	(2,106,095)
Total additions	22,553,700
DEDUCTIONS	
General and administrative	181,558
Benefit payments	14,939,481
Total deductions	15,121,039
Change in net assets	7,432,661
NET ASSETS	
Beginning of year	122,287,535
End of year	$ 129,720,196

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

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

Blended Component Units

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

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

Discretely Presented Component Units

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

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

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

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

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

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Government-Wide Financial Statements

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

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

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues, excluding property taxes, to be available if they are collected within 90 days after the end of the current fiscal year. Property taxes are considered available if collected within 60 days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, consolidated taxes, franchise fees, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year. Only the portion of special assessments receivable due within the fiscal year is considered to be susceptible to accrual as revenue of the current year. Fines and forfeitures, as well as licenses and permits, are not susceptible to accrual as they are generally not measurable until received in cash.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and internal service funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees of the Reclamation District and Water District funds that are intended to recover the cost of connecting new customers to their system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major governmental funds:

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

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

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

The County reports the following major enterprise funds:

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Fund Financial Statements (Continued)

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

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

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

Additionally, the County reports the following fund types:

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

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

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

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

Assets, Liabilities, and Net Assets or Equity

Investments

With the exception of the Water Reclamation District and Water District, the County pools the cash of its individual funds for investment purposes. Each fund in the pool records its own interest earnings. At year end, all the investments in the pool are adjusted to fair value, regardless of the length of time remaining to maturity. The proportionate share of each fund's unrealized gain or loss at year end is adjusted against the interest earnings of the individual funds. The Water Reclamation District and Water District also adjust their investments to fair value, but only to the extent that they are maturing longer than a year from year end. (Also see Note II.1.)

Receivables and Payables

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Receivables and Payables (Continued)

governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

Inventories and Prepaid Items

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

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

Restricted Assets

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, bridges, flood control structures, traffic signals, streetlights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	20-50
Land improvements	5-75
Infrastructure	25-50
Equipment	5-20

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Compensated Absences

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

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

Fund Equity

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

Reclassifications

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

Use of Estimates

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

II. DETAILED NOTES – ALL FUNDS

1. CASH AND INVESTMENTS

Deposits

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

All deposits are subject to credit risk. Credit risk is defined as the risk that another party to a deposit or investment transaction (counterparty) will not fulfill its obligations. At year end, the bank balance of deposits held in custody of the County Treasurer was $29,504,453 and the carrying amount was ($26,817,663). The negative carrying amount represents outstanding checks in excess of bank balances. The County utilizes zero balance sweep accounts and there are money market funds available to cover amounts presented for payment.

The bank balance of deposits held in the custody of other officials was $26,670,647 and the carrying amount was $20,883,584. The bank balance and the carrying value of deposits with fiscal agent was $567,834.

At June 30, 2008, the fair value of Countywide deposits, investments, and loaned securities reinvested consisted of the following:

Total Cash, Investments and Loaned Securities Reinvested
All Entities Combined

		Fair Value
Investments	$6,060,242,640	
Loaned securities	866,622,809	$6,926,865,449
Cash		(5,366,245)
Water District Pension		125,146,915
Grand total		$7,046,646,119

Investments

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

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

State statutes authorize the County to invest in the following: obligations of the U.S. Treasury and U.S. agencies not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada; negotiable certificates of deposit insured by commercial banks, credit unions or savings and loan associations; nonnegotiable certificates of deposit issued by insured commercial banks, credit unions or savings and loan associations, except certificates that are not within limits of insurance provided by the Federal Deposit

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

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2008, the fair value of Countywide investments and securities reinvested were categorized by maturity as follows:

Investments with Loaned Securities Reinvested – All Entities Combined

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 to 3	3 to 5	5 to 10
Debt Securities:					
U.S. Treasuries	$ 636,158,006	$ 100,898,500	$ 474,808,503	$ 1,119,818	$59,331,185
U.S. Agencies	3,498,027,449	979,348,627	1,965,167,899	531,131,698	22,379,225
Corporate Obligations	597,912,419	279,425,864	253,148,505	65,338,050	-
Money Market Funds	998,665,860	998,665,860	-	-	-
Commercial Paper	209,041,589	209,041,589	-	-	-
Negotiable CDs	59,993,802	59,993,802	-	-	-
State Investment Pool	105,484,473	105,484,473	-	-	-
Collateralized Investment Agreements*	447,228,110	447,228,110	-	-	-
Repurchase Agreements	324,500,947	324,500,947	-	-	-
Asset Backed Securities	49,852,794	30,022,113	19,830,681	-	-
Total	$6,926,865,449	$3,534,609,885	$2,712,955,588	$597,589,566	$81,710,410

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

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

At June 30, 2008, the Las Vegas Valley Water District Pension Trust Fund had the following investments (includes contract investments at contract value):

Investment Type	Carrying Value	Percent of Total
Fixed income securities	$ 74,280,534	59.35%
Equities	50,866,381	40.65
Total	$125,146,915	100.00%

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Investment	Maturities	Carrying Value
Domestic Equity Fund	N/A	$ 50,866,381
Domestic Bond Fund	Weighted Average 7.30 years	45,523,709
Money Market Fund	Weighted Average 19 days	77,596
Union Central Life Insurance Co. Contract	Open	1,443,041
N.Y. Life Insurance Co. Contract	Open	5,575,888
N.Y. Life Insurance Co. Contract	07/30/10	4,529,491
N.Y. Life Insurance Co. Contract	09/03/10	4,543,424
N.Y. Life Insurance Co. Contract	10/01/10	4,104,459
N.Y. Life Insurance Co. Contract	09/04/12	4,376,924
N.Y. Life Insurance Co. Contract	10/01/12	4,106,002
Total		$125,146,915

At June 30, 2008, the fair value of Countywide investments and loaned securities reinvested were categorized by quality rating as follows:

Investments with Loaned Securities Reinvested – All Entities Combined

		Quality Ratings by Standard & Poor's				
Investment Type	Fair Value	AAA	AA	A	A-1	Unrated
Debt Securities						
U.S. Treasuries	$ 636,158,006	$ 636,158,006	$ -	$ -	$ -	$ -
U.S. Agencies	3,498,027,449	3,498,027,449	-	-	-	-
Corporate Obligations	597,912,419	21,953,767	231,518,708	65,014,080	279,425,864	-
Money Market Funds	998,665,860	998,665,860	-	-	-	-
Commercial Paper	209,041,589	-	-	-	209,041,589	-
Negotiable CDs	59,993,802	-	-	-	59,993,802	-
State Investment Pool	105,484,473	-	-	-	-	105,484,473
Collateralized Investment Agreements*	447,228,110	117,948,687	329,279,423	-	-	-
Repurchase Agreements	324,500,947	-	-	-	-	324,500,947
Asset Backed Securities	49,852,794	49,852,794	-	-	-	-
Total	$6,926,865,449	$5,322,606,563	$560,798,131	$65,014,080	$548,461,255	$429,985,420

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

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

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

		06/30/08
Domestic Equity and Bond Funds	AA	61.29%
Money Market Fund	AAA/Aaa	00.10
Contracts	N/A	38.61

The managing institution of the Domestic Bond Fund reports an overall rating of AA+ at June 30, 2008, for the underlying securities. The fund is benchmarked off the Lehman Brothers Aggregate Bond Index; therefore, the fund uses Lehman Brothers' rating methodology. The methodology uses the middle rating of Moody's, Standard & Poor's, and Fitch after dropping the highest and lowest available ratings. The AAA/Aaa ratings for the Money Market Fund were by Standard & Poor's and Moody's.

The amounts above include investment balances for the RTC and the Flood Control District of $377,096,827 and $275,647,361, respectively, which are discretely presented component units and are not broken out separately as they participate in the investment pool.

Interest Rate Risk

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

Interest Rate Sensitivity

At June 30, 2008, the County invested in the following types of securities that have a higher sensitivity to interest rates:

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

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

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Interest Rate Sensitivity (Continued)

Terms Table of Interest Rate Sensitive Securities

CUSIP	Fair Value	Maturity Date	Call Frequency	Index	Coupon
3133XHNL2	$50,437,500	11/03/09	One time	N/A	Fixed
3136F9LP6	49,859,375	04/28/10	One time	N/A	Fixed
31398ARR5	49,906,250	06/04/10	One time	N/A	Fixed
31331YDQ0	50,281,250	11/19/10	One time	N/A	Fixed
3136F8B95	50,234,375	01/14/11	One time	N/A	Fixed
31398ANY4	49,984,375	02/25/11	One time	N/A	Fixed
31398ANH1	49,703,125	02/25/11	One time	N/A	Fixed
31398AQS4	49,859,375	04/28/11	One time	N/A	Fixed
3136F9KF9	49,566,246	04/29/11	One time	N/A	Fixed
3136F8MA0	50,359,375	05/10/11	One time	N/A	Fixed
3128X5ZC5	50,626,500	02/02/12	One time	N/A	Fixed
3136F8Y33	49,687,500	02/15/12	Semi annually	N/A	Step-down
3136F9PM9	49,758,157	11/15/12	One time	N/A	Fixed
3128X7VS0	49,805,000	05/29/13	One time	N/A	Fixed
3133XPN67	49,984,375	02/11/09	One time	N/A	Fixed
3133XQLA8	49,781,250	04/07/09	Quarterly	N/A	Fixed
3128X7HD9	49,847,500	04/09/09	One time	N/A	Fixed
3133XQXX5	49,906,250	05/06/09	One time	N/A	Fixed
3128X7RM8	49,824,500	05/19/09	One time	N/A	Fixed
3136F9JR5	49,467,104	04/21/11	One time	N/A	Step-up
3133XRBT6	49,890,625	06/03/09	Quarterly	N/A	Step-up

Credit Risk

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

Concentration of Credit Risk

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

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

At June 30, 2008, the following investments exceeded five percent of the total cash, investments, and loaned securities collateral for all entities combined.

Federal Farm Credit Banks (FFCB)	8.53%
Federal Home Loan Banks (FHLB)	22.91
Federal Home Loan Mortgage Corporation (FHLMC)	11.07
Federal National Mortgage Association (FNMA)	14.63
Federated Money Market Funds	5.67
Morgan Stanley Money Market Funds	10.09

Securities Lending

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

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

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

State statutes place no restrictions on the amount of securities that can be loaned. Either the County or the borrower can terminate all open securities loans on demand. Cash collateral is invested in accordance with the investment guidelines stated in NRS 355.170. The County investment policy requires that the aggregate reinvestment of the cash collateral may not be mismatched to the aggregate loaned securities loaned by more than three business days. In regard to this calculation, the final maturity or interest rate reset date is utilized. Such amounts are included in loaned securities in investments and liabilities.

The fair value of the securities on loan at June 30, 2008, was $755,831,287. At June 30, 2008, the County had received cash collateral with a value totaling $769,794,371. The total collateral received was in excess of the fair value of the investments held by brokers/dealers under the securities lending agreement.

The Clark County Water Reclamation District began participating in securities lending activities through its custodial bank in September 2007. In addition to the District's allocated share of loaned securities with the County, the loaned securities in the District's custodial bank were $100,865,319, having an underlying fair value of $99,087,528. The collateral consisted of repurchase agreements with a fair value totaling $100,872,569 at June 30, 2008.

II. DETAILED NOTES – ALL FUNDS (Continued)

1. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Consistent with the County's securities lending policy, $765,757,490 was held by the counterparty that was acting as the County's agent in securities lending transactions, and consisted of U.S. corporate obligations, repurchase agreements, and asset-backed securities. In addition, $100,865,000 was held by the Clark County Water Reclamation District's agent in securities lending transactions conducted through the District's custodial bank.

GASB 31

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

2. PROPERTY TAXES

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

The Nevada legislature enacted provisions whereby the combined overlapping tax rate was limited to $3.64 per $100 of assessed valuation. The Nevada legislature also passed property tax abatement law that generally caps increases in property taxes received from any residential property to three percent per year, and eight percent per year for non-residential property.

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred revenue in the governmental funds as they are not available to pay liabilities of the current period. The revenue is fully recognized at the government-wide level. The following delinquent taxes receivable and penalties receivable on delinquent taxes have been deferred as of June 30, 2008:

General Fund	Special Revenue Funds	Debt Service Funds	Non-Major Enterprise Funds	Total
$11,721,152	$6,340,212	$272,965	$309	$18,334,638

II. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2008, consisted of the following:

	Accounts	Provisions for Doubtful Accounts	Net Accounts Receivable
Primary Government			
Governmental activities:			
General	$ 26,418,759	$(20,867,281)	$ 5,551,478
Las Vegas Metropolitan Police	2,328,571	-	2,328,571
Other governmental	4,437,113	-	4,437,113
Internal Service	4,098,025	-	4,098,025
Total governmental activities	$ 37,282,468	$(20,867,281)	$ 16,415,187
Amounts not scheduled for collection during the subsequent year	$ 20,867,281		
Business-type activities:			
University Medical Center	$245,501,387	$(96,180,480)	$149,320,907
Reclamation District	14,821,498	(250,000)	14,571,498
Water District	58,277,279	(1,080,000)	57,197,279
Department of Aviation	28,654,226	(2,471,038)	26,183,188
Other proprietary	299,048	-	299,048
Total business-type activities	$347,553,438	$(99,981,518)	$247,571,920
Business-type activities restricted:			
Reclamation District	$ 2,644,000	$ -	$ 2,644,000
Water District	807,124,730	-	807,124,730
University Medical Center	1,721,224	-	1,721,224
Total business-type activities restricted	$811,489,954	$ -	$811,489,954
Amounts not scheduled for collection during the subsequent year	$389,300,000		

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

II. DETAILED NOTES – ALL FUNDS (Continued)

3. ACCOUNTS RECEIVABLE (Continued)

Discretely Presented Component Units

	Accounts	Provision for Doubtful Accounts	Net Accounts Receivable
Regional Transportation Commission of Southern Nevada	$1,432,733	$ -	$1,432,733
Regional Flood Control District	$ 6,530	$ -	$ 6,530

Bond Bank Receivable

Nevada Revised Statute authorizes the County to issue general obligation bonds for the purpose of acquiring obligations issued by municipalities and authorities in Clark County for certain purposes. These general obligation bonds are shown in Note 6. The obligation issued by municipalities and authorities are shown as bond bank receivable on the statement of net assets.

	Balance June 30, 2008
Bond bank receivable, current	$ 34,745,000
Bond bank receivable, noncurrent	989,805,000
Total bond bank receivable	$1,024,550,000

4. CAPITAL ASSETS

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Primary Government				
Governmental activities:				
Capital assets not being depreciated:				
Land	$1,214,575,179	$ 79,350,055	$ -	$1,293,925,234
Construction in progress	265,752,380	215,136,774	174,294,955	306,594,199
Total capital assets not being depreciated	1,480,327,559	294,486,829	174,294,955	1,600,519,433
Capital assets being depreciated:				
Buildings	804,936,086	80,923,527	3,190,066	882,669,547
Improvements other than buildings	213,664,517	18,529,102	7,459,997	224,733,622
Equipment	270,951,636	51,403,918	24,696,858	297,658,696
Infrastructure	3,535,479,645	335,418,103	-	3,870,897,748
Total capital assets being depreciated	4,825,031,884	486,274,650	35,346,921	5,275,959,613

II. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Less accumulated depreciation for:				
Buildings	133,472,355	15,409,490	2,611,387	146,270,458
Improvements other than buildings	74,396,069	10,213,061	420,629	84,188,501
Equipment	167,566,542	37,963,871	14,239,283	191,291,130
Infrastructure	1,095,488,250	128,892,432	-	1,224,380,682
Total accumulated depreciation	1,470,923,216	192,478,854	17,271,299	1,646,130,771
Total capital assets being depreciated, net	3,354,108,668	293,795,796	18,075,622	3,629,828,842
Governmental activities capital assets, net	$4,834,436,227	$588,282,625	$192,370,577	$5,230,348,275
Business-type activities:				
Capital assets not being depreciated:				
Land	643,141,590	206,897,557	27,277	850,011,870
Construction in progress	423,502,040	1,478,259,273	760,998,451	1,140,762,862
Total capital assets not being depreciated	1,066,643,630	1,685,156,830	761,025,728	1,990,774,732
Capital assets being depreciated:				
Land improvements	2,493,352,490	91,902,957	30,765,088	2,554,490,359
Buildings and improvements	2,918,239,459	75,686,689	37,616,942	2,956,309,206
Equipment	942,249,633	66,366,662	33,211,773	975,404,522
Total capital assets being depreciated	6,353,841,582	233,956,308	101,593,803	6,486,204,087
Less accumulated depreciation for:				
Land improvements	722,677,492	58,390,772	12,464,607	768,603,657
Buildings and improvements	874,574,327	103,991,577	45,240,904	933,325,000
Equipment	420,938,600	65,287,970	18,800,204	467,426,366
Total accumulated depreciation	2,018,190,419	227,670,319	76,505,715	2,169,355,023
Total capital assets being depreciated, net	4,335,651,163	6,285,989	25,088,088	4,316,849,064
Business-type activities capital assets, net	$5,402,294,793	$1,691,442,819	$786,113,816	$6,307,623,796

II. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

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

Governmental activities:	
General government	$ 19,795,541
Judicial	3,593,707
Public safety	24,729,942
Public works	132,416,394
Health	518,074
Welfare	429,203
Culture and recreation	10,492,120
Other	503,873
Total depreciation expense – governmental activities	$192,478,854
Business-type activities:	
Hospital	$ 14,050,009
Water	79,632,209
Airport	88,396,235
Sewer	42,402,545
Other	3,189,321
Total depreciation expense – business-type activities	$227,670,319

Construction Commitments

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

Construction-in-progress and remaining commitments as of June 30, 2008, were as follows:

	Spent to date	Remaining Commitment
Governmental activities:		
Buildings and improvements	$171,527,543	$ 373,602,262
Infrastructure:		
Work in progress RFCD Clark County projects	22,588,830	22,561,576
Work in progress – Public Works	98,303,726	1,197,896,688
Work in progress – RTC Clark County projects	14,174,100	75,823,567
Total infrastructure	135,066,656	1,296,281,831
Total governmental activities	$306,594,199	$1,669,884,093

II. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Business-type activities:		
Hospital	$ 8,621,521	$ 13,159,830
Water	127,483,711	102,400,000
Airport	681,614,403	2,500,000,000
Sewer	339,627,089	329,642,726
Total	$1,157,346,724	$2,945,202,556

Discretely Presented Component Units

Flood Control District

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Capital assets not being depreciated:				
Construction in progress	$ 94,242	$ 55,604	$ 24,098	$ 125,748
Capital assets being depreciated:				
Buildings	2,994,689	21,019	-	3,015,708
Equipment	1,587,499	170,154	255,523	1,502,130
Total capital assets being depreciated	4,582,188	191,173	255,523	4,517,838
Less accumulated depreciation for:				
Buildings	528,301	62,586	-	590,887
Equipment	1,247,931	123,791	224,624	1,147,098
Total accumulated depreciation	1,776,232	186,377	224,624	1,737,985
Total capital assets being depreciated, net	2,805,956	4,796	30,899	2,779,853
Government activities capital assets, net	$2,900,198	$ 60,400	$ 54,997	$2,905,601

Depreciation expense of $186,377 was charged to the public works function.

RTC

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	$ -	$ 235,718	$ -	$ 235,718
Total capital assets not being depreciated	$ -	$ 235,718	$ -	$ 235,718

II. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Capital assets being depreciated:				
Buildings	$ 18,522,095	$ -	$ -	$ 18,522,095
Equipment	3,437,103	408,554	1,088,649	2,757,008
Total capital assets	21,959,198	408,554	1,088,649	21,279,103
Less accumulated depreciation for:				
Buildings	2,855,414	417,108	-	3,272,522
Equipment	1,471,835	1,040,825	1,088,649	1,424,011
Total accumulated depreciation	4,327,249	1,457,933	1,088,649	4,696,533
Total capital assets being depreciated, net	17,631,949	(1,049,379)	-	16,582,570
Governmental activities capital assets, net	$ 17,631,949	$ (813,661)	$ -	$ 16,818,288
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 33,650,793	$ -	$ -	$ 33,650,793
Construction in progress	32,809,818	138,731,896	55,801,478	115,740,236
Total capital assets not being depreciated	66,460,611	138,731,896	55,801,478	149,391,029
Capital assets being depreciated:				
Buildings and improvements	65,909,186	498,478	-	66,407,664
Equipment	189,573,859	56,098,473	26,603,455	219,068,877
Total capital assets being depreciated	255,483,045	56,596,951	26,603,455	285,476,541
Less accumulated depreciation for:				
Buildings and improvements	19,345,290	2,600,381	-	21,945,671
Equipment	96,934,793	18,072,941	26,215,181	88,792,553
Total accumulated depreciation	116,280,083	20,673,322	26,215,181	110,738,224
Total capital assets being depreciated, net	139,202,962	35,923,629	388,274	174,738,317
Business-type activities capital assets, net	$205,663,573	$174,655,525	$56,189,752	$324,129,346

II. DETAILED NOTES – ALL FUNDS (Continued)

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Depreciation expense was charged to the following functions or programs:

Governmental activities:	
Public Works	$ 1,457,933
Business-type activities:	
Public Transit	$20,673,322

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

5. INTERFUND TRANSACTIONS

Due to/from other funds at June 30, 2008, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Las Vegas Metropolitan Police Fund	$ 400,543
Nonmajor governmental funds	General Fund	279,455
	Between nonmajor governmental funds	15,234,604
Nonmajor governmental funds	Master Transportation Fund	6,000,000
Department of Aviation	Master Transportation Fund	1,540,333
Internal Service funds	Las Vegas Metropolitan Police Fund	54,928
	Nonmajor Governmental funds	2,096,791
	Between internal service funds	4,500,000
Internal service funds	Department of Aviation	5,900,166
Internal service funds	University Medical Center	18,984,367
Total due to/from other funds		$54,991,187

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

II. DETAILED NOTES – ALL FUNDS (Continued)

5. INTERFUND TRANSACTIONS (Continued)

Interfund transfers for the year ended June 30, 2008, consisted of the following:

Fund transferred to:	Fund transferred from:	Amount
General Fund	Nonmajor governmental funds	$ 303,535,415
Las Vegas Metropolitan Police Fund	General Fund	205,982,271
Nonmajor governmental funds	General Fund	447,579,206
	Between nonmajor governmental funds	219,151,247
	Master Transportation Fund	131,275,981
Nonmajor enterprise funds	General Fund	1,302,475
Internal service funds	General Fund	20,600,000
	Nonmajor governmental funds	27,197,000
	Las Vegas Metropolitan Police Fund	17,000,000
University Medical Center	Nonmajor governmental funds	13,800,000
Department of Aviation	Master Transportation Fund	9,498,354
Total interfund transfers		$1,396,921,949

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

6. LONG-TERM DEBT

Primary Government

Bonds payable at June 30, 2008, are comprised of the following individual issues:

Governmental Activities:

General Obligation Bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
1992	Transportation Improvement	06/01/92	06/01/17	4.90-7.50 %	$250,000,000	$ 35,085,000
1998	Transportation Improvement	03/01/98	06/01/19	4.25-5.125	82,885,000	190,000
1998	Transportation Improvement	12/01/98	12/01/19	4.00-5.25	100,000,000	41,280,000
1999	Public Safety	02/01/99	02/01/09	4.00-5.00	20,000,000	2,365,000
1999	Public Facilities	03/01/99	06/01/24	3.25-5.125	71,060,000	29,210,000
1999	Park and Justice Center	11/01/99	11/01/09	5.00-6.00	107,015,000	8,005,000
2000	Transportation Improvement	02/01/00	12/01/11	5.00-6.00	85,000,000	15,980,000
2000	Public Safety	03/01/00	03/01/11	5.00-6.00	18,000,000	3,875,000
2000	Bond Bank	07/01/00	07/01/10	5.50-6.50	200,000,000	12,450,000
2001	Bond Bank	06/01/01	06/01/31	5.00-5.50	250,000,000	60,495,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

General Obligation Bonds (Continued):

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
2002	Medium Term	02/01/02	02/01/12	4.50-5.00	20,000,000	8,935,000
2002	Bond Bank	11/01/02	06/01/32	5.00-5.25	200,000,000	87,485,000
2004	Government Center	04/01/04	01/01/14	2.00-5.00	7,910,000	6,070,000
2004	Public Safety	04/01/04	06/01/17	2.50-5.00	75,610,000	63,695,000
2004	Transportation Improvement	12/30/04	12/01/19	3.00-5.00	74,895,000	74,095,000
2004	Park and Justice Center	12/30/04	11/01/17	3.00-5.00	48,935,000	48,335,000
2005	Street Improvement	07/06/05	10/01/10	3.50-5.00	20,475,000	10,690,000
2005	Park and Justice Center	07/06/05	11/01/24	4.125-5.00	32,310,000	32,310,000
2006	Transportation Improvement	03/07/06	06/01/16	5.00	115,585,000	115,585,000
2006	Bond Bank	06/13/06	06/01/30	4.00-4.75	242,880,000	239,980,000
2006	Bond Bank	11/02/06	11/01/36	2.50-5.00	604,140,000	604,140,000
2007	Public Facilities	05/24/07	06/01/24	4.00-5.00	22,325,000	22,285,000
2008	Transportation Improvement	03/13/08	06/01/19	3.460	71,045,000	71,045,000
1982	Searchlight	10/15/82	01/01/12	5.00	236,720	55,438
	Total General Obligation Bonds					$1,593,640,438

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 65,237,862	$ 74,423,023	$ 139,660,885
2010	73,483,505	70,804,476	144,287,981
2011	76,974,181	67,161,400	144,135,581
2012	76,824,890	63,537,997	140,362,887
2013	77,875,000	59,849,585	137,724,585
2014-2018	400,965,000	239,541,573	640,506,573
2019-2023	260,945,000	156,069,507	417,014,507
2024-2028	254,370,000	95,979,980	350,349,980
2029-2033	214,755,000	39,426,606	254,181,606
2034-2038	92,210,000	5,738,275	97,948,275
	$1,593,640,438	$872,532,422	$2,466,172,860

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
1995	Hiko Springs/Laughlin #74	12/15/95	12/15/15	4.25-7.63 %	$ 6,107,000	$ 3,180,000
1998	Laughlin Wash #71A	09/01/98	04/15/14	4.10-7.20	2,155,000	695,000
1998	Russell Road #81	09/01/98	12/01/12	3.65-5.00	7,155,000	2,930,000
1999	Patrick Lane #107	04/01/99	02/01/09	3.40-4.50	399,000	10,000
1999	Desert Inn #104	02/01/99	02/01/09	3.25-4.20	76,000	10,000
1999	Desert Inn #102	04/01/99	02/01/09	3.40-4.50	300,000	20,000
1999	Vegas Manor #110	02/01/99	02/01/09	3.25-4.20	1,754,000	140,000
2000	Russell Road #82	01/01/00	02/01/10	4.25-5.40	432,000	20,000
2000	Spring Mountain #103	01/01/00	02/01/10	4.25-5.40	648,000	150,000
2000	Gowan Road #106	01/01/00	02/01/10	4.25-5.40	147,000	15,000
2000	Valley View #109	04/01/00	02/01/10	5.10-5.25	2,123,000	520,000
2001	Windmill #105	01/01/01	02/01/11	4.25-4.75	1,604,000	365,000
2001	Summerlin Centre #128B	05/17/01	02/01/21	4.50-6.75	10,000,000	5,420,000
2001	Summerlin Centre #132	05/01/01	02/01/21	4.50-6.875	24,000,000	17,395,000
2002	Durango #89	06/15/02	08/01/12	1.50-4.20	150,000	29,723
2002	Tropicana #116	06/15/02	08/01/12	1.50-4.20	118,000	33,782
2002	Maryland Parkway #118	06/15/02	08/01/12	1.50-4.20	421,000	144,723
2002	Craig Road #119A	06/15/02	08/01/12	1.50-4.20	67,000	28,376
2002	Jones Blvd. #120	06/15/02	08/01/12	1.50-4.20	194,000	46,642
2002	Flamingo Rd. #123	06/15/02	08/01/12	1.50-4.20	405,000	116,753
2003	Las Vegas Blvd. #97A	06/01/03	03/01/16	2.00-3.70	6,970,000	3,635,000
2003	Durango #117	06/01/03	03/01/14	2.00-3.50	277,000	92,055
2003	Summerlin Gardens #124A	12/23/03	02/01/20	2.25-4.50	4,399,431	3,229,907
2003	Summerlin Gardens #124B	12/23/03	02/01/20	1.50-5.90	1,929,727	1,452,818
2003	Jones Blvd. #125	06/01/03	03/01/14	2.00-3.50	322,000	194,194
2003	Boulder Highway #126A	06/01/03	03/01/23	2.00-4.30	2,119,000	1,210,000
2003	Tenaya Way #136	06/01/03	03/01/14	2.00-3.50	300,000	170,926
2003	Buffalo Drive #139	06/01/03	03/01/14	2.00-3.50	527,000	237,826
2003	Summerlin Centre #128A	11/03/03	02/01/21	3.50-6.30	10,000,000	8,380,000
2003	Mountains Edge #142	12/04/03	08/01/23	2.25-6.375	92,360,000	84,235,000
2003	Summerlin South #108A	12/23/03	02/01/17	2.25-4.50	17,335,569	11,685,093
2003	Summerlin South #108B	12/23/03	02/01/17	3.30-5.70	8,375,273	5,807,182
2004	Mountain Vista St. #113	06/29/04	02/01/15	3.50-4.30	322,424	167,802
2004	Silverado Ranch Blvd. #130	06/29/04	02/01/15	3.50-4.30	1,747,504	1,041,762
2004	Stewart Ave. #133	06/29/04	02/01/15	3.50-4.30	205,850	118,631
2004	Pebble Road #138	06/29/04	02/01/15	3.50-4.30	808,817	513,996
2004	Buffalo Drive #141	06/29/04	02/01/15	3.50-4.30	64,569	31,621
2004	Alta Drive Bridge #143	06/29/04	02/01/14	3.50-4.30	1,807,964	1,241,378
2004	Durango #144B	06/29/04	02/01/15	3.50-4.30	816,871	589,811
2005	Summerlin Mesa #151	10/12/05	08/01/25	3.15-5.00	25,485,000	24,135,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Special Assessment Bonds (Continued):

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
2006	Commercial Center #140	05/23/06	02/01/16	4.50	709,000	552,775
2006	Robindale Road #134	05/23/06	02/01/16	4.50	21,000	16,521
2006	Russell Road #127	05/23/06	02/01/16	4.50	1,522,000	1,107,366
2006	Tenaya Way #145	05/23/06	02/01/16	4.50	125,000	88,338
2006	Southern Highlands #121A	05/31/06	12/01/19	3.75-4.63	30,620,000	26,735,000
2006	Southern Highlands #121B	05/31/06	12/01/29	3.90-5.33	13,515,000	12,555,000
2007	Alexander #146	05/02/07	02/01/17	4.00-4.25	448,000	326,181
2007	Craig Road #148	05/02/07	02/01/17	4.00-4.25	495,000	415,395
2007	Silverado Ranch Blvd. #150	05/02/07	02/01/17	4.00-4.25	5,664,000	24,183
2007	Durango #144A	05/02/07	02/01/17	4.00-4.25	397,000	353,205
2007	Fort Apache #131	05/02/07	02/01/17	4.00-4.25	462,000	406,035
2007	Summerlin Centre #128A	05/01/07	02/01/31	3.95-5.05	10,755,000	10,565,000
2007	Summerlin Centre #128A	05/01/07	02/01/21	3.95-5.00	480,000	460,000
2008	Flamingo Underground #112	05/13/08	08/01/37	4.00-5.00	70,000,000	70,000,000
	Total Special Assessment Bonds					$303,045,000

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 13,945,000	$ 14,422,399	$ 28,367,399
2010	15,305,000	14,707,386	30,012,386
2011	15,515,000	14,027,056	29,542,056
2012	16,030,000	13,312,741	29,342,741
2013	16,725,000	12,550,191	29,275,191
2014-2018	83,805,000	49,919,544	133,724,544
2019-2023	71,930,000	27,528,387	99,458,387
2024-2028	31,420,000	12,416,129	43,836,129
2029-2033	18,880,000	7,094,298	25,974,298
2034-2038	19,490,000	2,529,500	22,019,500
	$303,045,000	$168,507,631	$471,552,631

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Loans Payable:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
1996	Moapa Park	01/31/96	06/01/16	5.75 %	$ 800,000	$ 335,732 (a)
2002	LVMPD Helicopter	06/03/02	05/01/12	5.36	1,817,013	845,209 (b)
2008	Commercial Paper	04/01/08	04/08/13	1.375	200,000,000	20,000,000 (c)
	Total Loans Payable					$21,180,941

(a) This loan is being serviced, principal and interest, by the Moapa debt service fund.
(b) This loan is being serviced, principal and interest, by the Las Vegas Metropolitan Police special revenue fund.
(c) This commercial paper is being serviced, principal and interest, by the Clean Water Coalition.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$20,222,528	$325,302	$20,547,830
2010	251,791	42,551	294,342
2011	265,225	29,116	294,341
2012	259,013	14,962	273,975
2013	42,674	7,261	49,935
2014-2016	139,710	10,095	149,805
	$21,180,941	$429,287	$21,610,228

Litigation Accrual and Arbitrage Liability

The County is a defendant in various cases (see Note 10). An estimated liability of $2,500,000 for litigation losses is recorded in the governmental activities column. An addition of $52,693,173 is shown to disclose an arbitration award dated November 30, 2008, on litigation arising from the construction of the Regional Justice Center.

When a state or local government earns interest at a higher rate of return on tax-exempt bond issues than it pays on the debt, a liability for the spread is payable to the federal government. This interest spread, known as "rebatable arbitrage," is due five years after issuing the bonds. Excess earnings of one year may be offset by lesser earnings in subsequent years. As of June 30, 2008, the County has incurred an estimated arbitrage liability of $3,948,398. This estimated liability consists of $3,948,398 recorded as a current liability on both the fund financial statements and the governmental activities column.

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Governmental Activities (Continued):

Litigation Accrual and Arbitrage Liability (Continued)

The following summarizes activity for the year:

	Litigation	Arbitrage	Total
Accrual, July 1, 2007	$ 2,500,000	$5,350,000	$7,850,000
Additions	52,693,173	-	52,693,173
Deletions	-	1,401,602	1,401,602
Accrual, June 30, 2008	$55,193,173	$3,948,398	$59,141,571
Due within one year	$52,693,173	$3,948,398	$56,641,571

Compensated Absences

The following is the change in long-term accrued vacation, sick leave, longevity, and severance benefits recorded as a noncurrent liability in the governmental activities column as of June 30, 2008:

Long-Term portion of accrued sick leave and vacation benefits at July 1, 2007	$163,569,590
Additional amount accrued during the year	134,452,937
Less amount paid during the year	123,615,924
Long-term portion of accrued sick leave and vacation benefits at June 30, 2008	$174,406,603

Business-Type Activities:

General Obligation Bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
2003	Big Bend Water District	06/03/04	01/01/25	3.190 %	$ 4,000,000	$ 3,548,915(a)
2003	Big Bend Water District	11/25/03	11/01/10	3.00-5.00	8,195,000	3,855,000(a)
2004	Big Bend Water District	TBD	TBD	3.20	6,000,000	3,128,902(a)
2003B	Department of Aviation	05/29/03	07/01/24	4.75-5.00	37,000,000	37,000,000(b)
2008A	Department of Aviation	02/26/08	07/01/27	variable	43,105,000	43,105,000(b)
2000	University Medical Center	03/01/00	03/01/11	5.00-5.75	56,825,000	8,550,000(c)
2003	University Medical Center	11/01/03	09/01/23	2.25-5.00	36,765,000	11,930,000(c)
2004	University Medical Center	05/01/04	09/01/09	2.25-3.50	8,085,000	3,210,000(c)
2005	University Medical Center	07/28/05	03/01/20	4.00-5.00	48,390,000	47,890,000(c)
2007	University Medical Center	05/22/07	09/01/23	4.19	18,095,000	18,085,000(c)
2007	University Medical Center	11/29/07	11/01/17	3.889	7,000,000	7,000,000(c)

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

General Obligation Bonds (Continued):

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
1980	Kyle Canyon Water Dist.	10/30/80	10/30/10	5.00	221,000	39,150(d)
2003	Water Reclamation Dist.	04/01/03	07/01/12	2.70-5.00	47,170,000	32,150,000(e)
2007	Water Reclamation Dist.	11/13/07	07/01/37	4.00-4.75	55,000,000	55,000,000(e)
2003A	Las Vegas Valley Water Dist.	01/09/03	06/01/32	4.00-5.25	168,685,000	139,480,000(f)
2003B	Las Vegas Valley Water Dist.	01/01/03	06/01/27	4.00-5.25	250,000,000	219,295,000(f)
2005A	Las Vegas Valley Water Dist.	05/04/05	06/01/27	4.00-5.00	302,425,000	277,845,000(f)
2005B	Las Vegas Valley Water Dist.	05/04/05	06/01/10	3.75-5.00	27,925,000	13,695,000(f)
2006A	Las Vegas Valley Water Dist.	06/01/06	06/01/36	4.75-5.00	151,555,000	151,555,000(f)
2006B	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	75,000,000(f)
2006C	Las Vegas Valley Water Dist.	07/20/06	06/01/36	variable	75,000,000	75,000,000(f)
2008A	Las Vegas Valley Water Dist.	02/19/08	12/01/37	5.00	190,760,000	190,760,000(f)
2008B	Las Vegas Valley Water Dist.	02/19/08	06/01/26	3.50-5.00	171,720,000	171,720,000(f)
	Total General Obligation Bonds					$1,588,841,967

(a) These bonds are being serviced, principal and interest, by the Big Bend Water District enterprise fund.
(b) These bonds are being serviced, principal and interest, by the Department of Aviation enterprise fund. The variable rate bond is valued at the rate in effect as of June 30, 2008.
(c) These bonds are being serviced, principal and interest, by the University Medical Center enterprise fund.
(d) These bonds are being serviced, principal and interest, by the Kyle Canyon Water District enterprise fund.
(e) These bonds are being serviced, principal and interest, by the Clark County Water Reclamation District enterprise fund.
(f) These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District enterprise fund.

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 55,020,755	$ 74,117,385	$ 129,138,140
2010	55,924,022	71,300,813	127,224,835
2011	57,059,289	68,672,971	125,732,260
2012	57,181,082	65,899,399	123,080,481
2013	60,196,744	63,082,782	123,279,526
2014-2018	284,295,228	274,524,782	558,820,010
2019-2023	344,351,718	201,036,697	545,388,415
2024-2028	392,653,129	109,364,648	502,017,777
2029-2033	162,395,000	46,506,283	208,901,283
2034-2038	119,765,000	13,649,895	133,414,895
	$1,588,841,967	$988,155,655	$2,576,997,622

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Revenue Bonds:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
1992	Department of Aviation	08/01/92	07/01/08	4.95-6.50 %	$209,000,000	$ 9,420,000
1993A	Department of Aviation	05/18/93	07/01/12	variable	339,000,000	151,200,000
1998APFC	Department of Aviation	04/01/98	07/01/22	4.10-5.50	214,245,000	89,015,000
1998A	Department of Aviation	04/01/98	07/01/18	3.75-6.00	121,045,000	24,115,000
2002APFC	Department of Aviation	10/01/02	07/01/13	4.00-5.25	34,490,000	19,010,000
2003C	Department of Aviation	05/29/03	07/01/22	5.00-5.375	105,435,000	101,335,000
2004A1	Department of Aviation	09/01/04	07/01/24	5.00-5.50	128,430,000	128,430,000
2004A2	Department of Aviation	09/01/04	07/01/36	5.00-5.125	232,725,000	232,725,000
2005A	Department of Aviation	09/14/05	07/01/40	variable	69,590,000	69,590,000
2005A1	Department of Aviation	04/03/05	07/01/22	variable	130,000,000	125,200,000
2005A2	Department of Aviation	04/03/05	07/01/22	variable	129,900,000	125,200,000
2006A	Department of Aviation	09/21/06	07/01/40	4.00-5.00	100,000,000	83,695,000
2007A1	Department of Aviation	05/16/07	07/01/27	5.00	150,400,000	150,400,000
2007A2	Department of Aviation	05/16/07	07/01/40	5.00	56,225,000	56,225,000
2007A1PFC	Department of Aviation	04/27/07	07/01/26	4.00-5.00	113,510,000	113,510,000
2007A2PFC	Department of Aviation	04/27/07	07/01/27	5.00	105,475,000	105,475,000
2008C1	Department of Aviation	03/19/08	07/01/40	variable	122,900,000	122,900,000
2008C2	Department of Aviation	03/19/08	07/01/29	variable	71,550,000	71,550,000
2008C3	Department of Aviation	03/19/08	07/01/29	variable	71,550,000	71,550,000
2008D1	Department of Aviation	03/19/08	07/01/36	variable	58,920,000	58,920,000
2008D2	Department of Aviation	03/19/08	07/01/40	variable	199,605,000	199,605,000
2008D3	Department of Aviation	03/19/08	07/01/29	variable	122,865,000	122,865,000
2008E	Department of Aviation	05/28/08	07/01/17	4.00-5.00	61,430,000	61,430,000
2008APFC	Department of Aviation	06/26/08	07/01/18	variable	115,845,000	115,845,000
2008F	Department of Aviation	06/26/08	07/01/09	3.00	400,000,000	400,000,000
2008A1	Department of Aviation	06/26/08	07/01/22	variable	100,000,000	100,000,000
2008A2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000
2008B1	Department of Aviation	06/26/08	07/01/22	variable	100,000,000	100,000,000
2008B2	Department of Aviation	06/26/08	07/01/22	variable	50,000,000	50,000,000
	Total Revenue Bonds					$3,109,210,000

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 66,150,000	$ 120,721,523	$ 186,871,523
2010	471,780,000	133,230,096	605,010,096
2011	86,150,000	117,335,173	203,485,173
2012	92,370,000	107,118,993	199,488,993

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities / Revenue Bonds (Continued):

Year Ending June 30,	Principal	Interest	Total Requirements
2013	107,385,000	101,908,629	209,293,629
2014-2018	355,040,000	431,559,793	786,599,793
2019-2023	665,925,000	279,194,546	945,119,546
2024-2028	505,035,000	187,219,218	692,254,218
2029-2033	267,140,000	109,250,917	376,390,917
2034-2038	301,855,000	61,000,718	362,855,718
2039-2042	190,380,000	10,602,329	200,982,329
	$3,109,210,000	$1,659,141,935	$4,768,351,935

Loans Payable:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2008
2004	University Medical Center	06/20/04	05/20/04	4.56%	$ 8,079,363	$ 3,681,338(a)
2004	Commercial Paper	06/02/04	03/09/09	3.55	400,000,000	400,000,000(b)
	Total loans payable					$403,681,338

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

Commercial Paper Notes Activity:

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

The annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$401,207,521	$868,013	$402,075,534
2010	1,263,750	86,611	1,350,361
2011	1,210,067	27,764	1,237,831
	$403,681,338	$982,388	$404,663,726

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Changes in Long-Term Liabilities:

Long-term liability activity for the year ended June 30, 2008 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Gen. obligation bonds	$1,657,982,688	$ 71,045,000	$ 135,387,250	$1,593,640,438	$ 65,237,862
Special assessment bonds with governmental commitment	256,396,000	70,000,000	23,351,000	303,045,000	13,945,000
Loans	1,423,574	20,000,000	242,633	21,180,941	20,222,528
Litigation settlement	-	20,000,000	-	20,000,000	10,000,000
Litigation accrual	2,500,000	52,693,173	-	55,193,173	52,693,173
Arbitrage	5,350,000	-	1,401,602	3,948,398	3,948,398
County and Fire OPEB liability	-	33,580,581	-	33,580,581	4,106,902
LVMPD OPEB liability	-	49,996,761	-	49,996,761	3,018,605
Compensated absences	163,569,590	134,452,937	123,615,924	174,406,603	108,500,000
Total	2,087,221,852	451,768,452	283,998,409	2,254,991,895	281,672,468
Business-Type Activities:					
Gen. obligation bonds	1,433,927,628	467,585,000	312,670,661	1,588,841,967	55,020,755
Revenue bonds	2,778,560,000	1,524,665,000	1,194,015,000	3,109,210,000	66,150,000
Loans	404,835,133	-	1,153,795	403,681,338	401,207,521
OPEB Liability	-	18,260,213	-	18,260,213	-
Compensated absences and other liabilities	46,220,583	180,311,412	57,772,364	168,759,631	52,455,651
Total	4,663,543,344	2,190,821,625	1,565,611,820	5,288,753,149	574,833,927
Total long-term debt	$6,750,765,196	$2,642,590,077	$1,849,610,229	$7,543,745,044	$ 856,506,395

Unamortized premium/discount on governmental activity general obligation bonds amounted to $8,242,986. Unamortized premium/discount on governmental activity special assessment bonds amounted to $(7,470,441). Unamortized premium/discount on business-type activity general obligation bonds amounted to $23,950,636. Unamortized premium/discount on business-type activity revenue bonds amounted to $(41,582,225). There are a number of limitations and restrictions contained in the various bond indentures. Management believes the County is in compliance with all significant limitations and restrictions.

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT

Business-Type Activities (Continued):

Current Year Refunded and Defeased Bond Issues

On February 19, 2008, the Water District issued $190,760,000 par value general obligation improvement and refunding bonds (2008A Bonds) for a premium of $10,997,918 with a true interest cost of 4.50 percent. The bonds were dated and delivered February 19, 2008.

On February 19, 2008, bond proceeds of $43,785,177, together with $564,428 debt service monies, were deposited into escrow (2008A escrow) to currently refund the 1998A Bonds. The amounts deposited into the 2008A escrow were invested in government securities to provide funds sufficient to pay on May 15, 2008, interest of $1,128,856 and principal of $43,450,000 on the refunded bonds. The redemption price was 100 percent and the average coupon rate of the refunded bonds was 5.16 percent.

Although the refunding resulted in an accounting loss of $596,323, the Water District reduced its debt service payments by $4,785,631 over the next 7 years, affecting a net economic gain of $3,144,929. Economic gain is the present value of the debt service savings. Following GASB Statement 23, the Water District will defer the accounting loss of $596,323 and equably amortize it as a component of interest expense.

The bond proceeds balance of $157,972,741 ($190,760,000 par value plus $10,997,918 premium less $43,785,177 escrow deposit) will be used to acquire and construct water improvement projects for the Water District, pay capitalized interest, and pay the costs of issuing the 2008A Bonds.

In addition to the 2008A Bonds, the Water District issued on February 19, 2008, $171,720,000 par value refunding bonds (2008B Bonds) additionally secured by pledged revenue of the SNWA, for a premium of $13,828,281 with true interest cost of 3.93 percent. The bonds were dated and delivered February 19, 2008.

On February 19, 2008, the $185,548,281 bond proceeds ($171,720,000 par value plus $13,838,281 premium) plus $2,281,678 SNWA debt service funds, less $813,356 closing costs, for a total amount of $187,016,603 were deposited into a separate escrow (20008B escrow) to currently refund the 1998B bonds, also additionally secured by pledged revenue of the SNWA.

The amounts deposited into the 2008B escrow were invested in government securities to provide funds sufficient to pay on May 15, 2008, interest of $100,555,244 and principal of $183,420,000 on the refunded bonds. The redemption price was 100 percent and the average coupon rate of the refunded bonds was 4.91 percent.

Because the liability for bonds additionally secured by pledged revenue of the SNWA is offset by receivables from the SNWA, the refunding of the 1998B Bonds has no effect on the Water District's income or equity.

In March 2008, Clark County issued $64,025,000 in General Obligation (Limited Tax) Transportation Refunding Bonds with interest of 3.46 percent to advance refund the outstanding 1998A series with interest ranging from 4.25 to 5.00 percent.

The bond proceeds totaled $64,625,000. Net proceeds of $65,303,580 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed to be sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 1998A bond issue, and the related liability has been removed from the financial statements of the County.

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Current Year Refunded and Defeased Bond Issues (Continued)

The refunding resulted in a loss of $600,000, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of $6,306,451 and an economic gain (difference between the present value of the old and new debt service payments) of $5,225,681.

In March 2008, Clark County issued $6,420,000 in General Obligation (Limited Tax) Transportation Refunding Bonds with an interest rate of 3.46 percent to advance refund the outstanding 1998C series with an interest rate of 4.75 percent.

The bond proceeds totaled $6,420,000. Net proceeds of $6,467,125 were deposited in a special trust account created and authorized to refund and pay interest on the refunded bonds. This amount, together with the yield from U.S. Government obligations purchased by the trust, is deemed sufficient to meet the debt service provisions of the refunded bonds. This transaction resulted in a partial defeasance of the 1998C bond issue, and the related liability has been removed from the financial statements of the County.

The refunding resulted in a loss of $80,000, which represents the difference between the defeased bonds and the amount placed in escrow. The advanced refunding also resulted in future cash flow savings of $557,805 and an economic gain (difference between the present value of the old and new debt service payments) of $463,841.

Prior Year Defeasance of Debt

In prior years, the County defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2008, the following were the remaining balances of the defeased bond issues:

Clark County Street Improvement:	
Series of December 1, 1995	$ 10,985,000
Special Assessment Bonds:	
Series of December 1, 1992	3,170,000
Series of October 1,1995	7,100,000
Series of April 15, 1994	900,000
Series of December 14, 1999	44,695,000
Clark County Public Safety:	
Series of October 1, 1996	65,330,000
Series of March 1, 2000	6,240,000
Clark County Transportation:	
Series of June 1, 1992 (C)	4,200,000
Series of July 1, 1994 (A)	62,230,000
Series of July 1, 1994 (C)	2,220,000
Series of December 1, 1998(A)	16,590,000
Series of December 1, 1998(B)	11,060,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Prior Year Defeasance of Debt (Continued)

Series of February 1, 2000(A)	24,000,000
Series of February 1, 2000(B)	21,340,000
Series of January 15, 1996(A)	66,020,000
Series of January 15, 1996(B)	52,795,000
Series of March 1, 1998(A)	64,025,000
Series of March 1, 1998(C)	6,340,000
Big Bend Water District:	
Series of November 1, 1990	3,890,000
Series of 1993	4,005,000
Las Vegas Valley Water District:	
General Obligation Bonds:	
Series of October 1, 1989	1,665,000
Series of August 1, 1990	5,085,000
Series of September 1, 1992	15,275,000
Series of April 1, 1994	29,200,000
Series of March 1, 1995	9,715,000
Series of July 1, 1995	12,380,000
Series of July 1, 1996	149,095,000
Clark County Water Reclamation District:	
Series of June 1, 1993	28,480,000
Clark County Parks and Regional Justice Center:	
Series of 1999	73,515,000
Clark County Bond Bank:	
Series of July 1, 2000	170,730,000
Series of June 1, 2001	166,915,000
Series of November 1, 2002	97,455,000
Clark County Government Center:	
Series of July 1, 1993	17,475,000
Clark County Public Facilities:	
Series of March 1, 1999(A)	2,570,000
Series of March 1, 1999(B)	5,905,000
Series of March 1, 1999(C)	13,395,000
Airport Improvement Bonds:	
Series of August 1, 1992(A)	147,120,000
Series of August 1, 1992(B)	64,820,000
Series of May 1, 1993	31,210,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Business-Type Activities (Continued):

Prior Year Defeasance of Debt (Continued)

Airport Improvement Bonds (Continued):	
Series of September 1, 1993	15,720,000
Series of 1999(A)	105,220,000
Series of 2003(A)	42,550,000
Series of 2001(C)	115,560,000
Series of 2005(B)	50,850,000
Series of 2005(C1, 2, 3)	215,150,000
Series of 2005(D1, 2, 3)	205,375,000
Series of 2005(E1, 2, 3)	58,920,000
Series of 1998(A)	59,465,000
Series of 1998(A) PFC	119,210,000
Series of 2006(B)	300,000,000
Hospital Bonds:	
Series of 2000	47,875,000
Series of 2003	17,205,000
Total	$2,872,240,000

Conduit Debt Obligations

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

Discretely Presented Component Units

Flood Control District:

The following is a summary of bonds, loans, and compensated absences payable by the Flood Control District for the year ended June 30, 2008:

	Liability	Due After One Year	Due Within One Year
General obligation bonds	$299,870,000	$292,815,000	$7,055,000
Compensated absences	676,409	676,409	-
Other post-employment benefits	99,739	99,739	-
Total liabilities	$300,646,148	$293,591,148	$7,055,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

Bonds payable July 1, 2007	$306,485,000
Bonds retired	(6,615,000)
Bonds payable June 30, 2008	$299,870,000

Unamortized premium on governmental activity general obligation bonds amounted to $4,098,500.

The following individual issues comprised the bonds payable at June 30, 2008.

	Original Amount	Interest Rate	Balance June 30, 2008
Series of September 15, 1998	$150,000,000	4.25-5.25%	$ 99,870,000
Series of 2006	200,000,000	3.50-4.75	200,000,000
Total general obligation bonds			$299,870,000

The debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 7,055,000	$ 14,154,843	$ 21,209,843
2010	7,420,000	13,785,318	21,205,318
2011	7,815,000	13,386,899	21,201,899
2012	8,230,000	12,966,967	21,196,967
2013	8,660,000	12,535,805	21,195,805
2014-2018	50,280,000	55,634,406	105,914,406
2019-2023	45,645,000	44,272,008	89,917,008
2024-2028	51,745,000	33,202,381	84,947,381
2029-2033	65,280,000	19,397,100	84,677,100
2034-2038	47,740,000	3,477,000	51,217,000
Total	$299,870,000	$222,812,727	$522,682,727

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2008:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2007	$632,803
Additional amount accrued during the year	43,606
Long-term portion of accrued sick leave and vacation benefits at June 30, 2008	$676,409

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued):

Pledged Revenues

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

The pledged revenues and debt service coverage for the year ended June 30, 2008, are:

Pledged revenues – sales tax	$86,295,315
Debt service	21,110,843
Coverage	4.09

RTC:

The following is a summary of bonds, loans, and compensated absences payable by the RTC for the year ended June 30, 2008:

Governmental activities:

	Liability	Due Within One Year	Due After One Year
Revenue bonds	$474,190,000	$15,875,000	$458,315,000
Loans payable	100,000,000	-	100,000,000
Compensated absences	1,388,523	-	1,388,523
Other post-employment benefits	314,602	-	314,602
Total liabilities	$575,893,125	$15,875,000	$560,018,125

Revenue Bonds

The following is a summary of revenue bond activities for the year ended June 30, 2008:

Bonds payable July 1, 2007	$490,060,000
Bonds retired	(15,870,000)
Bonds payable June 30, 2008	$474,190,000

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Revenue Bonds (Continued)

The following individual issues comprised the bonds payable at June 30, 2008.

	Original Amount	Interest Rate	Balance June 30, 2008
Highway Improvement Motor Vehicle Fuel Tax Revenue Bonds:			
Series of 2003	200,000,000	4.50-6.00%	$174,190,000
Series of 2007	300,000,000	5.00	300,000,000
Total Revenue Bonds			$474,190,000

Unamortized premium on governmental activity revenue bonds amounted to $11,838,358.

The debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2009	$ 15,875,000	$ 22,151,206	$ 38,026,206
2010	17,355,000	21,320,456	38,675,456
2011	18,185,000	20,431,956	38,616,956
2012	19,090,000	19,500,081	38,590,081
2013	20,045,000	18,521,706	38,566,706
2014-2018	116,300,000	75,848,509	192,148,509
2019-2023	148,425,000	42,566,463	190,991,463
2024-2028	118,915,000	9,183,725	128,098,725
Total	$474,190,000	$229,524,102	$703,714,102

Loans Payable

In January 2008, the RTC established a commercial paper program allowing for the issuance of $200 million in tax-exempt commercial paper notes (Series 2008A and Series 2008B) for the streets and highways improvements projects incorporated in Clark County's Master Transportation Plan. As of June 30, 2008, $100 million has been issued. The loan is being serviced, interest only in the current year, through budgeted transfers from the Highway Improvement Acquisition fund (4100) and the Highway Improvement Fund (4130). The commercial paper notes may have a maturity date from 1 to 270 days after their issuance, provided, however, that no note may mature after the earlier of January 1, 2018, or five days prior to the line of credit expiration date. The line of credit expiration date is January 23, 2015; however, the line of credit may be extended from time to time. Interest rates are fixed at a rate of 12 percent per annum.

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

The following is the loan payable at June 30, 2008:

Lender	Original Amount	Date of Loan	Date Final Payment Due	Interest Rate	Balance June 30, 2008
Commercial Paper	$200,000,000	01/08	Various	12%	$100,000,000

This loan is being serviced, principal and interest, by the RTC.

The debt service requirements are as follows:

Year Ending June 30	Principal	Total Interest	Requirements
2009	$ -	$12,000,000	$ 12,000,000
2010	-	12,000,000	12,000,000
2011	-	12,000,000	12,000,000
2012	-	12,000,000	12,000,000
2013	-	12,000,000	12,000,000
2014-2015	100,000,000	18,000,000	118,000,000

In December 2004, the RTC established a commercial paper program allowing for the issuance of $200 million in tax-exempt commercial paper notes (Series 2004A and Series 2004B) for transit projects. This commercial paper is being issued as needed, and as of June 30, 2008, $30 million has been issued. The loan was fully repaid during the year along with accrued interest by the Public Transit Fund.

Compensated Absences

The following is the change in long-term accrued sick leave and vacation benefits as of June 30, 2008:

Long-term portion of accrued sick leave and vacation benefits at July 1, 2007	$1,369,359
Additional amount accrued during the year	19,164
Long-term portion of accrued sick leave and vacation benefits at June 30, 2008	$1,388,523

Business-type activities:

	Liability	Due Within One Year	Due After One Year
Compensated absences	$ 947,594	$ -	$ 947,594
Other post-employment benefits	370,694	-	370,694
	$1,318,288	$ -	$1,318,288

II. DETAILED NOTES – ALL FUNDS (Continued)

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Loans Payable

The following is a summary of loan transactions of the RTC for the year ended June 30, 2008:

Loan payable July 1, 2007	$30,000,000
Reductions	(30,000,000)
Loan payable June 30, 2008	$ -

Compensated Absences

Long-term portion of accrued sick leave and vacation benefits at July 1, 2007	$856,656
Additional amount accrued during the year	90,938
Long-term portion of accrued sick leave and vacation benefits at June 30, 2008	$947,594

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS

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

Condensed Statement of Net Assets

Assets:	
Current Assets	$ 8,640,737
Restricted assets	3,266,391
Capital assets	33,447,391
Total assets	45,354,519
Liabilities:	
Current liabilities	6,628,167
Current liabilities payable from restricted assets	523,504
Noncurrent liabilities	5,871,860
Total liabilities	13,023,531
Net Assets:	
Invested in capital assets, net of related debt	23,132,196
Restricted	2,742,887
Unrestricted	6,455,905
Total net assets	$32,330,988

II. DETAILED NOTES – ALL FUNDS (Continued)

7. SEGMENT INFORMATION FOR NONMAJOR ENTERPRISE FUNDS (Continued)

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

Water sales and related water fees	$ 3,820,833
Depreciation expense	(1,130,712)
Other operating expenses	(2,463,644)
Operating income	226,477
Nonoperating revenues (expenses):	
Interest income	927,830
Sales and use tax	218,706
Interest expense	(593,441)
Change in net assets	779,572
Beginning net assets	31,551,416
Ending net assets	$32,330,988

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	$(2,701,095)
Noncapital financing activities	-
Capital and related financing activities	1,227,418
Investing activities	732,593
Net increase (decrease)	(741,084)
Beginning cash and cash equivalents	10,326,249
Ending cash and cash equivalents	$ 9,585,165

8. NET ASSETS AND FUND BALANCES

Primary Government

Net Assets:

The government-wide statement of net assets reports $1,947,605,856 of restricted net assets, of which $324,291,026 is restricted by enabling legislation.

Net Assets Restricted for Other Purposes:

At June 30, 2008, net assets restricted for other purposes on the government-wide statement of net assets totaled $420,672,270. These net assets utilize revenue sources that are externally imposed by creditors, grantors, and contributors or are imposed by law through enabling legislation. The primary activities of restriction are public safety for $209,571,672, habitat conservation for $57,430,586, Clark County redevelopment for $22,785,759, parks for $20,839,046, roads for $19,864,673, and air quality management for $18,110,730. The remaining activities totaled $72,069,804.

II. DETAILED NOTES – ALL FUNDS (Continued)

8. NET ASSETS AND FUND BALANCES (Continued)

Fund Balances:

Designated for Specific Projects:	
Nonmajor governmental funds:	
Special revenue	$ 85,325,556
Capital projects	1,060,831,005
	$1,146,156,561

Special revenue fund balances are designated principally for park projects of $23,940,824, road repair and maintenance projects of $19,826,176, Clark County redevelopment of $14,971,110, public safety of $10,806,200, and funding for federal and state grants of $6,552,333. Capital projects fund balances are designated largely for various projects within the County Capital Projects fund of $440,093,749, transportation projects of $256,202,186, special improvement district street improvement projects of $117,960,522, public safety of $97,117,370, and park projects of $92,936,297.

Discretely Presented Component Units

Flood Control District

Net Assets:

The government-wide statement of net assets reports $223,667,652 of restricted net assets, of which $214,322,408 is restricted by enabling legislation for flood control activities and $9,345,244 is restricted by creditors for general obligation debt repayment.

RTC

Net Assets:

The government-wide statement of net assets reports $230,797,683 of restricted net assets, of which $162,264,230 is restricted by enabling legislation for street and highway projects and other related activities and $68,533,453 is restricted by creditors for debt repayment.

9. RISK MANAGEMENT

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

Self-Funded Group Insurance and Group Insurance Reserve

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

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

II. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

Clark County Workers' Compensation

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

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

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

LVMPD Self-Funded Industrial Insurance

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

County Liability Insurance

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

County Liability Insurance Pool

The County has established a general liability insurance pool for the benefit of County funds. Self-insurance is in effect for loss amounts over the $25,000 retention up to $2,000,000 per occurrence, accident, or loss.

Coverage from private insurers is maintained for losses in excess of the stop loss amount up to $10,000,000. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

II. DETAILED NOTES – ALL FUNDS (Continued)

9. RISK MANAGEMENT (Continued)

Changes in Liability Amounts:

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

	Liability July 1, 2007	Current-Year Claims and Changes in Estimates	Claim Payments	Liability June 30, 2008
Self-Funded Group Insurance	$17,720,730	$ 71,361,740	$ 72,561,096	$16,521,374
Clark County Workers' Compensation	27,146,638	9,902,259	8,948,947	28,099,950
LVMPD Self-Funded Insurance	10,423, 002	4,843,356	4,874,295	10,392,063
LVMPD Self-Funded Industrial Insurance	31,544,697	12,520,633	12,499,384	31,565,946
County Liability Insurance	4,545,694	1,709,127	1,240,757	5,014,064
County Liability Insurance Pool	5,117,497	5,239,449	5,207,144	5,149,802
Total Self-Insurance Funds	$96,498,258	$105,576,564	$105,331,623	$96,743,199

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

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

10. COMMITMENTS AND CONTINGENCIES

In addition to the County general obligation bonds, the County is contingently liable on the Las Vegas Convention and Visitors Authority (the "Authority") general obligation bonds, Series April 1, 1998, and May 31, 2007, in the amounts of $35,575,000, and $38,200,000 respectively. Although the County is contingently liable for the general obligation bonds of the Authority, in the event of a default by the Authority, it is anticipated that additional ad

II. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

valorem taxes would be levied to retire the bonds. Therefore, the County's exposure to this contingent liability is remote.

Grant Entitlement

The County is a participant in a number of federal and state-assisted programs. These programs are subject to compliance audits by the grantors. The audits of these programs for fiscal year 2008 and certain earlier years have not yet been completed. Accordingly, the County's compliance with applicable program requirements is not completely established. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time. The County believes it has adequately provided for potential liabilities, if any, which may arise from the grantors' audits.

Medicare and Medicaid Reimbursements

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

Primary Government

Operating Lease Commitments

The following is a schedule of future minimum lease payments for operating leases (with initial or remaining terms in excess of one year) as of June 30, 2008:

Years ending June 30:	
2009	$16,667,722
2010	9,816,555
2011	4,942,384
2012	1,395,738
2013	1,192,274
2014-2018	1,490,702
Total minimum lease payments	$35,505,375

The UMC enterprise fund also had future minimum rental commitments as of June 30, 2008, for noncancelable operating leases for property and equipment as follows:

Years ending June 30:	
2009	$ 8,363,373
2010	7,096,764
2011	4,962,244
2012	4,696,357
2013	4,159,234
Thereafter	16,777,013
Total	$46,054,985

II. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

The rental expense of UMC for property and equipment was approximately $8,798,111 for the year ended June 30, 2008.

Rentals and Operating Leases

The Department of Aviation derives a substantial portion of its revenues from fees and charges to air carriers and concessionaires. Charges to air carriers are generated principally from terminal building rentals, apron charges and airfield landing fees in accordance with the Scheduled Airline Operating Agreement and Terminal Building Lease that expired on June 30, 2008. The Department of Aviation leases land, building, and terminal space to concessionaires under operating leases that expire at various times through 2048. Under the terms of the agreements, concession fees are based principally on a percentage of the concessionaire's revenues or a stated minimum annual guarantee, whichever is greater; land and building rentals are based on square footage rates. The Department of Aviation received $108,781,147 in FY 2008 and $107,871,184 in FY 2007 for contingent rental payments in excess of stated minimum annual guarantees.

The following is a schedule of minimum future rentals receivable on non-cancelable operating leases (with initial or remaining terms in excess of one year) as of June 30, 2008:

Years ending June 30:

2009	$ 107,409,595
2010	100,785,736
2011	93,300,450
2012	88,262,610
2013	87,519,706
Thereafter	571,649,174
Total minimum rents receivable	$1,048,927,271

Discretely Presented Component Units

RTC:

Operating Lease Commitments

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

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

II. DETAILED NOTES – ALL FUNDS (Continued)

10. COMMITMENTS AND CONTINGENCIES (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued):

Rentals and Operating Leases

The following is a schedule of future minimum lease payments for operating leases as of June 30, 2008:

Years ending June 30:

2009	$445,226
2010	112,123
Total	$557,349

The total rent expense for fiscal year 2008 was $432,258.

Litigation

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

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

11. JOINT VENTURE

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

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

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

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

II. DETAILED NOTES – ALL FUNDS (Continued)

11. JOINT VENTURE (Continued)

Water District records capital contributions as an operating expense, or as noted below, in some instances as capital projects.

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

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

During fiscal year 2008, the Water District billed SNWA $40,925,562 for expenditures made by the Water District on behalf of SNWS. For these and other costs of SNWA, including debt service, SNWA billed the Water District for its share based on water delivered at a flat rate per acre-foot (wholesale delivery charge). From July through December 2005, the wholesale delivery charge was recorded primarily as purchased water expense and partly as water recharge inventory. From January through June 2006, the wholesale delivery charge was recorded entirely as purchased water expense.

The contributions for fiscal year 2008 for the SNWS expansion totaled $54,209,202, and in fiscal year 2007 totaled $96,933,426. Additionally, the Water District contributed $1,210,785 in both fiscal year 2008 and 2007 to SNWA to help fund a groundwater management program in the Las Vegas Valley. Total contributions to the SNWA for the fiscal year ended June 30, 2008, were $55,419,987 and in fiscal year 2007 were $98,144,211, and were recorded as an SNWA expense on the Water District's financial statements.

Audited financial reports for fiscal year 2008 can be obtained by contacting:

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

12. RETIREMENT SYSTEM

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

Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement

II. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the System include pension benefits, disability benefits, and death benefits.

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

Contribution rates are established by NRS 286.410. The statute provides for increases in odd-numbered years to an actuarially determined rate sufficient to amortize the unfunded liability of the system to zero over a 30-year amortization period. The County is obligated to contribute all amounts due under the System. The contribution rate for regular members, based on covered payroll, for the year ended June 30, 2008, was 20.5 percent and was 19.75 percent and for the years ended June 30, 2007, and June 30, 2006. The contribution rate for police and firemen for the years ended June 30, 2008, was 33.5 percent and was 32.0 percent for the years ended June 30, 2007, and June 30, 2006.

The County's contributions to the plan for the years ended June 30, 2008, 2007, and 2006 were $261,696,406, $229,810,822, and $214,503,913, respectively, equal to the required contributions for each year.

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

Las Vegas Valley Water District Retirement Plan

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

A. Plan Description

The Water District contributes to the Las Vegas Valley Water District Pension Plan (the "Plan"), a single-employer defined benefit pension trust fund established by the Water District to provide pension benefits solely for the employees of the Water District. The Board of Trustees of the Plan, composed of the Water District's board of directors, has the authority to establish and amend the benefit provisions of the Plan and the contribution requirements of the Water District and the employees. Water District employees are not required to contribute to the Plan. Water District employees may, however, under certain conditions, purchase additional years of service for eligibility and increased benefits. For the year ended, June 30, 2008, the contributions for this purpose were $13,239; for the year ended June 30, 2007, the contributions were $197,723.

The Plan was amended effective February 15, 2005, to provide the following: (1) Increase the annual service credit of 2 percent to 2.17 percent for years of service after July 1, 2001. (Service credit is the accumulation of

II. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

pension plan years an employee was in paid status at the Water District.) (2) Change the benefit formula to increase the calculation of highest average pay by approximately 10 percent as currently prescribed in the Nevada Revised Statutes. (3) Add shift differential and standby pay to the total compensation counted toward the pension benefit.

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

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

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

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

At June 30, 2008, and 2007, participants in the Plan consisted of the following:

	2008	2007
Retirees in pay status with unpurchased benefits	150	121
Terminated employees not yet receiving benefits	301	276
Active employees		
Fully vested	894	867
Partially vested	-	-
Nonvested	410	330
Total active employees	1,304	1,197
Total participants	1,755	1,594

II. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

Three-Year Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/06	$18,913,372	100%	$ -
06/30/07	22,040,681	100	-
06/30/08	23,587,076	100	-

B. Supplemental Information

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

C. Annual Pension Cost and Net Pension Obligation

It is the policy of the Water District to pay Annual Required Contributions (ARC) when due; therefore, annual pension cost and the ARC are the same and aggregated $23,587,076 for the year ended June 30, 2008, and $22,040,681 for the year ended June 30, 2007. The significant actuarial assumptions used to determine the ARC are: (a) rate of return on the investment of present and future assets of 8.00 percent per year compounded annually, (b) estimated salary increases of 3.0 percent per year compounded annually, attributable to inflation, (c) additional estimated salary increases of 3.0 percent attributable to seniority/merit, and (d) postretirement benefit increases for cost of living adjustments which are limited to certain maximum rates.

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

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

II. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

D. Identification of Investments

	June 30, 2008	June 30, 2007
Investments at contract value:		
Union Central Life Insurance Company	$ 1,443,041	$ 1,477,900
New York Life Insurance Company	27,236,188	20,451,633
Total investments at contract value	28,679,229	21,929,533
Investments at fair value:		
Alliance Capital Domestic Equity	50,866,381	47,706,018
Mellon Bank, Domestic Bond	45,523,709	48,932,769
Nevada State Bank, Money Market Fund	77,596	49,029
Total investments at fair value	96,467,686	96,687,816
Total investments	$125,146,915	$118,617,349

E. Valuation of Investments

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

F. Basis of Accounting

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

II. DETAILED NOTES – ALL FUNDS (Continued)

12. RETIREMENT SYSTEM (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

G. Financial Statements

Las Vegas Valley Water District Pension Plan
Statement of Net Assets
June 30, 2008

Assets:	
Cash and investments:	
with fiscal agent	$125,146,915
Interest receivable	1,055,954
Total assets	$126,202,869
Net Assets:	
Held in trust for pension benefits and other purposes	$126,202,869

Las Vegas Valley Water District Pension Plan
Statement of Changes in Net Assets
For the fiscal year ended June 30, 2008

Additions:	
Contributions:	
Contributions from employer	$ 23,587,076
Contributions from employees	13,239
Total contributions	23,600,315
Investment earnings:	
Interest	1,516,502
Net increase (decrease) in fair value of investments	(3,744,154)
Total investment earnings	(2,227,652)
Less investment expense	(84,213)
Net investment earnings	2,311,865)
Total additions	21,288,450
Deductions:	
General and Administrative	181,558
Benefit payments	14,046,066
Total deductions	14,227,624
Change in net assets	7,060,826
Net Assets:	
Beginning of year	119,142,043
End of year	$126,202,869

II. DETAILED NOTES – ALL FUNDS (Continued)

13. RELATED PARTY TRANSACTIONS

The County transfers sales, fuel, and various other taxes and fees deposited in the Master Transportation Plan special revenue fund to the RTC, a discretely presented component unit. Transfers during the fiscal year ended June 30, 2008, totaled $231,327,390. The balance payable from the Master Transportation Plan fund to the RTC as of June 30, 2008, was $35,972,009.

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Information

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

1. Clark County Retiree Health program (County) – the County plan is a cost-sharing, multiple-employer defined benefit plan. Retirees may choose between the Clark County Self-Funded Group Medical and Dental Benefits Plan (Self-Funded Plan) and a health maintenance organization (HMO) plan.
2. Public Employee Benefit Program (PEBP) – a cost-sharing multiple-employer, defined benefit plan;
3. Clark County Firefighters Union Local 1908 Security Fund (Fire Plan) – a single-employer, defined benefit plan; and
4. Las Vegas Metro Employee Benefit Trust (Metro Plan) – a single-employer, defined benefit plan.

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

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

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

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

Las Vegas Metro Employee Benefit Trust
UMR
700 E. Warm Springs, Suite 210
Las Vegas, NV 89119
(866) 868-1395

II. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy and Annual OPEB Cost

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

Clark County is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who enroll in this plan. In 2008, retirees were eligible for a $91 per month subsidy after five years of service with a Nevada state or local government entity. The maximum subsidy of $502 is earned after 20 years of combined service with any eligible entity. The subsidy is set by the State Legislature.

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

	County	PEBP	Fire	Metro [1]
Contribution Rates:	Actuarially determined, premium sharing determined by union contracts	Set by State Legislature	Contractually determined	Contractually determined
County Plan members annual required contribution (ARC)	$26,744,737	$ 2,496,404	$ 5,682,663	$53,015,366
Interest on net OPEB obligations	-	-	-	-
Adjustment to annual required contributions	-	-	-	-
Annual OPEB cost	26,744,737	2,496,404	5,682,663	53,015,366
Contributions made	(4,219,914)	(1,610,409)	(1,638,365)	(3,018,605)
Increase in net PEBP obligation	22,524,823	885,995	4,044,298	49,996,761
Net OPEB obligation, beginning of year	-	-	-	-
Net OPEB obligation, end of year	$22,524,823	$ 885,995	$ 4,044,298	$49,996,761

[1] The County and the City jointly fund the Las Vegas Metropolitan Police Department (LVMPD). The City of Las Vegas funds 38.61 percent of the LVMPD and is liable for $19,303,749 of the Metro net OPEB obligation. A receivable has been established in the government-wide statement of net assets for the City's portion.

II. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Funding Policy and Annual OPEB Cost (Continued)

The County's annual OPEB cost, the percentage of annual cost contributed to the program, and the net OPEB obligation for 2008 were as follows:

	Year Ended	Annual OPEB Cost	Percent of OPEB Cost Contributed	Net OPEB Cost
County	06/30/2008	$26,744,737	15.8%	$21,402,586
PEBP	06/30/2008	2,496,404	64.5	885,995
Fire	06/30/2008	5,682,663	28.8	4,044,298
Metro	06/30/2008	53,015,366	5.7	49,996,761

Funded Status and Funding Progress

The funded status of the plans as of June 30, 2008, was as follows:

	County	PEBP	Fire	Metro
Actuarial accrued liability (a)	$259,507,352	$ 41,507,606	$52,091,883	$446,757,386
Actuarial value of plan assets (b)	-	-	4,638,906	-
Unfunded actuarial accrued liability (funding excess) (a) – (b)	259,507,352	41,507,606	47,452,978	446,757,386
Fund ratio (b)/(a)	0%	0%	0%	0%
Covered payroll (c)	352,267,566	352,267,566	91,246,350	304,976,928
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll (a) – (b)/(c)	73.7%	11.8%	52.0%	146.5%

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

Actuarial Methods and Assumptions

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

II. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial Methods and Assumptions (Continued)

	County	PEBP	Fire	Metro
Actuarial valuation date	06/30/06	06/30/06	06/30/06	06/30/06
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal	Project unit credit cost
Amortization method	Level dollar	Level dollar	Level dollar	Level percentage
Remaining amortization period	30 years	30 years	30 years	30 years
Asset valuation method	No assets in trust	No assets in trust	Date of valuation	No assets in trust
Actuarial assumptions:				
Investment rate of return	4.0%	4.0%	4.0%	4.0%
Projected salary increases	N/A	N/A	N/A	3.3%
Healthcare inflation rate	8% initial 5% ultimate	8% initial 5% ultimate	8% initial 5% ultimate	14% initial 5% ultimate

County Net Assets in Internal Service Fund

The County uses the Other Postemployment Benefits Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurs a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. As of June 30, 2008, the Other Postemployment Benefit Reserve fund had $42,513,190 in cash and investments, and $7,844,957 in due from other funds that the County intends to use for future OPEB costs for the net OPEB obligations of the County, PEBP, and Fire plans, which total $26,332,879 as of June 30, 2008. These assets cannot be included in the plan assets considered in the OPEB funding schedules because they are not held in trust.

Clark County Self-Funded Group Medical and Dental Benefits Plan

Clark County administers the Clark County Self-Funded Group Medical and Dental Benefits Plan, a cost-sharing multiple-employer defined benefit plan (the "Self-Funded Plan"). Participants of the Self-Funded Plan include Clark County, University Medical Center of Southern Nevada, the Las Vegas Valley Water District, the Clark County Water Reclamation District, the Las Vegas Convention and Visitors Authority, the Regional Transportation Commission of Southern Nevada, the Regional Flood Control District, and the Henderson Library District. The Self-Funded Plan provides benefits for all full-time active employees of each participant entity effective the first day of the month following two consecutive months of active employment, as well as for retired employees of the entities. As of June 30, 2008, there were 7,937 employee members and 1,195 retired members enrolled in the Self-Funded Plan, with 9,211 additional covered dependents. The Self-Funded Plan provides medical, dental, and vision benefits. The Self-Funded Plan is governed by an interlocal agreement between each of the participant entities, and all Self-Funded Plan benefit changes must be approved by the governing boards of these entities.

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

II. DETAILED NOTES – ALL FUNDS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Clark County Self-Funded Group Medical and Dental Benefits Plan (Continued)

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

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

Retirement Health Account Plan

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

Contributions and Reserves

Premium rates for the Plan are established through the previously mentioned interlocal agreement. Each participant entity, through its employee bargaining and budgeting processes, establishes the employer and employee contribution sharing percentages. All administrative costs other than personnel costs are funded through premium rates. Administrative personnel costs are funded through the County Liability Insurance Internal Service fund, which provides general risk management administration. The County pays approximately 90 percent of premiums for active employee coverage, an average of $608 per active employee for the year ended June 30, 2008. County retirees pay the entire cost of their premium. Active and retiree loss experience is combined to create a single, blended premium for each level of coverage (member only, member plus spouse, member plus children, or family), as required by state law. This combining of loss experience creates an implicit subsidy to the retirees who would otherwise pay higher premiums if their loss experience were rated separately.

15. NEW ACCOUNTING PRONOUNCEMENTS

Effective July 1, 2007, the County adopted GASB Statement No. 45, *Financial Reporting for Postemployment Benefits Other Than Pension Plans*. The required disclosures are provided in Note 14.

16. FUND RECLASSIFICATIONS

As of July 1, 2007, the County Payroll Benefits and LVMPD Payroll Benefits special revenue funds were reclassified to agency funds. Also, the Southern Nevada Area Communications agency fund was reclassified as a special revenue fund. The effect of these reclassifications on fund balances and amounts held for others is shown below:

II. DETAILED NOTES – ALL FUNDS (Continued)

16. FUND RECLASSIFICATIONS (Continued)

	Total Governmental Funds (Fund Balance)	Liability Reclassified (To) From Amounts Held for Others	Agency Funds (Amounts Held for Others)
Ending balances, as reported June 30, 2007	$2,089,491,702		$230,895,786
Reclassifications:			
County payroll benefits	(2,580,545)	(9,837,121)	12,417,666
LVMPD payroll benefits	(1,147,651)	(9,260,401)	10,408,052
Southern Nevada Area Communications	6,526,899	35,500	(6,562,399)
Beginning balances, as reclassified July 1, 2007	$2,092,290,405		$247,159,105

17. SUBSEQUENT EVENTS

Primary Government

In July 2008, the County issued $400,000,000 in general obligation (limited tax) bond bank bonds (additionally secured by SNWA pledged revenues), Series 2008. The bonds bear an interest rate of five percent, payable on December 1, 2008, and semiannually thereafter on June 1 and December 1. Principal payments commence on June 1, 2011, and continue annually through June 1, 2038. The proceeds of the bonds will be used by the County to make a loan to SNWA by purchasing a water revenue bond issued by SNWA, the proceeds of which will be used to defray the costs of acquiring and constructing improvements for SNWA water projects, paying capitalized interest; and paying the costs of issuing the 2008 bonds.

In July 2008, the Water District issued a $2,520,000 subordinate lien revenue (clean renewable energy) bond. The bond was issued to reimburse the Water District for the capital cost of constructing and equipping a solar project.

In September 2008, the Water District became the operating agent for the Big Bend Water District, a small water utility in Laughlin, Nevada, located 95 miles south of Las Vegas.

In September 2008, the County approved $200,000,000 in general obligation (limited tax) transportation commercial paper notes (additionally secured with pledged revenues), Series 2008A1 and Series 2008A2. The notes will bear interest from such date until its maturity at a fixed rate per annum approved by the County prior to its issuance. Interest will be computed on the basis of a year of 365/366 days and the actual number of days elapsed. Principal and interest on each note will be payable on its maturity date. The proceeds of the notes may be used to finance the costs of constructing certain County master transportation plan projects throughout the County, pay maturing notes, reimburse the bank for drawings and term loans, and pay the costs of issuing the notes. On November 12, 2008, $30,000,000 of these notes was drawn down.

II. DETAILED NOTES – ALL FUNDS (Continued)

17. SUBSEQUENT EVENTS (Continued)

Primary Government (Continued)

In November 2008, the Water Reclamation District issued $115,825,000 in general obligation (limited tax) water reclamation bonds (additionally secured by pledged revenues), Series 2008. The bonds bear interest rates from 4.00 to 6.00 percent, payable on July 1, 2009, and semiannually thereafter on January 1 and July 1. Principal payments commence on July 1, 2013, and continue annually through July 1, 2038. The proceeds of the bonds will be used to construct, reconstruct, improve, extend the Water Reclamation District's sanitary sewer system, and pay the costs of issuing the 2008 bonds.

Discretely Presented Component Unit

Flood Control District

In August 2008, the Flood Control District issued $50,570,000 in general obligation (limited tax) flood control refunding bonds (additionally secured with pledged revenues), Series 2008. The bonds bear interest rates from 3.00 to 5.00 percent, payable on November 1, 2008, and semiannually thereafter on May 1 and November 1. Principal payments commence on November 1, 2008, and November 1, 2010, and continue annually through November 1, 2015. The proceeds of the bonds will provide funds for the purpose of refunding a portion of the outstanding Clark County general obligation (limited tax) flood control bonds (additionally secured with pledged revenues), Series 1998 and paying the costs of issuing the 2008 bonds.

GENERAL FUND

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

Clark County, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes	$ 338,365,361	$ 338,365,361	$ 345,422,881	$ 7,057,520	$ 306,803,962
Licenses and permits	194,981,000	194,981,000	219,886,318	24,905,318	212,649,068
Intergovernmental revenue	366,549,100	366,549,100	330,571,827	(35,977,273)	352,645,765
Charges for services	86,920,000	86,920,000	82,533,326	(4,386,674)	91,872,856
Fines and forfeitures	15,000,000	15,000,000	24,644,256	9,644,256	20,767,142
Interest	7,000,000	7,000,000	27,324,416	20,324,416	21,542,826
Other	3,536,425	3,536,425	6,370,568	2,834,143	11,167,921
Total revenues	1,012,351,886	1,012,351,886	1,036,753,592	24,401,706	1,017,449,540
Other financing sources:					
Transfers from other funds	316,495,024	316,785,189	303,535,415	(13,249,774)	265,508,753
Total revenues and other financing sources	1,328,846,910	1,329,137,075	1,340,289,007	11,151,932	1,282,958,293
Expenditures:					
General government	119,621,594	119,800,820	105,966,417	(13,834,403)	116,465,703
Judicial	142,508,122	148,932,577	144,277,455	(4,655,122)	122,571,248
Public safety	210,862,073	213,452,073	205,777,429	(7,674,644)	182,948,608
Public works	16,730,136	16,730,136	15,227,899	(1,502,237)	14,308,081
Health	47,086,620	63,086,620	62,919,755	(166,865)	36,801,893
Welfare	87,769,438	86,719,676	83,974,688	(2,744,988)	84,392,332
Culture and recreation	29,685,307	30,341,941	29,258,569	(1,083,372)	27,346,167
Other general expenditures	128,120,627	119,320,074	108,771,107	(10,548,967)	99,312,998
Total expenditures	782,383,917	798,383,917	756,173,319	(42,210,598)	684,147,029
Other financing uses:					
Transfers to other funds	585,463,952	675,463,952	675,463,952	-	596,931,837
Total expenditures and other financing uses	1,367,847,869	1,473,847,869	1,431,637,271	(42,210,598)	1,281,078,866
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(39,000,959)	(144,710,794)	(91,348,264)	53,362,530	1,879,426
Fund balance:					
Beginning of year	208,245,635	314,245,635	309,802,148	(4,443,487)	307,922,722
End of year	$ 169,244,676	$ 169,534,841	$ 218,453,884	$ 48,919,043	$ 309,802,148

See notes to Required Supplementary Information

Clark County, Nevada
General Fund
Schedule of Revenues and Tranfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Ad valorem taxes	$ 331,865,361	$ 331,865,361	$ 331,089,911	($ 775,450)	$ 296,699,502
Penalties & interest on delinquent taxes	6,500,000	6,500,000	14,332,970	7,832,970	10,104,460
Total taxes	338,365,361	338,365,361	345,422,881	7,057,520	306,803,962
Licenses and permits:					
Business licenses	32,350,000	32,350,000	30,526,108	(1,823,892)	30,178,516
Liquor licenses	6,000,000	6,000,000	6,977,982	977,982	6,440,825
County gaming licenses	44,000,000	44,000,000	42,690,753	(1,309,247)	45,815,422
Franchise fees:					
Gas	6,500,000	6,500,000	2,397,745	(4,102,255)	2,172,426
Electric	37,000,000	37,000,000	61,783,607	24,783,607	52,351,510
Other	23,000,000	23,000,000	26,472,803	3,472,803	28,307,694
Other licenses and permits	43,531,000	43,531,000	46,854,916	3,323,916	45,114,612
Marriage licenses	2,600,000	2,600,000	2,182,404	(417,596)	2,268,063
Total licenses and permits	194,981,000	194,981,000	219,886,318	24,905,318	212,649,068
Intergovernmental revenue:					
Federal grants	1,180,000	1,180,000	2,067,614	887,614	9,156,516
Federal payments in lieu of taxes	2,000,000	2,000,000	1,984,174	(15,826)	1,985,713
State grants	500,000	500,000	524,604	24,604	340,265
State gaming licenses	160,000	160,000	153,686	(6,314)	158,391
Court administrative assessment	630,000	630,000	829,926	199,926	843,451
Consolidated tax	361,979,100	361,979,100	324,868,936	(37,110,164)	340,102,045
Other	100,000	100,000	142,887	42,887	59,384
Total intergovernmental revenue	366,549,100	366,549,100	330,571,827	(35,977,273)	352,645,765
Charges for services:					
General government					
Clerk fees	3,550,000	3,550,000	3,910,587	360,587	3,685,621
Recorder fees	26,900,000	26,900,000	21,487,596	(5,412,404)	25,186,892
Map fees	150,000	150,000	752,451	602,451	759,365
Assessor commissions	10,500,000	10,500,000	11,542,069	1,042,069	11,135,098
Building and zoning fees	1,500,000	1,500,000	1,187,798	(312,202)	1,359,445
Room tax collection commissions	9,000,000	9,000,000	7,563,146	(1,436,854)	9,148,948
Administrative fees	14,520,000	14,520,000	10,561,312	(3,958,688)	15,196,092
Other	3,050,000	3,050,000	3,648,277	598,277	5,059,455

(Continued)

Clark County, Nevada
General Fund
Schedule of Revenues and Tranfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Charges for services:					
Judicial					
Clerk fees	7,500,000	7,500,000	8,735,914	1,235,914	7,251,038
Other	2,000,000	2,000,000	1,964,007	(35,993)	2,217,403
Public safety					
Fire protection services	6,550,000	6,550,000	7,917,355	1,367,355	7,023,484
Other	450,000	450,000	1,171,001	721,001	1,027,964
Public works					
Engineering	1,000,000	1,000,000	2,071,009	1,071,009	2,421,232
Health and welfare					
Animal control	100,000	100,000	11,541	(88,459)	103,008
Culture and recreation					
Other	150,000	150,000	9,263	(140,737)	297,811
Total charges for services	86,920,000	86,920,000	82,533,326	(4,386,674)	91,872,856
Fines and forfeitures:					
Court fines	5,500,000	5,500,000	7,668,674	2,168,674	6,313,331
Court forfeits	9,500,000	9,500,000	16,975,582	7,475,582	14,453,811
Total fines and forfeitures	15,000,000	15,000,000	24,644,256	9,644,256	20,767,142
Interest	7,000,000	7,000,000	27,324,416	20,324,416	21,542,826
Other	3,536,425	3,536,425	6,370,568	2,834,143	11,167,921
Total revenues	1,012,351,886	1,012,351,886	1,036,753,592	24,401,706	1,017,449,540
Other financing sources:					
Transfers from other funds	316,495,024	316,785,189	303,535,415	(13,249,774)	265,508,753
Total revenues and other financing sources	$ 1,328,846,910	$ 1,329,137,075	$ 1,340,289,007	$ 11,151,932	$ 1,282,958,293

See notes to Required Supplementary Information

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures					
General Government:					
Commission/Manager:					
Salaries and wages	$ 3,185,046	$ 3,185,046	$ 3,204,677	$ 19,631	$ 3,074,016
Employee benefits	1,062,026	1,062,026	1,017,040	(44,986)	928,809
Services and supplies	554,460	554,460	400,706	(153,754)	471,335
Total Commission/Manager	4,801,532	4,801,532	4,622,423	(179,109)	4,474,160
Office of Diversity:					
Salaries and wages	364,404	364,404	374,228	9,824	279,939
Employee benefits	121,712	121,712	115,264	(6,448)	91,734
Services and supplies	61,900	125,900	73,620	(52,280)	42,215
Total Office of Diversity	548,016	612,016	563,112	(48,904)	413,888
Audit:					
Salaries and wages	1,085,609	1,085,609	927,156	(158,453)	993,701
Employee benefits	346,674	346,674	281,097	(65,577)	291,468
Services and supplies	61,716	61,716	41,878	(19,838)	36,172
Total Audit	1,493,999	1,493,999	1,250,131	(243,868)	1,321,341
Finance:					
Salaries and wages	3,987,282	3,987,282	3,056,902	(930,380)	3,719,480
Employee benefits	1,281,216	1,281,216	979,957	(301,259)	1,116,293
Services and supplies	1,420,590	1,120,590	269,057	(851,533)	289,788
Total Finance	6,689,088	6,389,088	4,305,916	(2,083,172)	5,125,561
Comptroller:					
Salaries and wages	2,362,253	2,362,253	2,222,475	(139,778)	1,939,725
Employee benefits	808,835	808,835	697,943	(110,892)	602,832
Services and supplies	297,476	297,476	238,534	(58,942)	201,716
Total Comptroller	3,468,564	3,468,564	3,158,952	(309,612)	2,744,273
Treasurer:					
Salaries and wages	1,993,654	1,993,654	1,869,416	(124,238)	1,780,841
Employee benefits	704,500	704,500	663,272	(41,228)	617,977
Services and supplies	820,373	945,373	819,806	(125,567)	1,053,177
Total Treasurer	3,518,527	3,643,527	3,352,494	(291,033)	3,451,995

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
Elections:					
Salaries and wages	3,056,793	3,056,793	2,720,213	(336,580)	4,493,344
Employee benefits	1,578,079	1,578,079	895,718	(682,361)	934,974
Services and supplies	3,578,335	3,153,335	2,057,740	(1,095,595)	4,703,179
Capital outlay	-	-	-	-	36,865
Total Elections	8,213,207	7,788,207	5,673,671	(2,114,536)	10,168,362
Assessor:					
Salaries and wages	11,278,930	11,278,930	10,528,556	(750,374)	10,090,467
Employee benefits	3,914,004	3,914,004	3,456,392	(457,612)	3,283,094
Services and supplies	1,563,032	1,562,884	1,300,495	(262,389)	1,192,306
Total Assessor	16,755,966	16,755,818	15,285,443	(1,470,375)	14,565,867
Recorder:					
Salaries and wages	2,960,423	2,960,423	2,615,733	(344,690)	2,438,896
Employee benefits	1,094,692	1,094,692	955,238	(139,454)	848,504
Services and supplies	554,333	554,333	488,533	(65,800)	417,872
Total Recorder	4,609,448	4,609,448	4,059,504	(549,944)	3,705,272
Clerk:					
Salaries and wages	2,431,807	2,431,807	2,441,517	9,710	8,188,901
Employee benefits	929,319	929,319	871,122	(58,197)	2,743,443
Services and supplies	240,231	255,231	199,603	(55,628)	674,316
Total Clerk	3,601,357	3,616,357	3,512,242	(104,115)	11,606,660
Administrative Servicess:					
Salaries and wages	5,283,726	5,285,371	5,230,733	(54,638)	4,919,588
Employee benefits	1,835,663	1,835,663	1,724,902	(110,761)	1,559,646
Services and supplies	3,435,187	3,899,981	3,333,392	(566,589)	2,980,046
Total Administrative Servicess	10,554,576	11,021,015	10,289,027	(731,988)	9,459,280
Human Resources:					
Salaries and wages	2,688,569	2,688,569	2,620,627	(67,942)	2,556,432
Employee benefits	897,253	897,253	828,055	(69,198)	789,748
Services and supplies	745,872	803,653	695,502	(108,151)	589,955
Capital outlay	-	12,219	12,219	-	-
Total Human Resources	4,331,694	4,401,694	4,156,403	(245,291)	3,936,135

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
General Government (Continued):					
Comprehensive Planning:					
Salaries and wages	5,951,060	5,951,060	5,555,484	(395,576)	5,194,801
Employee benefits	2,022,823	2,022,823	1,772,841	(249,982)	1,656,379
Services and supplies	1,382,715	1,382,715	624,213	(758,502)	918,197
Total Comprehensive Planning	9,356,598	9,356,598	7,952,538	(1,404,060)	7,769,377
A-95 Clearinghouse Council:					
Salaries and wages	34,648	34,648	39,905	5,257	33,012
Employee benefits	16,774	16,774	17,449	675	15,952
Services and supplies	13,875	13,875	5,637	(8,238)	5,749
Total A-95 Clearinghouse Council	65,297	65,297	62,991	(2,306)	54,713
Information Technology:					
Salaries and wages	10,231,456	10,231,722	8,973,992	(1,257,730)	9,250,729
Employee benefits	3,286,197	3,286,197	2,800,380	(485,817)	2,838,879
Services and supplies	1,469,954	1,463,734	1,379,669	(84,065)	1,298,252
Total Information Technology	14,987,607	14,981,653	13,154,041	(1,827,612)	13,387,860
Business License:					
Salaries and wages	5,024,648	5,024,648	4,673,582	(351,066)	4,488,274
Employee benefits	1,757,208	1,757,208	1,507,904	(249,304)	1,451,827
Services and supplies	494,787	544,787	473,109	(71,678)	450,407
Total Business License	7,276,643	7,326,643	6,654,595	(672,048)	6,390,508
Real Property Management:					
Salaries and wages	7,779,736	7,779,736	7,343,401	(436,335)	7,128,386
Employee benefits	2,674,573	2,674,573	2,422,792	(251,781)	2,325,187
Services and supplies	7,291,166	8,607,516	8,078,071	(529,445)	8,385,968
Capital outlay	1,604,000	407,539	68,670	(338,869)	50,910
Total Real Property Management	19,349,475	19,469,364	17,912,934	(1,556,430)	17,890,451
Total General Government	119,621,594	119,800,820	105,966,417	(13,834,403)	116,465,703

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial:					
Outlying Constable:					
Salaries and wages	120,395	120,395	95,342	(25,053)	116,851
Employee benefits	103,218	103,218	75,773	(27,445)	92,025
Services and supplies	24,716	24,716	14,988	(9,728)	9,746
Total Outlying Constable	248,329	248,329	186,103	(62,226)	218,622
Henderson Constable:					
Salaries and wages	152,149	152,149	177,842	25,693	161,407
Employee benefits	58,584	58,584	66,734	8,150	62,054
Services and supplies	23,120	27,120	18,360	(8,760)	22,820
Total Henderson Constable	233,853	237,853	262,936	25,083	246,281
North Las Vegas Constable:					
Salaries and wages	102,322	102,322	95,486	(6,836)	90,284
Employee benefits	40,703	40,703	38,671	(2,032)	38,077
Services and supplies	17,767	22,767	12,815	(9,952)	14,225
Total North Las Vegas Constable	160,792	165,792	146,972	(18,820)	142,586
District Attorney:					
Salaries and wages	27,618,008	27,618,008	27,586,428	(31,580)	25,374,560
Employee benefits	9,012,859	9,012,859	8,209,500	(803,359)	7,686,511
Services and supplies	2,162,233	2,162,233	1,905,020	(257,213)	1,873,078
Total District Attorney	38,793,100	38,793,100	37,700,948	(1,092,152)	34,934,149
Witness/Legal Fees:					
Services and supplies	1,580,000	1,730,000	1,653,472	(76,528)	1,668,549
Total Witness/Legal Fees	1,580,000	1,730,000	1,653,472	(76,528)	1,668,549
Family Court:					
Salaries and wages	7,145,269	7,145,269	6,735,004	(410,265)	6,418,374
Employee benefits	2,433,976	2,433,976	2,169,774	(264,202)	1,994,846
Services and supplies	1,602,490	1,840,990	1,609,710	(231,280)	1,750,423
Total Family Court	11,181,735	11,420,235	10,514,488	(905,747)	10,163,643
Indigent Defense:					
Services and supplies	5,480,100	8,052,100	8,463,001	410,901	6,456,447
Total Indigent Defense	5,480,100	8,052,100	8,463,001	410,901	6,456,447

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Civil/Criminal:					
Salaries and wages	10,514,076	10,795,836	11,011,974	216,138	8,843,358
Employee benefits	3,667,745	3,769,155	3,514,667	(254,488)	2,769,995
Services and supplies	3,004,283	4,051,947	3,873,584	(178,363)	3,497,785
Total Civil/Criminal	17,186,104	18,616,938	18,400,225	(216,713)	15,111,138
Clerk of the Court:					
Salaries and wages	11,179,741	12,129,741	12,222,897	93,156	5,428,784
Employee benefits	4,156,248	4,156,248	3,887,909	(268,339)	1,572,569
Services and supplies	885,468	1,223,468	1,139,866	(83,602)	451,964
Total Clerk of the Court	16,221,457	17,509,457	17,250,672	(258,785)	7,453,317
Special Public Defender:					
Salaries and wages	1,976,573	1,976,573	1,944,765	(31,808)	1,638,975
Employee benefits	654,815	654,815	611,708	(43,107)	506,085
Services and supplies	360,267	410,267	338,315	(71,952)	350,670
Total Special Public Defender	2,991,655	3,041,655	2,894,788	(146,867)	2,495,730
Court Jury Services:					
Salaries and wages	335,139	335,139	307,478	(27,661)	307,258
Employee benefits	119,910	119,910	104,856	(15,054)	107,033
Services and supplies	1,161,125	1,524,648	1,354,580	(170,068)	1,208,031
Total Court Jury Services	1,616,174	1,979,697	1,766,914	(212,783)	1,622,322
Grand Jury:					
Services and supplies	149,700	124,700	94,611	(30,089)	86,683
Total Grand Jury	149,700	124,700	94,611	(30,089)	86,683
Las Vegas Justice Court:					
Salaries and wages	10,568,534	10,290,638	10,242,706	(47,932)	9,667,982
Employee benefits	3,718,379	3,617,898	3,252,387	(365,511)	2,938,362
Services and supplies	2,279,434	2,489,641	2,386,356	(103,285)	2,284,379
Total Las Vegas Justice Court	16,566,347	16,398,177	15,881,449	(516,728)	14,890,723

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Judicial (Continued):					
Henderson Justice Court:					
Salaries and wages	1,236,037	1,236,037	1,235,674	(363)	1,195,187
Employee benefits	457,206	457,206	433,114	(24,092)	413,109
Services and supplies	171,210	203,080	183,369	(19,711)	171,256
Total Henderson Justice Court	1,864,453	1,896,323	1,852,157	(44,166)	1,779,552
North Las Vegas Justice Court:					
Salaries and wages	1,347,249	1,347,249	1,345,307	(1,942)	1,216,474
Employee benefits	501,271	501,271	484,985	(16,286)	427,257
Services and supplies	280,685	384,051	361,539	(22,512)	265,897
Total North Las Vegas Justice Court	2,129,205	2,232,571	2,191,831	(40,740)	1,909,628
Outlying Justice Court:					
Salaries and wages	1,588,325	1,622,233	1,607,009	(15,224)	1,476,098
Employee benefits	516,665	525,159	482,872	(42,287)	432,998
Services and supplies	173,806	261,936	259,839	(2,097)	230,026
Total Outlying Justice Court	2,278,796	2,409,328	2,349,720	(59,608)	2,139,122
Public Defender:					
Salaries and wages	15,895,853	15,895,853	15,508,371	(387,482)	14,495,342
Employee benefits	5,130,629	5,130,629	4,737,313	(393,316)	4,426,976
Services and supplies	1,517,952	1,517,952	1,309,553	(208,399)	1,275,511
Total Public Defender	22,544,434	22,544,434	21,555,237	(989,197)	20,197,829
Neighborhood Justice Center:					
Salaries and wages	865,303	865,303	715,311	(149,992)	762,267
Employee benefits	286,314	286,314	224,560	(61,754)	227,540
Services and supplies	130,271	380,271	172,060	(208,211)	65,120
Total Neighborhood Justice Center	1,281,888	1,531,888	1,111,931	(419,957)	1,054,927
Total Judicial	142,508,122	148,932,577	144,277,455	(4,655,122)	122,571,248

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Public Safety:					
Office of the Sheriff:					
Salaries and wages	164,263	164,263	173,564	9,301	161,440
Employee benefits	19,931	19,931	16,655	(3,276)	13,157
Services and supplies	10,000	10,000	133	(9,867)	3,208
Total Office of the Sheriff	194,194	194,194	190,352	(3,842)	177,805
Fire Department:					
Salaries and wages	84,422,571	84,422,571	78,216,612	(6,205,959)	72,241,884
Employee benefits	33,503,621	33,503,621	37,779,446	4,275,825	27,477,236
Services and supplies	8,452,658	8,607,803	8,205,655	(402,148)	7,826,454
Total Fire Department	126,378,850	126,533,995	124,201,713	(2,332,282)	107,545,574
Volunteer Fire and Ambulance:					
Services and supplies	346,657	391,512	339,856	(51,656)	287,902
Total Volunteer Fire and Ambulance	346,657	391,512	339,856	(51,656)	287,902
Public Guardian:					
Salaries and wages	1,649,640	1,649,640	1,421,345	(228,295)	1,358,207
Employee benefits	597,740	597,740	476,820	(120,920)	471,559
Services and supplies	213,541	213,541	174,231	(39,310)	151,094
Total Public Guardian	2,460,921	2,460,921	2,072,396	(388,525)	1,980,860
Public Administrator:					
Salaries and wages	754,315	754,315	811,189	56,874	808,654
Employee benefits	205,945	205,945	181,901	(24,044)	172,447
Services and supplies	102,528	127,528	100,509	(27,019)	96,026
Total Public Administrator	1,062,788	1,087,788	1,093,599	5,811	1,077,127
Coroner:					
Salaries and wages	3,374,314	3,374,314	3,456,730	82,416	3,132,602
Employee benefits	1,322,139	1,322,139	1,021,954	(300,185)	905,308
Services and supplies	831,094	831,094	768,154	(62,940)	788,817
Total Coroner	5,527,547	5,527,547	5,246,838	(280,709)	4,826,727

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Public Safety (Continued):					
Juvenile Justice:					
Salaries and wages	26,117,863	26,060,863	26,550,450	489,587	24,197,890
Employee benefits	10,044,040	10,044,040	9,513,717	(530,323)	8,802,440
Services and supplies	5,597,406	6,779,406	6,568,297	(211,109)	4,828,610
Total Juvenile Justice	41,759,309	42,884,309	42,632,464	(251,845)	37,828,940
Family Services:					
Salaries and wages	22,649,369	22,649,369	19,769,532	(2,879,837)	19,416,051
Employee benefits	7,444,164	7,444,164	6,190,787	(1,253,377)	5,779,648
Services and supplies	3,038,274	4,278,274	4,039,892	(238,382)	4,027,974
Total Family Services	33,131,807	34,371,807	30,000,211	(4,371,596)	29,223,673
Total Public Safety	210,862,073	213,452,073	205,777,429	(7,674,644)	182,948,608
Public Works:					
Public Works:					
Salaries and wages	10,708,861	10,708,861	9,884,151	(824,710)	9,530,189
Employee benefits	3,697,114	3,697,114	3,138,672	(558,442)	3,004,526
Services and supplies	2,074,161	2,274,161	2,184,921	(89,240)	1,764,166
Capital outlay	250,000	50,000	20,155	(29,845)	9,200
Total Public Works	16,730,136	16,730,136	15,227,899	(1,502,237)	14,308,081
Health:					
Emergency Room Admittance:					
Services and supplies	44,036,620	60,036,620	60,035,620	(1,000)	34,390,052
Total Emergency Room Admittance	44,036,620	60,036,620	60,035,620	(1,000)	34,390,052
Emergency Medical Care:					
Services and supplies	3,050,000	3,050,000	2,884,135	(165,865)	2,411,841
Total Emergency Medical Care	3,050,000	3,050,000	2,884,135	(165,865)	2,411,841
Total Health	47,086,620	63,086,620	62,919,755	(166,865)	36,801,893

(Continued)

Clark County, Nevada
General Fund
Schedule of Expenditures and Transfers - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)
(Continued)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Expenditures (Continued):					
Welfare:					
Salaries and wages	9,531,703	9,531,703	8,298,427	(1,233,276)	7,717,151
Employee benefits	3,233,085	3,233,085	2,730,390	(502,695)	2,397,438
Services and supplies	72,504,650	73,856,006	72,905,327	(950,679)	74,257,413
Capital outlay	2,500,000	98,882	40,544	(58,338)	20,330
Total Welfare	87,769,438	86,719,676	83,974,688	(2,744,988)	84,392,332
Culture and Recreation:					
Salaries and wages	17,545,505	17,929,745	17,619,089	(310,656)	16,321,671
Employee benefits	6,192,127	6,213,887	5,771,221	(442,666)	5,316,255
Services and supplies	5,947,675	6,198,309	5,868,259	(330,050)	5,708,241
Total Culture and Recreation	29,685,307	30,341,941	29,258,569	(1,083,372)	27,346,167
Other General Expenditures:					
Utilities	27,111,000	19,702,000	18,850,077	(851,923)	19,377,343
Building rental	4,737,791	3,844,764	3,678,288	(166,476)	3,333,293
Capital replacement	4,380,549	2,382,226	1,792,202	(590,024)	2,242,940
Administrative assessments	1,609,800	1,529,800	771,823	(757,977)	456,015
Maintenance contracts	15,529,987	13,529,987	12,816,414	(713,573)	11,925,954
Insurance and official bonds	5,666,125	5,666,125	3,723,497	(1,942,628)	4,653,006
Miscellaneous refunds and expenditures	17,590,575	21,262,844	17,072,221	(4,190,623)	13,985,640
Internal service charges	21,365,600	22,421,428	22,135,216	(286,212)	17,250,146
Publications and professional servicess	4,656,200	3,507,900	2,458,369	(1,049,531)	3,638,061
Contributions	25,473,000	25,473,000	25,473,000	-	22,450,600
Total Other General Expenditures	128,120,627	119,320,074	108,771,107	(10,548,967)	99,312,998
Total expenditures	782,383,917	798,383,917	756,173,319	(42,210,598)	684,147,030
Transfers to other funds	585,463,952	675,463,952	675,463,952	-	596,931,837
Total expenditures and transfers	$ 1,367,847,869	$ 1,473,847,869	$ 1,431,637,271	($ 42,210,598)	$ 1,281,078,867

See notes to Required Supplementary Information

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FUND

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

Clark County, Nevada
Las Vegas Metropolitan Police Department
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Ad valorem taxes	$ 155,815,479	$ 158,254,000	$ 155,881,191	$ (2,372,809)	$ 138,843,485
Intergovernmental revenue:					
Federal and state grants	-	26,679,866	11,929,927	(14,749,939)	12,237,734
City of Las Vegas contribution	129,525,173	129,525,173	129,525,173	-	122,031,169
Charges for services:					
Airport security	13,259,604	13,283,279	13,044,177	(239,102)	11,938,814
Other	8,150,000	8,150,000	10,735,828	2,585,828	10,120,944
Interest	1,600,000	4,500,000	6,811,363	2,311,363	3,560,344
Other	1,462,000	1,462,000	1,905,541	443,541	1,352,702
Total revenues	309,812,256	341,854,318	329,833,200	(12,021,118)	300,085,192
Other financing sources:					
Transfers from other funds	205,982,271	205,982,271	205,982,271	-	187,617,610
Total revenues and other financing sources	515,794,527	547,836,589	535,815,471	(12,021,118)	487,702,802
Expenditures:					
Salaries and wages	305,976,498	310,841,336	304,976,928	(5,864,408)	280,150,167
Employee benefits	124,131,469	124,431,426	116,906,013	(7,525,413)	106,513,098
Services and supplies	66,169,821	94,670,016	71,385,108	(23,284,908)	58,099,530
Capital outlay	20,016,739	47,535,145	16,154,747	(31,380,398)	13,836,341
Principal	-	-	208,284	208,284	168,459
Interest	-	-	56,490	56,490	55,581
Total expenditures	516,294,527	577,477,923	509,687,570	(67,790,353)	458,823,176
Other financing uses:					
Transfers to other funds	-	17,000,000	17,000,000	-	-
Total expenditures and other financing uses	516,294,527	594,477,923	526,687,570	(67,790,353)	458,823,176
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(500,000)	(46,641,334)	9,127,901	55,769,235	28,879,626
Fund balance:					
Beginning of year	22,834,173	68,975,507	51,845,288	(17,130,219)	22,965,662
End of year	$ 22,334,173	$ 22,334,173	$ 60,973,189	$ 38,639,016	$ 51,845,288

See notes to Required Supplementary Information

MASTER TRANSPORTATION PLAN FUND

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

Clark County, Nevada
Master Transportation Plan
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2008
(With comparative actual for the fiscal year ended June 30, 2007)

	2008				2007
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Taxes:					
Room tax	$ 45,526,400	$ 45,526,400	$ 45,917,555	$ 391,155	$ 44,426,388
Licenses and permits:					
New development fees	41,564,800	41,564,800	44,381,875	2,817,075	34,427,710
Intergovernmental revenue:					
Sales and use tax	184,550,000	184,550,000	172,523,136	(12,026,864)	178,716,556
Motor vehicle privilege tax	50,533,000	50,533,000	47,805,025	(2,727,975)	48,010,194
Motor vehicle fuel tax	40,770,000	40,770,000	39,051,076	(1,718,924)	39,467,494
Aviation fuel tax	14,880,000	14,880,000	14,247,531	(632,469)	14,039,856
Interest	890,000	890,000	3,081,155	2,191,155	7,856,229
Total revenues	378,714,200	378,714,200	367,007,353	(11,706,847)	366,944,427
Expenditures:					
Services and supplies					
Contributions to other local governments	234,331,400	234,331,400	225,392,931	(8,938,469)	231,847,016
Other	2,063,600	2,063,600	840,087	(1,223,513)	2,641,018
Total expenditures	236,395,000	236,395,000	226,233,018	(10,161,982)	234,488,034
Other financing uses:					
Transfers to other funds	142,319,200	142,319,200	140,774,335	(1,544,865)	154,047,881
Total expenditures and other financing uses	378,714,200	378,714,200	367,007,353	(11,706,847)	388,535,915
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	-	-	-	-	(21,591,488)
Fund balance:					
Beginning of year	-	-	-	-	21,591,488
End of year	$ -	$ -	$ -	$ -	$ -

See notes to Required Supplementary Information

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

Year Ended June 30,	Annual Required Contributions	Percentage Contributed
1999	$ 3,004,678	100%
2000	3,304,517	100
2001	4,125,838	100
2002	9,284,697	100
2003	11,080,679	100
2004	12,923,933	100
2005	15,338,670	100
2006	18,913,372	100
2007	22,040,681	100
2008	23,587,076	100

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

Additional actuarial assumptions as of the latest actuarial valuation:

Investment rate of return	8.0%
Projected salary increases	6.0%

See notes to Required Supplementary Information

Clark County, Nevada
Notes to Required Supplementary Information
Year Ended June 30, 2008

Budgetary Information

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

a. Prior to April 15, the County Manager submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.

b. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.

c. Public hearings are conducted on the third Monday in May.

d. After all the changes have been noted and hearings closed, the County Commission adopts the budget on or before June 1.

e. The County Manager is authorized to transfer budgeted amounts within functions or funds, but the County Commission must approve any transfers between funds or increases to a fund's original appropriated level.

f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal County Commission action.

g. The General Fund and all special revenue, debt service, and capital project funds have legally adopted annual budgets.

h. Statutory regulations require budgetary control to be exercised at the function level within the General Fund or at the fund level of all other funds. The County administratively exercises control at the budgeted item level within a department

i. All appropriations lapse at the end of the fiscal year. Encumbrances are reappropriated in the ensuing fiscal year.

j. Budgets are adopted on a basis consistent with the method used to report on governmental funds that are prepared in accordance with the accounting principles generally accepted in the United States of America.

k. Budgeted expenditure amounts for the year ended June 30, 2008, as originally adopted, were augmented during the year for grants and other County Commission action.

Other Post Employment Benefit (OPEB) Plans

The funded status and funding progress of the County's OPEB plans are not included as required supplementary information since no trend information is yet available. This information from the initial actuarial valuations is disclosed in Note 14 to the financial statements.

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX B

AUDITED BASIC FINANCIAL STATEMENTS OF THE SNWA FOR THE FISCAL YEAR ENDED JUNE 30, 2008

(THIS PAGE INTENTIONALLY LEFT BLANK)

P B T K PIERCY BOWLER TAYLOR & KERN
Certified Public Accountants • Business Advisors

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Board of Directors
Southern Nevada Water Authority
Las Vegas, Nevada

We have audited the accompanying basic financial statements of the Southern Nevada Water Authority (SNWA) as of and for the years ended June 30, 2008 and 2007, as listed in the table of contents. These financial statements are the responsibility of SNWA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of SNWA, as of June 30, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2008, on our consideration of SNWA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

The management's discussion and analysis on pages 2-2 through 2-8 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and, therefore, express no opinion on it.

Our audits were made for the purpose of forming an opinion on the financial statements that collectively comprise SNWA's basic financial statements. The introductory section, statistical section and the United States Securities and Exchange Commission (SEC) disclosure compliance schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements and have not been subjected to the auditing procedures applied in the audits of the basic financial statements. Accordingly, we express no opinion on them.

Piercy Bowler Taylor & Kern

December 10, 2008

6100 ELTON AVENUE, STE. 1000, LAS VEGAS, NEVADA 89107-0123 702-384-1120 fax 702-870-2474 pbtk.com

THIS PAGE LEFT

INTENTIONALLY BLANK

The management of the Southern Nevada Water Authority (SNWA), provides readers of SNWA's financial statements this narrative overview and analysis of the financial statements for the fiscal years ended June 30, 2008 and 2007. Readers are encouraged to consider the information presented here in conjunction with the additional information furnished in the letter of transmittal, which begin on page 1-1 of this report, and in our basic financial statements which begin on page 2-10.

Financial Highlights for 2008

- Total assets increased $49.1 million over the prior year, to a total of over $3.9 billion.

- Total assets exceed total liabilities at the close of the fiscal year by nearly $1.6 billion (fund equity). Additions to fund equity for the fiscal year, attributed solely to net income, were $99.8 million.

- During the fiscal year, major balance sheet resources were generated from a reduction in current assets ($397.2 million) primarily from liquidation of investments and net income ($99.8 million). Major balance sheet resources were used during the fiscal year for net additions to capital assets and other noncurrent assets ($446.3 million), net retirement of debt and associated costs ($49.4 million) and reduction of accounts payable ($1.3 million).

- In February 2008, SNWA issued Las Vegas Valley Water District (LVVWD) 2008B refunding bonds to refund the LVVWD 1998 series bonds. SNWA is expected to save approximately $14.1 million over the life of the LVVWD 2008B debt issue.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to SNWA's basic financial statements, which are comprised of two components: 1) enterprise fund financial statements, and 2) notes to basic financial statements. This Comprehensive Annual Financial Report also contains other supplementary and statistical information in addition to the basic financial statements.

Enterprise fund financial statements. SNWA's operations are accounted for as a single enterprise fund using the full accrual basis of accounting. In this regard, SNWA's operations are accounted for in a manner similar to a private business enterprise. Within this one enterprise fund, SNWA segregates revenues and expenses in its financial statements for various purposes such as operations, debt service and capital improvements. This segregation is an internal discipline and does not create physically separate funds. The enterprise fund financial statements can be found beginning on page 2-10.

Notes to basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the basic financial statements can be found beginning on page 2-16 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents statistical information and Securities and Exchange disclosure compliance schedules. This information and schedules can be found starting on pages 3-1 and 4-1 respectively of this report.

Financial analysis. One indication of the financial health of SNWA is fund equity, which is the difference between assets and liabilities. Changes in fund equity over time may serve as a useful

indicator of financial health. The following summarized balance sheets present fund equity of SNWA for the fiscal years ended June 30, 2008, 2007, and 2006.

Southern Nevada Water Authority
Enterprise Fund
Condensed Balance Sheet
June 30, 2008, 2007 and 2006
In Million Dollars

	June 30, 2008	Change	June 30, 2007	Change	June 30, 2006
Current Assets	$ 480.5	$ (397.2)	$ 877.7	$ 313.6	$ 564.1
Noncurrent Assets	3,464.5	446.3	3,018.2	200.5	$ 2,817.7
Total Assets	**$ 3,945.0**	**$ 49.1**	**$ 3,895.9**	**$ 514.1**	**$ 3,381.8**
Current Liabilities	$ 518.7	$ (1.3)	$ 520.0	$ 22.3	$ 497.7
Noncurrent Liabilities	1,866.8	(49.4)	1,916.2	345.2	1,571.0
Total Liabilities	2,385.5	(50.7)	2,436.2	367.5	2,068.7
Fund Equity					
Invested in Capital Assets, Net of Related Debt	1,061.3	175.4	885.9	158.6	727.3
Restricted for Debt Service / Capital Assets	102.0	51.9	50.1	26.8	23.3
Unrestricted	396.2	(127.5)	523.7	(38.8)	562.5
Total Fund Equity	1,559.5	99.8	1,459.7	146.6	1,313.1
Total Liabilities and Fund Equity	**$ 3,945.0**	**$ 49.1**	**$ 3,895.9**	**$ 514.1**	**$ 3,381.8**

Fund equity in fiscal 2008 increased $99.8 million (6.8%) over fiscal 2007, mostly as a result of significant capital contributions during the fiscal year, primarily from regional connection charge collections. Fund equity in 2007 increased $146.6 million (11.2%) over 2006, again primarily the result of significant capital contributions in excess of debt service requirements.

Total assets in fiscal 2008 increased approximately $49.1 million (1.3%). The increase includes a $397.2 million (-45.3%) decrease in current assets and a $ 446.3 million (14.8 %) increase in noncurrent assets. Total assets in fiscal 2007 increased approximately $514.1 million (15.2%), which was the net of an increase of $313.6 million (55.6%) in current assets, and a $200.5 million (7.1%) increase in noncurrent assets. See Note 7 for further discussion of capital assets.

Total liabilities in fiscal 2008 decreased approximately $50.7 million (-2.1%). The total decrease includes a $1.3 million (-0.2%) decrease in current liabilities and the $49.4 million (-2.6 %) decrease in noncurrent liabilities. The $22.3 million (4.5%) increase in current liabilities and the $345.2 million (22.0%) increase in noncurrent liabilities for fiscal 2007 primarily reflects the effect of the $392.8 million November 2006 bond issue. See Note 13 for further discussion of SNWA's outstanding debt.

The following chart summarizes the statements of revenues, expenses and changes in fund equity for the fiscal years ended June 30, 2008, 2007, and 2006.

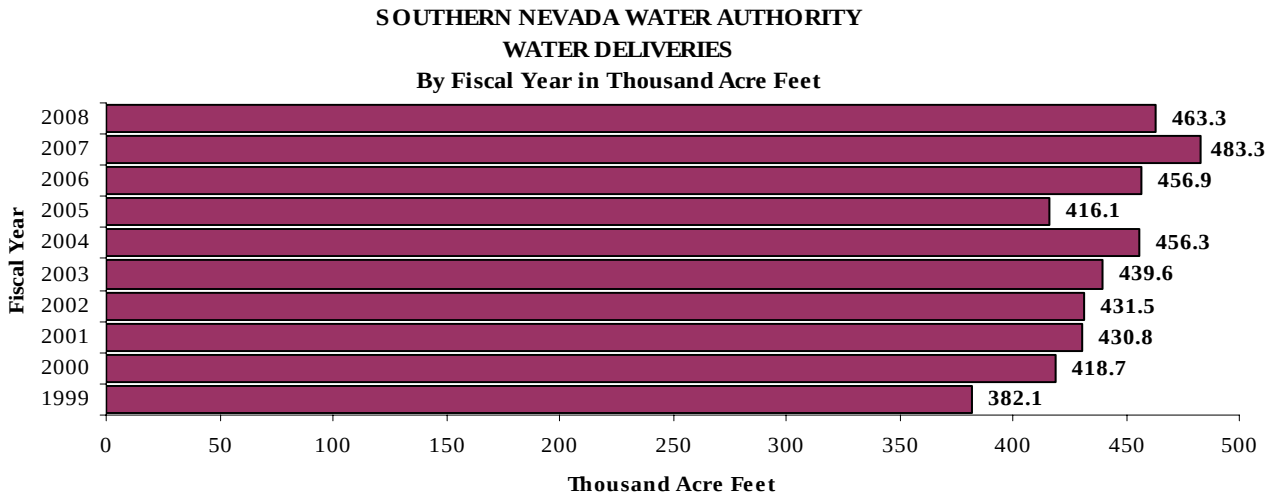
Southern Nevada Water Authority
Enterprise Fund
Condensed Statement of Revenue, Expenses, and Changes in Fund Equity
June 30, 2008, 2007 and 2006
In Million Dollars

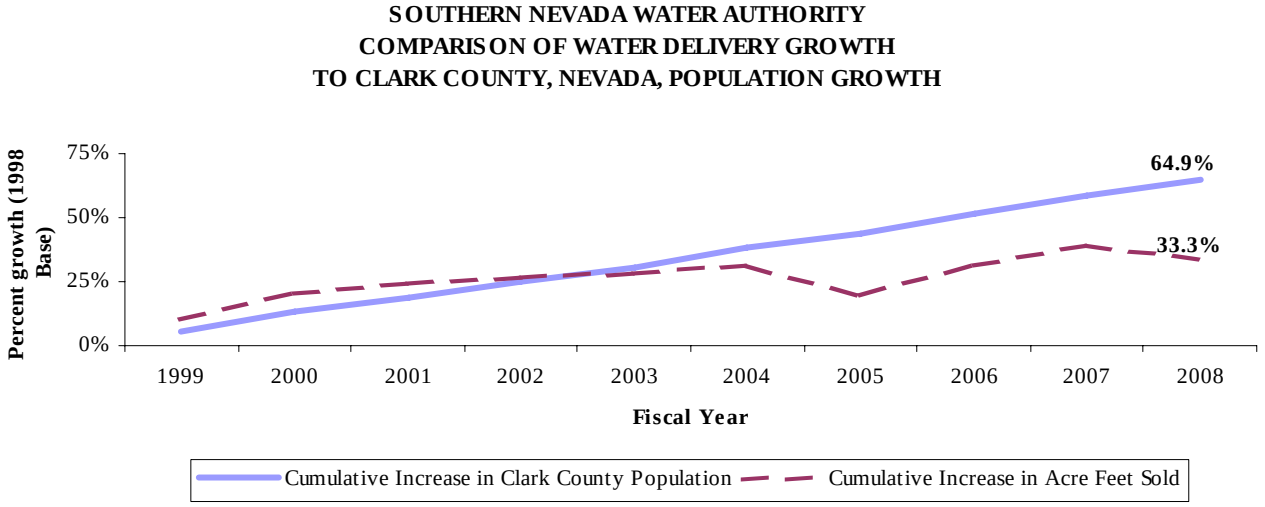
	June 30, 2008	Variance	June 30, 2007	Variance	June 30, 2006
Operating Revenues					
Wholesale Delivery Charges	$ 118.8	$ (2.6)	$ 121.4	$ 5.9	$ 115.5
Other Revenues	5.5	0.7	4.8	1.4	3.4
Total Operating Revenues	124.3	(1.9)	126.2	7.3	118.9
Total Nonoperating Revenues	24.5	(5.8)	30.3	16.4	13.9
Total Revenues	**148.8**	**(7.7)**	**156.5**	**23.7**	**132.8**
Operating Expenses					
Personnel and Related	37.4	3.6	33.8	1.7	32.1
Electric Power	35.2	(12.1)	47.3	(9.3)	56.6
Depreciation	57.2	4.2	53.0	2.6	50.4
Operating and Maintenance	63.9	20.8	43.1	4.1	39.0
Total Operating Expenses	193.7	16.5	177.2	(0.9)	178.1
Total Nonoperating Expenses	66.2	(5.7)	71.9	4.9	67.0
Total Expenses	**259.9**	**10.8**	**249.1**	**4.0**	**245.1**
Loss Before Capital Contributions	(111.1)	(18.5)	(92.6)	19.7	(112.3)
Capital Contributions	210.9	(28.3)	239.2	(157.2)	396.4
Increase in Fund Equity	**99.8**	**$ (46.8)**	**146.6**	**$ (137.5)**	**284.1**
Fund Equity Beginning of Year	1,459.7		1,313.1		1,029.0
Fund Equity End of Year	**$ 1,559.5**		**$ 1,459.7**		**$ 1,313.1**

Operating revenues and expenses are defined as non-capital revenues and expenses incurred in the normal course of business. Examples of operating revenues include non-capital fees and charges collected from purveyor members (wholesale delivery charges, Las Vegas wash operating fees, groundwater fees, etc.). Examples of operating expenses include payroll, power costs, and professional fees.

The $2.6 million (-2.1%) decrease in wholesale delivery charge revenues in fiscal 2008 reflects a decrease in water deliveries during the year (-4.1%) slightly offset by an increase in the wholesale delivery charge. The wholesale delivery charge rate of $257/acre-foot in fiscal 2008 included an increase of $5/acre-foot over fiscal 2007's rate. The $5.9 million (5.1%) increase in wholesale delivery charge revenues in fiscal 2007 reflects a corresponding increase in water deliveries during the year. The wholesale delivery charge rate of $252/acre-foot in fiscal 2007 was consistent with that of the preceding year.

The following charts present water deliveries by the Southern Nevada Water System over the past ten years and compare the growth in water deliveries to population growth in Clark County, Nevada.





The $5.8 million (-19.1%) decrease in nonoperating revenues is due in large part to a reduction in investment income reflecting smaller returns due to a softening of the investment market. The $16.4 million (118.0%) increase in nonoperating revenues for fiscal 2007 is mainly due to a stronger investment market for the year.

The $3.6 million (10.7%) increase in personnel and related expenses in fiscal 2008 and the $1.7 million (5.3%) increase in fiscal 2007 is due to normal cost of living allowance and merit increases, as well as new hires.

Electric power costs decreased $12.1 million (-25.6%) in fiscal 2008. SNWA used 3.0% fewer MWhs due to lower sales of wholesale water and the cost per unit of electric power was down an average of 20.1% in fiscal 2008. Electric power costs decreased $9.3 million (-16.4%) in fiscal 2007 even though SNWA used 9.4% more megawatts during the period. The cost per unit of electric power was down an average of 16.0% in fiscal 2007. Electric power is a significant cost of doing business and SNWA aggressively attempts to keep the unit cost of power as low as possible. See Note 12 for a discussion of SNWA's open forward power contracts.

The increases in depreciation for fiscal 2008 and 2007 are a function of increases in property, plant and equipment.

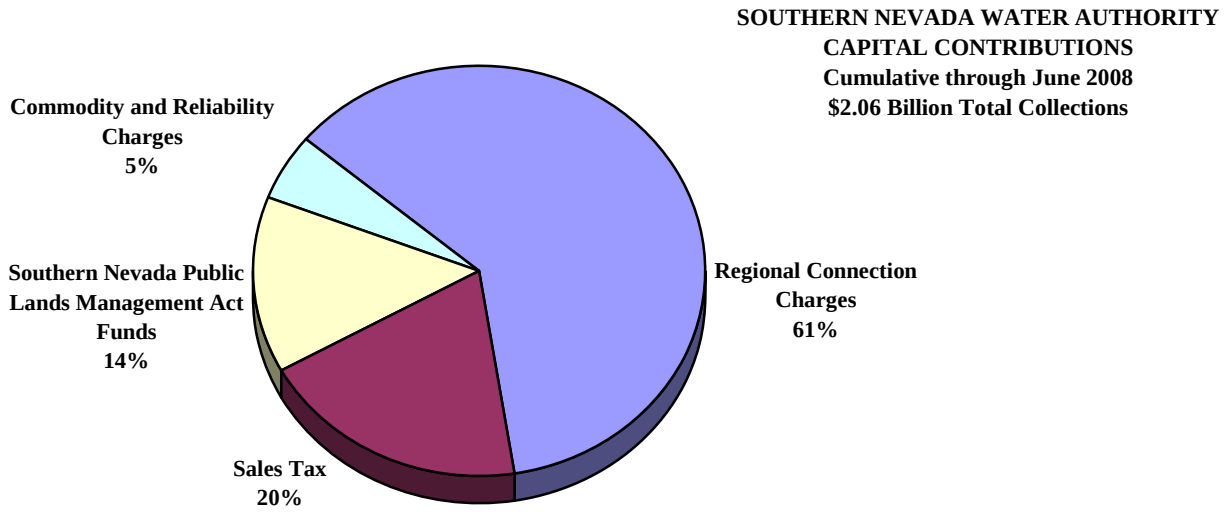
Operating and maintenance expenses increased $20.8 million (48.3%) in fiscal 2008 due in large part to SNWA's Water Smart Landscapes Program. This program provided more attractive incentives to homeowners and business owners, with these customers using the program in larger numbers. Operating and maintenance expenses increase $4.1 million (10.5%) in fiscal 2007 due mainly to inflation and system growth.

Nonoperating expenses decreased $5.7 million (-7.9%) in fiscal 2008 led primarily by a decrease in interest expense costs achieved through past year's refunding of higher cost bond issues. Nonoperating expenses increased $4.9 million (7.3%) in fiscal 2007 reflecting additional indebtedness issued by SNWA. SNWA's bond counsel regularly reviews SNWA's debt portfolio to identify opportunities to minimize interest expense.

Capital contributions are revenues SNWA receives to fund its $2.9 billion Capital Improvement Plan (CIP) and other capital projects. SNWA began collection of these revenues in early 1996. In order of the amount of revenue they have generated since 1996, those revenues include: (1) the regional connection charge, (2) sales tax, (3) the Southern Nevada Public Lands Management Act (SNPLMA) funds, (4) the regional commodity charge, (5) the regional reliability charge, and (6) various other small charges.

Capital contributions in fiscal 2008 decreased $28.3 million (-11.8%) over fiscal 2007 primarily due to decreases of $59.8 million (-49.3%) in regional connection charges reflecting a slowing of growth in the Las Vegas area. Capital contributions in fiscal 2007 decreased $157.2 million (-39.7%) over fiscal 2006 primarily due to decreases of $67.1 million (35.6%) in regional connection charges due to a anticipated slowing of growth in the Las Vegas area. See Note 16 for a summary of Capital Contributions.

The following chart shows the major capital contribution revenue sources and their relation to total capital contributions.



Capital Asset and Debt Administration

Capital Assets. SNWA's investment in capital assets as of June 30, 2008 amounts to $3.4 billion, net of accumulated depreciation. The investment in capital assets includes land, transmission and distribution lines, pumping stations and equipment, water rights and other natural resources rights. Please see Note 7 to the basic financial statements for additional information on the types and values of SNWA's capital assets.

SNWA's ongoing Capital Improvements Plan (CIP) and Major Construction and Capital Plan (MCCP) consist of items described in the preceding paragraph. Major construction expenditures in fiscal 2008 totaled $344.8. Contract commitments total an additional $930.3 million.

Debt Administration. At the end of fiscal 2008, SNWA had general obligation debt totaling $2.3 billion. Details concerning all debt issues can be found in Note 13 to the basic financial statements.

SNWA issued $400 million in general obligation bonds and $6.9 million in subordinate lien revenue, clean renewable energy bonds in July 2008. See Note 18 (Subsequent Events) to the basic financial statements for additional details. SNWA will always be vigilant to changes in the debt market and will, when financially feasible, be receptive to possible refunding of older issues.

Economic Factors and Next Year's Goals

SNWA's financial outlook continues to remain satisfactory. Population growth in the Las Vegas area, while lighter than in previous years, is still comparable to national population trends. As a result, demand for potable water produced by SNWA is projected to remain relatively consistent. SNWA

continues to maintain its high investment grade credit rating of "AA-" by Standard & Poor's. Construction of the $3.0 billion CIP and the $1.8 billion MCCP is on schedule and within budget. The capital contribution revenues designated to fund these capital plans are being collected at or above forecasted levels.

Currently, the major concern for southern Nevada continues to be the multi-year drought affecting the Colorado River basin. Water levels in Lake Mead have declined approximately 100 feet since 2000. Although these levels remain above SNWA's two intakes, the intakes are drawing water closer to the surface, which creates water quality challenges. Lower lake levels have also impacted the amount of water SNWA can withdraw from the Colorado River basin in excess of its 300,000 acre-feet net consumptive allocation. In response to these challenging conditions SNWA has taken steps to accelerate the development of in-state water resources. The fiscal impact associated with the development of these resources will become more clear in the future.

Requests for Information

This financial report is designed to provide a general overview of SNWA's finances. Questions concerning any of the information provided in this report or requests for addition financial information should be addressed to:

The Office of the Director of Finance
Southern Nevada Water Authority
1001 South Valley View Blvd., Mail Stop 320
Las Vegas, Nevada, 89107

The reader is also encouraged to visit the SNWA website at www.snwa.com where this document is presented in its entirety. The website is also a good source for financial and operational information pertaining to SNWA, as well as helpful information concerning conservation and water issues.

THIS PAGE LEFT

INTENTIONALLY BLANK

Southern Nevada
Water Authority

BASIC FINANCIAL STATEMENTS

THIS PAGE LEFT

INTENTIONALLY BLANK

Southern Nevada Water Authority
Enterprise Fund
Balance Sheets
June 30, 2008 and 2007

Assets	June 30, 2008	June 30, 2007
Current Assets - Restricted		
Investments	$ 90,093,022	$ 350,323,042
Other Receivables	14,414,202	15,335,892
Total Current Assets - Restricted	104,507,224	365,658,934
Current Assets - Unrestricted		
Cash and Cash Equivalents	5,452,582	12,166,291
Investments	330,522,966	458,639,415
Due From Member Agencies	19,546,710	23,137,781
Other Receivables	6,108,519	11,782,185
Other Current Assets	14,348,567	6,333,475
Total Current Assets - Unrestricted	375,979,344	512,059,147
Total Current Assets	480,486,568	877,718,081
Capital Assets		
Capital Assets Subject to Depreciation		
Property, Plant and Equipment	2,512,048,360	2,401,754,054
Accumulated Depreciation	(570,875,332)	(513,828,113)
Net Capital Assets Subject to Depreciation	1,941,173,028	1,887,925,941
Capital Assets Not Subject to Depreciation		
Land	88,253,534	18,353,443
Natural Resources Rights	325,175,725	307,220,745
Construction Work in Progress	1,028,225,185	728,357,167
Net Capital Assets Not Subject to Depreciation	1,441,654,444	1,053,931,355
Total Net Capital Assets	3,382,827,472	2,941,857,296
Other Noncurrent Assets		
Water Recharge Inventory	81,648,564	76,355,867
Total Non Current Assets	3,464,476,036	3,018,213,163
Total Assets	**$ 3,944,962,604**	**$ 3,895,931,244**

The accompanying notes are an integral part of these financial statements

Southern Nevada Water Authority
Enterprise Fund
Balance Sheets
June 30, 2008 and 2007

Liabilities and Fund Equity	June 30, 2008	June 30, 2007
Current Liabilities		
Accounts Payable	$ 58,879,015	$ 60,153,182
Accrued Interest Payable	10,855,964	12,634,282
Current Portion of Notes Payable	1,011,635	976,710
Current Portion of Bonds Payable	47,900,000	46,240,000
Commercial Paper Payable	400,000,000	400,000,000
Total Current Liabilities	518,646,614	520,004,174
Long-Term Liabilities		
Notes Payable, Net of Current Portion	14,834,740	15,846,375
Bonds Payable, Net of Current Portion	1,834,760,000	1,894,360,000
Deferred Amount on Refunding	(18,962,490)	(15,748,000)
Unamortized Bond Costs, Premiums and Discounts	36,175,365	21,784,743
Total Long-Term Liabilities	1,866,807,615	1,916,243,118
Total Liabilities	2,385,454,229	2,436,247,292
Fund Equity		
Invested in Capital Assets, Net of Related Debt	1,061,241,237	885,878,890
Restricted for Debt Service / Capital Assets	102,040,416	50,122,513
Unrestricted	396,226,722	523,682,549
Total Fund Equity	1,559,508,375	1,459,683,952
Total Liabilities and Fund Equity	**$ 3,944,962,604**	**$ 3,895,931,244**

The accompanying notes are an integral part of these financial statements

Southern Nevada Water Authority

Enterprise Fund

Statements of Revenues, Expenses and Changes in Fund Equity

For the Fiscal Years ended June 30, 2008 and 2007

	June 30, 2008	June 30, 2007
Operating Revenues		
Wholesale Delivery Charges	$ 118,782,982	$ 121,449,812
Groundwater Management Fees	1,976,911	1,953,768
Purveyor Administration Costs Recoveries	367,710	359,042
Las Vegas Wash	1,196,028	842,700
Other Revenues	2,010,404	1,586,346
Total Operating Revenues	124,334,035	126,191,668
Operating Expenses		
Personnel and Related	37,430,481	33,754,022
Electric Power	35,233,331	47,268,452
Depreciation	57,234,105	53,032,871
Operating and Maintenance	63,839,825	43,170,486
Total Operating Expenses	193,737,742	177,225,831
Operating Loss	(69,403,707)	(51,034,163)
Nonoperating Revenues (Expenses)		
Investment Income	24,494,593	29,484,713
Interest Expense	(65,800,690)	(70,962,485)
Amortization of Refunding Costs	(1,286,877)	(1,467,458)
Amortization of Bond Issue Costs, Premiums and Discounts	944,276	540,036
Other	5,200	835,062
Total Nonoperating Revenues (Expenses)	(41,643,498)	(41,570,132)
Loss Before Capital Contributions	(111,047,205)	(92,604,295)
Capital Contributions	210,871,628	239,207,602
Net Income	99,824,423	146,603,307
Fund Equity - Beginning of Year	1,459,683,952	1,313,080,645
Fund Equity - End of Year	$ 1,559,508,375	$ 1,459,683,952

The accompanying notes are an integral part of these financial statements

Southern Nevada Water Authority
Enterprise Fund
Statements of Cash Flows
For the Fiscal Years ended June 30, 2008 and 2007

	June 30, 2008	June 30, 2007
Cash Flows from Operating Activities:		
General and Administrative/Resources Charges	$ 1,468,909	$ 1,361,582
Groundwater Management Fees	1,976,911	1,953,768
Las Vegas Wash Revenues	996,690	1,021,763
Wholesale Delivery Charges	118,408,501	123,078,894
Other Revenues	1,105,648	276,615
Cash Payments to Suppliers of Goods and Services	(89,871,114)	(115,471,194)
Net Cash Provided by Operating Activities	34,085,545	12,221,428
Cash Flows from Capital and Related Financing Activities:		
Purchase or Construction of Capital Assets	(466,892,855)	(214,363,348)
Proceeds from Disposal of Property and Equipment	28,725	927,586
Proceeds of Debt Issuance		400,000,000
Principal Paid on Debt	(47,216,710)	(44,302,991)
Interest Paid on Debt	(107,710,469)	(101,370,779)
Capital Contributions	160,316,831	237,105,469
Net Cash Provided by (Used in) Capital and Related Financing Activities	(461,474,478)	277,995,937
Cash Flows from Investing Activities:		
Purchases of Investment Securities	(49,465,182,423)	(52,049,063,274)
Proceeds from Sales or Maturities of Investment Securities	49,871,152,831	51,752,461,960
Investment Earnings	14,704,817	13,734,552
Net Cash Provided by (Used in) Investing Activities	420,675,225	(282,866,762)
Net Increase (Decrease) in Cash and Cash Equivalents	(6,713,709)	7,350,603
Cash and Cash Equivalents, Beginning of Year	12,166,291	4,815,688
Cash and Cash Equivalents, End of year	$ 5,452,582	$ 12,166,291
Reconciliation of Operating Loss to net Cash Provided by Operating Activities		
Operating Loss	$ (69,403,707)	$ (51,034,163)
Depreciation	57,234,105	53,032,871
Operating Expenses Paid by Contributed Capital	55,319,705	26,113,612
Changes in Assets and Liabilities		
(Increase)/Decrease in Due from Member Agencies	(592,073)	1,807,816
Increase in Other Receivables	(8,015,092)	(1,751,099)
(Increase)/Decrease in Other Current Assets	4,021,629	(5,812,882)
Increase in Water Recharge Inventory	(5,292,697)	(7,087,341)
Increase (Decrease) in Accounts Payable	813,675	(3,047,386)
Net Cash Provided by Operating Activities	$ 34,085,545	$ 12,221,428
Non-Cash Investing, Capital and Financing Activities		
Changes in Fair Value of Investments	$ (577,012)	$ (1,453,543)
Deferred Loss on Refunded Bonds	4,158,766	9,790,963
Refunding Bonds Issued	(171,720,000)	(315,980,000)
Bonds Refunded	183,420,000	314,395,000

The accompanying notes are an integral part of these financial statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Southern Nevada Water Authority (SNWA) is a political subdivision of the State of Nevada (the State) and is therefore the reporting entity. SNWA was created on July 25, 1991, pursuant to Nevada Revised Statutes (NRS) Chapter 277.080 to 277.180, inclusive, by a cooperative agreement among its member agencies, the Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, the Clark County Water Reclamation District, and Las Vegas Valley Water District (LVVWD). The Cooperative Agreement was amended on November 17, 1994, and January 1, 1996.

SNWA was created to secure additional supplies of water for southern Nevada and to effectively manage existing supplies of water through the cooperative action of its member agencies. A seven-member Board of Directors (the Board) comprised of one director from each member agency governs SNWA equally. SNWA operations are autonomous from its member agencies and the State, and its financial statements are not included in the financial statements of any other entity.

The Board has the power to periodically assess the member agencies directly for operating and capital budgets and for the satisfaction of any liabilities imposed against SNWA. In 1991, each member made an initial contribution to SNWA for operating and administrative expenses in the amount of $15,000. Assessments for additional funds needed by SNWA, in accordance with approved operating and capital budgets, have been apportioned to its member agencies on the basis of water deliveries to those agencies. Funding received by SNWA from its member agencies for operations is recorded as operating revenue, while funding received for capital purchases is recorded as contributed capital. Member agencies that are not potable water purveyors (the City of Las Vegas and the Clark County Water Reclamation District) each contributed $35,000 to SNWA operations during the fiscal years ended June 30, 2008 and June 30, 2007.

The SNWA Board appoints a General Manager. LVVWD's General Manager was also appointed General Manager of SNWA and LVVWD was named the operating agent for SNWA in 1993. LVVWD pays certain operating expenses on behalf of SNWA. SNWA reimburses LVVWD for those expenses, including the cost of LVVWD employees allocated to SNWA. SNWA has no employees of its own.

Southern Nevada Water Delivery System

Pursuant to the Transfer Act, Assembly Bill No. 542 approved by the Nevada Legislature in 1995, the assets of the Southern Nevada Water System (SNWS), as well as responsibility for operation of the system, were transferred from the Colorado River Commission (CRC) to SNWA, effective January 1, 1996. Along with the transfer of these assets, CRC transferred all books and records in its possession relating to SNWS and its facilities. In addition to these assets, all liabilities of CRC related to the SNWS were transferred to SNWA.

Fund Accounting

The accompanying basic financial statements are reported on the basis of fund accounting. A fund is a fiscal and accounting entity with a set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses.

Enterprise Fund

SNWA operations have been accounted for as a single enterprise fund. Enterprise fund operations are presented using the full accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when revenues are received or expenses are paid. In this regard, SNWA operations are accounted for in a manner similar to a private business enterprise, where the intent of the governing body is that the costs of providing goods and services to customers on a continuing basis are financed or recovered primarily through user charges, and its financial measurement focus is on determination of net income, financial position, and cash flows. SNWA is guided by the pronouncements of the Governmental Accounting Standards Board (GASB). As an enterprise fund, and as permitted under GASB Statement No. 20, SNWA applies the requirements of the Financial Accounting Standard Board (FASB) Statements, Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates by management. Such estimates primarily relate to unsettled transactions and events as of the date of the basic financial statements. Actual results could differ from those estimates.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include cash on hand and cash on deposit with financial institutions including time deposits (Note 2). Investments include obligations of the U.S. government and obligations of government-sponsored agencies, as well as investment grade corporate commercial paper. Investments are stated at par, with premiums or discounts expensed in the month of the investment's acquisition. Also, investments with a life greater than one year when purchased have been adjusted to fair market value as required by GASB Statement No. 31 (Note 3).

Restricted Assets

Restricted assets include unused bond proceeds which are restricted by bond covenants and sales tax proceeds restricted by state law.

Inventories

Inventory additions are recorded at cost. Reduction of inventory is recorded using the first-in, first-out accounting method. Inventories are included in other current assets.

Capital Assets

Property, plant, equipment and land are carried at historical cost if purchased, or at engineering estimates of fair market value at the time received if donated. Expenditures for improvements and betterments (including labor and overhead) are capitalized. Generally speaking, SNWA capitalizes assets with a cost greater than $5,000 and a useful life greater than three years, except software costs, which are generally expensed, regardless of cost or useful life.

Depreciation of property, plant and equipment is computed using the straight-line method over the estimated service lives of the respective assets. Major utility plant categories and their estimated service lives are as follows:

Intakes, Tunnels, and Supply Mains	75 years
Reservoirs and Structures	50 years
Treatment, Laboratory, and Power Operated Equipment	15 years
Transportation and Office Equipment	5 to 10 years
Northern Resource Equipment	5 to 40 years

Revenues

Operating revenues include the wholesale delivery charge, which for the year ended June 30, 2008, was $257 per acre-foot of treated Colorado River water delivered to the purveyor members of SNWA. The wholesale delivery charge is designed to fund operation and maintenance of SNWS, as well as SNWA administration. SNWA also charged $193 per acre-foot for raw Colorado River water delivered to the city of Boulder City for use on golf courses. The groundwater program revenues consist of an annual fee of $30 per acre-foot of permitted groundwater rights or $30 per domestic well. Purveyor administration billings are amounts charged to member agencies of SNWA who do not physically take potable water from the SNWA water system. These costs vary by purveyor and are designed to help compensate SNWA for administration costs associated with their membership. Las Vegas Wash revenues consist of contributions from other local governments towards operating costs of the Las Vegas Wash Coordination Committee.

Nonoperating revenues are investment income and a minimal amount of other miscellaneous items.

Expenses

Operating expenses include the costs of personnel, power, and other costs associated with the operation and maintenance of SNWS, as well as SNWA administration and depreciation. Non-operating expenses include interest expense as well as amortization of debt refunding gain / loss, premiums, discounts and issuance costs.

Capital Contributions

Capital contributions include various revenues SNWA receives that are restricted for use in a variety of capital improvement programs (Note 16).

Water Rights Holding Company

In 1999, the Board established Muddy River Water Holdings, Inc., a non-profit corporation authorized to facilitate the holding of water rights stock and stock options. This corporation holds any stock purchased by SNWA representing water rights.

Reclassification

Certain minor reclassifications have been made in fiscal 2007 amounts to conform with the fiscal 2008 presentation.

New Accounting Pronouncements

In November, 2007, the GASB issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, effective for periods beginning after June 15, 2008 with earlier adoption encouraged. The statement improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. SNWA does not currently have any endowments. Therefore, adoption of Statement No. 52 is not expected to materially affect SNWA's financial position, results of operation or cash flows.

In June, 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, effective for periods beginning after June 15, 2009 with earlier adoption encouraged. The statement improves how state and local governments report information about derivative instruments in their financial statements, requiring governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. SNWA currently reports derivative activity in the Notes to Basic Financial Statements (Note 12). Since SNWA is almost certain to take delivery of the energy associated with the derivative instruments, the reporting of them on financial statements is outside the scope of this GASB statement (paragraph 14). Therefore, adoption of Statement No. 53 is not expected to materially affect SNWA's financial position, results of operation or cash flows.

NOTE 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of a demand deposit account. SNWA has entered into an agreement whereby any balance in the demand deposit account at the close of each business day is "swept" into an interest earning investment account overnight. As of June 30, 2008 and 2007, the balances in this account were as follows:

June 30, 2008	Total	Unrestricted	Restricted
Demand Deposit Account	$ 5,452,582	$ 5,452,582	$ -
Total Cash and Cash Equivalents	$ 5,452,582	$ 5,452,582	$ -

June 30, 2007	Total	Unrestricted	Restricted
Demand Deposit Account	$ 12,166,291	$ 12,166,291	$ -
Total Cash and Cash Equivalents	$ 12,166,291	$ 12,166,291	$ -

On July 22, 2003, the Nevada State Assembly approved an amendment to NRS 356.020 establishing a Nevada State Treasurer's Pooled Collateral program for local governments. The primary objective of the collateral pool is to reduce the risk for government agencies, while at the same time decrease the overall collateral requirement for depositories. By centralizing the administration and reporting functions through the State Treasurer's office, both government agencies and depositories realize cost savings in terms of operational support and collateral efficiency. The bank utilized by SNWA participates in the pool by pledging securities for SNWA monies on deposit. The collateral pool for public fund deposits administered and monitored by the Nevada State Treasurer's Pooled Collateral Office requires depository

banks to place acceptable securities of no less than 102% of the market value of the aggregate total deposits of public entities in Nevada with a third party custodian.

NOTE 3. INVESTMENTS

Funds not immediately required for payment of operating or capital expenditures are invested by SNWA in U.S. Government and agency securities and other money market instruments. Nothing in the Cooperative Agreement that created SNWA or the Facilities and Operations Agreement that governs SNWA's relationship with its purveyor members dictates permitted or prohibited investments. Also, there is no applicable Nevada law. However, SNWA voluntarily chooses to comply with NRS 355.170, which governs permitted investments for counties, cities, and school districts in Nevada. NRS 355.170 limits investments to obligations of the federal government and its agencies, commercial bank certificates of deposit, obligations of state and local governments rated "A" or above, bankers' acceptances, repurchase agreements, and money market mutual funds.

As required by GASB Statement No. 31, an adjustment to fair market value has been made for investment securities with a life greater than one year at the time they were purchased. Fair market value was determined by quoted market prices provided by the Bank of New York Western Trust Company where SNWA has an investment custody account. The Bank of New York Western Trust Company acts as an agent for SNWA. For fiscal 2008 this adjustment resulted in a decrease in interest income of $577,012. For 2007, the adjustment reduced interest income by $1,453,543.

The following schedules detail the securities SNWA was holding for investment as of June 30, 2008 and 2007. Three valuations of investments are shown. Par value is the amount that SNWA will receive at maturity. Book value is the value calculated after adjusting investments with a maturity of one year or greater to the fair market value using valuation methods previously described. This column is presented as the book value of investments on the balance sheet. Fair value is presented for informational purposes only and represents the fair market value for all investments regardless of maturity date derived from market research conducted independently by the Bank of New York Western Trust Company.

Investments at June 30, 2008

Security	Investment Number	Purchase Date	Maturity Date	Days after Purchase Date	Par Value	Fair Value Adjustment	Book Value	MEMO Fair Value
FHLB	08-2145	06/30/08	07/01/08	1	$ 35,513,000	$ -	$ 35,513,000	$ 35,511,025
FHLB	08-2144	06/30/08	07/01/08	1	45,000,000	-	45,000,000	44,997,498
FHLB	08-2143	06/30/08	07/01/08	1	50,000,000	-	50,000,000	49,997,220
FMC	08-2147	06/30/08	07/01/08	1	50,000,000	-	50,000,000	49,997,220
FHLB	08-2148	06/30/08	07/07/08	7	20,500,000	-	20,500,000	20,490,582
FHA	08-2083	06/17/08	07/02/08	15	28,375,000	-	28,375,000	28,349,539
FMC	08-2090	06/18/08	07/15/08	27	33,000,000	-	33,000,000	32,948,810
FNMA	08-1838	04/18/08	04/08/13	1816	15,000,000	(93,750)	14,906,250	14,906,250
FHLMC	08-1450	02/15/08	02/05/13	1817	20,000,000	(438,800)	19,561,200	19,561,200
FHLMC	08-2146	06/30/08	06/26/13	1822	5,000,000	23,850	5,023,850	5,023,850
FHLMC	08-2127	06/26/08	06/26/13	1826	3,680,000	12,770	3,692,770	3,692,770
FHLB	08-1601	03/18/08	03/18/13	1826	7,000,000	21,875	7,021,875	7,021,875
FNMA	08-2126	06/26/08	06/26/13	1826	9,150,000	34,313	9,184,313	9,184,313
FNMA	08-1888	04/29/08	04/29/13	1826	9,300,000	(55,219)	9,244,781	9,244,781
FNMA	08-1365	01/30/08	01/29/13	1826	7,350,000	6,891	7,356,891	7,356,891
FHLB	08-1502	02/27/08	02/27/13	1827	10,500,000	22,969	10,522,969	10,522,969
FHLMC	08-1423	02/12/08	02/12/13	1827	15,000,000	(16,200)	14,983,800	14,983,800
FHLB	08-1431	02/13/08	06/20/13	1954	10,000,000	(115,625)	9,884,375	9,884,375
FHLMC	08-1414	02/11/08	08/06/13	2003	5,000,000	(54,349)	4,945,651	4,945,651
FHLB	08-1328	01/25/08	07/25/13	2008	3,975,000	4,968	3,979,968	3,979,968
FNMA	08-1650	03/24/08	09/24/13	2010	3,350,000	26,170	3,376,170	3,376,170
FNMA	08-1483	02/22/08	10/10/13	2057	4,500,000	5,625	4,505,625	4,505,625
FNMA	08-1339	01/28/08	10/10/13	2082	10,000,000	12,500	10,012,500	10,012,500
FNMA	08-1273	01/16/08	10/10/13	2094	20,000,000	25,000	20,025,000	20,025,000
					$ 421,193,000	$ (577,012)	$ 420,615,988	$ 420,519,882

SOUTHERN NEVADA WATER AUTHORITY

Notes to Basic Financial Statements

For the fiscal year ended June 30, 2008, and the fiscal year ended June 30, 2007

Investments at June 30, 2007

Security	Investment Number	Purchase Date	Maturity Date	Days after Purchase Date	Par Value	Fair Value Adjustment	Book Value	MEMO Fair Value
FHA	07-2775	06/29/07	07/02/07	3	$ 39,097,000	$ -	$ 39,097,000	$ 39,086,573
FHLB	07-2773	06/29/07	07/02/07	3	48,151,000	-	48,151,000	48,138,158
FHA	07-2771	06/29/07	07/02/07	3	50,000,000	-	50,000,000	49,986,385
CHESHM	07-2769	06/29/07	07/02/07	3	9,100,000	-	9,100,000	9,091,764
ANGLES	07-2764	06/29/07	07/02/07	3	25,000,000	-	25,000,000	24,977,305
LOCFUN	07-2768	06/29/07	07/02/07	3	26,607,000	-	26,607,000	26,582,846
EBURY	07-2766	06/29/07	07/02/07	3	28,000,000	-	28,000,000	27,974,582
UBSFIN	07-2767	06/29/07	07/02/07	3	28,952,000	-	28,952,000	28,925,827
FHA	07-2776	06/29/07	07/03/07	4	21,230,000	-	21,230,000	21,221,967
FHLB	07-2774	06/29/07	07/03/07	4	50,000,000	-	50,000,000	49,981,805
TSLUSA	07-2765	06/29/07	07/05/07	6	22,133,000	-	22,133,000	22,103,167
THRPIL	07-2770	06/29/07	07/06/07	7	9,542,000	-	9,542,000	9,527,755
FHLB	07-2772	06/29/07	07/06/07	7	49,837,000	-	49,837,000	49,793,393
FHLB	07-2755	06/28/07	07/13/07	15	28,577,000	-	28,577,000	28,519,057
FHA	07-2691	06/21/07	07/09/07	18	10,570,000	-	10,570,000	10,544,338
FHLB	07-2664	06/15/07	07/11/07	26	48,775,000	-	48,775,000	48,599,820
FHLB	07-2737	06/27/07	07/25/07	28	25,000,000	-	25,000,000	24,903,193
FHLB	07-2222	03/23/07	09/04/07	165	10,000,000	-	10,000,000	9,996,875
FHLB	07-0946	10/25/06	08/24/07	303	6,000,000	-	6,000,000	5,999,340
FHLB	06-1263	01/20/06	08/24/07	581	4,000,000	(440)	3,999,560	3,999,560
FHLMC	07-0388	08/21/06	04/11/08	599	4,000,000	(2,880)	3,997,120	3,997,120
FHLB	06-1264	01/20/06	10/12/07	630	2,000,000	-	2,000,000	2,000,000
FHLB	06-0820	11/08/05	10/12/07	703	6,000,000	-	6,000,000	6,000,000
FHLB	06-0800	11/01/05	11/01/07	730	5,000,000	(1,050)	4,998,950	4,998,950
FHLMC	07-2034	03/05/07	03/05/09	731	15,000,000	(5,850)	14,994,150	14,994,150
FHLMC	05-0071	05/19/05	08/23/07	826	1,000,000	(2,813)	997,188	997,188
FHLB	07-1083	11/07/06	06/26/09	962	7,000,000	-	7,000,000	7,000,000
FNMA	07-2464	04/30/07	03/15/10	1050	17,000,000	(15,938)	16,984,063	16,984,063
FNMA	07-2463	04/30/07	03/29/10	1064	18,000,000	(16,875)	17,983,125	17,983,125
FHLB	07-0888	10/19/06	10/19/09	1096	15,000,000	(18,750)	14,981,250	14,981,250
FHLB	07-2035	03/05/07	03/05/10	1096	6,000,000	(9,375)	5,990,625	5,990,625
FHLB	07-1782	01/26/07	01/26/10	1096	10,000,000	(12,500)	9,987,500	9,987,500
FHLB	07-2036	03/05/07	03/05/10	1096	10,000,000	(15,625)	9,984,375	9,984,375
FHLMC	07-1781	01/26/07	01/26/10	1096	15,000,000	(23,700)	14,976,300	14,976,300
FNMA	06-1034	12/08/05	02/17/09	1167	2,000,000	(74,120)	1,925,880	1,925,880
FNMA	05-0069	05/19/05	08/26/08	1195	1,750,000	(24,609)	1,725,391	1,725,391
FHLB	05-0050	12/16/04	06/16/08	1278	870,000	(10,603)	859,397	859,397
FHLB	05-0070	05/19/05	08/26/09	1560	3,000,000	(4,688)	2,995,313	2,995,313
FHLB	07-1363	12/06/06	06/06/11	1643	10,000,000	(28,125)	9,971,875	9,971,875
FHLB	05-0060	02/10/05	10/30/09	1723	5,000,000	(100,000)	4,900,000	4,900,000
FHLB	05-0043	08/18/04	05/11/09	1727	900,000	(15,469)	884,531	884,531
FHLB	05-0046	09/17/04	07/06/09	1753	135,000	(1,266)	133,734	133,734
FHLB	05-0044	08/26/04	08/26/09	1826	3,165,000	(4,945)	3,160,055	3,160,055
FNMA	04-0967	04/29/04	04/29/09	1826	3,250,000	(67,031)	3,182,969	3,182,969
FNMA	07-1688	01/12/07	01/12/12	1826	15,000,000	(9,375)	14,990,625	14,990,625
FHLB	07-2416	04/23/07	04/23/12	1827	3,360,000	(12,600)	3,347,400	3,347,400
FHLB	07-2415	04/23/07	04/23/12	1827	5,415,000	(15,230)	5,399,770	5,399,770
FHLMC	07-2688	06/21/07	06/21/12	1827	40,000,000	(20,000)	39,980,000	39,980,000
FHLB	07-2086	03/09/07	03/09/12	1827	10,000,000	(34,375)	9,965,625	9,965,625
FHLB	04-0051	07/11/03	12/12/08	1981	5,000,000	(120,313)	4,879,688	4,879,688
FHLB	04-0970	04/30/04	10/30/09	2009	5,000,000	(103,125)	4,896,875	4,896,875
FHLB	03-0661	06/11/03	12/11/08	2010	7,000,000	(192,500)	6,807,500	6,807,500
FHLB	04-0043	07/10/03	01/09/09	2010	8,000,000	(230,000)	7,770,000	7,770,000
FHLB	04-0115	07/28/03	01/28/09	2011	10,000,000	(259,375)	9,740,625	9,740,625
					$ 810,416,000	$ (1,453,543)	$ 808,962,457	$ 808,345,605

For the fiscal years ended June 30, 2008 and 2007, the weighted average yield on the entire investment portfolio was 4.43% and 5.20%, respectively, computed on the amortized cost basis.

SNWA's investment policy limits investments and risks to those permitted under the laws of the State of Nevada. Investments and risks authorized by NRS relevant to SNWA investments are:

- Obligations of United States agencies or instrumentalities or corporations sponsored by the government, not to exceed ten years maturity after the date of purchase. Credit quality ratings and the percent of total investments allowed are not specified. However, SNWA is not allowed to have more than 60 percent of its total investment portfolio with any one banker or broker.

- Commercial paper issued by corporations organized and operating in the United States that (1) is purchased from a registered broker-dealer, (2) at the time of purchase has a remaining term to maturity of no more than 270 days, and (3) is rated by a nationally recognized rating service as A-1, P-1 or its equivalent, or better, except that these investments may not, in aggregate value, exceed 20 percent of the total portfolio as determined on the date of purchase, and if the rating of the obligation is reduced to a level that does not meet these requirements, it must be sold as soon as possible.

The following shows the distribution and credit quality of investments at June 30, 2008 and 2007.

Investment Type	Rated	June 30, 2008	June 30, 2007
Federal Home Loan Bank	AAA	43.3%	50.3%
Federal Home Loan Mortgage Corporation	AAA	31.3%	9.3%
Federal National Mortgage Association	AAA	18.7%	7.0%
Federal Housing Authority	AAA	6.7%	14.9%
Commercial Paper	A 1+	0.0%	18.5%
		100.0%	100.0%

NOTE 4. DUE FROM MEMBER AGENCIES

SNWA bills its member agencies for wholesale delivery charges for water delivered to purveyor members, and/or reimbursement of general, administrative and other charges. In addition to these billings, purveyors collect regional connection charges, regional commodity charges and a regional reliability surcharge. Revenue from billings and collections are remitted to SNWA monthly. Management believes all accounts are collectible, and there has been no allowance made for bad debts. At June 30, 2008 and 2007, SNWA had the following amounts due from its member agencies:

Due From Member Agencies June 30, 2008

	Total	Wholesale Delivery Charges	Regional Connection Charge	Regional Commodity Charge	Regional Reliability Surcharge	Other Charges
Big Bend Water District	$ 40,917					$ 40,917
City of Boulder City	335,287	$ 335,287				
City of Henderson	6,671,993	3,424,842	$ 2,715,560	$ 441,302	$ 90,289	
City of North Las Vegas	3,423,774	2,637,107	580,710	154,795	51,162	
Clark County Water Reclamation District	2,917					2,917
Clark County	199,338					199,338
Las Vegas Valley Water District	8,811,677	7,278,719	185,341	1,026,764	320,853	
Nellis Air Force Base	60,807	60,807				
Total	$ 19,546,710	$ 13,736,762	$ 3,481,611	$ 1,622,861	$ 462,304	$ 243,172

Due From Member Agencies June 30, 2007

	Total	Wholesale Delivery Charges	Regional Connection Charge	Regional Commodity Charge	Regional Reliability Surcharge	Other Charges
Big Bend Water District	$ 19,747					$ 19,747
City of Boulder City	320,896	$ 320,896				
City of Henderson	6,283,876	2,176,173	$ 3,525,851	$ 477,593	$ 104,259	
City of North Las Vegas	4,503,358	2,860,371	1,251,010	297,403	94,574	
Clark County Water Reclamation District	5,833					5,833
Clark County	-					
Las Vegas Valley Water District	11,929,325	7,930,095	2,602,960	1,106,851	289,419	
Nellis Air Force Base	74,746	74,746				
Total	$ 23,137,781	$ 13,362,281	$ 7,379,821	$ 1,881,847	$ 488,252	$ 25,580

LVVWD is a related party to SNWA. See Note 11 for a discussion of this relation.

NOTE 5. OTHER RECEIVABLES

Other receivables are amounts due from entities that are not member agencies of SNWA. Management believes all amounts are collectible, and no allowance has been made for bad debts. The following amounts were due as of June 30, 2008 and 2007:

Other Receivables	June 30, 2008	June 30, 2007
State of Nevada - Department of Taxation	$ 14,414,202	$ 15,335,892
Power Trading Accounts Receivable	2,619,235	1,432,068
Accrued Investment Earnings	1,739,049	3,391,087
Grants Receivable	1,657,623	6,651,722
Southern California Edison	88,382	96,210
Water Smart Homes	4,230	
Northern Resource Property Receivable		211,098
Total	$ 20,522,721	$ 27,118,077

NOTE 6. OTHER CURRENT ASSETS

Other current assets consist of several prepaid expenses and miscellaneous current assets located at SNWA's northern resource property locations. The $8.0 million increase in fiscal 2008's other current assets is the result of a $4.6 million increase in an prepaid investment account used to secure future power contracts, an initial $3.1 million investment in water leases (see notes 8 and 12 for a detailed discussion of these leases), and $0.3 million net increases in four additional current asset classifications.

NOTE 7. CAPITAL ASSETS

Generally, SNWA capitalizes the cost of assets with a cost greater than $5,000 and a useful life greater than three years. The following schedule is a summary of changes in major categories of capital assets for fiscal years ended June 30, 2008 and 2007. Natural resources rights are described in detail in Note 8, and Construction Work in Progress is described in Note 9.

June 30, 2008

Capital Assets Category	Balance at June 30, 2007	Additions	Retirements/ Transfers	Balance at June 30, 2008
Capital Assets Subject to Depreciation				
Organization and Improvements	$ 390,481,268	$ 38,650,989	$ -	$ 429,132,257
Pumping Stations and Wells	517,482,733	5,477,489	(16,660)	522,943,562
Transmission/Distribution/Mains	1,275,572,668	62,300,981	-	1,337,873,649
Office Furniture and Equipment	97,242,532	1,409,775	(62,403)	98,589,904
Transportation/Work/Equipment	5,319,595	495,262	(113,771)	5,701,086
Power Plant	104,071,807		(558,314)	103,513,493
Northern Resources Assets	11,583,451	2,728,534	(17,576)	14,294,409
Total Capital Assets Subject to Depreciation	2,401,754,054	111,063,030	(768,724)	2,512,048,360
Accumulated Depreciation				
Organization and Improvements	137,367,362	16,947,882	-	154,315,244
Pumping Stations and Wells	70,786,674	12,748,508	(15,444)	83,519,738
Transmission/Distribution/Mains	226,462,672	17,890,967	-	244,353,639
Office Furniture and Equipment	63,334,080	4,283,448	(58,751)	67,558,777
Transportation/Work/Equipment	4,290,490	400,878	(108,876)	4,582,492
Power Plant	10,985,357	3,391,517	-	14,376,874
Northern Resources Assets	601,478	1,570,904	(3,814)	2,168,568
Total Accumulated Depreciation	513,828,113	57,234,104	(186,885)	570,875,332
Net Capital Assets Subject to Depreciation	1,887,925,941	53,828,926	(581,839)	1,941,173,028
Capital Assets Not Subject to Depreciation				
Land and Land Rights	18,353,443	69,900,091		88,253,534
Natural Resource Rights	307,220,745	18,050,463	(95,483)	325,175,725
Construction in Progress	728,357,167	371,572,560	(71,704,542)	1,028,225,185
Net Capital Assets Not Subject to Depreciation	1,053,931,355	459,523,114	(71,800,025)	1,441,654,444
Total Net Capital Assets	**$ 2,941,857,296**	**$ 513,352,040**	**$ (72,381,864)**	**$ 3,382,827,472**

June 30, 2007

Capital Assets Category	Balance at June 30, 2006	Additions	Retirements/ Transfers	Balance at June 30, 2007
Capital Assets Subject to Depreciation				
Organization and Improvements	$ 345,833,947	$ 44,647,321	$ -	$ 390,481,268
Pumping Stations and Wells	511,399,077	6,083,656		517,482,733
Transmission/Distribution/Mains	1,194,983,917	80,588,751		1,275,572,668
Office Furniture and Equipment	95,363,402	1,887,494	(8,364)	97,242,532
Transportation/Work/Equipment	5,238,621	262,863	(181,889)	5,319,595
Power Plant	104,689,472		(617,665)	104,071,807
Northern Resources Assets	-	11,583,451		11,583,451
Total Capital Assets Subject to Depreciation	2,257,508,436	145,053,536	(807,918)	2,401,754,054
Accumulated Depreciation				
Organization and Improvements	123,440,292	13,927,070		137,367,362
Pumping Stations and Wells	58,089,036	12,697,638		70,786,674
Transmission/Distribution/Mains	208,692,024	17,770,648		226,462,672
Office Furniture and Equipment	59,220,709	4,119,910	(6,539)	63,334,080
Transportation/Work/Equipment	3,980,704	491,675	(181,889)	4,290,490
Power Plant	7,560,906	3,424,451		10,985,357
Northern Resources Assets		601,478		601,478
Total Accumulated Depreciation	460,983,671	53,032,870	(188,428)	513,828,113
Net Capital Assets Subject to Depreciation	1,796,524,765	92,020,666	(619,490)	1,887,925,941
Capital Assets Not Subject to Depreciation				
Land and Land Rights	18,367,238	76,905	(90,700)	18,353,443
Natural Resource Rights	249,878,935	57,341,810		307,220,745
Construction in Progress	683,688,186	175,297,634	(130,628,653)	728,357,167
Net Capital Assets Not Subject to Depreciation	951,934,359	232,716,349	(130,719,353)	1,053,931,355
Total Net Capital Assets	**$ 2,748,459,124**	**$ 324,737,015**	**$ (131,338,843)**	**$ 2,941,857,296**

NOTE 8. NATURAL RESOURCES RIGHTS

Coyote Springs Water Rights

In 1997, the Board authorized the General Manager to initiate negotiations for the purchase of ground water rights and a well in the Coyote Springs valley about 60 miles northeast of Las Vegas. The well is one of the highest producing wells ever drilled in southern Nevada. In 1998, the Board approved the purchase of 7,500 acre-feet of ground water rights and the well with associated real property including easements. In 2002, SNWA purchased another 1,500 acre-feet of water rights from Coyote Springs Investment, LLC. As of June 30, 2008 the total amount paid for the 9,000 acre-feet of water rights, associated real estate and subsequent costs to perfect these water rights, was $30,884,687.

Muddy River Water Rights

In 1996, the Board authorized the General Manager to request proposals for acquisition of up to 5,600 acre-feet of Muddy River water rights from shareholders of the Muddy Valley Irrigation Company (MVIC). Three years later, SNWA purchased 3,662 acre-feet of water rights from several shareholders. In 2000, SNWA exercised all options possible and obtained the permanent water rights associated with those options totaling 1,764 acre-feet. The Board authorized and executed an additional purchase of shares, representing a total of 188 acre-feet, in 2001. In 2002 and 2004, the Board authorized the acquisition of an additional 3,300 acre-feet and 600 acre-feet, respectively, of Muddy River water rights bringing the total authorized for purchase to 9,500 acre-feet. Finally, in 2008 the Board authorized the acquisition of additional shares of MVIC, along with additional shares of other northeastern Clark County rural irrigation companies. The authorization does not give a specific limit for MVIC acquisition but instead establishes a $40 million limit for new acquisition or lease of MVIC and two other rural irrigation

companies. As of June 30, 2008, SNWA has obtained approximately 7,254 acre-feet of Muddy River water rights at a cost of $24,032,992. See Subsequent Events (Note 18) for a discussion of additional MVIC rights acquired after June 30, 2008.

Virgin River Water Rights Development

In 1994, the Board agreed to accept assignment of Nevada's Virgin River water rights from LVVWD, subject to SNWA reimbursing LVVWD for all costs incurred related to the acquisition of those water rights. Additionally SNWA acquired 350 shares of Bunkerville Irrigation Company (BIC) in September, 2005. The shares represent 3,710 acre-feet of Virgin River surface water rights. Under the terms of an agreement between SNWA and the Virgin Valley Water District (VVWD) in 2000, SNWA transferred 3,710 acre-feet of its water rights to VVWD to assist VVWD in the development of additional groundwater resources in the Virgin River Basin. Finally, in 2008 the Board authorized the acquisition of additional shares of BIC and the Mesquite Irrigation Company (MIC). The authorization which includes MVIC as described above does not give a specific limit for acquisition but instead establishes a $40 million limit for new acquisition or lease of MVIC, BIC, and MIC. As of June 30, 2008, the carrying value of $27,718,635 represents all initial payments for Virgin River water rights and any subsequent research and development costs.

In-State Water Projects

In 1989, LVVWD filed applications to appropriate water from multiple hydrographic basins located in eastern Nevada. In 2003, the Board agreed to accept assignment of those applications from LVVWD for a payment of $9.9 million, which represented LVVWD's costs to date of developing and perfecting those water rights. As of June 30, 2008, the carrying value of $10,134,854 represents the initial payment to LVVWD plus additional costs that have been incurred.

Arizona Water Bank

In 1993, the Board approved a cooperative agreement among its member agencies for funding and participation in the Arizona Underground Storage Demonstration Project (the Project). The Project was originally an agreement between the Central Arizona Water Conservation District (CAWCD) and the Metropolitan Water District of Southern California to store water from the Colorado River in underground aquifers in Arizona. SNWA agreed to participate in the Project and pay CAWCD to store Colorado River water in Arizona. In the event of either a flood release or an anticipatory release of Colorado River water, water stored in Arizona would then become the property of the States of California and Nevada. In 1996 and 1997, the United States Secretary of Interior declared a surplus, and 50,000 acre-feet of water stored in Arizona were assigned to SNWA. Under the Project, SNWA purchased the 50,000 acre-feet of water available for future use and funded the expenditure through capital contributions from SNWA's member agencies.

In 2001, SNWA and CRC approved an Agreement for Interstate Water Banking (Banking Agreement) with the Arizona Water Banking Authority (AWBA). AWBA agreed to use its best efforts to store 1.2 million acre-feet of Colorado River water underground in Arizona for SNWA under the Banking Agreement, and two related agreements executed in 2002. Also in 2002, SNWA and CRC entered into an agreement with AWBA to allow SNWA to store water in Arizona during that year while the remaining agreements were being negotiated. Under the 2002 agreement, SNWA stored 66,595 acre-feet of Colorado River water in Arizona. Additionally in 2004, AWBA agreed to store an extra 10,000 acre-feet of Nevada's unused Colorado River water for SNWA.

In 2004, the Board approved an amendment to the 2001 Banking Agreement, which guarantees Nevada 1.25 million acre-feet of water storage in aggregate (approximately 1.13 million acre-feet of additional storage plus utilization of the roughly 120,000 acre-feet of water previously stored) in Arizona, for a series of payments totaling $330 million. The $330 million in payments includes an initial payment of $100 million, and payments of $23 million a year for ten years starting in 2009. To date, SNWA has paid the initial $100 million on this agreement. The agreement allows a maximum withdrawal of 20,000 acre-feet of this water in calendar years 2007 and 2008, increasing to 30,000 acre-feet in 2009 and 2010, and 40,000 acre-feet per year beginning in 2011.

As of June 30, 2008, SNWA has spent $116,117,707 on Arizona Water Bank projects.

Northern Resource Properties and Related Rights

In 2006 and 2007, the SNWA Board approved the purchase of seven properties in Spring Valley, Nevada. In addition to its substantial land holdings (over 23,000 acres), SNWA also acquired surface and groundwater rights associated with the properties. To date, SNWA has acquired approximately 34,000 acre-feet per year (AFY) of surface water rights, 6,000 AFY of groundwater rights and 24,000 AFY of supplemental water rights. SNWA intends to use the surface water right to help manage the groundwater basin and support other environmental management activities associated with its Clark, Lincoln and White Pine Counties Groundwater Development Project.

The Bureau of Land Management (BLM), the United States Forest Service (USFS) and the National Park Service (NPS) issue permits allowing livestock to graze on lands in districts formed primarily under the Taylor Grazing Act. These grazing permits specify grazing preference and the terms and conditions under which permittees make grazing use during the term of the permit. They are issued in units known as Animal Unit Months (AUM) which are defined as the amount of forage needed by an animal unit grazing for one month (approximately 1,000 pounds of dry forage). Permits issued by the BLM and USFS have lives of ten years and are subject to renewal. Permits issued by the NPS have lives of one year and can also be renewed. As of June 30, 2008 SNWA owned 64,769 AUMs of permits.

As of June 30, 2008, SNWA had spent $62,128,420 to acquire the northern resource properties and related rights.

Hydropower Rights

CRC was created in 1935 for the purpose of securing and distributing Nevada's right to Colorado River water and hydroelectric power. CRC delivers Nevada's allocation of Colorado River hydroelectric power to various municipal and non-municipal customers in southern Nevada. One of those customers located in Henderson, Nevada is Pioneer Americas, LLC (Pioneer), a manufacturer of chlorine and caustic soda used in various chemical processes.

In addition to hydropower, CRC also purchased supplemental energy for Pioneer in the wholesale energy market. As a result of regional market volatility in 2000 and 2001, the price of Pioneer's portfolio of supplemental energy was higher than market, and higher than Pioneer could pay. Pioneer approached CRC about the possibility of selling its entire portfolio of energy contracts, including hydropower. In January 2003, CRC offered the Pioneer portfolio to SNWA. SNWA agreed to purchase Pioneer's hydropower contract from CRC for $53 million, allowing CRC to retain the Pioneer supplemental energy portfolio and use the $53 million to settle those contracts.

There are five contracts associated with the Pioneer hydropower. Two are associated with power generated at the Hoover Dam, two at the Parker-Davis Dam, and one is related to the transmission of the hydropower. The Hoover Dam contracts expire in 2017, and the Parker-Davis Dam contracts expire in 2028. It is expected that these contracts will be renewed for 20-year terms when applicable. As a result, this hydropower is considered a perpetual resource.

The cost of this hydroelectric energy has been, and is projected to be, very stable at about $10/megawatt hour (MWh). Adding amortization of debt for the $53 million results in a net cost of about $35/MWh over the next 30 years.

Las Vegas Groundwater Bank

In 1999, the Nevada Legislature directed SNWA to establish a Groundwater Management Program (GMP) for the Las Vegas valley. The GMP provided for the recharging of treated Colorado River water into the Las Vegas valley groundwater basin (LVVGB) for the permanent benefit of the aquifer. Funds collected as part of the GMP are used for this recharge and other programs to benefit well owners. Costs associated with the GMP were $1,158,430 as of June 30, 2008.

The following table shows the water and power rights and related options balances for the fiscal years ended June 30, 2008 and 2007:

Natural Resources Rights	June 30, 2008	June 30, 2007
In State Water Projects		
Coyote Springs Water Rights	$ 30,884,687	$ 30,884,687
Muddy River Water Rights	24,032,992	22,125,929
Virgin River Water Rights Development	27,718,635	19,181,609
In-State Water Projects	10,134,854	10,134,854
Arizona Water Bank	116,117,707	113,729,297
Northern Resource Property and Rights	62,128,420	57,005,939
Hydropower Rights	53,000,000	53,000,000
Las Vegas Groundwater Bank	1,158,430	1,158,430
Total Natural Resources Rights	$ 325,175,725	$ 307,220,745

NOTE 9. CONSTRUCTION IN PROGRESS

SNWA maintains three capital construction programs: (1) the Capital Improvements Plan (CIP) which includes those capital projects that will collectively expand capacity of the SNWS from 400 million gallons per day (MGD) in 1996 to 900 MGD by 2014, (2) the Major Construction and Capital Plan (MCCP) which includes capital projects not associated with the CIP, and (3) the Las Vegas Wash Capital Improvements Plan (LVWCIP), which are capital projects associated with improving water quality in the Las Vegas Wash, the natural channel that drains the Las Vegas valley into Lake Mead.

Capital Improvements Plan (CIP)

In 1994, SNWA began a CIP project estimated to cost $2.1 billion. The purpose of the CIP was to expand the capacity of the SNWS from 400 MGD to 900 MGD by 2014. The CIP will give Nevada the

capacity and reliability to access its entire 300,000 acre-feet allocation of the Colorado River, plus any banked, transferred, or purchased water that may be delivered to Nevada via the Colorado River. On May 17, 2007, the Board approved Amendment 17 to the CIP reflecting current estimated construction costs of the CIP project at $2.9 billion. The additional $800 million spending authorization is mainly for Lake Mead Intake No 3, which is scheduled for completion in 2012.

It is the express intent of the CIP to build improvements on a phased or as needed basis. All costs associated with the CIP are capitalized. Direct costs include land costs, costs of construction and engineering contracts and interest. Indirect costs include such items such as administration, planning and design, public information, program management, construction management, and environmental mitigation.

Land costs, which include the costs of easements and other rights-of-way, and actual purchases of property, are coded to Construction Work In Progress (CWIP), but are immediately closed out to Property, Plant and Equipment (PP&E) and added to the property ledger. Land costs are listed separately from the costs of other assets on the property ledger and are not depreciated.

Direct costs of construction of a CIP project are recorded as CWIP. Ancillary costs directly related to construction projects are also capitalized to CWIP. Based on a cost estimating criteria study performed for the SNWS Treatment and Transmission Facility, indirect costs are allocated to specific projects based on 30% of the direct cost of the project. When a project is finished, an agenda item is brought before the Board to accept the project as complete. With Board acceptance, associated CWIP costs are reclassed to PP&E.

Major Construction and Capital Plan (MCCP)

In 2002, SNWA created the MCCP to address the need for capital projects not directly related to the expansion of the SNWS. Unlike the CIP which has a finite life, the MCCP is intended to have an unlimited life. The MCCP defines and authorizes projects that are necessary to maintain facilities in a sound and functional condition, maintain or improve water quality, develop water resources, reduce operating costs, address environmental and safety issues, provide support facilities (including power), and meet other objectives defined by the Board.

On December 6, 2007, the Board approved Amendment 9 to the MCCP bringing its total authorized amount for active projects to $1.2 billion. Either the wholesale delivery charge or capital contributions are designated as the funding source for each MCCP project. Of the 74 projects comprising the $1.2 billion currently authorized for the MCCP, $1.0 billion (79.7%) will be funded by new expansion revenues and $0.2 billion (18.6%) will be funded by the wholesale delivery charge. In terms of projects, 16 projects (21.6%) will be funded by capital contributions while 56 projects (75.7%) will be funded by the wholesale delivery charge. Two projects (2.7% of projects, 1.7% of total dollars) will be jointly funded by the two revenue sources.

Las Vegas Wash Capital Improvements Plan (LVWCIP)

The Las Vegas Wash (the Wash) is the primary urban runoff, wastewater and floodwater outlet from the Las Vegas valley into Lake Mead and the Colorado River. The Wash is considered a critical component in the many environmental and water resource issues facing southern Nevada. The LVWCIP presents a summary of planned capital expense activities necessary to support long-term enhancement and management of the Wash.

The LVWCIP, revised and approved by the Board on January 17, 2008, includes projects totaling approximately $73.9 million. Of that amount, about $67.9 million (85.0%) is for channel stabilization facilities. The remaining $6.0 million (15.0%) is for bank protection facilities, revegetation activities, design studies and miscellaneous programs. It is projected that these projects will be funded by 4% of the gross sales tax SNWA receives which has been designated for the Wash, as well as grants and contracts provided by various federal agencies.

The following shows the construction in progress balance for the fiscal years ended June 30, 2008 and 2007:

Construction In Progress	**June 30, 2008**	**June 30, 2007**
Capital Improvements Plan	$ 629,937,912	$ 560,811,788
Major Construction and Capital Plan	368,162,832	148,389,422
Las Vegas Wash Capital Improvement Plan	30,124,441	19,155,957
Total Construction In Progress	$ 1,028,225,185	$ 728,357,167

Interest Capitalization Policy

In accordance with FASB Statement No. 34, as amended by Statement No. 62, SNWA has capitalized the interest cost of restricted tax-exempt borrowings, less interest earned on temporary investment of the proceeds of those borrowings, from the date of borrowing until the assets acquired with those borrowings are ready for their intended use. SNWA capitalized $39,264,991 and $33,521,745 of interest expense, which was offset by $6,182,125 and $11,603,584 of interest income, in the fiscal years ended June 30, 2008 and 2007, respectively.

To avoid the carrying costs of bond proceeds that will not be used for some time to fund capital projects, SNWA generally issues bonds sufficient to fund about two years of estimated capital project expenditures. SNWA also can use sales tax proceeds as needed to fund capital projects construction payments on a pay-as-you-go basis.

NOTE 10. WATER RECHARGE INVENTORY

In 1993, member agencies of SNWA entered into a cooperative agreement for the banking of water (recharge) in the LVVGB. The purpose of this agreement was to allow LVVWD to recharge water on behalf of the member agencies for future use. SNWA was not a party to the 1993 agreement.

In 2006, SNWA's Board approved an agreement between SNWA and the parties involved in the 1993 cooperative agreement for the sale and transfer of water banked in the LVVGB. The agreement centrally locates this water source with SNWA for future use by all member agencies. In addition, SNWA entered into a cooperative agreement with LVVWD, to allow SNWA to store water in the LVVGB for the future use of SNWA. In this agreement LVVWD agrees to continue its recharge of the LVVGB, with SNWA reimbursing all related costs on a monthly basis. The agreement allows SNWA to control the water stored in the LVVGB for supplemental use of the valley's water system in future years, to operate a Groundwater Management Program as directed by NRS 572, and other uses as deemed necessary. As of June 30, 2008, SNWA has paid $81.6 million for 292,937.4 acre-feet of recharge.

NOTE 11. ACCOUNTS PAYABLE

Accounts payable balances by category for the fiscal years ending June 30, 2008 and 2007 are as follows:

June 30, 2008

Accounts Payable	Total	Payable to LVVWD	Payable to Other Vendors
Administration Expenses	$ 19,600,555		$ 19,600,555
Treatment Plant Expenses	3,130,011	$ 3,130,011	
Construction Contracts and Administration	26,846,389	5,554,571	21,291,818
Construction Contracts Retention	9,302,060		9,302,060
Total Accounts Payable	$ 58,879,015	$ 8,684,582	$ 50,194,433

June 30, 2007

Accounts Payable	Total	Payable to LVVWD	Payable to Other Vendors
Administration Expenses	$ 17,155,080		$ 17,155,080
Treatment Plant Expenses	3,901,938	$ 3,901,938	
Construction Contracts and Administration	30,693,340	5,277,071	25,416,269
Construction Contracts Retention	8,402,824		8,402,824
Total Accounts Payable	$ 60,153,182	$ 9,179,009	$ 50,974,173

Las Vegas Valley Water District (Related Party Transactions)

LVVWD is a quasi-municipal corporation created under a special act of the legislature of the State of Nevada in 1947 for the purpose of obtaining and distributing water primarily in the Las Vegas valley, which includes the metropolitan area of Clark County and the City of Las Vegas. A complete copy of LVVWD's Comprehensive Annual Financial Report (CAFR) can be found at www.lvvwd.com or can be obtained by mailing a request to the SNWA address listed on page 2-8.

The SNWA Board appoints a General Manager. In 1993, LVVWD's General Manager was also appointed General Manager of SNWA, and LVVWD was named the operating agent for SNWA.

LVVWD pays operating expenses on behalf of SNWA, and SNWA reimburses LVVWD for those expenses, including the cost of LVVWD employees allocated to SNWA, within thirty days. SNWA has no employees of its own. LVVWD in their role of operating agent hires all employees utilized by SNWA. Consequently, any financial reporting requirements regarding employees utilized by SNWA including but not limited to reporting on post employment benefits can be found in the LVVWD CAFR.

Effective July 1, 2007, LVVWD implemented the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* As a result of this implementation, LVVWD allocated a portion of the costs related to postemployment benefits other than pensions to SNWA. These costs, totaling $544,970 as of June 30, 2008, are included in the amounts payable to LVVWD.

During the mid 1990s LVVWD, in their capacity as operating agent for SNWA, paid substantially all operating and capital expenses on behalf of SNWA, and SNWA reimbursed LVVWD monthly. As

payments for SNWA's CIP, MCCP and LVWCIP grew larger in the late 1990s SNWA began paying construction contracts directly and took over the responsibility for paying construction contracts' retention. SNWA also pays most of the cost of power required to operate the SNWS.

The amount that SNWA owed LVVWD for operating expenses and payroll costs as of June 30, 2008, is shown in the preceding chart. As mentioned in Note 4, LVVWD collects certain connection and consumption fees and remits those to SNWA. These fees are not netted against the amounts shown in the payable to LVVWD column in this note.

LVVWD has no control over SNWA's operation or finances. As described in Note 1, Reporting Entity, SNWA is autonomous from LVVWD, does not include LVVWD's information within its own financial statements, nor is SNWA's information included in LVVWD's financial statements.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Economic Conditions

The United States is experiencing a widespread decline in residential real estate sales, mortgage lending and related construction activity, accompanied by inflationary trends and emerging weakness in the commercial and investment banking systems, and is engaged in several overseas conflicts, all of which are likely to have far-reaching effects on the economic activity in the country for an indeterminate period. The near- and long-term impact of these factors on the Nevada economy and SNWA's operations cannot be predicted at this time but may be substantial.

Construction Contracts

In connection with its three capital improvements plans, SNWA makes commitments to pay contractors working on those projects. However, SNWA only pays those contractors for the work they have completed. As of June 30, 2008, SNWA had construction contract commitments totaling approximately $930.3 million. This is the amount SNWA will be obligated to pay if all contractors perform per their contracts. SNWA could substantially reduce the amount of this commitment by notifying contractors to suspend further work and paying for work completed to that point.

Operating Leases

Lease Obligations

In 2004 the Board approved a non-cancelable operating lease agreement between Parkway Center, LLC, (Molasky) and SNWA for office space at the Molasky Corporate Center in downtown Las Vegas located at 100 City Parkway. The original lease allowed SNWA to lease 129,375 square feet of office space beginning August 1, 2007, for a period of twenty years with renewal options. Two additional amendments approved in 2006 added an additional 52,994 square feet of office space for the same twenty year period. On December 21, 2007, SNWA exercised its purchase option on the office space described in the original 2004 lease, thereby reducing the amount of office space subject to the lease agreement with Molasky to 52,994 square feet. LVVWD leases 34,898 square feet within the area leased and/or owned by SNWA. See Lease Receivables below. The 2006 amendments allow for an annual escalation factor of 4% annually, with parking spaces receiving no escalation. For the fiscal year ended June 30, 2008, SNWA had paid $2,127,659 on the lease including lease payments made on the original lease through

December 21, 2007. Leasehold improvements are charged to SNWA's MCCP capital program as incurred.

SNWA leases 2.27 acres of land from the Moapa Valley Water District (MVWD). The land located in the Moapa Valley includes a fenced yard, approximately 1,200 square feet of office space and approximately 3,200 square feet of adjoining shop space. The lease expires in May 2009, and annual lease payments are $30,000. There are no escalation clauses in the lease. This facility is being used to pursue additional water sources in the Moapa Valley where SNWA has substantial water rights. SNWA subleases this property to the MVIC. See Lease Receivables below.

In April 2005, SNWA agreed to lease approximately 2,000 square feet of office and visitor space, adjoining parking, and existing commercial signage located in downtown Ely, Nevada. The lease expires in 2012. The office is to facilitate staff involved in development and outreach in the Clark, Lincoln, and White Pine Counties' groundwater development projects and the integrated water planning process. Annual lease payments are $9,600. There are no escalation clauses in the lease.

In April 2008, the Board approved agreements allowing SNWA to lease rights from shareholders of the MVIC, the BIC and the MIC. The approval allows leases to be offered for any period of time that is agreeable to SNWA and the water rights holder. All current leases are set to begin on October 1, 2008, and are from one to ten years in duration with an annual escalation factor of 3%.

None of the leases listed above contain contingent rentals, which are rentals in which amounts are dependent upon some factor other than the passage of time.

The following table shows the remaining minimal rental payments due under the terms of the lease contracts described above. Additional contracts securing leases for MVIC, BIC, and MIC were finalized after June 30, 2008. The summary of these transactions can be found in Note 18 Subsequent Events.

Fiscal Year June 30	Molasky	MVWD	Ely Office Space	Water Leases	Total
2009	$ 2,272,870	$ 30,000	$ 9,600	$ -	$ 2,312,470
2010	2,352,952		9,600	2,861,854	5,224,407
2011	2,436,239		9,600	2,872,059	5,317,898
2012	2,522,856		9,600	199,740	2,732,196
2013	2,612,939			119,667	2,732,606
2014-2018	14,547,212			153,340	14,700,552
2019-2023	17,405,564				17,405,564
2024-2028	16,394,323				16,394,323
	$ 60,544,955	$ 30,000	$ 38,400	$ 6,206,659	$ 66,820,014

As discussed in Note 6, SNWA has prepaid $3.1 million of water leases thereby negating any minimal payments required in fiscal 2009

Lease Receivables

In 2006, SNWA entered into an interlocal sublease agreement with LVVWD regarding office space either purchased or leased from Molasky. The twenty year agreement allows LVVWD to lease 8,000 square feet of space from the floors owned by SNWA and 26,240 square feet from the area leased from Molasky. The space owned by SNWA that is being leased has an approximate carrying value of $2,083,604 with $62,598 in accumulated depreciation having been taken through June 30, 2008. In addition LVVWD pays a share of leasehold improvements. The sublease assumes a ten year useful life on leasehold improvements and LVVWD pays a pro-rated share of the amortized value of such improvements. The sublease contains no escalation clauses. Also LVVWD is responsible for any utilities and services assessed to SNWA for the space occupied by LVVWD.

In 2004, SNWA entered into a sublease agreement with MVIC regarding office space leased by SNWA from MVWD. The five year agreement allows MVIC to sublease approximately 1,200 square feet of office space and approximately 3,200 square feet of warehouse space from the space leased by SNWA from MVWD. The sublease contains no escalation clauses. In addition, MVIC pays for its share of utility and energy costs.

None of the subleases listed above contain contingent rentals.

The following shows the remaining minimal rental payments due to SNWA under the terms of the sublease agreements described above.

Fiscal Year June 30	LVVWD	MVIC
2009	$ 1,564,881	$ 2,400
2010	1,564,881	
2011	1,564,881	
2012	1,564,881	
2013	1,564,881	
2014-2018	7,824,407	
2019-2023	7,824,407	
2024-2028	6,259,526	
	$ 29,732,745	$ 2,400

Forward Energy Contracts

Because Las Vegas is uphill from its major water supply, reliable electrical service is essential to SNWA's ability to deliver water. To gain more control over energy reliability and costs, SNWA manages the majority of its power supply rather than purchasing energy from the local regulated investor-owned utility under tariff rates approved by the Nevada Public Utilities Commission.

To provide electrical energy at a known and budgeted cost, SNWA actively manages a portfolio of energy resources and adheres to a strict set of energy risk management procedures established by a Risk Management Committee that serves to fulfill the Energy Risk Management Policy adopted by the Board.

This portfolio is made up of four types of derivatives, as defined and which are accounted for in accordance with GASB issued Technical Bulletin No. 2003-1. Therefore, these are not reported at fair market value in the statements of net assets. They are:

- Electricity Forward Contracts
- Electricity Generation (with associated transmission)
- Financial Natural Gas Swaps
- Financial Power Swaps

The fair market value of this portfolio at June 30, 2008, for which SNWA neither paid nor was paid anything at inception, was estimated using market prices derived from broker quotes and exchange prices for the period July 1, 2008, through June 30, 2018, and is summarized as follows:

	Estimated Fair Market Value (in millions)
Electricity Forward Contracts	$ 85.7
Electricity Generation and Transmission	7.8
Financial Power Swaps	(1.6)
Financial Natural Gas Swaps	180.9
Total Estimated Fair Value	$ 272.8

Hypothetically, if this portfolio of derivatives was liquidated at market prices on June 30, 2008, it would be valued at approximately $272.8 million. However, the hypothetical value is of limited use because this portfolio exists solely for purposes of serving SNWA's projected energy requirements over the next 10 years. SNWA's portfolio of energy derivatives currently looks favorable relative to existing market prices, but the derivatives were procured simply to decrease the variability of SNWA's energy costs.

The fair market value estimates reported above can also be considered in terms of expected costs to serve approximately 10.5 million MWhs of forecasted energy requirements over the next 10 years. At market prices estimated on June 30, 2008, the forecasted energy cost (commodity cost only) to serve SNWA's energy requirements over the next 10 years would be approximately $88/MWh. However, because SNWA has procured energy in the form of derivative contracts in order to stabilize its energy costs, commodity prices are expected to be closer to $62/MWh over the same planning horizon. When compared to market prices, this reflects a savings equivalent to the estimated fair market value reported above.

The design and intent of SNWA's energy portfolio is to ensure sufficient reliable energy to meet all water pumping needs at the lowest known and budgetable cost, while incorporating renewable energy where appropriate. The estimated fair market value of the energy portfolio represents the difference between estimated future (or forecasted) portfolio costs and current market costs. The primary risks associated with this portfolio are counter-party credit and termination risks. SNWA manages these risks with policies and procedures that require careful financial evaluation of trading partners, trading limits, and in some cases as required by policy, the posting of collateral.

Silverhawk Power Plant

SNWA partnered with Gen West, a wholly owned subsidiary of Pinnacle West Capital Corp. of Phoenix, Arizona, to build and operate the 580 megawatt Silverhawk electric power generating plant. The plant is located in the Apex industrial area approximately 20 miles northeast of Las Vegas. SNWA has paid 25% of the construction costs, is obligated to pay 25% of the operating costs and is entitled to 25% of the generated electricity.

For a period of 8 years beginning June 1, 2005 SNWA entered into an energy exchange agreement with Nevada Power Company (NPC) whereby NPC has the right to dispatch the plant using their professional judgment, and SNWA receives 75 MW firm delivered power 24 hours per day.

Renewable Generation

In support of its commitment to sustainable living, the SNWA has recently constructed several small renewable generators and is in the process of developing others. In 2007, three small hydro-turbine projects became operational which recover energy previously lost through traditional rate of flow control valves. Early in 2008 several small solar photovoltaic projects also became operational. These generation projects are now delivering energy to various locations throughout SNWA's system.

Federal Grants

SNWA has received a total of $19.9 million from the federal government through the U.S. Bureau of Reclamation as partial reimbursement of the costs incurred by its member agencies to build reclaimed water facilities in the Las Vegas valley. These reclaimed water facilities reduce the demand on potable water facilities by providing treated wastewater for irrigation use by golf courses. Pursuant to a 2004 agreement between SNWA and the Southern Nevada Water Recycling Project, SNWA has distributed $15.0 million of these funds through June 30, 2008.

Litigation

SNWA is the defendant in various litigation matters. It is management's opinion, based upon advice from legal counsel, that the risk of financial losses to SNWA from such litigation will not have a material adverse effect on SNWA's future financial position, results of operations or cash flows. Accordingly, no provision has been made for any such losses.

SNWA does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters, but rather records such as period costs when services are rendered.

NOTE 13. OUTSTANDING DEBT

Pursuant to the Transfer Act (Note 1), SNWA assumed responsibility for all CRC debt associated with the SNWS as of 1996. In 1997, SNWA received authorization to sell its bonds directly to the Nevada State Bond Bank. In 1999, SNWA received authorization to sell its bonds through a newly authorized Clark County Bond Bank. SNWA also has bonds payable, which were issued by LVVWD on SNWA's behalf. Because the state and county bond banks have not dealt in commercial paper or adjustable rate bonds, SNWA will continue to use LVVWD to sell those kinds of debt instruments and use the Nevada and Clark County bond banks to sell long-term fixed-rate bonds.

Debt Covenants

Management believes that SNWA has complied with all legal requirements, limitations, and restrictions imposed by debt covenants. SNWA is required to set charges for its purveyor members at levels sufficient to cover all operating and maintenance expenses (excluding depreciation), all debt service requirements, and amounts required to be deposited in reserve accounts, if any. Other requirements of long-term debt covenants include adequate insurance coverage for liability, property, and LVVWD employees, and an annual audit of SNWA's basic financial statements by independent certified public accountants.

Defeasance of Debt

CRC, LVVWD, and SNWA have issued bonds to advance refund portions of previous debt issues. Advance refunding funds have been placed in escrow accounts. As of June 30, 2008, 15 issues with $1,345,852,865 in prior year in-substance defeased debt remains outstanding. The assets in these escrow accounts, as well as the liabilities for those in-substance defeased debt issues, have been removed from these financial statements. Furthermore, in accordance with GASB Statement No. 23, any accounting gain or loss resulting from these transactions has been deferred and is being amortized over the life of the related debt (Note 14).

Current Year Debt Issuance Activity

On February 19, 2008, LVVWD issued on SNWA's behalf $171,720,000 of general obligation water improvement bonds (LVVWD 2008B Bonds) refunding the entire outstanding balance of the LVVWD 1998 bonds, except for the May 2008 payment. Additional details on this issue follow below.

The following is a comprehensive summary of each of the outstanding debt issues as of June 30, 2008.

State of Nevada Loan No. SNWA-1

Nevada law has created an account for the Nevada revolving fund. This account finances the construction of public water system projects authorized by the federal Safe Drinking Water Act. This federally financed program requires that funds made available to each state must be committed and used each year; otherwise future financing opportunities under the program are lost to the state. SNWA's CIP project to build ozone facilities to disinfect water at the Alfred Merritt Smith Water Treatment Facility qualified under the statutory and regulatory requirements, and was the only such project within the state that qualified for that year's funding. Therefore, SNWA made application for a loan from Nevada for the $12,269,695 in available funding to keep the money within Nevada. The interest rate on the loan is fixed at 3.61% and the term is 20 years. Constant semiannual payments of principal and interest are due on August 1 and February 1.

State of Nevada Loan No. SWNA-2

On June 29, 2001, SNWA received a second loan from the Nevada revolving fund in the amount of $10 million. SNWA applied for this loan to help preserve Nevada's access to federal Safe Drinking Water Act funds that would otherwise be lost to the public water systems in Nevada. The interest rate on the loan is fixed at 3.46%, and the term is 20 years. Constant semiannual payments of principal and interest are due on August 1 and February 1.

CRC 1995 Bonds

These general obligation bonds in the original amount of $118,590,000 were sold by CRC on December 28, 1995. Proceeds of this bond sale were used to refund $105,995,000 of CRC 1994 bonds maturing July 1, 2007 through 2024. Interest payments only were due on these bonds until July 1, 1999. After that date these bonds mature annually on July 1, 1999 through 2025. Because $108,550,000 of CRC 200D were used to defease later maturities of this issue, the final bond matured on July 1, 2007. Interest on these bonds was payable semiannually on January 1 and July 1. The interest rate was 5.40%.

LVVWD 1996A Bonds

These general obligation bonds in the original amount of $180,000,000 were sold by LVVWD on July 25, 1996. These funds were used to pay for general construction related to CIP. Originally these bonds matured annually on May 15, 2000 through 2026. Because $149,095,000 of LVVWD 1998 bonds and $19,205,000 of LVVWD 2005B bonds were used to defease later maturities of this issue, the final bond matured on May 15, 2006. Interest on these bonds was payable semiannually on November 15 and May 15. The interest rate was 6.04%.

CRC 1997A Bonds

These general obligation bonds in the original amount of $49,270,000 were sold by CRC on September 15, 1997. SNWA has contracted with CRC to construct and operate the power facilities associated with the CIP. These funds were used to construct Phase I of the CRC Power Delivery Project. Title to these facilities will remain with CRC. However, SNWA has an exclusive right to use these facilities in perpetuity, and an obligation to make debt service payments as they come due. Therefore, the assets and liabilities associated with these facilities are carried on the books of SNWA as well as CRC. Because $41,550,000 of CRC2005I bond issue was used to defease the later maturities of this bond issue, the remaining bond will mature on September 15, 2007. Interest is payable semiannually on March 15 and September 15. The interest rate is 5.34%.

CRC 1997B Bonds

These general obligation bonds in the original amount of $5,545,000 were sold by CRC on September 24 1997. The funds were used to advance refund certain maturities of CRC 1992 bonds. These bonds mature annually on July 1, 1998 through 2012. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 5.07%.

LVVWD 1998 Bonds

These general obligation bonds in the original amount of $190,255,000 were sold by LVVWD on April 9, 1998. These funds were used to advance refund $9,715,000 of LVVWD March 1995 bonds, $12,380,000 of LVVWD July 1995 bonds, and $149,095,000 of LVVWD 1996A bonds. These bonds mature annually on May 15 beginning in 2000. Interest is due semiannually on May 15 and November 15. The interest rate is 5.13%.

SNWA 1998 Bonds

These general obligation bonds in the original amount of $300,000,000 were sold by SNWA through the State Bond Bank on July 9, 1998. This marked the first time SNWA had used the authorization granted by the 1997 Nevada Legislature to sell bonds directly to the Nevada State Bond Bank. This was a new

money bond issue and the $296,236,936 it generated was added to the construction fund for CIP. Originally these bonds matured annually on May 15 through 2028. Because $254,400,000 of SNWA's 2005F bond issue was used to defease the later maturities of this issue, payments from November 15, 2005, to November 15, 2027 will be interest only, with the final payment on May 15, 2028, being interest and all remaining principal. Interest is payable semiannually on May 15 and November 15. The interest rate is 5.00%.

CRC 1999A Bonds

These general obligation bonds in the original amount of $25,730,000 were sold by CRC on October 1, 1999. SNWA has contracted with CRC to construct and operate the power facilities associated with CIP. These funds were used to construct Phase II of the CRC Power Delivery Project. Title to these facilities will remain with CRC. However, SNWA has an exclusive right to use these facilities in perpetuity, and an obligation to make debt service payments as they come due. Therefore, the assets and liabilities associated with these facilities are carried on the books of SNWA as well as CRC. Originally, these bonds matured annually on September 15 through 2029. Because $22,295,000 of CRC 2005I bond issue was used to defease the later maturities of this issue, the remaining bond will mature on September 15, 2009. These bonds mature annually on September 15 and interest is payable semiannually on March 15 and September 15. The interest rate is 6.50%.

SNWA 2000 Bonds

These general obligation bonds in the original amount of $200,000,000 were sold by SNWA through the Clark County Bond Bank on July 11, 2000. SNWA was the first local government to use the Clark County Bond Bank authorized by the 1999 Legislature to issue bonds. This was a new money bond issue and the $197,661,802 it generated was added to the construction fund for the CIP. Originally, these bonds matured annually on July 1 with semiannual interest payments. Because $170,730,000 of the SNWA 2006 refunding bond issue was used to defease the later maturities of this issue, the remaining bonds will mature on July 1, 2010. The interest rate is 6.00%.

SNWA 2001 Bonds

These general obligation bonds in the original amount of $250,000,000 were sold by SNWA through the Clark County Bond Bank on June 13, 2001. This was the second time SNWA used the Clark County Bond Bank authorized by the 1999 Nevada Legislature to issue bonds. $116,259,653 was used on July 3, 2001, to prepay the two federal repayment contracts related to the Robert E. Griffith Project title transfer. The remainder was added to the construction fund for the CIP. These bonds mature annually on June 1 from 2004 to 2031. Interest is payable semiannually on June 1 and December 1. Because $63,795,000 of the SNWA 2006 refunding bond issue was used to defease the bond principal payments between June 2006 to June 2022, only interest payments will be made during these years. The interest rate is 5.00%.

SNWA 2002 Bonds

These general obligation bonds in the original amount of $200,000,000 were sold by SNWA through the Clark County Bond Bank on November 19, 2002. This entire issue's proceeds were added to the construction fund for the CIP. These bonds mature annually on June 1 from 2005 to 2032. Interest is payable semiannually on June 1 and December 1. The effective interest rate is 4.78%.

LVVWD 2003B Bonds

The letter of credit which facilitated the tax-exempt commercial paper program that LVVWD started for SNWA in 1998 expired on January 14, 2003. On January 9, 2003, LVVWD issued $250,000,000 in long-term general obligation bonds to completely retire the $250,000,000 in tax-exempt commercial paper notes. These bonds mature annually on June 1 from 2004 to 2027. Interest is payable semiannually on June 1 and December 1. The effective interest rate is 4.66%.

CRC 2003C Bonds

These Nevada general obligation bonds in the original amount of $21,515,000 were sold by CRC on September 17, 2003. The funds were used to advance refund certain maturities of CRC 1993 Bonds. These bonds mature annually on July 1, 2004 through 2011. Interest on these bonds is payable semiannually on January 1 and July 1. The effective interest rate is 2.67%

LVVWD 2005B Bonds

These general obligation bonds in the original amount of $27,925,000 were sold on April 13, 2005. The proceeds of the bond sale were used to completely refund $3,060,000 of LVVWD March 1995 series bonds, and partially refund $6,295,000 of LVVWD July 1995 series bonds and $19,205,000 of LVVWD 1996A series bonds. These bonds mature annually on June 1 through 2010. Interest on these bonds is payable semiannually on June 1 and December 1. The interest rate is 3.24%.

SNWA 2005F Bonds

These general obligation bonds in the original amount of $249,365,000 were sold on May 17, 2005. The proceeds of the bond sale were used to partially refund $254,000,000 of SNWA's 1998 series bonds. These bonds mature annually on December 1 through 2026. Interest on these bonds is payable semiannually on June 1 and December 1. The interest rate is 4.30%.

CRC 2005H Bonds

These general obligation bonds in the original amount of $36,130,000 were sold on March 23, 2005. The proceeds of the bond sale were used to partially refund $35,615,000 of CRC 1994 series bonds. These bonds mature annually on June 30 through 2027. Interest on these bonds is payable semiannually on January 1 and June 30. The interest rate is 4.73%.

CRC 2005I Bonds

These general obligation bonds in the original amount of $65,300,000 were sold on March 23, 2005. The proceeds of the bond sale were used to partially refund $41,550,000 of CRC 1994 series bonds, and $22,295,000 of CRC 1999A series bonds. These bonds mature annually on September 15 through 2029. Interest on these bonds is payable semiannually on March 15 and September 15. Interest rate is 4.53%.

SNWA 2006 Refunding

These general obligation bonds in the original amount of $242,880,000 were sold on May 22, 2006. The proceeds of the bond sale were used to partially refund $170,730,000 of SNWA 2000 series bonds, and $63,795,000 of SNWA 2001 series bonds. These bonds mature annually on June 1 through 2030. Interest on these bonds is payable semiannually on December 1 and June 1. The interest rate is 4.59%.

CRC 2006D Bonds

These general obligation bonds in the original amount of $111,840,000 were sold on July 11, 2006. The proceeds of the bond sale were used to fully refund the CRC 1995 series bonds. These bonds mature annually on July 1 through 2024. Interest on these bonds is payable semiannually on January 1 and July 1. The interest rate is 4.50%.

SNWA 1106 Bonds

These general obligation bonds in the original amount of $604,140,000 were sold on November 2, 2006. The proceeds of the bond sale were used to partially refund $103,120,000 of SNWA 2001 series bonds, and $97,455,000 of SNWA 2002 series bonds. The issue also generated $392,810,379 of new money which will be used for future construction projects. The bonds mature annually on November 1 through 2036. Interest on these bonds is payable semiannually on May 1 and November 1. The interest rate is 4.49%.

LVVWD 2008B Bonds

These general obligation bonds in the original amount of $171,720,000 were sold on February 19, 2008. The proceeds of the bond sale along with a reoffering premium were used to refund $183,420,000 of LVVWD 1998 series bonds. These bonds mature annually on June 1 through 2026. Interest on these bonds is payable semiannually on December 1 and June 1. The interest rate is 4.12%.

On February 19, 2008, proceeds from the bonds along with $13,828,281 of premium less bond issue costs of $811,187 were deposited into escrow to refund the May 15, 2009 to May 15, 2026 payments of the LVVWD 1998 series bond at the redemption price of 100%. SNWA expects to save $14.1 million over the life of the LVVWD 2008B debt issue.

LVVWD Commercial Paper

On March 10, 2004, LVVWD began a new Tax-Exempt Commercial Paper (TECP) program for SNWA that authorized the issuance of up to $400 million in TECP notes. The entire balance is currently issued. The proceeds were used on the following projects; $200 million to fund SNWA's CIP, $100 million to fund the purchase of the 25% interest in the Silverhawk power plant, and $100 million to purchase water resources. This TECP program is facilitated by a letter of credit between LVVWD and BNP Paribas and Lloyds TSB Bank PLC. The letter of credit expires on March 9, 2009. The average interest rate on the $400 million outstanding as of June 30, 2008 was 1.60%. Commercial paper is traded on the open market and is subject to market interest fluctuations. The TECP notes are composed of 31 traunches ranging in size from $1.1 million to $44.0 million, and ranging in maturity from 28 to 182 days.

The following schedules present changes in long-term debt for the years ending June 30, 2008 and 2007.

Outstanding Debt Activity, June 30, 2008

Debt Issue	Beginning Balance 7-1-07	Additions	Retirements	Ending Balance 6-30-08
SNWA-1	$ 8,929,194		$ 549,231	$ 8,379,963
SNWA-2	7,893,891		427,479	7,466,412
Subtotal Notes Payable	16,823,085		976,710	15,846,375
CRC 1997A	1,135,000		1,135,000	-
CRC 1997B	3,515,000		635,000	2,880,000
LVVWD 1998	184,290,000		184,290,000	-
SNWA 1998	27,225,000		5,875,000	21,350,000
CRC 1999A	1,805,000		570,000	1,235,000
SNWA 2000	12,450,000		3,930,000	8,520,000
SNWA 2001	65,535,000		5,040,000	60,495,000
SNWA 2002	91,475,000		3,990,000	87,485,000
LVVWD 2003B	225,990,000		6,695,000	219,295,000
CRC 2003C	8,210,000		3,700,000	4,510,000
LVVWD 2005 B	20,685,000		6,990,000	13,695,000
SNWA 2005 F	249,365,000		-	249,365,000
CRC 2005 H	31,620,000		-	31,620,000
CRC 2005 I	65,300,000		-	65,300,000
SNWA 2006 Refund	241,275,000		1,295,000	239,980,000
CRC 2006 D	106,585,000		5,515,000	101,070,000
SNWA 1106	604,140,000		-	604,140,000
LVVWD 2008B	-	$ 171,720,000	-	171,720,000
Subtotal Bonds Payable	1,940,600,000	171,720,000	229,660,000	1,882,660,000
Total Debt Before Commercial Paper	1,957,423,085	171,720,000	230,636,710	1,898,506,375
LVVWD Commercial Paper	400,000,000			400,000,000
Total Debt	$ 2,357,423,085	$ 171,720,000	$ 230,636,710	$ 2,298,506,375

Outstanding Debt Activity, June 30, 2007

Debt Issue	Beginning Balance 7-1-06	Additions	Retirements	Ending Balance 6-30-07
SNWA-1	$ 9,459,122		$ 529,928	$ 8,929,194
SNWA-2	8,306,954		413,063	7,893,891
Subtotal Notes Payable	17,766,076		942,991	16,823,085
CRC 1995	113,820,000		113,820,000	-
CRC 1997A	2,215,000		1,080,000	1,135,000
CRC 1997B	4,120,000		605,000	3,515,000
LVVWD 1998	185,105,000		815,000	184,290,000
SNWA 1998	32,145,000		4,920,000	27,225,000
CRC 1999A	2,345,000		540,000	1,805,000
SNWA 2000	16,175,000		3,725,000	12,450,000
SNWA 2001	173,430,000		107,895,000	65,535,000
SNWA 2002	192,765,000		101,290,000	91,475,000
LVVWD 2003B	232,365,000		6,375,000	225,990,000
CRC 2003C	11,715,000		3,505,000	8,210,000
LVVWD 2005 B	27,010,000		6,325,000	20,685,000
SNWA 2005 F	249,365,000		-	249,365,000
CRC 2005 H	31,620,000		-	31,620,000
CRC 2005 I	65,300,000		-	65,300,000
SNWA 2006 Refund	242,880,000		1,605,000	241,275,000
CRC 2006 D	-	$ 111,840,000	5,255,000	106,585,000
SNWA 1106	-	604,140,000	-	604,140,000
Subtotal Bonds Payable	1,582,375,000	715,980,000	357,755,000	1,940,600,000
Total Debt Before Commercial Paper	1,600,141,076	715,980,000	358,697,991	1,957,423,085
LVVWD Commercial Paper	400,000,000			400,000,000
Total Debt	$ 2,000,141,076	$ 715,980,000	$ 358,697,991	$ 2,357,423,085

Composition of Outstanding Debt, June 30, 2008

Debt Issue	Ending Balance 6-30-08	Current Portion	Long-Term Portion	Accrued Interest at 6-30-08
SNWA-1	$ 8,379,963	$ 569,237	$ 7,810,726	$ 126,048
SNWA-2	7,466,412	442,398	7,024,014	107,641
Subtotal Notes Payable	15,846,375	1,011,635	14,834,740	233,689
CRC 1997A	-		-	
CRC 1997B	2,880,000	670,000	2,210,000	
LVVWD 1998	-	-	-	
SNWA 1998	21,350,000	-	21,350,000	133,438
CRC 1999A	1,235,000	600,000	635,000	23,413
SNWA 2000	8,520,000	4,145,000	4,375,000	
SNWA 2001	60,495,000	5,315,000	55,180,000	264,433
SNWA 2002	87,485,000	4,150,000	83,335,000	367,967
LVVWD 2003B	219,295,000	7,030,000	212,265,000	937,380
CRC 2003C	4,510,000	3,900,000	610,000	
LVVWD 2005 B	13,695,000	6,685,000	7,010,000	57,046
SNWA 2005 F	249,365,000	6,715,000	242,650,000	1,039,021
CRC 2005 H	31,620,000	-	31,620,000	
CRC 2005 I	65,300,000	1,360,000	63,940,000	917,055
SNWA 2006 Refund	239,980,000	1,350,000	238,630,000	919,208
CRC 2006 D	101,070,000	4,285,000	96,785,000	
SNWA 1106	604,140,000	-	604,140,000	4,543,027
LVVWD 2008B	171,720,000	1,695,000	170,025,000	695,113
Subtotal Bonds Payable	1,882,660,000	47,900,000	1,834,760,000	9,897,101
Total Debt Before Commercial Paper	1,898,506,375	48,911,635	1,849,594,740	10,130,790
LVVWD Commercial Paper	400,000,000	400,000,000	-	725,174
Total Debt	$ 2,298,506,375	$ 448,911,635	$ 1,849,594,740	$ 10,855,964

Composition of Outstanding Debt, June 30, 2007

Debt Issue	Ending Balance 6-30-07	Current Portion	Long-Term Portion	Accrued Interest at 6-30-07
SNWA-1	$ 8,929,194	$ 549,231	$ 8,379,963	$ 134,310
SNWA-2	7,893,891	427,479	7,466,412	113,803
Subtotal Notes Payable	16,823,085	976,710	15,846,375	248,113
CRC 1995	-		-	
CRC 1997A	1,135,000	1,135,000	-	23,173
CRC 1997B	3,515,000	635,000	2,880,000	
LVVWD 1998	184,290,000	870,000	183,420,000	1,148,180
SNWA 1998	27,225,000	5,875,000	21,350,000	171,992
CRC 1999A	1,805,000	570,000	1,235,000	34,220
SNWA 2000	12,450,000	3,930,000	8,520,000	
SNWA 2001	65,535,000	5,040,000	60,495,000	287,533
SNWA 2002	91,475,000	3,990,000	87,485,000	400,571
LVVWD 2003B	225,990,000	6,695,000	219,295,000	965,276
CRC 2003C	8,210,000	3,700,000	4,510,000	
LVVWD 2005 B	20,685,000	6,990,000	13,695,000	86,188
SNWA 2005 F	249,365,000	-	249,365,000	1,039,021
CRC 2005 H	31,620,000	-	31,620,000	
CRC 2005 I	65,300,000	-	65,300,000	917,055
SNWA 2006 Refund	241,275,000	1,295,000	239,980,000	923,524
CRC 2006 D	106,585,000	5,515,000	101,070,000	
SNWA 1106	604,140,000	-	604,140,000	4,543,027
Subtotal Bonds Payable	1,940,600,000	46,240,000	1,894,360,000	10,539,760
Total Debt Before Commercial Paper	1,957,423,085	47,216,710	1,910,206,375	10,787,873
LVVWD Commercial Paper	400,000,000	400,000,000		1,846,409
Total Debt	$ 2,357,423,085	$ 447,216,710	$ 1,910,206,375	$ 12,634,282

SNWA total debt service requirements (including interest) to maturity are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2009 [1]	$ 448,911,635	$ 99,632,969	$ 548,544,604
2010	55,342,809	87,943,482	143,286,291
2011	54,075,277	85,102,852	139,178,129
2012	61,129,086	82,357,785	143,486,871
2013	63,424,283	79,298,209	142,722,492
2014-2018	359,786,548	345,216,371	705,002,919
2019-2023	441,801,737	248,307,033	690,108,770
2024-2028	504,705,000	128,634,708	633,339,708
2029-2033	217,120,000	39,517,687	256,637,687
2034-2038	92,210,000	5,738,275	97,948,275
Totals	$ 2,298,506,375	$ 1,201,749,371	$ 3,500,255,746

[1]Because commercial paper notes have a maturity of less than 270 days, they are presented as all maturing in the current year. In reality, as they mature the interest will be paid and the principal rolled into new commercial paper notes.

Please see Note 18, Subsequent Events, for details on debt issues that closed after June 30, 2008.

NOTE 14. DEFERRED AMOUNT ON REFUNDING

As required by GASB standards, increases or decreases in the amount of debt outstanding as a result of advance refunding of bond issues should be capitalized and amortized over the life of the refunding bond issue. The decision to refund bonds is made because there is an economic gain to be realized from refunding, even though there may be an increase in the amount of debt outstanding. Economic gain is determined by comparing the present value cash flow of the existing bond issue with that of the refunding bond issue. Typically, the economic gain comes from lower interest rates of the refunding bonds.

Advance refunding a bond issue usually results in an increase in the amount of debt outstanding as indicated by the brackets on the numbers in the following table. However, when SNWA prepaid the two federal repayment contracts to obtain title to a portion of the SNWS on July 3, 2001, it received a $46 million discount from the amount due.

The balances are being amortized over the life of their associated debt. Deferred amounts on refunding as of June 30, 2008 and 2007, are as follows:

	June 30, 2008	June 30, 2007
LVVWD 1998 Bonds	$ -	$ (7,119,471)
SNWA 2001 Bonds	35,995,267	38,090,274
CRC 2003C Bonds	106,108	132,636
LVVWD 2005B Bonds	(295,000)	(590,001)
SNWA 2005F Bonds	(9,396,590)	(9,906,646)
CRC 2005H Bonds	(2,031,448)	(2,139,419)
CRC 2005I Bonds	(2,646,953)	(2,779,301)
SNWA 2006 Refunding Bonds	(10,700,368)	(11,189,605)
CRC 2006D Refunding Bonds	(12,897,828)	(13,703,942)
SNWA 1106 Bonds	(6,245,138)	(6,542,525)
LVVWD 2008B Bonds	(10,850,540)	
Total	$ (18,962,490)	$ (15,748,000)

NOTE 15. UNAMORTIZED BOND COSTS, PREMIUMS AND DISCOUNTS

Rather than being expensed in the year of issue, discounts/premiums and costs associated with issuing bonds are capitalized and amortized over the lives of the respective bonds. Amortization schedules are maintained for each bond issue and amortization is recorded monthly. Bonds sold at a premium are presented as positive balances. Conversely, discounts are designated with a negative amount. The unamortized balances at June 30, 2008 and 2007 are as follows:

	June 30, 2008	June 30, 2007
CRC 1997 Bonds	$ (89,598)	$ (93,044)
LVVWD 1998 Bonds		(3,288,031)
SNWA 2001 Bonds	(660,884)	(690,988)
SNWA 2002 Bonds	2,111,531	2,199,692
SNWA 2003 Bonds	8,532,051	8,984,081
LVVWD 2005B Bonds	478,060	732,755
SNWA 2005F Bonds	11,160,191	11,767,391
CRC 2005H Bonds	(27,826)	(29,293)
CRC 2005I Bonds	1,433,227	1,500,935
SNWA 2006 Refunding Bonds	592,703	619,803
CRC 2006D Refunding Bonds	3,071,693	3,263,660
SNWA 1106 Bonds	(3,128,316)	(3,182,218)
LVVWD 2008B Bonds	12,702,533	
Total	$ 36,175,365	$ 21,784,743

NOTE 16. CAPITAL CONTRIBUTIONS

Revenues received to fund new expansion are reported on the income statement as capital contributions. Capital contributions received for the fiscal years ended June 30, 2008 and 2007, were as follows:

Capital Contributions	June 30, 2008	June 30, 2007
Contributed Capital	$ 73,800,795	$ 4,310,316
Regional Connection Charge	61,512,873	121,359,088
Sales Tax	53,315,770	55,060,027
Regional Commodity Charge	14,799,831	15,049,243
Regional Reliability Charge	3,977,286	3,779,815
Southern Nevada Public Lands Management Act	3,388,500	3,708,440
Purveyor Member Debt Service Billings	76,573	76,573
Raw Water Facilities Charge		35,864,100
Total Capital Contributions	$ 210,871,628	$ 239,207,602

NOTE 17. RISK MANAGEMENT

SNWA is exposed to a variety of risks that may result in losses. These risks include possible loss related to torts; theft of, damage to, or destruction of assets; business interruption, errors and omissions; product liability suits; and natural disasters. SNWA manages and finances these risks through a combination of purchasing commercial insurance and self-assumption of risk. The self-assumption of risk by SNWA is in the form of deductibles of $50,000 for damage to SNWA property except for earthquake and flood which have a deductible of $500,000 per occurrence, and errors and omissions claims of $100,000 per incident. Also, SNWA self-insures its fleet of vehicles for material damage claims. In addition, in 2003 SNWA implemented a self-insurance program for its automobile and general liability exposure. SNWA assumes the first $1 million for any one claim and purchases $30 million of excess liability insurance. SNWA has not established a separate fund or account to finance or record its retained risks for this coverage.

LVVWD, which serves as operating agent for SNWA, provides all employees for SNWA and also provides workers' compensation insurance for its employees as required by Nevada law. In 2003, LVVWD implemented a self-insured workers' compensation program. Under the current program, LVVWD assumes the first $500,000 per claim. LVVWD purchases excess workers' compensation insurance with statutory limits for any claims, which exceed the self-insured retention of $500,000. SNWA has no employees of its own.

For the fiscal year ended June 30, 2008, SNWA has had no significant reductions in insurance coverage from the prior fiscal year. Also, the amount of settlements and awards has not exceeded insurance coverage for each of the past five fiscal years.

GASB Statement No. 10 requires that for retained risks, a liability for claims be reported if information available prior to issuance of the financial statement 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. In

addition, there are also situations in which incidents occur before the balance sheet date, but claims are not reported or asserted when the financial statements are prepared. As of June 30, 2008, SNWA has no significant retained risks and therefore has no accrued liability for retained risks.

NOTE 18. SUBSEQUENT EVENTS

Water Leases and Purchases from the MVIC, MIC, and BIC

As described in Notes 8 and 12 SNWA has been aggressively purchasing and leasing shares of MVIC, MIC, and BIC. After June 30, 2008, SNWA purchased an additional 212.6 shares of the three irrigation companies which represent 554.3 acre-feet of additional water supplies for $4.06 million.

SNWA has also leased an additional 1,913.4 shares representing 9,602.6 acre-feet of additional annual water supply. The following shows the remaining minimal rental payments due under the terms of these lease contracts.

Fiscal Year June 30	Water Leases
2009	$ 1,044,287
2010	312,691
2011	309,030
2012	99,752
2013	84,995
2014-2018	126,213
2019-2023	6,688
	$ 1,983,657

Wholesale Delivery Charge

Effective July 1, 2007, the wholesale delivery charge was increased from $257/acre-foot to $262/acre-foot. The raw water wholesale delivery charge was decreased slightly $193/acre-foot to $192/acre-foot.

Bond Issues

On July 2, 2008, Clark County on behalf of SNWA issued $400.0 million in general obligation bonds. Proceeds of this issue will be used for future construction costs. The issue was sold at a premium of $19.1 million and has a true interest cost of 4.63%. The 30 year issue will add approximately $26.8 million to the annual debt service liability.

On July 30, 2008, SNWA issued $6.9 million of subordinate lien revenue bonds. The bonds were issued pursuant to the Clean Renewable Energy Bonds Program as established by the Internal Revenue Code. The issue was sold at a true interest cost of 1.17%. The 15 year issue will add approximately $0.5 million to the annual debt service liability.

Builders' Risk and Terrorism Insurance

On July 17, 2008, the Board approved the purchase of Builders' Risk and Terrorism Insurance on intake number 3 currently under construction. Limits of the policy include $715 million of builders' risk, $250 million of primary terrorism insurance on real and personal property and $465 million of excess terrorism insurance. The premium on this comprehensive policy will be $13,457,210.

Purchase of Additional Water Rights

On September 18, 2008, the Board approved the purchase of 1,340.91 acre-feet of upper Muddy River annual water rights for a cost of $11,531,826. This purchase is over and above the water rights approved for purchase as described in Notes 8 and 12 and this section. The per acre-foot price of $8,600 is consistent with the aforementioned water rights.

Forward Energy Contracts

The volatility of the financial and commodity markets in the third quarter of calendar 2008 has caused the fair market value of SNWA's energy resources portfolio to fall from $272.8 million on June 30, 2008 to $67.3 million on September 20, 2008. However as described in Note 12, this valuation is of limited use because the portfolio has been created solely to provide for the future energy requirements of SNWA.

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE BOND ORDINANCE

The following is a brief summary of certain provisions of the Bond Ordinance and is qualified in its entirety by the provisions of the Bond Ordinance itself.

Definitions

As used in the Bond Ordinance, the following terms shall, for all purposes, have the following meanings unless the context clearly requires otherwise.

(1) "Board" means the Board of County Commissioners of Clark County, in the State of Nevada, including any successor of the County.

(3) "Bond Act" means NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 thereof as the Local Government Securities Law.

(4) "Bond Fund" means the special account designated as the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds, Series 2009, Bond Fund," created in the Bond Ordinance.

(5) "Bonds" means the securities issued hereunder and designated as the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2009."

(6) "Chief Financial Officer" means the de jure or de facto chief financial officer of the County and designated as such by the County.

(7) Cost of the Project" means all or any part designated by the County of the cost of the Lending Project, which cost, at the option of the County, except as limited by law, may include all or any part of the incidental costs relating to the Lending Project, including, without limitation, the Cost of the Improvement Project and the costs of refunding the Refunded Bonds and all other expenses necessary or desirable and relating to the Lending Project, as estimated or otherwise ascertained by the County.

(9) "County" means the County of Clark in the State, and constituting a political subdivision thereof, or any successor municipal corporation.

(10) "Escrow Account" means the Clark County, Nevada General Obligation (Limited Tax) Bond Bank Bonds, Series 2009 Escrow Account created in the Bond Ordinance.

(11) "Escrow Agreement" means the Clark County, Nevada General Obligation (Limited Tax) Bond Bank Bonds, Series 2009 Escrow Agreement between the County and the Escrow Bank relating to the Refunded Bonds.

(12) "Escrow Bank" means The Bank of New York Mellon Trust Company, N.A. and its successor, if any.

(13) "Events of Default" means the events stated in Section 1103 of the Bond Ordinance.

(14) "Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

(15) "Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; but if the Nevada legislature changes the statutory fiscal year relating to the County, the Fiscal Year shall conform to such modified statutory fiscal year from the time of each such modification, if any.

(16) "General Tax Interest Account" means the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds, Series 2009, General Tax Interest Account," created in the Bond Ordinance.

(17) "General Tax Principal Account" means the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds, Series 2009, General Tax Principal Account," created in the Bond Ordinance.

(18) "General Taxes" or "Taxes" means general (ad valorem) taxes levied by the County against all taxable property within the boundaries of the County (unless otherwise qualified).

(19) "Municipality" means the Southern Nevada Water Authority in the County.

(20) "Municipal Securities" means the Southern Nevada Water Authority, Nevada Water Revenue Bond, Series 2009.

(21) "Outstanding" when used with reference to the Bonds or any other designated securities and as of any particular date means all the Bonds or any such other securities payable from the Pledged Revenues, as the case may be, in any manner theretofore and thereupon being executed and delivered:

(a) Except any Bond or other security canceled by the County, by the Paying Agent or otherwise on the County's behalf, at or before such date;

(b) Except any Bond or other security the payment of which is then due or past due and moneys fully sufficient to pay the same are on deposit with the Paying Agent;

(c) Except any Bond or other security for the payment or the redemption of which moneys at least equal to the County's Bond Requirements to the date of maturity or to any Redemption Date, shall have heretofore been deposited with a trust bank in escrow or in trust for that purpose, as provided in Section 1001 of the Bond Ordinance; and

(d) Except any Bond or other security in lieu of or in substitution for which another bond or other security shall have been executed and delivered pursuant to Sections 306 or 1210 of the Bond Ordinance.

(22) "owner" or any similar term, when used in conjunction with any Bonds, or any other designated securities, means the registered owner of any Bonds or other security which is registrable for payment if it shall at the time be registered for payment otherwise than to bearer.

(23) "parity bonds" or "parity securities" means bonds or securities which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds.

(24) "Paying Agent" means The Bank of New York Mellon Trust Company, N.A. or any successor which may be appointed from time to time as paying agent for the Bonds.

(25) "Pledged Revenues" means any money and revenues received by the County from the Lending Project, including, without limitation:

(a) Money derived from any source of revenue connected with the Lending Project, including without limitation, payments by the Municipality of the principal, interest or redemption premium of the Municipal Securities, and any other income derived from the operation or administration of the Lending Project or the sale or other disposal of the Municipal Securities or other assets acquired in connection with the Lending Project;

(b) Fees or charges paid by the Municipality in connection with the Lending Project;

(c) Money derived from the investment and reinvestment of the money described in (a) and (b) above. The Pledged Revenues means all or a portion of the Pledged Revenues. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification. "Pledged Revenues" includes income derived from any supplemental pledged revenues received by the County if the Board is authorized to include and elects to include the additional income in "Pledged Revenues" for the remaining term of the Bonds.

(26) "Project" or "Lending Project" means the cost of the acquisition of the Municipal Securities issued by the Municipality in the County for the purpose of financing or refinancing one or more infrastructure projects for the Municipality.

(27) "Project Act" means NRS 244A.011 through 244.065, as amended from time to time.

(28) "Rebate Account" means the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds, Series 2009, Rebate Account" created in the Bond Ordinance.

(29) "Refunded Bonds" means certain of the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2000, Series 2001, Series 2002, Series 2006 and Series 2008, as set forth in the Escrow Agreement.

(30) "Redemption Date" means a date fixed for the redemption prior to their respective maturities of any Bonds or other designated securities payable from any Pledged Revenues in any mandatory redemption schedules, or in any notice of prior redemption or otherwise fixed and designated by the County.

(31) "Redemption Price" means, when used with respect to a Bond or other designated security payable from any Pledged Revenues, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such Bond or other security on a Redemption Date in the manner contemplated in accordance with the security's terms.

(32) "Registrar" means The Bank of New York Mellon Trust Company, N.A. or any successor which may be appointed from time to time as registrar for the Bonds.

(33) "Regular Record Date" means the 15th day of the calendar month next preceding each interest payment date.

(34) "Special Record Date" means a special date fixed by the Paying Agent to determine the names and addresses of owners of the Bonds for the payment of any defaulted interest on any of the Bonds, as further provided in Section 302 of the Bond Ordinance. At least 10 days' notice will be given by the Paying Agent by first-class regular mail to each owner of a Bond as stated on the Registrar's registration list at the close of business on a date fixed by the Paying Agent, stating the date of the Special Record Date and the due date fixed for the payment of such defaulted interest.

(35) "State" means the State of Nevada, in the United States.

(36) "subordinate bonds" or "subordinate securities" means bonds or securities which have a lien on the Pledged Revenues that is subordinate and junior to the lien thereon of the Bonds authorized in the Bond Ordinance.

(37) "superior bonds" or "superior securities" means bonds or securities which have a lien on the Pledged Revenues that is superior to the lien thereon of the Bonds authorized in the Bond Ordinance.

(38) "Tax Code" means the Internal Revenue Code of 1986, as amended.

(39) "Taxes" means General Taxes.

Application of Proceeds

The proceeds of the Bonds will be deposited in the Escrow Account and the Costs of Issuance Account. First, there shall be credited to the Escrow Account to be held by the Escrow Bank pursuant to the Escrow Agreement, an amount fully sufficient to establish, together with any other moneys therein, an initial cash balance and to buy the Federal Securities designated in the Escrow Agreement, to be used solely for the purpose of paying the Refunded Bonds. Second, the remaining proceeds of the Bonds shall be deposited in the Costs of Issuance Account for the purpose of defraying the costs of issuing the Bonds attributable to the Lending Project.

Flow of Funds

So long as any of the Bonds shall be Outstanding, the entire Pledged Revenues shall be set aside and credited immediately to the Bond Fund.

So long as any of the Bonds shall be Outstanding, the Bond Fund shall be administered, and the moneys on deposit therein shall be applied, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the Bonds and the next installment of principal of the Bonds coming due at maturity or pursuant to mandatory sinking fund redemption, if any.

No payment need be made into the Bond Fund, if the amounts in the Bond Fund total a sum at least equal to the entire amount of the Bond Requirements for the Fiscal Year, both accrued and not accrued, in which case moneys in that account in an amount at least equal to such Bond Requirements will be used solely to pay such Bond Requirements as the same become due; and any moneys in excess thereof in the Bond Fund, and any other moneys derived from the Pledged Revenues will be applied as provided in the Bond Ordinance.

Second, and subject to the above provisions but prior to the transfer of any Pledged Revenues to the payment of subordinate securities, there will be transferred into the Rebate Account such amounts as are required to be deposited therein to meet the County's obligations under "Tax Covenant" below with respect to the Bonds and in accordance with Section 148(f) of the Tax Code. Amounts in the Rebate Account will be used for the purpose of making the payments to the United States required by such covenant and Section148(f) of the Tax Code. Any amounts in the Rebate Account in excess of those required to be on deposit therein by such covenant and Section 148(f) of the Tax Code may be withdrawn therefrom and used for any lawful purpose.

Third, any Pledged Revenues thereafter remaining in the Bond Fund may be used at any time during any Fiscal Year whenever in the Fiscal Year there shall have been credited to Bond Fund and to the Rebate Account, all amounts required to be deposited in those special accounts for such portion of the Fiscal Year, for any one or any combination of lawful purposes, or otherwise, as the County may from time to time determine, including, without limitation, to any other bond fund, rebate fund and reserve fund, if any, for the payment of any subordinate securities payable from the Pledged Revenues.

Lien on the Bonds

The Bonds constitute an irrevocable lien upon the Pledged Revenues.

The Bonds are equally and ratably secured by a lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues, regardless of the time or times of the issuance of the Bonds, it being the intention of the County that there shall be no priority among the Bonds.

Superior or Parity Securities

The County may not issue additional securities payable from the Pledged Revenues and constituting a lien thereon superior to, or on a parity with, the lien thereon of the Bonds. The

County may issue securities refunding all or a part of the Bonds (or funding or refunding any other then Outstanding securities payable from Pledged Revenues), as provided in "Refunding Securities" below.

Subordinate Securities

Nothing in the Bond Ordinance prevents the County from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds.

Refunding Securities

The Bonds, or any part thereof, may be refunded at any time in accordance with the provisions of the Bond Act and the Project Act.

Bondowner's Remedies

Each owner of any Bond shall be entitled to all of the privileges, rights and remedies provided or permitted in the Project Act and the Bond Act, and as otherwise provided or permitted by law or in equity or by other statutes, except as provided in Sections 207 through 211 of the Bond Ordinance, but subject to the provisions in the Bond Ordinance concerning the pledge of and the covenants and the other contractual provisions concerning the Pledged Revenues and the proceeds of the Bonds.

Events of Default

Each of the following events is an "event of default" under the Bond Ordinance:

(a) Payment of the principal of any of the Bonds, or any prior redemption premium due in connection therewith, or both, is not made when the same becomes due and payable, at maturity, on the mandatory redemption dates specified in the Bond Ordinance, or by proceedings for optional prior redemption, or otherwise;

(b) Payment of any installment of interest on the Bonds is not made when the same becomes due and payable;

(c) The County for any reason is rendered incapable of fulfilling its obligations hereunder;

(d) The County fails to carry out and to perform (or in good faith to begin the performance of) all acts and things lawfully required to be carried out or to be performed by it under any contract relating to the Pledged Revenues, or otherwise, including, without limitation, the Bond Ordinance, and such failure continues for 60 days after receipt of notice from the owners of 10% in principal amount of the Bonds then Outstanding;

(e) An order or decree is entered by a court of competent jurisdiction with the consent or acquiescence of the County appointing a receiver or receivers for the Pledged Revenues and any other moneys subject to the lien to secure the payment of the Bonds, or if an order or decree

having been entered without the consent or acquiescence of the County is not vacated or discharged or stayed on appeal within 60 days after entry; and

(f) The County makes any default in the due and punctual performance of any other of the representations, covenants, conditions, agreements and other provisions contained in the Bonds or in the Bond Ordinance on its part to be performed, and if the default continues for 60 days after written notice specifying the default and requiring the same to be remedied is given to the County by the owners of 10% in principal amount of the Bonds then Outstanding.

Remedies for Default

Upon the happening and continuance of any of the events of default described in (a) through (f) above, then and in every case the owner or owners or not less than 10% in principal amount of the Bonds then Outstanding, including, without limitation, a trustee or trustees therefor, may proceed against the County and its agents, officers and employees to protect and to enforce the rights of any owner of Bonds under the Bond Ordinance by mandamus or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction, either for the appointment of a receiver or for the specific performance of any covenant or agreement contained in the Bond Ordinance or in an award of execution of any power granted in the Bond Ordinance for the enforcement of any proper, legal or equitable remedy as the owner or owners may deem most effectual to protect and to enforce the rights, or thereby to enjoin any act or thing which may be unlawful or in violation of any right of any owner of any Bond, or to require the County to act as it if were the trustee of an express trust, or any combination of such remedies. All proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds and any parity securities then Outstanding.

Amendment of the Bond Ordinance

The Bond Ordinance may be amended or supplemented by instruments adopted by the County in accordance with the laws of the State, without receipt by the County of any additional consideration, but with the written consent of the insurer of the Bonds, if any, or the owners of a majority in aggregate principal amount of the Bonds authorized by the Bond Ordinance and Outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding any Bonds which may then be held or owned for the account of the County, but including such refunding securities as may be issued for the purpose of refunding any of the Bonds if the refunding securities are not owned by the County. No such instrument shall permit without the written consent of the insurer of the Bonds, if any, and all owners of the Bonds adversely and materially affected thereby:

(a) A change in the maturity or in the terms of redemption of the principal of any Outstanding Bond or any installment of interest thereon; or

(b) A reduction in the principal amount of any Bond, the rate of interest thereon, or any prior redemption premium payable in connection therewith; or

(c) A reduction of the percentages or otherwise affecting the description of Bonds the consent of the owners of which is required for any modification or amendment; or

(d) The establishment of priorities as between Bonds issued and Outstanding under the provisions of the Bond Ordinance; or

(e) The modifications of or otherwise materially and prejudicially affecting the rights or privileges of the owners of less than all of the Bonds then Outstanding.

Whenever the County proposes to amend or modify the Bond Ordinance, it will cause notice of the proposed amendment to be given not later than 30 days prior to the date of the proposed enactment of the amendment by mailing to the insurer of the Bonds, if any, the Paying Agent, the Registrar, and the owner of each of the Bonds Outstanding. The notice will briefly set forth the nature of the proposed amendment and will state that a copy of the proposed amendatory instrument is on file in the office of the Clerk for public inspection.

Whenever at any time within one year from the date of such notice, there shall be filed in the office of the Clerk an instrument or instruments executed by the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed amendatory instrument described in the notice and shall specifically consent to and approve the adoption of the instrument; thereupon, but not otherwise, the County may adopt the amendatory instrument and the instrument shall become effective.

If the insurer of the Bonds, if any, or the owners of at least a majority in aggregate principal amount of the Bonds Outstanding, at the time of the adoption of the amendatory instrument, or the predecessors in title of such owners shall have consented to and approved the adoption thereof as herein provided, no owner of any Bond, whether or not the owner shall have consented to or shall have revoked any consent as provided in the Bond Ordinance, shall have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the County from taking any action pursuant to the provisions thereof.

Any consent to an amendment to the Bond Ordinance given by the owner of a Bond shall be irrevocable for a period of 6 months from the date of the notice as described above, and shall be conclusive and binding upon all future owners of the same Bond during that period. The consent may be revoked at any time after 6 months from the date of the above-described notice by the owner who gave the consent or by a successor in title by filing notice of the revocation with the Clerk, but the revocation shall not be effective if the owners of a majority in aggregate principal amount of the Bonds Outstanding, before the attempted revocation, consented to and approved the amendatory instrument referred to in the revocation.

If the insurer of the Bonds, if any, or the owners of all the then Outstanding Bonds consent, the terms and the provisions of the Bond Ordinance or of any instrument amendatory thereof or supplemental thereto and the rights and the obligations of the County and of the owners of the Bonds thereunder may be modified or amended in any respect upon the adoption by the County and upon the filing with the Clerk of an instrument to that effect, and no notice to the insurer of the Bonds, if any, or the owners of Bonds shall be required, nor shall the time of consent be limited except as may be provided in the consent.

Tax Covenant

The County covenants in the Bond Ordinance for the benefit of the owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any project refinanced with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under section 103 of the Tax Code, or (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in section 55(b)(2) of the Tax Code except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under section 56 of the Tax Code in calculating corporate alternative minimum taxable income. The foregoing covenant will remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX D

BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the 2009 Bonds. The 2009 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2009 Bond certificate will be issued for each maturity of the 2009 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's highest rating: AAA. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of 2009 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2009 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2009 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2009 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2009 Bonds, except in the event that use of the book-entry system for the 2009 Bonds is discontinued.

To facilitate subsequent transfers, all 2009 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2009 Bonds

with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2009 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2009 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2009 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2009 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2009 Bond documents. For example, Beneficial Owners of 2009 Bonds may wish to ascertain that the nominee holding the 2009 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2009 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2009 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2009 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the 2009 Bonds will be made to Cede& Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Registrar and Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar and Paying Agent or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2009 Bonds at any time by giving reasonable notice to the County or the Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2009 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2009 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE 2009 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE 2009 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

The County and the Registrar and Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the 2009 Bonds registered in its name for the purpose of payment of the principal of or interest on the 2009 Bonds, giving any notice permitted or required to be given to registered owners under the Bond Ordinance, including any notice of redemption, registering the transfer of 2009 Bonds, obtaining any consent or other action to be taken by registered owners and for all other purposes whatsoever, and will not be affected by any notice to the contrary. The County and the Registrar and Paying Agent will not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2009 Bonds under or through DTC or any DTC Direct Participant, Indirect Participant or other person not shown on the records of the Registrar and Paying Agent as being a registered owner with respect to: the accuracy of any records maintained by DTC, any DTC Direct Participant or Indirect Participant regarding ownership interests in the 2009 Bonds; the payment by DTC, any DTC Direct Participant or Indirect Participant of any amount in respect of the principal of or interest on the 2009 Bonds; the delivery to any DTC Direct Participant, Indirect Participant or any Beneficial Owner of any notice which is permitted or required to be given to registered owners under the Bond Ordinance, including any notice of redemption; the selection by DTC, any DTC Direct Participant or any Indirect Participant of any person to receive payment in the event of a partial redemption of the 2009 Bonds; or any consent given or other action taken by DTC as a registered owner.

As long as the DTC book-entry system is used for the 2009 Bonds, the Registrar and Paying Agent will give any notice of redemption or any other notices required to be given to registered owners of 2009 Bonds only to DTC or its nominee. Any failure of DTC to advise any DTC Direct Participant, of any DTC Direct Participant to notify any Indirect Participant, of any DTC Direct Participant or Indirect Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the 2009 Bonds called for redemption or of any other action premised on such notice.

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX E

FORMS OF CONTINUING DISCLOSURE CERTIFICATES

FORM OF CONTINUING DISCLOSURE CERTIFICATE OF THE COUNTY

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Clark County, Nevada (the "Issuer") in connection with the issuance of the Issuer's Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009, in the aggregate principal amount of $_____ (the "Bonds"). The Bonds are being issued pursuant to the Ordinance adopted by the Board of County Commissioners of the Issuer on October 6, 2009 (the "Ordinance"). The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC").

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean, initially, the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Material Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. As of July 1, 2009, the MSRB's required method of filing will be electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than nine (9) months following the end of the Issuer's fiscal year of each year, commencing nine (9) months following the end of the Issuer's fiscal year ending June 30, 2009, provide to the MSRB in

an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send or cause to be sent a notice in substantially the form attached as Exhibit "A" to the MSRB.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB;

(ii) if the Dissemination Agent is other than the Issuer, send written notice to the Issuer at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(iii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the type of information identified in Exhibit "B" hereto, which is contained in the tables in the Official Statement with respect to the Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Issuer shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Issuer shall provide or cause to be provided, in a timely manner, notice of any of the following events with respect to the Bonds, if such event is material to the MSRB:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;

(g) Modifications to rights of bondholders;

(h) Bond calls;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds; or

(k) Rating changes.

SECTION 6. Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that

which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATE: November 10, 2009.

CLARK COUNTY, NEVADA

_____

Chief Financial Officer

EXHIBIT "A"

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Clark County, Nevada
Name of Bond Issue:	General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009
Date of Issuance:	November 10, 2009.

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Ordinance adopted on October 6, 2009 and the Continuing Disclosure Certificate executed on November 10, 2009 by the Issuer. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

CLARK COUNTY, NEVADA

By:_____

Title:_____

EXHIBIT "B"

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

(See page iv of the Official Statement)

FORM OF CONTINUING DISCLOSURE CERTIFICATE OF THE AUTHORITY

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Southern Nevada Water Authority (the "Authority") in connection with the issuance by Clark County, Nevada (the "Issuer") of the Issuer's Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009, in the aggregate principal amount of $_____ (the "Bonds"). The Bonds are being issued pursuant to the Ordinance adopted by the Board of County Commissioners of the Issuer on October 6, 2009 (the "Ordinance"). The Authority covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Authority for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC").

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Dissemination Agent" shall mean, initially, the Authority, or any successor Dissemination Agent designated in writing by the Authority and which has filed with the Authority a written acceptance of such designation.

"Material Events" shall mean any of the events listed in Section 5 of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board. As of July 1, 2009, the MSRB's required method of filing will be electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at http://emma.msrb.org.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Authority shall, or shall cause the Issuer or the Dissemination Agent to, not later than nine (9) months following the end of the Authority's fiscal year of each year, commencing nine (9) months following the end of the Authority's fiscal year ending June 30, 2009, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Authority shall provide the Annual Report to the Dissemination

Agent (if other than the Authority). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Authority may be submitted separately from the balance of the Annual Report.

(b) If the Authority is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the Authority shall send or cause to be sent a notice in substantially the form attached as Exhibit "A" to the MSRB.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB;

(ii) if the Dissemination Agent is other than the Authority, send written notice to the Authority at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and

(iii) if the Dissemination Agent is other than the Authority, file a report with the Authority certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the type of information identified in Exhibit "B" hereto, which is contained in the tables in the Official Statement with respect to the Bonds.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Authority or related public entities, which are available to the public on the MSRB's Internet Web Site or filed with the SEC. The Authority shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Material Events. The Authority shall provide or cause to be provided, in a timely manner, notice of any of the following events with respect to the Bonds, if such event is material to the MSRB:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions or events affecting the tax-exempt status of the Bonds;

(g) Modifications to rights of bondholders;

(h) Bond calls;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds; or

(k) Rating changes.

SECTION 6. Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Authority's obligations under this Disclosure Certificate shall terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Authority shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

SECTION 8. Dissemination Agent. The Authority may, from time to time, appoint or engage a Dissemination Agent to assist the Authority in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Authority may amend this Disclosure Certificate, and may waive any provision of this Disclosure Certificate, without the consent of the holders and beneficial owners of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein) to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Authority will provide notice of such amendment or waiver to the MSRB.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the Authority shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

SECTION 11. Default. In the event of a failure of the Authority to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Authority to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Authority to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Authority, the Dissemination Agent, the Participating Underwriter, and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Reporting Obligation of the Authority. The Authority shall provide, in a timely manner, to the Issuer the information relating to the Bonds, the revenues pledged to the Bonds, the Authority and its revenues and expenditures, necessary for the Issuer to comply with its reporting obligation pursuant to the Rule.

DATE: November 10, 2009.

SOUTHERN NEVADA WATER
AUTHORITY, NEVADA

_____

Treasurer

EXHIBIT "A"

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Clark County, Nevada

Name of Bond Issue: General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009

Date of Issuance: November 10, 2009.

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by the Ordinance adopted on October 6, 2009 and the Continuing Disclosure Certificate executed on November 10, 2009 by the Authority. The Authority anticipates that the Annual Report will be filed by _____.

Dated: _____

SOUTHERN NEVADA WATER
AUTHORITY, NEVADA

By:_____

Title:_____

EXHIBIT "B"

INDEX OF OFFICIAL STATEMENT TABLES TO BE UPDATED

(See page iv of the Official Statement)

APPENDIX F

FORM OF APPROVING OPINION OF BOND COUNSEL

[Closing date]

Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106

$_____
Clark County, Nevada
General Obligation (Limited Tax) Bond Bank Refunding Bonds
(Additionally Secured by Pledged Revenues)
Series 2009

Ladies and Gentleman:

We have acted as bond counsel to Clark County, Nevada (the "County" and the "State," respectively), in connection with its issuance of the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009" in the aggregate principal amount of $_____ (the "Bonds") pursuant to an authorizing ordinance adopted and approved by the Board of County Commissioners of the County on October 6, 2009 (the "Bond Ordinance"). In such capacity, we have examined the County's certified proceedings and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bond Ordinance.

Regarding questions of fact material to our opinions, we have relied upon the County's certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute the valid and binding limited tax general obligations of the County.

2. All of the taxable property in the County is subject to the levy of annual general (ad valorem) taxes to pay the Bonds, subject to the limitations imposed by the Constitution and laws of the State.

3. As provided in the Bond Ordinance and in accordance with the provisions of NRS 361.463, taxes levied for the payment of the bonded indebtedness (including the Bonds) of all overlapping units within the boundaries of the County (i.e., the State, the County, and any other political subdivision therein) and for the payment of interest on such indebtedness enjoy a priority over taxes levied by each such unit (including, without limitation, the State and the

County) for all other purposes (subject to any exception implied by law for the exercise of the police power) where reduction is necessary in order to comply with NRS 361.453.

4. The Bonds are additionally secured by and payable from the Pledged Revenues. The Bond Ordinance creates a valid lien on the Pledged Revenues and on the Bond Fund pledged therein for the security of the Bonds. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the Pledged Revenues or on the Bond Fund created by the Bond Ordinance.

5. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations. The opinions expressed in this paragraph assume continuous compliance with the covenants and representations contained in the County's certified proceedings and in certain other documents and certain other certifications furnished to us.

6. Under the laws of the State in effect as of the date hereof, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the County pursuant to the Bonds and the Bond Ordinance are subject to the application of equitable principles, to the reasonable exercise in the future by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Federal Constitution, including without limitation, bankruptcy powers.

In expressing the opinions above, we are relying, in part, on a report of the independent certified public accountants verifying (i) the mathematical computations of the adequacy of the maturing principal amounts of and interest on the investments and moneys included in the Escrow Account to pay when due, at stated maturity or upon prior redemption, all principal of, any prior redemption premiums, and interest on the Refunded Bonds and (ii) the mathematical calculations of the yield of the Bonds and the yield of certain investments made with the proceeds of the Bonds and other moneys deposited in the Escrow Account.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement relating to the Bonds or any other statements made in connection with any offer or sale of the Bonds or upon any state or federal tax consequences arising from the receipt or accrual of interest on or the disposition or ownership of the Bonds, except those specifically addressed herein.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX G

OFFICIAL NOTICE OF BOND SALE

$49,975,000*
CLARK COUNTY, NEVADA
GENERAL OBLIGATION (LIMITED TAX) BOND BANK REFUNDING BONDS
(ADDITIONALLY SECURED BY PLEDGED REVENUES)
SERIES 2009

PUBLIC NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Clark County, Nevada (the "Board" and the "County," respectively), on

Thursday, October 22, 2009

at the hour of 8:30 a.m., local time, or such other date and at such other time as is announced via PARITY and/or Thompson Municipal News ("The Bond Buyer Wire"), at the

INFORMATION DESK
IN THE
ROTUNDA, FIRST FLOOR
CLARK COUNTY GOVERNMENT CENTER
500 SOUTH GRAND CENTRAL PARKWAY
LAS VEGAS, NEVADA

will receive sealed bids and will cause to be received electronically via PARITY, as described under "BID PROPOSALS" below, for the purchase of the bonds of the County particularly described below. Bids must be delivered (no bids will be received by mail) or must be submitted via PARITY or sealed bid by the date and hour specified above, addressed to George W. Stevens, Chief Financial Officer of the County. (See "BID PROPOSALS" below.)

ISSUE: The "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Refunding Bonds (Additionally Secured by Pledged Revenues), Series 2009" in the aggregate principal amount of $49,975,000* (the "Bonds") will be dated as of the date of delivery of the Bonds, will be issued in fully registered form, and will be initially evidenced by one Bond for each year in which the Bonds mature in denominations equal to the principal amount which matures in each such year. The Bonds will be registered in the name of "Cede & Co.," as nominee for The Depository Trust Company, the depository for the Bonds ("DTC").

Copies of the ordinance authorizing the issuance of the Bonds adopted October 6, 2009 (the "Bond Ordinance") are available for public inspection at the office of the County Clerk, 500 South Grand Central Parkway, Las Vegas, Nevada 89106 and at the office of the County's Financial Advisors: Hobbs, Ong & Associates, Inc., NSB Public Finance, and Public Financial Management, Inc. (the "Financial Advisors"), at the addresses as listed under "INFORMATION," below, reference to the Bond Ordinance is made for further detail.

* Preliminary, subject to change.

MATURITIES: Except as otherwise provided below in "MANDATORY SINKING FUND REDEMPTION", the Bonds will mature serially on June 1 in the years and in each of the amounts of principal as designated in the maturity schedule available from the Financial Advisors, prior to the bid opening for the Bonds (the "Maturity Schedule"), showing the aggregate principal amount of the Bonds and amount of principal of the Bonds to be paid in each year. The Maturity Schedule will be published in The Bond Buyer Wire and/or PARITY before the date of sale. The amounts of the Bonds maturing in each year may be changed from those listed in the Maturity Schedule as described in "ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID" below.

ADJUSTMENT OF MATURITIES AFTER DETERMINATION OF BEST BID: The aggregate principal amount and the principal amount of each maturity of the Bonds are subject to adjustment by the County, after the determination of the best bid. Changes to be made will be communicated to the successful bidder by time of the written award of the Bonds and will not reduce or increase, by more than fifteen percent from the aggregate principal amount shown in the Maturity Schedule. The price bid (i.e., par less any discount bid or plus any premium bid) by a successful bidder may be changed as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of any changes made within these limits. The price bid will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (i) the aggregate difference between the offering price of the Bonds, as the case may be, to the public and the price to be paid to the County (excluding accrued interest), less any bond insurance premium to be paid by the bidder, by (ii) the principal amount of the Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts submitted by the bidder electronically or in the official bid form (See "TERMS OF SALE -- BID PROPOSALS" below).

To facilitate any adjustment in the principal amount and price bid, the successful bidder is required to indicate by facsimile transmission to the Chief Financial Officer at (702) 382-7905 no later than one-half hour after the bid opening, the amount of any original issue discount or premium on the Bonds, the amount received from the sale of the Bonds to the public that will be retained by the successful bidder as its compensation, and in the case of a bid submitted with bond insurance, the cost of the insurance premium. A bidder who intends to insure the Bonds shall also state, in that facsimile transmission, whether the amount of the insurance premium will change as a result of changes in the principal amount of the Bonds or the amount of principal maturing in any year, and the method used to calculate any such change in the insurance premium.

OPTIONAL PRIOR REDEMPTION: The Bonds, or portions thereof ($5,000 or any integral multiple), maturing on and after June 1, 2020, will be subject to redemption prior to their respective maturities at the option of the County on and after June 1, 2019, in whole or in part at any time, from such maturities as are selected by the County and if less than all the Bonds of a maturity are to be redeemed, the Bonds of such maturity are to be selected by lot (giving proportionate weight to Bonds in denominations larger than $5,000), at a price equal to the principal amount of each Bond or portion thereof so redeemed plus accrued interest thereon to the redemption date.

Redemption will be made in the manner and upon the conditions to be provided in the Bond Ordinance.

MANDATORY SINKING FUND REDEMPTION: A bidder may request that the Bonds maturing on or after June 1, 2020 be included in a term bond or term bonds (the "Term Bonds"). Amounts included as a Term Bond must consist of consecutive maturities, must bear the same rate of interest and must include the entire principal amount for any maturity included in the Term Bond (i.e., the principal amount maturing in any year may not be divided between a serial maturity and a mandatory sinking fund redemption). After the bidder has created Term Bond(s), no more serial Bonds may be structured. Any such Term Bond will be subject to mandatory sinking fund redemption in installments in the same amounts and on the same dates as the Bonds would have matured if they were not included in a Term Bond or Term Bonds. Bonds redeemed pursuant to the mandatory sinking fund redemption provisions will be redeemed at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date in the manner and as otherwise provided in the Bond Ordinance. Any election to designate the Bonds as being included in a Term Bond must be made at the time of submitting a bid (see "TERMS OF SALE-BID PROPOSALS" below).

INTEREST RATES AND LIMITATIONS: The following interest limitations are applicable with respect to the Bonds:

1. Interest on the Bonds will be payable on June 1 and December 1 of each year commencing on June 1, 2010.

2. The interest rate on any Bond and the True Interest Cost for the Bonds (see "BASIS OF AWARD") may not exceed by more than 3% the "Index of Twenty Bonds" most recently published in The Bond Buyer before the bids are received.

3. Each interest rate specified must be stated in a multiple of 1/8th or 1/20th of 1% per annum.

4. Only one interest rate can be stated for any maturity of the Bonds, i.e., all Bonds with the same maturity date shall bear the same rate of interest.

5. Each Bond as initially issued will bear interest from its date to its stated maturity date at the interest rate stated in the bid for the Bonds.

6. A zero (0) rate of interest may not be named.

7. The interest rate specified for any maturity of the Bonds maturing June 1, 2020 and thereafter (without regard to the June 1, 2019 maturity) may not be less than any rate for any prior maturity (i.e., commencing June 1, 2020, the same rate of interest or an ascending rate of interest is required).

It is permissible to bid different interest rates for the Bonds, but only as stated in the bid and subject to the above limitations. If any Bond is not paid upon presentation at maturity, it will draw interest at the same rate until principal is paid in full.

PREMIUM OR PAR: A bidder may offer to purchase the Bonds at par or at a premium.

PAYMENT: The principal of the Bonds shall be payable at the office of The Bank of New York Mellon Trust Company, N.A. or its successor, as Paying Agent, or such other office as designated by the Paying Agent, to the registered owner thereof as shown on the registration records of The Bank of New York Mellon Trust Company, N.A. or its successor, as Registrar, upon maturity thereof or call therefor, and upon presentation and surrender of such Bonds at such Paying Agent. Payment of interest on any Bond shall be made to the registered owner thereof (i.e., Cede & Co.) by check or draft mailed by the Paying Agent, on each interest payment date, to the registered owner thereof (i.e., Cede & Co.) at his or her address as it appears on the registration records of the Registrar (or by such other arrangements as may be mutually agreed to by the Paying Agent and DTC). All such payments shall be made in lawful money of the United States of America without deduction for any service charges of the Paying Agent or Registrar.

BOOK ENTRY/TRANSFER AND EXCHANGE: The Bonds will be issued in registered form and one bond certificate for each maturity of the Bonds will be issued to DTC, registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book entry system will be employed, evidencing ownership of the Bonds in principal amounts of $5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The successful bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates with DTC, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the Paying Agent by wire transfer or in same day funds to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC. Transfer of principal and interest payments to the beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. Neither the County nor the Paying Agent will be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

BOND INSURANCE/RATINGS: The Bonds may be insured at a bidder's option and expense. The County will pay for ratings on the Bonds from Moody's Investors Service and Standard and Poor's Ratings Group.

AUTHORIZATION AND PURPOSE OF THE BONDS: The Bonds are to be issued to defray wholly or in part the cost of refunding certain of the County's General Obligation (Limited Tax) Bond Bank Bonds (Additionally Secured by Pledged Revenues), Series 2000, Series 2001, Series 2002, Series 2006 and Series 2008, which will refinance the water revenue bonds (the "Lending Project") issued by Southern Nevada Water Authority ("SNWA"). The Bonds are authorized to be issued pursuant to Nevada Revised Statutes (the "NRS") sections 244A.011 to 244A.065, inclusive (the "Project Act") and NRS 350.500 through 350.720 cited in NRS 350.500 thereof by the short title "Local Government Securities Law" (the "Bond Act").

SECURITY AND PAYMENT OF THE BONDS: The Bonds will, in the opinion of Swendseid & Stern, a member in Sherman & Howard L.L.C., the County's bond counsel (the "Bond Counsel"), be direct general obligations of the County, payable as to principal, interest and any redemption premiums (the "Bond Requirements") from annual general (ad valorem) taxes (herein "General Taxes") levied against all taxable property within the County (except to the extent certain pledged revenues and other moneys are available therefor) subject to the

limitations imposed by the statutes and the Constitution of the State (see "CONSTITUTIONAL TAX LIMITATION", "STATUTORY TAX LIMITATION" and "LEGAL OPINION, BONDS AND TRANSCRIPTS" below). The Bonds will be a debt of the County, and the Board shall pledge the full faith and credit of the County for their payment.

ADDITIONAL SECURITY FOR THE BONDS: The Bond Requirements will be additionally secured with revenues derived from the Lending Project, including, without limitation: (a) money derived from any source of revenue connected with the Lending Project, including without limitation, payments by the SNWA of the principal, interest or redemption premium of the Lending Project, and any other income derived from the operation or administration of the Lending Project or the sale or other disposal of the Lending Project or other assets acquired in connection with the Lending Project; (b) fees or charges paid by the SNWA in connection with the Lending Project; and (c) money derived from the investment and reinvestment of the money described in (a) and (b) above (the "Pledged Revenues").

SPECIAL ACCOUNT FOR THE BONDS: As security for the payment of the Bond Requirements there will be irrevocably pledged, pursuant to the Bond Ordinance, a special account, identified as the "Clark County, Nevada, General Obligation (Limited Tax) Bond Bank Refunding Bonds, Series 2009 Bond Fund" into which account the County covenants to pay from the Pledged Revenues sums sufficient to pay when due the Bond Requirements, except to the extent other monies are available therefor.

BOND LIEN ON PLEDGED REVENUES: The Bonds will be equitably and ratably secured by a lien on the Pledged Revenues, and the Bonds will constitute an irrevocable lien upon the Pledged Revenues (see Appendix "C", "Summary of Certain Provisions of the Bond Ordinance").

ADDITIONAL SECURITIES PAYABLE OR SECURED BY PLEDGED REVENUES: Bonds and other securities, in addition to the Bonds, may be issued and made payable from the Pledged Revenues having a lien thereon subordinate and junior to the lien, but may not be issued having a lien thereon superior to or on a parity with the lien of the Bonds.

ADDITIONAL SECURITIES: The County reserves the privilege of issuing additional general obligation bonds at any time or from time to time for any lawful purpose, as permitted by law.

FEDERAL TAX EXEMPTION: In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), and interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations as described in the Official Statement (as defined below) under "TAX EXEMPTION".

STATE TAX EXEMPTION: In the opinion of Bond Counsel, under present laws of the State, the Bonds, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof except for the tax on estates imposed pursuant to

chapter 375A of NRS and the tax on generation-skipping transfers imposed pursuant to chapter 375B of NRS.

CONSTITUTIONAL TAX LIMITATION: Section 2, article 10, State Constitution, provides:

"The total tax levy for all public purposes including levies for bonds, within the state, or any subdivision thereof, shall not exceed five cents on one dollar of assessed valuation."

STATUTORY TAX LIMITATION: NRS 361.453 provides:

> ". . . the total ad valorem tax levy for all public purposes must not exceed $3.64 on each $100 of assessed valuation, or a lesser or greater amount fixed by the state board of examiners if the state board of examiners is directed by law to fix a lesser or greater amount for that fiscal year."

STATUTORY PRIORITY FOR BONDS: NRS 361.463 provides:

> "1. In any year in which the total taxes levied by all overlapping units within the boundaries of the state exceed the limitation imposed by NRS 361.453, and it becomes necessary for that reason to reduce the levies made by any of those units, the reduction so made must be in taxes levied by those units (including the state) for purposes other than the payment of bonded indebtedness, including interest thereon.
>
> "2. The taxes levied for the payment of bonded indebtedness and the interest thereon enjoy a priority over taxes levied by each such unit (including the state) for all other purposes where reduction is necessary to comply with the limitation imposed by NRS 361.453."

STATUTORY PROVISION FOR TAX LEVIES: NRS 350.592 provides in relevant part:

> "1. There shall be levied annually in due season a special tax on all property, both real and personal, subject to taxation within the boundaries of the municipality, fully sufficient together with the revenue which will result from application of the rate to the net proceeds of minerals, without regard to any statutory or charter tax limitation, other than the limitation set forth in NRS 361.453, to pay the interest on the general obligation municipal securities and to pay and retire the securities as provided in the Local Government Securities Law and in any act supplemental hereto. The amount of money to be raised by the tax must be included in the annual estimate or budget for each county within the state for each year for which the tax is hereby required to be levied. The tax must be levied and collected in the same manner and at the same time as other taxes are levied and collected.
>
> "2. The proceeds thereof levied to pay interest on the securities must be kept by the treasurer in a special fund, separate and apart from all other funds, and the proceeds of the tax levied to pay the principal of the securities must be

kept by the treasurer in a special fund, separate and apart from all other funds. The two special funds must be used for no other purpose than the payment of the interest on the securities and the principal thereof, respectively, when due; . . .."

TIMES OF LEVIES: NRS 350.594 provides:

"Such tax shall be levied immediately after the issuance of any general obligation securities issued in accordance with the provisions of the Local Government Securities Law, and annually thereafter, at the times and in the manner provided by law, until all of the securities, and the interest thereon, have been fully discharged. Such tax may be first levied after the municipality has contracted to sell any securities but before their issuance."

USE OF GENERAL FUND: NRS 350.596 provides:

"Any sums coming due on any general obligation municipal securities at any time when there are not on hand from such tax levy or levies sufficient funds to pay the same shall be promptly paid when due from the general fund of the municipality, reimbursement to be made to such general fund in the sums thus advanced when the taxes herein provided for have been collected."

USE OF OTHER FUNDS: NRS 350.598 provides:

"Nothing contained in the Local Government Securities Law [the Bond Act] shall be so construed as to prevent the municipality from applying any funds (other than taxes) that may be available for that purpose to the payment of the interest on or the principal of any general obligation municipal securities as the same respectively mature, and regardless of whether the payment of the general obligation municipal securities is additionally secured by a pledge of revenues, and upon such payments, the levy or levies of taxes provided in the Local Government Securities Law may thereupon to that extent be diminished."

STATUTORY APPROPRIATIONS: NRS 350.602 provides:

"There is by the Local Government Securities Law, and there shall be by ordinance authorizing the issuance of any indebtedness contracted in accordance with the provisions of the Local Government Securities Law, specially appropriated the proceeds of such taxes to the payment of such principal and interest; and such appropriations shall not be repealed nor the taxes postponed or diminished (except as herein otherwise expressly provided) until the principal of and interest on the municipal securities evidencing such debt have been wholly paid."

NO PLEDGE OF PROPERTY: The payment of the Bonds is not secured by an encumbrance, mortgage or other pledge of property of the County. No property of the County is liable to be forfeited or taken in payment of the Bonds.

IMMUNITY OF INDIVIDUALS: NRS 350.606 provides:

"No recourse shall be had for the payment of the principal of, any interest on, and any prior redemption premiums due in connection with any bonds or other municipal securities or for any claim based thereon or otherwise upon the ordinance authorizing their issuance or other instrument appertaining thereto, against any individual member of the governing body or any officer or other agent of the municipality, past, present or future, either directly or indirectly through the governing body or the municipality, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the securities and as a part of the consideration of their issuance specially waived and released."

ACTS IRREPEALABLE: NRS 350.610 provides:

"The faith of the state is hereby pledged that the Local Government Securities Law, any law supplemental or otherwise appertaining thereto, and any other act concerning the bonds or other municipal securities, taxes or the pledged revenues or any combination of such securities, such taxes and such revenues shall not be repealed nor amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding municipal securities, until all such securities have been discharged in full or provision for their payment and redemption has been fully made, including without limitation the known minimum yield from the investment or reinvestment of moneys pledged therefor in federal securities."

TERMS OF SALE

EQUAL OPPORTUNITY: IT IS THE POLICY OF THE COUNTY TO PROVIDE MINORITY BUSINESS ENTERPRISES, WOMEN BUSINESS ENTERPRISES AND ALL OTHER BUSINESS ENTERPRISES AN EQUAL OPPORTUNITY TO PARTICIPATE IN THE PERFORMANCE OF ALL COUNTY CONTRACTS. BIDDERS ARE REQUESTED TO ASSIST THE COUNTY IN IMPLEMENTING THIS POLICY BY TAKING ALL REASONABLE STEPS TO ENSURE THAT ALL AVAILABLE BUSINESS ENTERPRISES, INCLUDING MINORITY AND WOMEN BUSINESS ENTERPRISES HAVE AN EQUAL OPPORTUNITY TO PARTICIPATE IN COUNTY CONTRACTS.

BID PROPOSALS: Except as otherwise provided in "ELECTRONIC BIDDING" below, each bidder must use the printed official bid form provided by the County with respect to the Bonds. Any bid in any other form may be disregarded. Any bidder is required to submit an unconditional and written bid for all the Bonds, specifying:

(1) The lowest rate or rates of interest and the premium, if any, at which the bidder will purchase all of the Bonds.

It is also requested for informational purposes only, but it is not required, that each bid disclose:

(2) The true interest cost (i.e., actuarial yield) on the Bonds, stated as a nominal annual percentage rate (see "BASIS OF AWARD" below); and

(3) The municipal bond insurer, if any; the premium to be paid by the bidder for insuring the Bonds; and which maturities of the Bonds, if any, are being insured.

Each bid form for the Bonds must be enclosed in a sealed envelope marked on the outside:

"PROPOSAL FOR BONDS"

and addressed to:

George W. Stevens, Chief Financial Officer
Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada 89106

ELECTRONIC BIDDING: By utilizing PARITY to bid for the Bonds, a prospective electronic bidder represents and warrants to the County that such bidder's bid for the purchase of the Bonds (if a bid is submitted in connection with the sale) is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder to a legal, valid and enforceable contract for the purchase of the Bonds.

Unless submitted by official printed bid form as set forth above, bids must be submitted electronically for the purchase of the Bonds by means of PARITY by 8:30 a.m., Pacific time, on Thursday, October 22, 2009. Once the bids are communicated electronically via PARITY, each bid will constitute an irrevocable offer to purchase the Bonds on the terms therein provided.

Each qualified prospective electronic bidder shall be solely responsible to make necessary arrangements to access PARITY for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. Neither the County nor the Financial Advisors shall have any duty or be obligated to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the County nor the Financial Advisors shall be responsible for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by PARITY. The County is using PARITY as a communication mechanism, and not as the County's agent, to conduct the electronic bidding for the Bonds.

Each electronic bidder is required to transmit electronically via PARITY an unconditional bid specifying the lowest rate or rates of interest and the premium, if any, at which the bidder will purchase the Bonds. Each bid must be for all the Bonds herein offered for sale.

For informational purposes only, the electronic bid will show the effective interest rate for the Bonds represented on a TIC basis, as described under "BASIS OF AWARD" below, represented by the rate or rates of interest and the bid price specified in the bid. No bid will be received after the time for receiving such bids specified above.

GOOD FAITH DEPOSIT: Except as otherwise provided below, good faith deposit ("Deposit") in the form of a certified or cashier's check drawn on a solvent commercial

bank or trust company in the United States of America or a Financial Surety Bond issued by an insurance company licensed to issue such surety bond in the State of Nevada, made payable to

Clark County, Nevada

in the amount of

$500,000

is required for each bid to be considered. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, such surety bond must be submitted to the County or its Financial Advisors prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. If the winning bidder is determined to be a bidder utilizing a Financial Surety Bond, then that bidder is required to submit its Deposit to the County in the form of a cashier's check (or wire transfer such amount as instructed by the County or its Financial Advisors) not later than 10:00 a.m. (Pacific time) on the next business day following the bid opening. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the County to satisfy the Deposit requirement. If the apparent winning bidder on the Bonds is determined to be a bidder who has not submitted a Deposit in the form of a Financial Surety bond or check, as provided above, one of the Financial Advisors will request the apparent winning bidder to immediately wire the Deposit and provide the Federal wire reference number of such Deposit to the Financial Advisor within 90 minutes of such request by the Financial Advisor. The Bonds will not be officially awarded to a bidder who has not submitted a Deposit in the form of a Financial Surety Bond or check, as provided above, until such time as the bidder has provided a federal wire referenced number for the deposit to the Financial Advisor.

No interest on the Deposit will accrue to any bidder. The County will deposit the Deposit of the winning bidder. The Deposit (without accruing interest) of the winning bidder of the Bonds will be applied to the purchase price of the Bonds. In the event a winning bidder fails to honor its accepted bid, the Deposit plus any interest accrued on the Deposit will be retained by the County. Any investment income earned on the Deposit will be paid to the successful bidder in the event the County is unable to deliver the Bonds as provided under "MANNER AND TIME OF DELIVERY", below. Deposits accompanying bids other than the bids which are accepted will be returned promptly upon the determination of the best bidder.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser to accept delivery of any payment for the Bonds in accordance with the terms of the purchase contract. All expenses relating to printing the CUSIP numbers on the Bonds will be paid by the County, but the CUSIP Service Bureau charge for the assignment of the numbers will be the responsibility of and must be paid by the winning bidder for the Bonds.

SALE RESERVATIONS: The County reserves the privilege:

A. Of waiving any irregularity or informality in any bid;

B. Of rejecting any and all bids; and

C. Of reoffering the Bonds for sale, as provided by law.

The time and date of any subsequent bond sale will be announced via PARITY and/or The Bond Buyer Wire before the time of the sale. In no event is the County responsible for the costs of any bidder in preparing and submitting a bid.

CONSENT TO JURISDICTION: a bid submitted by sealed bid or electronic bidding, if accepted by the Chief Financial Officer on behalf of the County, forms a contract between the winning bidder and the County subject to the terms of this Official Notice of Bond Sale. By submitting a bid, the bidder consents to the exclusive jurisdiction of any court of the State of Nevada located in Clark County or the United States District Court for the State of Nevada for the purpose of any suit, action or other proceeding arising as a result of the submittal of the bid, and the bidder irrevocably agrees that all claims in respect to any such suit, action or proceeding may be heard and determined by such court. The bidder further agrees that service of process in any such action commenced in such State or Federal court shall be effective on such bidder by deposit of the same as registered mail addressed to the bidder at the address set forth in the bid.

BASIS OF AWARD: Subject to such sale reservations, the Bonds will be sold to the responsible bidder making the best bid for all the Bonds. The best bid will be determined by computing the actuarial yield on the Bonds (i.e., using an actuarial or true interest cost method) for each bid received and an award will be made (if any is made) to the responsible bidder submitting the bid that results in the lowest actuarial yield on the Bonds. "Actuarial yield" as used herein means that yield which, if used to compute the present worth as of the date of the Bonds of all payments of principal and interest to be made on the Bonds from their date to their respective maturity dates (or mandatory sinking fund redemption dates), as set forth in the Maturity Schedule, using the interest rates specified in the bid, produces an amount equal to the principal amount of the Bonds, plus the premium or less the discount bid. No adjustment shall be made in such calculation for accrued interest on the Bonds from their date to the date of delivery thereof. Such calculation shall be based on a 360-day year and a semiannual compounding interval. If there are two or more equal bids for the Bonds and such equal bids are the best bids received, the County will determine which bid will be accepted by lot in such manner as the County determines.

PLACE AND TIME OF AWARD: The County will cause the bids submitted to be opened at the time and place hereinabove stated. The County intends to take action, upon determining the best bids, awarding the Bonds, or rejecting all bids for the Bonds on the day hereinabove designated for opening bids. In any event, the Chief Financial Officer or the County Manager shall take action awarding the Bonds or rejecting all bids not later than 36 hours after the time herein stated for opening bids. An award may be made after the 36-hour period herein designated if the bidder shall not have given to the Chief Financial Officer (see "INFORMATION" below) notice in writing of the withdrawal of its bid. Notice of withdrawal of a bid may not be given during the 36-hour period following the bid opening.

SUCCESSFUL BIDDER'S REOFFERING PRICES: Within one-half hour of the bid opening, the successful bidder (or manager of the successful purchasing account) must notify the County by facsimile transmission to the Chief Financial Officer (702) 382-7905, of the initial offering prices of the Bonds to the public (excluding bond houses, brokers, and other intermediaries) at which prices a substantial amount (at least 10%) of each maturity of the Bonds were sold. **The information about the initial offering prices shall be based on the successful**

bidders' expectations as of the date of sale. The facsimile notification must be confirmed in writing in the Bond Counsel prior to the delivery of the Bonds, which shall be in substantially the form: "A bona fide public offering was made for all of the Bonds on this sale date at the initial public offering prices (or yields) shown on the cover page of the Official Statement. As of such sale date (i) based upon our assessment of market conditions, investor demand, sale and offering prices for comparable bonds, and the recent behavior of interest rates, we reasonably expected that the first prices (or yields) at which at least 10% of each maturity of the Bonds would be sold to the public (excluding such bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) would be those prices (or yields) and that none of the Bonds would be sold to the public at prices higher than or at yields less than those prices (or yields), and (ii) such initial offering prices (or yields) represented a fair market value for the Bonds."

MANNER AND TIME OF DELIVERY: The Deposit of the best bidder for the Bonds will be credited to the purchaser of the Bonds at the time of delivery of the Bonds (without accruing interest). If the successful bidder for the Bonds fails, refuses or neglects to complete the purchase of the Bonds on the date on which the Bonds are made ready and are tendered by the County for delivery, the amount of its Deposit will be forfeited (as liquidated damages for noncompliance with the bid) to the County. In that event, the County may reoffer the Bonds for sale, as provided by law. The purchaser will not be required to accept delivery of any of the Bonds, if they are not made ready and are not tendered by the County for delivery within 60 days from the date stated for opening bids; and if the Bonds are not so tendered within such period of time, the Deposit will be returned to the purchaser upon its request.

The Bonds will be made available for delivery by the County to the purchasers as soon as reasonably possible after the date of the sale; and the County contemplates delivering them on or about November 10, 2009. The purchaser of the Bonds will be given 72 hours' notice of the time fixed by the County for tendering the Bonds for delivery.

PAYMENT AT AND PLACE OF DELIVERY: The successful bidder for the Bonds will be required to make payment of the balance due for and to accept delivery of the Bonds at DTC in New York, New York. Payment of the balance of the purchase price due for the Bonds at the time of its delivery must be made in Federal Reserve Bank funds or other funds acceptable to the County for immediate and unconditional credit to the account of the County, as directed by the County, at a bank or banks designated by the County, so that Bond proceeds may be so deposited or invested, or both deposited and invested, as the County may determine, simultaneously with the delivery of the Bonds. The balance of the purchase price, including, without limitation, any premium, must be paid in such funds and not by any cancellation or waiver of interest, and not by any other concession as a substitution for such funds.

INFORMATION: This Official Notice of Bond Sale, the Official Statement, the Bond Ordinance, and financial and other information concerning the County and the Bonds may be obtained prior to the sale from:

The County's Financial Advisors:

Hobbs, Ong and Associates, Inc.
3900 Paradise Road, Suite 152
Las Vegas, Nevada 89109
(702) 733-7223

NSB Public Finance
230 Las Vegas Boulevard South, Suite 200
Las Vegas, Nevada 89101
(702) 796-7080

and

Public Financial Management, Inc.
719 Second Avenue, Suite 801
Seattle, WA 98104
(206) 264-8900

The County's Chief Financial Officer:

George W. Stevens
Chief Financial Officer
Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106
(702) 455-3530

The County Treasurer:

Laura B. Fitzpatrick
County Treasurer
Clark County, Nevada
500 South Grand Central Parkway
Las Vegas, Nevada 89106
(702) 455-5531

OFFICIAL STATEMENT: The County has prepared a Preliminary Official Statement (the "Official Statement") relating to the Bonds which is deemed by the County to be final as of its date for purposes of allowing bidders to comply with Rule 15c2-12 of the Securities Exchange Commission (the "Rule"), except for the omission of certain information as permitted by the Rule. The Official Statement is subject to revision, amendment and completion in a "Final Official Statement".

The County will prepare a Final Official Statement, dated as of the date of its delivery to the winning bidder as soon as practicable after the date of award to the winning bidder. The County will provide to the winning bidder of the Bonds not more than 150 copies of the Final Official Statement on or before seven business days following the date of the award to such winning bidder. The Final Official Statement will be delivered to the winning bidder at the

offices of NSB Public Finance at the address listed above. If a winning bidder fail to pick up the Final Official Statement at the offices of NSB Public Finance, the Final Official Statement will be forwarded to the winning bidders by mail or another delivery service mutually agreed to between the winning bidder and NSB Public Finance. The winning bidder may obtain additional copies of the Final Official Statement at the expense of the winning bidder.

The County authorizes the winning bidder to distribute the Final Official Statement in connection with the offering of the Bonds.

For a period beginning on the date of the Final Official Statement and ending twenty five days following the date the winning bidder shall no longer hold for sale any of the Bonds (such date shall be the Closing Date, as defined below, unless a winning bidder advises the County in writing of another date), if any event concerning the affairs, properties or financial condition of the County shall occur as a result of which it is necessary to supplement the Final Official Statement in order to make the statements therein, in light of the circumstances existing at such time, not misleading, at the request of a winning bidder, the County shall forthwith notify the winning bidder of any such event of which it has knowledge and shall cooperate fully in the preparation and furnishing of any supplement to the Final Official Statement necessary, in the reasonable opinion of the County and the winning bidder, so that the statements therein as so supplemented will not be misleading in the light of the circumstances existing at such time.

LEGAL OPINION, BONDS AND TRANSCRIPT: The validity and enforceability of the Bonds will be approved by Bond Counsel, i.e.:

Swendseid & Stern
a member in Sherman & Howard L.L.C.
3960 Howard Hughes Parkway, Suite 500
Las Vegas, Nevada 89169
(702) 387-6073 (Las Vegas)
(775) 323-1980 (Reno)

whose unqualified, final, approving opinion, together with the printed Bonds, a certified transcript of the legal proceedings, including a certificate stating that there is no litigation pending affecting the validity of the Bonds as of the date of their delivery (the "Closing Date"), and other closing documents, will be furnished to the purchaser of the Bonds. See Appendix "F" in the Official Statement for the form of the opinion of Bond Counsel with respect to the Bonds.

CONTINUING DISCLOSURE UNDERTAKING: Pursuant to the Rule, the County will undertake in a continuing disclosure certificate with respect to the Bonds which will be authorized by the Bond Ordinance, to provide certain ongoing disclosure, including annual operating data and financial information, audited financial statements and notices of the occurrence of certain material events. SNWA will also undertake in a continuing disclosure certificate with respect to the Bonds to provide certain ongoing disclosure. A copy of the form of the undertakings is set forth in Appendix "E" of the Official Statement.

DISCLOSURE CERTIFICATES: The final certificates included in the transcript of legal proceedings will include:

1. A certificate dated as of the Closing Date and signed by the Chairman of the Board of County Commissioners (or Chairman pro tempore) of the County, the Chief Financial Officer, the County Clerk, the County Treasurer and the County Counsel (or a Deputy District Attorney) in which each of them states, after reasonable investigation, that to the best of his or her knowledge (a) no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, is pending, or, to the best of the knowledge of each of them, threatened, in any way contesting the completeness or accuracy of the Final Official Statement, (b) the Final Official Statement as it pertains to the County, the Pledged Revenues, and the Bonds does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (c) no event affecting the County has occurred since the date of the Final Official Statement which should be disclosed therein for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; provided, however, that the County does not make any representation concerning the pricing information contained in the Final Official Statement; and

2. A certificate, dated as of the Closing Date, and signed by the County Comptroller, stating after reasonable investigation, that, to the best of his knowledge, as of the date of the Final Official Statement and on the date of such certificate, the information contained in the Final Official Statement relating to revenues and expenditures of the County is true and correct and does not contain any untrue statement of a material fact or omit any information necessary to be included therein in order that the Final Official Statement be not misleading for the purpose for which it is to be used.

3. A certificate dated as of the Closing Date and signed by the Chairman of the Board of the SNWA (or Chairman pro tempore) of the SNWA, the SNWA Treasurer and the SNWA Counsel in which each of them states, after reasonable investigation, that to the best of his or her knowledge (a) no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, is pending, or, to the best of the knowledge of each of them, threatened, in any way contesting the completeness or accuracy of the Final Official Statement, (b) the Final Official Statement as it pertains to the SNWA, the Pledged Revenues, and the Bonds does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (c) no event affecting the SNWA has occurred since the date of the Final Official Statement which should be disclosed therein for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect; provided, however, that the SNWA does not make any representation concerning the pricing information contained in the Final Official Statement; and

4. A certificate, dated as of the Closing Date, and signed by the SNWA Treasurer, stating after reasonable investigation, that, to the best of his knowledge, as of the date of the Final Official Statement and on the date of such

certificate, the information contained in the Final Official Statement relating to revenues and expenditures of the SNWA is true and correct and does not contain any untrue statement of a material fact or omit any information necessary to be included therein in order that the Final Official Statement be not misleading for the purpose for which it is to be used.

By order of the Board of the County Commissioners of Clark County, Nevada, this October 9, 2009.

CLARK COUNTY, NEVADA

/s/ George W. Stevens
Chief Financial Officer