

CITY OF BOULDER CITY, NEVADA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

July 1, 2005 – June 30, 2006

CITY OF BOULDER CITY, NEVADA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

July 1, 2005 – June 30, 2006

Prepared by
Finance Department

Timothy T. Inch
Finance Director

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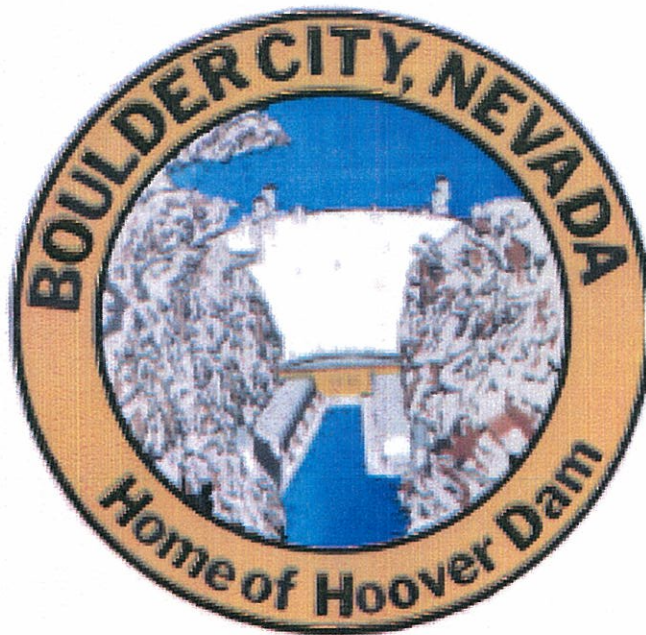
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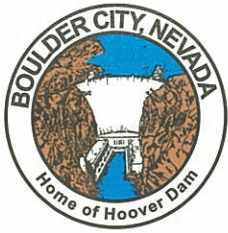
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Introductory Section





City of Boulder City
401 CALIFORNIA AVENUE
BOULDER CITY, NEVADA 89005
Mailing Address
P.O. BOX 61350
BOULDER CITY, NEVADA 89006-1350

January 23, 2007

To the City Council and the Citizens of the City of Boulder City, Nevada:

Nevada Revised Statutes (NRS) 354.624 requires the City of Boulder City (the City) to submit a "complete set" of financial statements prepared in accordance with accounting principles generally accepted in the United States and audited by a firm of independent certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, the comprehensive annual financial report for the City as of and for the year ended June 30, 2006, is hereby submitted.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed, among other things, both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with accounting principles generally accepted in the United States. Because the cost of internal controls should not outweigh the benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the City's financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this comprehensive annual financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Stewart, Archibald and Barney, LLP. The goal of the independent audit was to provide reasonable assurance that the City's basic financial statements as of and for the year ended June 30, 2006, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's basic financial statements as of and for the year ended June 30, 2006, are fairly presented in conformity with accounting principles generally accepted in the United States. The Independent Auditors' Report on Financial Statements and Supplementary Information is presented as the first component of the financial section of this report. In addition, the Independent Auditors' Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* is presented as the last component of the financial section of this report.

The independent audit, of the City's basic financial statements, was also designed to meet the more narrowly focused, federally mandated "Single Audit" requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with regulatory and other legal requirements, with special emphasis on the administration of federal awards. This report is presented as the first component in the Single Audit and accompanying information section of this report.

Generally Accepted Accounting Principals (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditors' Report on Financial Statements and Supplementary Information in the financial section of this report.

The CAFR is divided into four sections: Introductory, Financial, Statistical and Single Audit. The introductory section, which is unaudited, includes this letter of transmittal, which provides a brief overview of the operations of the City and an organizational chart of the City. The financial section includes the independent certified public accountants' report, management's discussion and analysis, government-wide financial statements, more detailed fund statements and schedules and other supplementary financial data. The statistical section, which is unaudited, includes selected financial and general information, much of which is presented on a multi-year basis. This report includes all funds of the City of Boulder City.

Profile of the City

The City of Boulder City, Nevada is located in southeastern Clark County and is best known as the City created for the construction of Hoover Dam (the Dam). Boulder City housed over 4,000 workers during the construction of the Dam, which lasted from 1931 to 1935. One thousand, five hundred permanent and temporary buildings were built to accommodate the needs of the construction workers, including over a thousand homes, a dozen dormitories, four churches, tourist centers, trade facilities, a grade school, theater, and recreation hall. Once the Dam was completed, the City became headquarters for several governmental agencies involved in the Dam's water and power operations. The City was supervised and regulated by the Bureau of Reclamation and all land in and around the City was owned by the Bureau of Land Management. Through the 1940s, the City's development centered on government related activities and additional governmental agencies began operations in the City, including the power operators responsible for distribution of the Dam's electricity.

In 1958, the United States Government passed the Boulder City Act (the Act), which established the City as an independent municipal government. Under the Act, the United States Government turned over the existing town site (approximately 33 square miles) and utility system to City residents. The City was incorporated on January 4, 1960 and the City Charter was adopted. The City Charter prohibits gaming, which makes the City unique as the only place in the State of Nevada (the State) where gaming is illegal. In 1979, City residents approved a referendum and instituted a controlled growth ordinance. This controlled growth ordinance was enacted in response to the rapid growth of the City and to preserve the utility systems. Under this ordinance, the City limits the number of building permits issued each year to control the rate of community growth and as a result, the City realizes less than 2% community growth per year. In 1995, the City acquired the Eldorado Transfer Area (approximately 167 square miles) southwest of the original City town site. The City intends to preserve this area for an endangered species preservation area and other recreational purposes with the exception of 3,000 acres, which will be used for electric power generation projects. In 1997, the City residents approved a ballot question, which provided that City owned property sales in excess of one acre be approved by City residents and the proceeds be restricted to voter approved capital improvement projects.

The City's present population of 15,478 offers a quiet, small town atmosphere. The City prides itself on its low crime rate and high quality police and fire protection, and recreational facilities, which include a year-round swimming pool and recreation complexes that offers City residents a full range of recreational activities.

The City has a Council-Manager form of government. The entire legislative authority is vested in a five-member City Council (the Council). The Council members are elected to serve four-year terms. The presiding officer of the Council is the Mayor. All powers of the City, including the ability to levy a property tax on both real and personal property located within City boundaries, and the determination of all matters of policy are vested in the Council. The Council appoints the City's Clerk, Attorney and Manager, and Municipal Judge. The City Manager is responsible for carrying out the policies and procedures of the City Council, and for overseeing the day-to-day operations of the City. The City provides a full range of services, including police and fire protection; construction and maintenance of highways, streets and other infrastructure; recreational activities and cultural events; and utility (electric, water and sewer) services.

The City adopts annual budgets for all governmental and proprietary fund types, which serves as the foundation for the City's financial planning and control. Each year, prior to April 15, the City Manager submits a tentative budget for the next fiscal year, commencing on July 1, to the Council. Public hearings are conducted to obtain comments from and address concerns of City residents. The Council adopts the budget on or before May 1. The Nevada Revised Statutes require budget controls to be exercised at the function level. The City Manager is authorized to

transfer budget amounts between functions within a fund. However, the Council's approval is required for all budget augmentations and transfers between funds. In preparing fiscal year 2006 budget, the Council identified several continuing programs to meet citizens' needs including continued improvements to City parks and recreation areas, continuing conformance with the Americans with Disabilities Act, street reconstruction, public transportation, recycling, and attracting new clean industry to provide jobs for City residents. Revenue growth recommendations included new land lease arrangements for a Solargenix solar power plant in the Energy Zone, a new 50 acre Motocross Track facility, and negotiations continue with the Copper Mountain Power plant.

Factors Affecting Financial Condition

Local economy. Tourism plays an important part in the City's economy. The City's proximity to Hoover Dam and the Lake Mead National Recreation Area offering a full range of water related recreational activities attracts visitors from the Southwestern United States and throughout the world.

The June 2006, the population estimate for Clark County (the County) is 1,874,837 compared to the State's population of more than 2.6 million. The County is among the fastest growing areas in the United States with an estimated 5,000 new residents moving to the County each month. With a population of 1.87 million, the County is clearly the most populous of Nevada's 17 counties, and its population is projected to reach two million by the year 2010. The City's rate of growth is expected to continue at less than 2 percent because of the City's controlled growth ordinance and the lack of available privately owned property for development.

Long-term planning. The City is confronted by the ongoing challenges presented by its uniqueness as the only non-gaming area in the State and its controlled growth ordinance. The City has a wide range of capital improvement projects underway that include police department building renovations of \$650,000, the installation of an Automated Weather Observation System (AWOS) and continued taxiway and runway lighting improvements at the airport, traffic calming and parking improvements at Ash Street and Nevada Way, \$2.7 million to construct an earthen dam catch basin in Bootleg Canyon, \$4 million in improvements at the Waste Water Treatment facility to construct a new lagoon and aeration basin, and the construction of a new \$1.5 million animal shelter. Completed projects included the renovation of the Senior Citizen's Center at a cost of over \$1.4 million and street improvements of over \$1.2 million.

Future issues requiring management's attention include the adjustments at the landfill to extend its current life, sewer line collection improvements and the City's cost-sharing participation with other members of the Southern Nevada Water Authority (SNWA) for the construction of a 3rd water intake facility at Lake Mead currently estimated to cost around \$1 billion. This intake is necessary to address water quality issues that have arisen from the long-term drought that has reduced the lake level by over 100 feet during the last several years. The City's expected share of this project is estimated to be between \$25-30 million.

Cash management. The City pursues a conservative cash management program by expediting the receipt of revenues and prudently investing available cash in obligations issued by the United States Government. The City's bank account balances are either insured by the Federal Deposit Insurance Corporation or collateralized by the depository.

Debt management. The necessity to incur debt, in order to finance capital programs, carries with it the obligation to manage the City's debt program effectively and entails careful monitoring of such issuances to ensure that an erosion of the City's credit quality does not result.

Risk management. The City is a participating member of the Nevada Public Agency Insurance Pool (the Pool). The Pool was created through an inter-local cooperative agreement. In addition, the City also carries Airport Liability Insurance Products - Completed Operations insurance and is a member of the Public Agency Compensation Trust (PACT). Additional information on the City's risk management activities can be found in note 4 to the basic financial statements.

Pension and other post retirement benefits. The City's employees are covered by the State's Public Employees' Retirement System (PERS). All public employees who meet certain eligibility requirements participate in PERS, which is a cost sharing, multiple-employer defined benefit retirement plan.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its fiscal 2005 Comprehensive Annual Financial Report (CAFR). This was the 16th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that your current report continues to meet the program's requirements and we are submitting it to GFOA to determine its eligibility for award of a certificate.

In addition, the GFOA presented a Distinguished Budget Presentation Award to the City for the fiscal year beginning July 1, 2005. This was the fourth consecutive year that the City received this award. The GFOA awards a Distinguished Budget Presentation Award to government units that publish a budget document, which conforms to program standards as a policy document, operations guide, financial plan and a communications device.

Preparation of this could not have been accomplished without the professional, efficient and dedicated efforts of the entire staff of the Finance Department, the department heads and other employees who contributed to its preparation, and our independent audit firm of Stewart, Archibald and Barney, LLP. Each of them has our sincerest thanks.

Special recognition is extended to Doug Honey, Chief Accountant, who was primarily responsible for the preparation of this report while serving the City as the Acting Finance Director in addition to his regular duties as the Chief Accountant.

In closing, appreciation is extended to the Mayor, City Council and City Manager for the encouragement, assistance and stewardship they have provided. It is a distinct pleasure to be associated with these individuals who appreciate and respect the principles of financial and budgetary responsibility that prevail in the City of Boulder City.

Respectfully submitted,

Timothy T. Inch
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Boulder City
Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "Thomas J. Blain".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

**CITY OF BOULDER CITY, NEVADA
PRINCIPAL OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

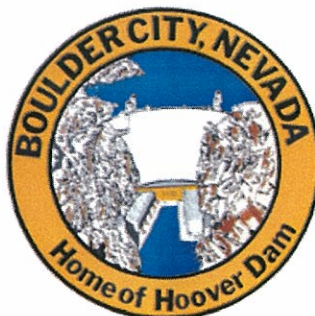
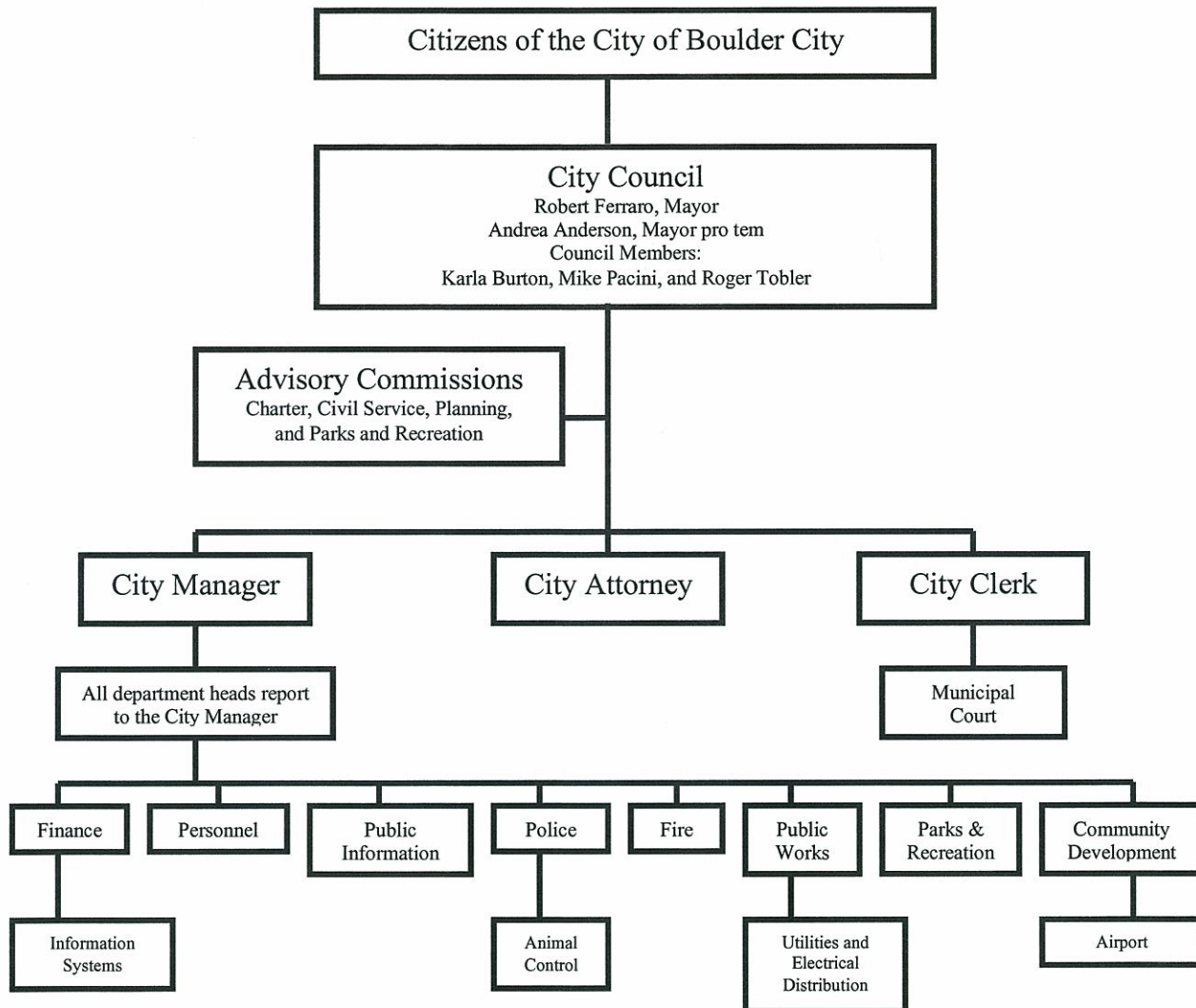
Mayor and City Council

Robert S. Ferraro	Mayor
Andrea Anderson	Assistant Mayor
Karla Burton	Councilwoman
Michael Pacini	Councilman
Roger Tobler	Councilman

City Officials

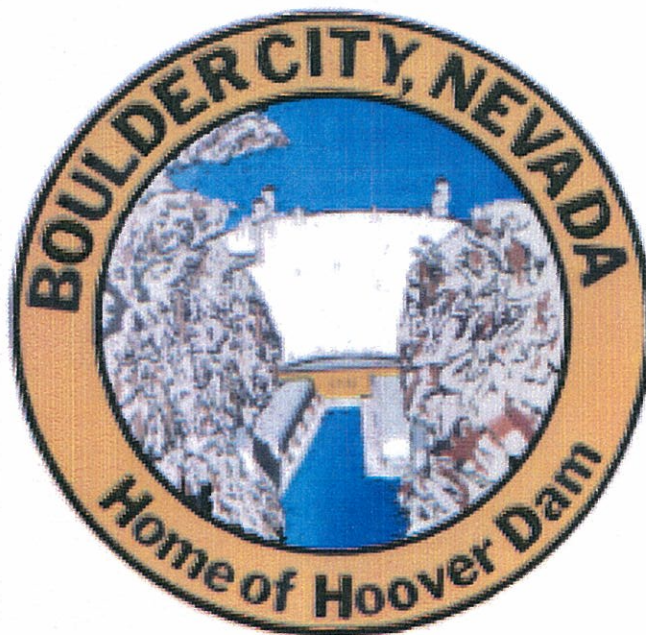
Vicki Mayes	City Manager
Pamella A. Malmstrom	City Clerk
David R. Olsen	City Attorney
Timothy T. Inch	Finance Director

**CITY OF BOULDER CITY, NEVADA
ORGANIZATIONAL CHART
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**



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Financial Section





STEWART
ARCHIBALD
& BARNEY, LLP

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada, (the City), as of and for the year ended June 30, 2006, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 the 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada, as of June 30, 2006, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2006, on our consideration of the City'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 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.

Acuity Financial Center
7881 W. Charleston Blvd., Suite 250
Las Vegas, NV 89117-8323
P: 702.579.7000 • F: 702.876.7946
sabcpa.com

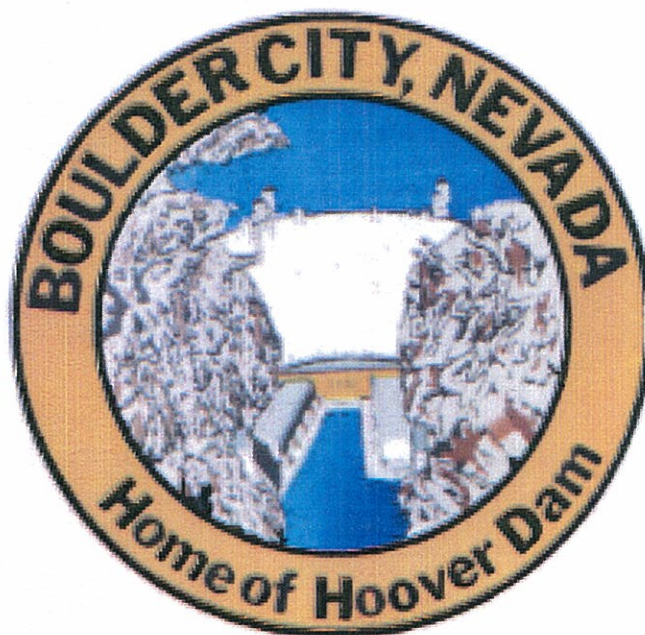
The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 51 and 63, are not a required part of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have 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 express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedule of business license fees, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the City. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards 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 section, schedule of business license fees and statistical section 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.

Stewart, Archibald & Barney, LLP

Las Vegas, Nevada
December 13, 2006

Management's Discussion and Analysis



**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

As management of the City of Boulder City (the City), we offer readers of the financial report this narrative overview and analysis of the financial activities of the City as of and for the fiscal year ended June 30, 2006.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$106,027,385. Of this amount, \$8,580,606 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets decreased by .3% (\$287,708) primarily due to normal fluctuations in day to day operations.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,115,046, a decrease of 3% (\$351,018) in comparison with the prior year. Approximately 43% of this total amount \$(3,909,700) is available for spending at the City's discretion (unreserved fund balance).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$4,544,745, 24% of total general fund expenditures.
- The City's total liabilities increased by .1% (\$87,194) during the current fiscal year, primarily due to normal fluctuation in day to day operations.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the City'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 City is improving or deteriorating.

The statement of activities presents information showing how the City'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 leave).

Both of the government-wide financial statements distinguish functions of the City, which are principally supported by property 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 City include general government, judicial, public safety, public works, culture and recreation, and community support. The business-type activities of the City include utility, golf course, aviation and cemetery enterprise funds.

The government-wide financial statements can be found on pages 15 - 17 of this report.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Fund financial statements. A fund is a grouping of related accounts that is used to maintain accounting control over resources that have been segregated for specific activities or objectives. The City, 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 City 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, fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at fiscal year end. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of fund financial statements 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 City's near-term financing decisions. Both the balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 12 governmental funds. Information is presented separately in the balance sheet and in the statement of revenues, expenditures, and changes in fund balances for the general, capital improvements, and capital (special) projects funds, all of which are considered to be major funds. Data from the remaining nine non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided, in the form of combining and individual fund statements and schedules, elsewhere in this report.

The basic governmental fund financial statements can be found on pages 19 - 22 of this report.

Proprietary funds. The City maintains four enterprise funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility, golf course, aviation and cemetery funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility and golf course operations both of which are considered to be major funds of the City. The aviation and cemetery funds are combined in a single non-major funds column with individual fund data provided elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 23 - 27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 29 of this report.

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

The notes to the basic financial statements can be found on pages 31 - 48 of this report.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION**

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplementary information. The City adopts annual appropriated budgets for its general fund and capital improvements fund. Budgetary comparison statements have been provided for these funds to demonstrate the City's compliance with these budgets.

The other required supplementary information can be found on pages 51 - 63 of this report.

The combining and individual fund statements and schedules referred to earlier in connection with the non-major governmental and proprietary funds are presented immediately following the required supplementary information.

The combining and individual fund statements and schedules can be found on pages 67 - 103 of this report.

Government-wide Financial Analysis

As noted above, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$106,027,385, at the close of the most recent fiscal year.

By far, the largest portion (91%) of the City's net assets is its investment in capital assets (land, buildings, improvements other than buildings, machinery, equipment and furniture, utility delivery systems, and infrastructure), less any related debt used to acquire these assets, which are used to provide services to citizens; consequently, these assets are not available for future spending. Nevertheless 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 these liabilities.

City of Boulder City, Nevada						
Net Assets						
	Governmental activities		Business-type activities		Totals	
	2006	2005	2006	2005	2006	2005
Assets						
Capital assets	\$62,083,541	\$59,646,930	\$79,225,691	\$82,108,763	\$141,309,232	\$141,755,693
Other assets	13,067,909	11,226,586	6,090,102	7,685,478	19,158,011	18,912,064
	<u>\$75,151,450</u>	<u>\$70,873,516</u>	<u>\$85,315,793</u>	<u>\$89,794,241</u>	<u>\$160,467,243</u>	<u>\$160,667,757</u>
Liabilities						
Long-term liabilities						
outstanding	\$ 2,506,283	\$ 2,434,525	\$47,043,693	\$47,785,804	\$ 49,549,976	\$ 50,220,329
Other liabilities	1,741,640	1,563,561	3,148,242	2,568,774	4,889,882	4,132,335
	<u>4,247,923</u>	<u>3,998,086</u>	<u>50,191,935</u>	<u>50,354,578</u>	<u>54,439,858</u>	<u>54,352,664</u>
Net assets						
Invested in capital assets,						
net of related debt	61,889,580	59,391,263	34,655,892	36,046,979	96,545,472	95,438,242
Restricted	492,700	-	408,607	1,163,994	901,307	1,163,994
Unrestricted	8,521,247	7,484,167	59,359	2,228,690	8,580,606	9,712,857
	<u>\$70,903,527</u>	<u>\$66,875,430</u>	<u>\$35,123,858</u>	<u>\$39,439,663</u>	<u>\$106,027,385</u>	<u>\$106,315,093</u>

CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
REQUIRED SUPPLEMENTARY INFORMATION

Governmental activities.

The balance of unrestricted net assets (\$8,521,247) may be used to meet the governmental activities' ongoing obligations. At the current and prior fiscal year ends, the governmental activities had positive balances in all categories of net assets. Net assets increased by (\$4,028,097). Most of this increase is due to street pavement reconstruction, ongoing work at Bootleg Canyon Park and renovations at the Senior Center.

Business-type activities.

An additional 1% of the business-type activities' net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$59,359) may be used to meet the business-type activities' ongoing obligations. At the current and prior fiscal year ends, the business-type activities had positive balances in all categories of net assets. Net assets decreased by (\$4,315,805) due to adjusting the landfill closure costs based on a new landfill life estimate and properly recording accrued interest for the additional waterline.

City of Boulder City, Nevada Changes in Net Assets						
	Governmental activities		Business-type activities		Totals	
	2006	2005	2006	2005	2006	2005
Revenues						
Program revenues						
Charges for services	\$ 5,141,856	\$ 4,347,508	\$19,407,960	\$18,293,905	\$ 24,549,816	\$ 22,641,413
Operating grants and contributions	236,303	76,776	-	-	236,303	76,776
Capital grants and contributions	3,870,697	1,048,125	99,639	1,583,684	3,970,336	2,631,809
General revenues						
Property taxes	2,872,966	2,269,207	-	-	2,872,966	2,269,207
Consolidated taxes	8,634,543	8,301,335	-	-	8,634,543	8,301,335
Other	4,679,757	4,042,037	883,733	3,323,725	5,563,490	7,365,762
	<u>25,436,122</u>	<u>20,084,988</u>	<u>20,391,332</u>	<u>23,201,314</u>	<u>45,827,454</u>	<u>43,286,302</u>
Expenses						
General government	3,841,233	4,260,228	-	-	3,841,233	4,260,228
Judicial	393,960	358,102	-	-	393,960	358,102
Public safety	7,138,480	7,266,125	-	-	7,138,480	7,266,125
Public works	4,784,449	4,322,704	-	-	4,784,449	4,322,704
Culture and recreation	5,270,092	4,464,246	-	-	5,270,092	4,464,246
Community support	742,570	651,892	-	-	742,570	651,892
Utility	-	-	18,782,189	17,078,879	18,782,189	17,078,879
Golf course	-	-	4,708,260	4,674,778	4,708,260	4,674,778
Other	-	-	453,929	324,807	453,929	324,807
	<u>22,170,784</u>	<u>21,323,297</u>	<u>23,944,378</u>	<u>22,078,464</u>	<u>46,115,162</u>	<u>43,401,761</u>
Changes in net assets before transfers	3,265,338	(1,238,309)	(3,553,046)	1,122,850	(287,708)	(115,459)
Transfers	762,759	884,580	(762,759)	(884,580)	-	-
Change in net assets	<u>4,028,097</u>	<u>(353,729)</u>	<u>(4,315,805)</u>	<u>238,270</u>	<u>(287,708)</u>	<u>(115,459)</u>
Net assets, beginning of year, as previously reported	66,875,430	67,229,159	39,439,663	41,548,611	106,315,093	108,777,770
Adjustments	-	-	-	(2,347,218)	-	(2,347,218)
Net assets, beginning of year, as restated	66,875,430	67,229,159	39,439,663	39,201,393	106,315,093	106,430,552
Net assets, end of year	<u>\$70,903,527</u>	<u>\$66,875,430</u>	<u>\$35,123,858</u>	<u>\$39,439,663</u>	<u>\$106,027,385</u>	<u>\$106,315,093</u>

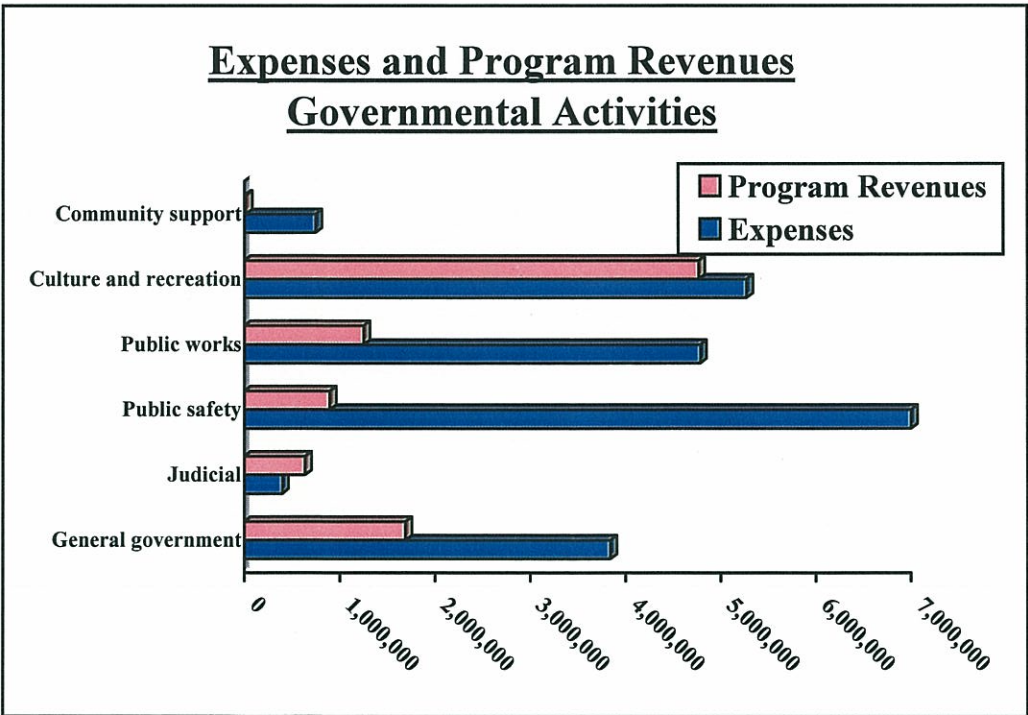
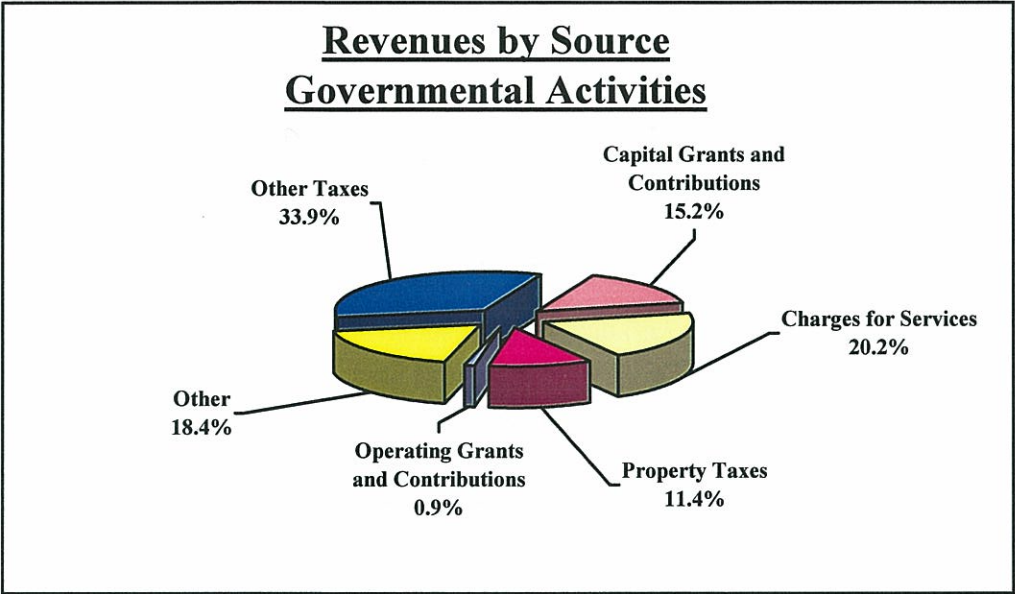
**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Governmental activities. Governmental activities increased the City's net assets by 4% (\$4,028,097). Key elements of this increase are as follows:

- Charges for services increased by 18% (\$794,348) during the year. Most of this increase is due to royalty from sand and gravel operations within the City and Internet sales.
- Operating grants and contributions increased by (\$159,527) during the year while capital grants and contributions increased by (\$2,822,572). Most of the change in operation grants is due to normal variations in the types of grants received by the City. The increase in capital grants is for the work at Bootleg Canyon Park and the Senior Center renovation.
- Property taxes increased 27% (\$603,759) due primarily to the new .25 cent sales tax for police officers, while consolidated taxes and other revenues increased 4% (\$333,208). This increase is due primarily to a state-wide increase in sales tax and increased site leasing activity.
- Expenses increased (\$847,487). This change can be primarily attributed to increased general government expenses as a result of contractual service and labor cost increases, upgrades to information technology licensing, software and equipment.
- For the most part, increases in expenses closely paralleled inflation and growth in the demand for City services.

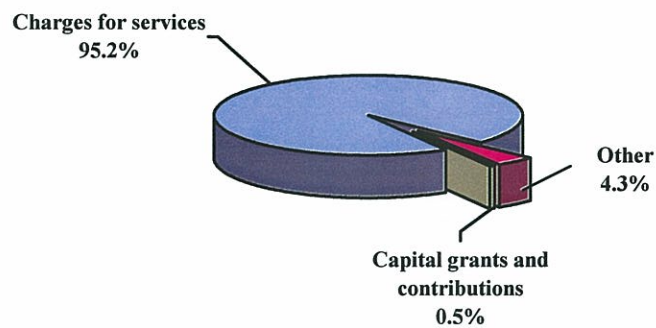
Business-type activities. Business-type activities decreased the City's net assets by 11% \$4,315,805. Key elements on this increase is as follows:

- Charges for services increased by 6% \$1,114,055 during the year. Most of this increase is due to normal electrical and water usage. It is in line with usage in fiscal year 2004.
- Capital grants and contributions decreased by \$(1,484,045) during the year. This decrease is due to the completion of the Hemenway Wastewater Facility.
- Other general revenues decreased by \$2,439,992 during the year. All of this decrease is due to refunds received from Nevada Power and Southern Nevada Water Authority in the prior year.
- Utility operating expenses increased by 9% \$1,703,310 primarily due to additional interest expense as a result of new capital debt and the increased cost of electricity and water.
- Golf course operating expenses increased by \$33,482, due to normal fluctuation in day to day operations.

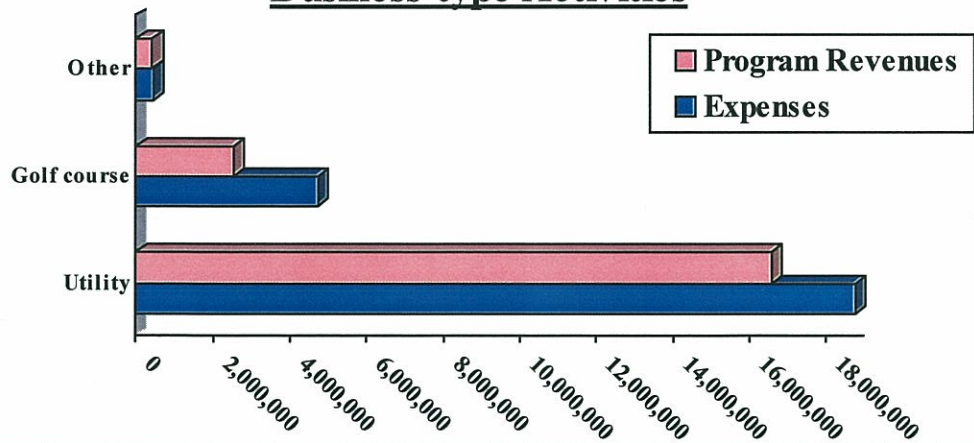


CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION

Revenues by Source
Business-type Activities



Expenses and Program Revenues
Business-type Activities



**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Financial Analysis of the City's Funds

As noted above, the City uses fund accounting to help ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,115,046 a decrease of 3% (\$351,018), in comparison with the prior year. Approximately 43% of this total amount (\$3,909,700) constitutes unreserved fund balance, which is available for spending at the City's discretion.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the fund balance of the general fund was \$4,544,745. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unreserved fund balance represents 24% of total general fund expenditures.

The fund balance of the City's general fund increased by 26% (\$939,218), during the current fiscal year. The primary reason for the increase was royalty revenue from sand and gravel operation was included in the General Fund.

The capital improvement fund has a total fund balance of \$2,826,624 all of which is restricted for the acquisition or construction of future projects. The net increase in fund balance during the current year in the capital improvement fund was 5% (\$142,966), in comparison with the prior year. The primary reason for the increase was the transfer of funds to the capital (special) projects fund to pay for voter approved street improvements being offset by leases and land sales.

The capital (special) projects fund has a total fund deficit of \$(1,414,019). The net decrease in fund balance during the current year in the capital (special) projects fund was 247% (2,376,413), in comparison with the prior year. The primary reason for the decrease was the timing of various capital project completion dates during the year and ongoing work at Bootleg Canyon Park.

The aggregate non-major funds have a combined total fund balance of \$3,157,696 of which \$1,801,128 is restricted for redevelopment and improvement projects with the city, \$84,894 is restricted for the improvement of City owned land and \$492,700 is restricted for the hiring and equipping of additional police officers. The net increase in fund balance during the current year in the aggregate non-major funds was 42% (\$943,211), in comparison with the prior year. The primary reason for this change was normal fluctuation in day-to-day operations and an increase in redevelopment fund projects.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Proprietary funds. The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at June 30, 2006, amounted to \$163,999 for the utility fund, a deficit of \$1,044,900 for the golf course fund, and \$940,260 for the aggregate non-major funds.

General Fund Budgetary Highlights

The final amended budget contained an increase in appropriated expenditures of 3.5% (\$619,808) compared to the original budget. The difference in the appropriated expenditure budget is due to the transfer of amounts originally budgeted for contingencies to expenditures in public safety.

During the year, however, revenues were higher than the final budgetary estimate by 8% (\$1,450,052), and expenditures were more than the final budgetary estimate by 0.7% (\$129,875), primarily due to the receipt of less golf course revenues which were offset by the receipt of greater consolidated tax revenue than expected. All functions were within appropriation authority. The actual revenues and expenditures resulted in the general fund balance increasing by 26% (\$939,218) over the final budgetary estimate.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets as of June 30, 2006, amounts to \$141,309,232 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery, equipment and furniture, utility delivery systems, and infrastructure. The total decrease in the City's investment in capital assets for the current fiscal year was .3% (\$446,461), (net of current year depreciation. Major capital asset events during the current fiscal year included the following:

- The cost of City buildings increased by 9% (\$887,338) over the prior fiscal year. The primary reason for the increase was the renovations at the Senior Center building and ongoing upgrades and improvements to various city buildings.
- In fiscal year 2006, improvements other than buildings increased by \$1,199,630. These improvements are primarily the result of the final improvements at the Bootleg Canyon Park and various landscape improvement projects within the city.
- Machinery, equipment and furniture additions were purchased at a cost of \$1,016,777, which consisted mostly of assets placed in service in public safety including the new Mobile Command Center for the Fire Department (\$566,000).
- City infrastructure, primarily street construction and improvement projects, was undertaken at cost of \$2,686,396.
- Additions were made to the City's utility delivery systems in the amount of \$425,418.
- Net depreciation expense for the fiscal year was \$6,662,020.

CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION

Capital assets at year-end were as follows:

City of Boulder City, Nevada Capital Assets (net of accumulated depreciation)		Year Ended June 30,	
		2006	2005
Land	\$	20,535,890	\$ 20,535,890
Buildings		7,883,355	7,328,549
Improvements other than buildings		25,412,369	25,818,143
Machinery, equipment and furniture		4,037,391	4,150,910
Infrastructure		24,971,316	23,929,766
Utility delivery systems		58,468,911	59,992,435
	\$	<u>141,309,232</u>	<u>\$ 141,755,693</u>

Additional information on the City's capital assets can be found in notes 1 and 3 to the City's basic financial statements on pages 36 and 40 - 41 of this report.

Long-term debt. At June 30, 2006, the City had total debt outstanding of \$44,763,760, of which \$9,335,000 is secured by specified revenue sources (revenue bonds), \$1,601,507 is secured by specific capital assets, and \$33,827,253 is backed only by the full faith and credit of the City.

City of Boulder City, Nevada Outstanding Debt		2006	2005
General repayment obligations	\$	33,827,253	\$ 34,120,023
Capital lease obligations		1,601,507	2,309,859
Revenue bonds		9,335,000	9,850,000
	\$	<u>44,763,760</u>	<u>\$ 46,279,882</u>

State statutes limit the amount of general obligation debt the City may issue to 30% of its total assessed valuation. The current debt limitation for the City is \$166,409,394, which is significantly in excess of the City's outstanding general obligation debt.

Additional information on the City's long-term debt can be found in notes 1 and 3 to the City's basic financial statements on pages 37 and 43 - 44 of this report.

**CITY OF BOULDER CITY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
REQUIRED SUPPLEMENTARY INFORMATION**

Economic Factors and Next Year's Budgets and Rates

- In 2005 the Nevada State Legislature passed a law to provide property tax relief to all citizens. Assembly Bill 489 was signed in law on April 6, 2005 and provides a partial abatement of taxes by applying a 3% cap on the increase in the tax bill for the owner's primary residence (single family house, townhouse, condominium or manufactured home.) Only one property may be selected in the State of Nevada as a primary residence. Some rental dwellings that meet the low-income rent limits may also qualify for a 3% cap on the tax bill. An 8% cap will also apply to vacant land, commercial buildings, business personal property, aircraft, etc. Property taxes revenue is approximately 5% of the overall revenue budget.
- The City will maintain the property tax rate in the City of Boulder City that is \$.2038 per \$100 in assessed valuation, one of the lowest in the state of Nevada.
- Sales taxes and public safety expenses will increase due to a voter approved sales tax increase to support the hiring of police officers. Fiscal year 2007 will show a full year's effect of this increase.

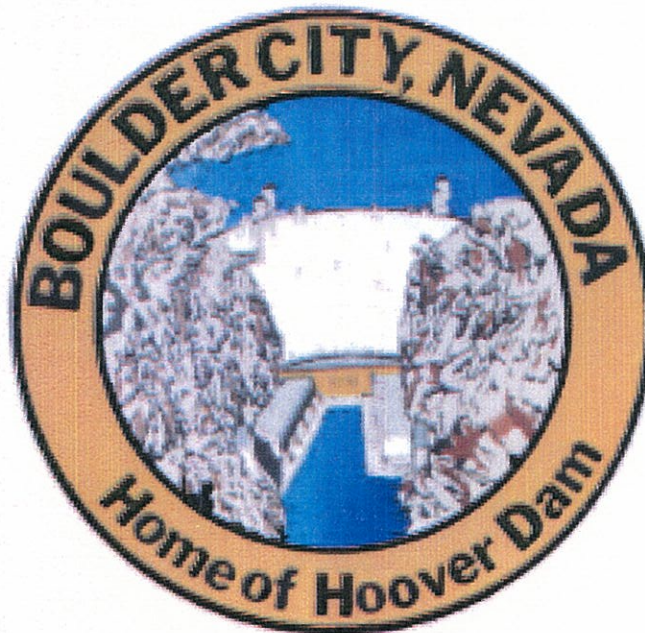
All of these factors were considered in preparing the City's budget for the 2007 fiscal year.

Requests for Information

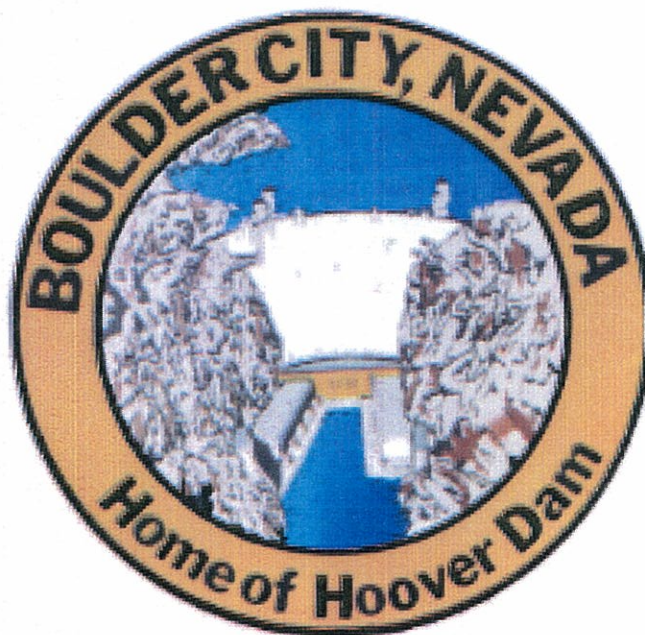
The accompanying financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department, P.O. Box 61350, Boulder City, Nevada 89006-1350.

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Basic Financial Statements



Government-Wide Financial Statements



CITY OF BOULDER CITY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2006

ASSETS	Governmental Activities	Business-Type Activities	Total
Cash, cash equivalents and investments	\$ 8,146,816	\$ 1,461,497	\$ 9,608,313
Receivables:			
Interest	48,673	9,270	57,943
Taxes	230,598	-	230,598
Accounts, net of allowances	873,858	3,067,005	3,940,863
Prepaid expenses	19,589	-	19,589
Due from other governments	3,748,375	238,210	3,986,585
Inventories	-	122,508	122,508
Restricted cash, cash equivalents and investments	-	1,152,754	1,152,754
Unamortized bond issuance costs	-	38,858	38,858
Capital assets:			
Land	19,929,515	606,375	20,535,890
Buildings	7,968,546	3,103,243	11,071,789
Improvements other than buildings	15,704,601	20,515,064	36,219,665
Machinery, equipment and furniture	8,613,288	7,615,227	16,228,515
Infrastructure	59,359,809	-	59,359,809
Utility delivery systems	-	80,754,519	80,754,519
Less accumulated depreciation	(49,492,218)	(33,368,737)	(82,860,955)
Total assets	75,151,450	85,315,793	160,467,243
LIABILITIES			
Accounts payable	425,954	1,302,500	1,728,454
Accrued expenses	311,080	70,949	382,029
Due to other governments	19,366	-	19,366
Customer deposit	-	266,625	266,625
Unearned revenue	985,240	-	985,240
Interest payable	-	1,508,168	1,508,168
Landfill closure and post-closure care	-	2,178,480	2,178,480
General long-term debt, net of current portion			
Due within one year	-	609,225	609,225
Due in more than one year	-	33,218,028	33,218,028
Bonds payable			
Unamortized deferred amount on bond refunding	-	(496,343)	(496,343)
Due within one year	-	120,000	120,000
Due in more than one year	-	9,215,000	9,215,000
Capital lease payable			
Due within one year	65,177	684,048	749,225
Due in more than one year	128,784	723,498	852,282
Compensated absences			
Current portion	811,767	209,568	1,021,335
Net of current portion	1,500,555	582,189	2,082,744
Total liabilities	4,247,923	50,191,935	54,439,858

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

CITY OF BOULDER CITY, NEVADA
STATEMENT OF NET ASSETS (CONTINUED)
JUNE 30, 2006

NET ASSETS			
Invested in capital assets, net of related debt	61,889,580	34,655,892	96,545,472
Restricted for:			
Perpetual care	-	141,982	141,982
Customer deposits	-	266,625	266,625
Additional police officers	492,700	-	492,700
Unrestricted	8,521,247	59,359	8,580,606
Total net assets	\$ 70,903,527	\$ 35,123,858	\$ 106,027,385

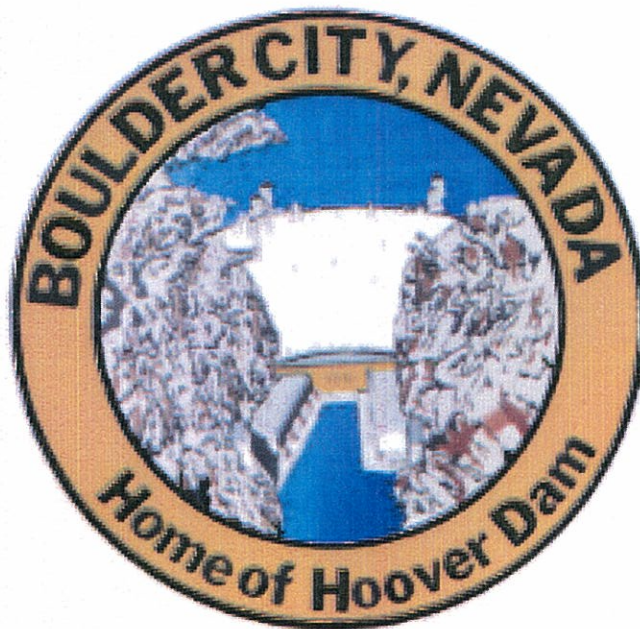
CITY OF BOULDER CITY, NEVADA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2006

Functions / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>GOVERNMENTAL ACTIVITIES:</u>							
General government	\$ 3,841,233	\$ 1,452,663	\$ 236,303	\$ -	\$ (2,152,267)	\$ -	\$ (2,152,267)
Judicial	393,960	633,738	-	-	239,778	-	239,778
Public safety	7,138,480	329,312	-	566,000	(6,243,168)	-	(6,243,168)
Public works	4,784,449	-	-	1,249,440	(3,535,009)	-	(3,535,009)
Culture and recreation	5,270,092	2,712,486	-	2,055,257	(502,349)	-	(502,349)
Community support	742,570	13,657	-	-	(728,913)	-	(728,913)
Total governmental activities	22,170,784	5,141,856	236,303	3,870,697	(12,921,928)	-	(12,921,928)
<u>BUSINESS-TYPE ACTIVITIES:</u>							
Utility	18,782,189	16,572,394	-	-	-	(2,209,795)	(2,209,795)
Golf course	4,708,260	2,522,116	-	-	-	(2,186,144)	(2,186,144)
Other	453,929	313,450	-	99,639	-	(40,840)	(40,840)
Total business-type activities	23,944,378	19,407,960	-	99,639	-	(4,436,779)	(4,436,779)
Total functions/programs	\$ 46,115,162	\$ 24,549,816	\$ 236,303	\$ 3,970,336	(12,921,928)	(4,436,779)	(17,358,707)
General Revenues:							
Property taxes					2,872,966	-	2,872,966
Intergovernmental (unrestricted)							
Consolidated taxes					8,634,543	-	8,634,543
Other					307,062	812,575	1,119,637
Miscellaneous					4,372,695	71,158	4,443,853
Transfers					762,759	(762,759)	-
Total general revenues and transfers					16,950,025	120,974	17,070,999
Change in net assets					4,028,097	(4,315,805)	(287,708)
Net assets, beginning of year					66,875,430	39,439,663	106,315,093
Net assets, end of year					\$ 70,903,527	\$ 35,123,858	\$ 106,027,385

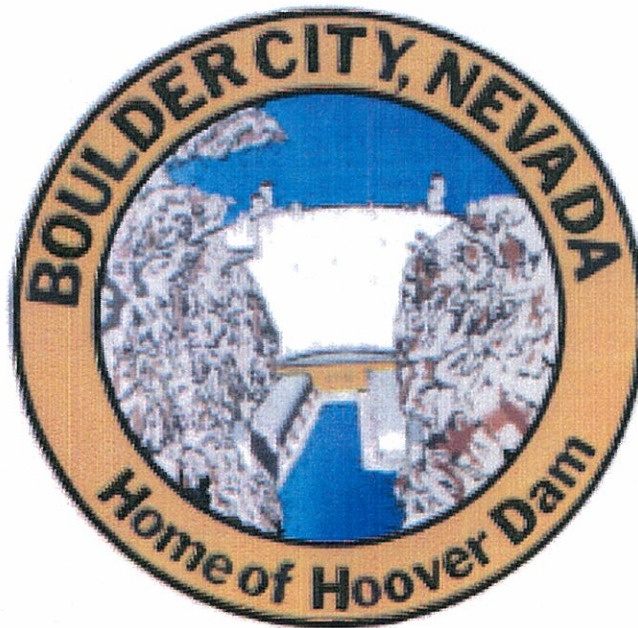
The accompanying notes are an integral part of these financial statements.

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Fund Financial Statements



Governmental Funds



CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2006

ASSETS	General Fund	Capital Improvement Fund	Capital (Special) Projects Fund	Non-Major Funds	Total
Cash, cash equivalents and investments	\$ 3,788,607	\$ 1,415,601	\$ -	\$ 2,942,608	\$ 8,146,816
Receivables					
Interest	23,178	18,542	-	6,953	48,673
Taxes	19,035	-	-	211,563	230,598
Accounts, net of allowances	836,829	37,029	-	-	873,858
Prepaid items	19,589	-	-	-	19,589
Due from other governments	1,530,346	-	2,218,029	-	3,748,375
Due from other funds	-	1,519,179	-	-	1,519,179
Total assets	\$ 6,217,584	\$ 2,990,351	\$ 2,218,029	\$ 3,161,124	\$ 14,587,088
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 371,167	\$ -	\$ 51,359	\$ 3,428	\$ 425,954
Accrued expenditures	304,827	-	6,253	-	311,080
Due to other governments	19,366	-	-	-	19,366
Due to other funds	-	-	1,519,179	-	1,519,179
Deferred revenue	821,513	163,727	2,055,257	-	3,040,497
Compensated absences	155,966	-	-	-	155,966
Total liabilities	1,672,839	163,727	3,632,048	3,428	5,472,042
Fund balances:					
Reserved for					
Future projects	-	2,826,624	-	1,886,022	4,712,646
Additional police officers	-	-	-	492,700	492,700
Unreserved					
Undesignated	4,544,745	-	(1,414,019)	778,974	3,909,700
Total fund balances	4,544,745	2,826,624	(1,414,019)	3,157,696	9,115,046
Total liabilities and fund balances	\$ 6,217,584	\$ 2,990,351	\$ 2,218,029	\$ 3,161,124	\$ 14,587,088

CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
JUNE 30, 2006

Fund balances \$ 9,115,046

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

Capital assets used in governmental activities are not current
financial resources; and therefore, are not reported in
governmental funds:

Capital assets	111,575,759	
Less accumulated depreciation	<u>(49,492,218)</u>	62,083,541

Certain revenues in the governmental funds are deferred because they
are not collected within the prescribed time period after year-end.
Therefore they are on the accrual basis used in the government-
wide statements:

2,055,257

Long-term liabilities are not due and payable in the current
period; and therefore, are not reported in governmental
funds:

Capital leases	(193,961)
Compensated absences	<u>(2,156,356)</u>

Total net assets - governmental activities \$ 70,903,527

CITY OF BOULDER CITY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	General Fund	Capital Improvement Fund	Capital (Special) Projects Fund	Non-Major Funds	Total
Revenues					
Taxes	\$ 1,396,081	\$ -	\$ 179,628	\$ 1,297,257	\$ 2,872,966
Licenses and permits	1,328,745	-	-	-	1,328,745
Intergovernmental	8,945,643	-	1,481,705	-	10,427,348
Charges for services	3,160,824	-	-	18,549	3,179,373
Fines and fees	540,706	-	-	93,032	633,738
Miscellaneous	3,489,592	842,966	3,373	36,764	4,372,695
	18,861,591	842,966	1,664,706	1,445,602	22,814,865
Expenditures					
Current:					
General government	3,464,118	-	40,957	325,208	3,830,283
Judicial	355,064	-	-	57,941	413,005
Public safety	6,934,679	-	87,329	90,742	7,112,750
Public works	2,635,963	-	3,616,669	-	6,252,632
Culture and recreation	4,563,443	-	1,012,213	9,951	5,585,607
Community support	731,865	-	2,500	-	734,365
	18,685,132	-	4,759,668	483,842	23,928,642
Excess (deficiency) of revenues over (under) expenditures	176,459	842,966	(3,094,962)	961,760	(1,113,777)
Other financing sources (uses)					
Transfers in	2,246,000	-	718,549	-	2,964,549
Transfers out	(1,483,241)	(700,000)	-	(18,549)	(2,201,790)
	762,759	(700,000)	718,549	(18,549)	762,759
Net change in fund balances	939,218	142,966	(2,376,413)	943,211	(351,018)
Fund balance, beginning of year	3,605,527	2,683,658	962,394	2,214,485	9,466,064
Fund balance, end of year	<u>\$ 4,544,745</u>	<u>\$ 2,826,624</u>	<u>\$ (1,414,019)</u>	<u>\$ 3,157,696</u>	<u>\$ 9,115,046</u>

CITY OF BOULDER CITY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Net Change in Fund Balances - Governmental Funds **\$ (351,018)**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives and donated assets are recorded as capital contributions:

Expenditures for capital assets	4,976,461	
Donated assets	566,000	
Less current year depreciation	<u>(3,083,630)</u>	
		2,458,831

Gains and losses from the sale or disposition of capital assets are not reported in the funds because they do not provide or use current financial resources, however, they are presented in the statement of activities: (22,220)

Expenses for compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds: (174,459)

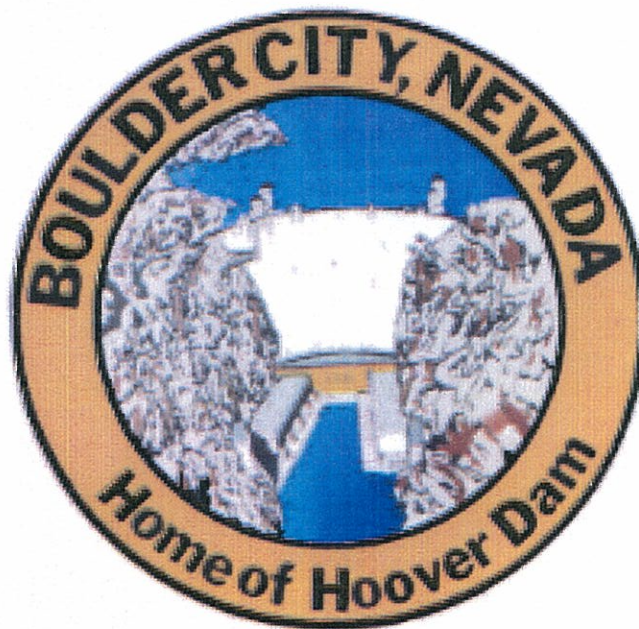
Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. Therefore they are on the accrual basis used in the government-wide statements: 2,055,257

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds; however, this does not have an effect on net assets:

Principal retirements	<u>61,706</u>	
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Change in Net Assets - Governmental Activities **\$ 4,028,097**

Proprietary Funds



CITY OF BOULDER CITY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2006

ASSETS	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Current assets				
Cash, cash equivalents and investments	\$ 351,177	\$ 234,254	\$ 876,066	\$ 1,461,497
Receivables				
Interest	5,794	-	3,476	9,270
Accounts, net of allowances	2,973,744	93,261	-	3,067,005
Due from other governments	138,571	-	99,639	238,210
Due from other funds	1,906,331	-	-	1,906,331
Inventories	33,713	88,795	-	122,508
Total current assets	5,409,330	416,310	979,181	6,804,821
Noncurrent assets				
Restricted investments				
Customer deposits	266,625	6,508	-	273,133
Landfill closure and post-closure care	737,639	-	-	737,639
Perpetual care	-	-	141,982	141,982
Unamortized bond issuance costs		38,858		38,858
Property and equipment				
Land	28,615	-	577,760	606,375
Buildings	173,494	2,660,416	269,333	3,103,243
Improvements other than buildings	98,356	15,286,674	5,130,034	20,515,064
Machinery, equipment and furniture	5,278,189	2,237,445	99,593	7,615,227
Utility delivery systems	80,754,519	-	-	80,754,519
Less accumulated depreciation	(27,201,914)	(4,271,254)	(1,895,569)	(33,368,737)
Total noncurrent assets	60,135,523	15,958,647	4,323,133	80,417,303
Total assets	\$ 65,544,853	\$ 16,374,957	\$ 5,302,314	\$ 87,222,124

CITY OF BOULDER CITY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS (CONTINUED)
JUNE 30, 2006

LIABILITIES AND NET ASSETS	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Current liabilities				
Accounts payable	\$ 1,222,944	\$ 40,635	\$ 38,921	\$ 1,302,500
Accrued expenses	70,949	-	-	70,949
Customer deposit	266,625	-	-	266,625
Due to other funds	-	1,906,331	-	1,906,331
Interest payable	1,452,215	55,953	-	1,508,168
Current portion of long-term debt	609,225	-	-	609,225
Current portion of bonds payable	-	120,000	-	120,000
Current portion of capital lease payable	-	684,048	-	684,048
Current portion of compensated absences	209,568	-	-	209,568
Total current liabilities	3,831,526	2,806,967	38,921	6,677,414
Noncurrent liabilities				
Landfill closure and post-closure care	2,178,480	-	-	2,178,480
General long-term debt, net of current portion	33,218,028	-	-	33,218,028
Unamortized deferred amount on bond refunding	-	(496,343)	-	(496,343)
Bonds payable, net of current portion	-	9,215,000	-	9,215,000
Capital lease payable, net of current portion	-	723,498	-	723,498
Compensated absences	582,189	-	-	582,189
Total noncurrent liabilities	35,978,697	9,442,155	-	45,420,852
Total liabilities	39,810,223	12,249,122	38,921	52,098,266
Net assets				
Invested in capital assets, net of related debt	25,304,006	5,170,735	4,181,151	34,655,892
Restricted for:				
Customer deposits	266,625	-	-	266,625
Perpetual care	-	-	141,982	141,982
Unrestricted	163,999	(1,044,900)	940,260	59,359
Total net assets	25,734,630	4,125,835	5,263,393	35,123,858
Total liabilities and net assets	\$ 65,544,853	\$ 16,374,957	\$ 5,302,314	\$ 87,222,124

CITY OF BOULDER CITY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Operating revenues	\$ 16,572,394	\$ 2,522,116	\$ 313,450	\$ 19,407,960
Operating expenses				
Salaries and wages	2,970,288	7,132	3,222	2,980,642
Supplies and services	11,890,128	2,976,487	267,036	15,133,651
Depreciation	2,177,294	1,220,376	183,671	3,581,341
	17,037,710	4,203,995	453,929	21,695,634
Operating income (loss)	(465,316)	(1,681,879)	(140,479)	(2,287,674)
Non-operating revenues (expenses)				
Interest income	47,146	-	24,444	71,590
Interest expense	(1,744,479)	(504,265)	-	(2,248,744)
1/4-cent sales tax (infrastructure)	812,575	-	-	812,575
Loss on disposition of assets	(432)	-	-	(432)
Grant revenue	-	-	99,639	99,639
	(885,190)	(504,265)	124,083	(1,265,372)
Income (loss) before transfers	(1,350,506)	(2,186,144)	(16,396)	(3,553,046)
Transfers				
Transfers in	-	1,483,241	-	1,483,241
Transfers out	(2,200,000)	-	(46,000)	(2,246,000)
	(2,200,000)	1,483,241	(46,000)	(762,759)
Net change in net assets	(3,550,506)	(702,903)	(62,396)	(4,315,805)
Net assets				
Net assets, beginning of year	29,285,136	4,828,738	5,325,789	39,439,663
Net assets, end of year	\$ 25,734,630	\$ 4,125,835	\$ 5,263,393	\$ 35,123,858

CITY OF BOULDER CITY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

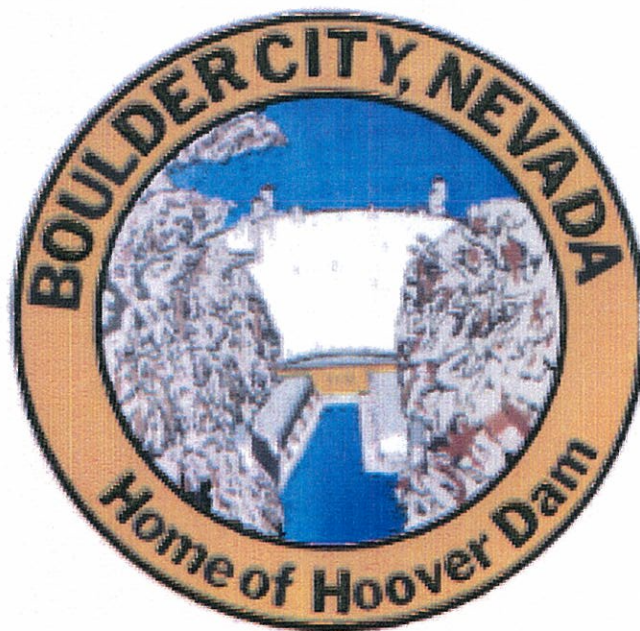
	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Cash flows from operating activities				
Cash received from customers	\$ 16,488,100	\$ 2,461,883	\$ 313,450	\$ 19,263,433
Cash payments to suppliers for goods and services	(10,301,764)	(2,395,559)	(338,322)	(13,035,645)
Cash payments to employees	(2,769,925)	(7,132)	(3,222)	(2,780,279)
Net cash provided by (used in) operating activities	3,416,411	59,192	(28,094)	3,447,509
Cash flows from noncapital financing activities				
Transfers in	-	1,483,241	-	1,483,241
Transfers out	(2,200,000)	-	(46,000)	(2,246,000)
Net cash provided by (used in) noncapital financing activities	(2,200,000)	1,483,241	(46,000)	(762,759)
Cash flows from capital and related financing activities				
Acquisition of property and equipment	(493,808)	(20,679)	(183,782)	(698,269)
Principal payments on bonds, loans, and equipment leases	(399,204)	(1,666,721)	-	(2,065,925)
Interest payments on bonds, loans and equipment leases	(1,094,617)	(526,594)	-	(1,621,211)
Proceeds from operating and capital grant contributions from federal government	812,575	-	99,639	912,214
Net cash used in capital and related financing activities	(1,175,054)	(2,213,994)	(84,143)	(3,473,191)
Cash flows from investing activities				
Investment purchases	(518,784)	-	-	(518,784)
Proceeds from sale or redemption of investments	1,507,500	-	801,713	2,309,213
Interest on investments	50,174	-	22,732	72,906
Net cash provided by investing activities	1,038,890	-	824,445	1,863,335
Net increase (decrease) in cash and cash equivalents	1,080,247	(671,561)	666,208	1,074,894
Cash and cash equivalents, beginning of year	275,194	912,323	351,840	1,539,357
Cash and cash equivalents, end of year	\$ 1,355,441	\$ 240,762	\$ 1,018,048	\$ 2,614,251

CITY OF BOULDER CITY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Utility Fund	Golf Course Fund	Non-Major Funds	Total
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	\$ (465,316)	\$ (1,681,879)	\$ (140,479)	\$ (2,287,674)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	2,177,294	1,220,376	183,671	3,581,341
Landfill closure and post-closure care	1,054,032	-	-	1,054,032
Increase in (assets) and liabilities				
Receivables	197,550	(39,674)	(101,351)	56,525
Due from other funds	(281,844)	-	-	(281,844)
Bond issuance costs	-	204,210	-	204,210
Prepaid expenses	-	125,092	-	125,092
Inventories	(54)	(15,503)	-	(15,557)
Accounts payable	(9,043)	7,614	30,065	28,636
Accrued expenses	551,607	(22,329)	-	529,278
Customer deposits	(35,605)	(6,508)	-	(42,113)
Deposits payable	35,605	(14,051)	-	21,554
Due to other funds	-	281,844	-	281,844
Compensated absences	192,185	-	-	192,185
Net cash provided by (used in) operating activities	\$ 3,416,411	\$ 59,192	\$ (28,094)	\$ 3,447,509

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Fiduciary Funds

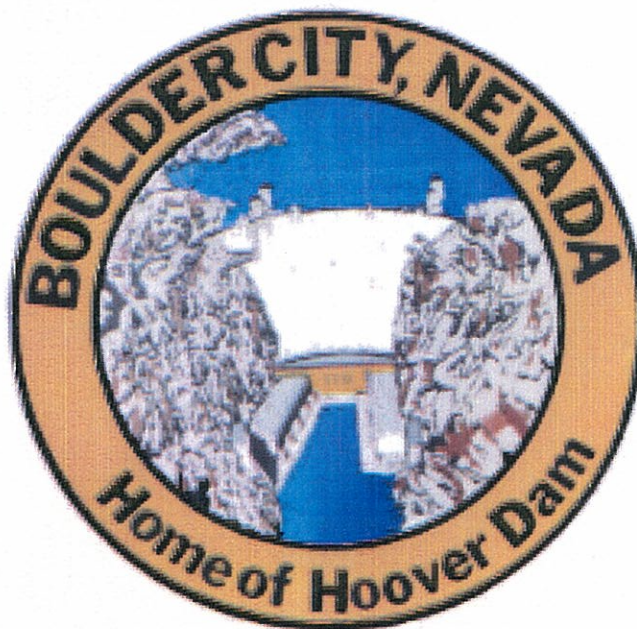


CITY OF BOULDER CITY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2006

ASSETS	Agency Funds
Cash, cash equivalents and investments	\$ 479,022
Due from other governments	40,749
	\$ 519,771
LIABILITIES AND NET ASSETS	
Liabilities:	
Deposits	117,827
Due to other governments	16,123
Due to employee union and taxing units	385,821
	519,771
Net assets	-
Liabilities and net assets	\$ 519,771

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Notes to Basic Financial Statements



CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Financial Model

In 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* which became effective for the City, and was initially adopted, in the year ended June 30, 2003. Certain of the significant changes included the following:

1. For the first time, the basic financial statements include:
 - a. Management's discussion and analysis (MD&A) providing an analysis of the City's overall financial position and results of operations.
 - b. Government-wide financial statements prepared using the economic resources measurement focus and accrual basis accounting for all City activities.
2. A change in the fund financial statements to focus on major funds.
3. Reclassification of expendable trust funds from a fiduciary fund type to a special revenue fund type.

These and other changes are reflected in the basic financial statements and the notes thereto.

Reporting Entity

In 1958, the Federal Government passed the Boulder City Act and established an independent municipal government, the City of Boulder City (the City). Under the Act, the Federal Government turned over the existing townsite, approximately 33 square miles of land, and the utility system to the residents. This led to the incorporation of the City on January 4, 1960. The City Charter, approved by the residents, prohibits gaming, which makes the City the only place in the State of Nevada (the State) where gaming is illegal.

GASB Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 39, *Determining Whether Certain Organizations are Component Units*, defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as 1) the appointment of a voting majority of the component unit's board, 2) the ability of the primary government to impose its will, 3) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government, or 4) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the component unit and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government. The City has complied with GASB Statements No's. 14 and 39 by examining its position relative to other entities.

Together with the Boulder City Museum, the Boulder City Chamber of Commerce and the Boulder City Arts Council, Inc., the City established a not-for-profit corporation named the Boulder Dam Hotel Association, Inc. (the Association) primarily to own, maintain and operate the historic Boulder Dam Hotel. Pursuant to the Association's articles of incorporation, the City appoints two members to the Association's board of directors; and currently has one council/board member in common with the Association. The City does not have a continuing financial responsibility to the Association; furthermore, the City does not have title or access to the Association's net assets. Accordingly, the Association has not been included in the City's financial statements.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity (Continued)

The City determined that there are no requirements that would cause the basic financial statements of the City to be included in any other entities' financial statements or comprehensive annual financial reports (CAFR). In addition, the City determined that there are no other entities, which are required to be included in the City's CAFR.

Basic Financial Statements

The government-wide financial statements include a statement of net assets and a statement of activities. Consolidated information for the City's nonfiduciary activities is presented in the government-wide financial statements. 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 user fees and charges for support.

Included in the statement of net assets are capital assets and long-term liabilities including general payment obligations, revenue bonds and compensated absences. Net assets are classified as 1) invested in capital assets, net of related debt, 2) restricted net assets, or 3) unrestricted net assets.

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, which are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes or other revenues not restricted for use by a particular function or segment are reported as general revenues.

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances with schedules presented to reconcile fund balances presented in the governmental fund financial statements to net assets presented in the government-wide financial statements. Proprietary fund financial statements include a statement of net assets, statement of revenues, expenses and changes in net assets, and a statement of cash flows.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's utility fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Government-wide Financial Statements (Continued)

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

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

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the current fiscal year end. The primary revenues sources, which have been treated as susceptible to accrual by the City, are property taxes, consolidated taxes, licenses, interest, and charges for services. All other revenue sources are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when the 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.

The City reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in another fund.

Capital Improvement Fund - The capital improvement fund is used to account for the accumulation of resources from the sale of City owned land, which is specifically restricted by City Charter to be expended on voter approved projects.

Capital (Special) Projects Fund - The capital (special) projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

Additionally, the City reports the following governmental fund type:

Special Revenue Funds - The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Fund Financial Statements

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 the proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges for goods and services and other user fees.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary Fund Financial Statements (Continued)

Operating expenses include the cost of goods and services, administrative expenses, and capital asset depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

The Utility Fund - The utility fund provides electric, water and sewer services to City residents.

The Golf Course Fund - The golf course fund is used to account for the operations of Boulder Creek Golf Course.

The City reports the following non-major proprietary funds:

The Cemetery Fund - The cemetery fund is used to account for cemetery services provided to City residents.

The Aviation Fund - The aviation fund is used to account for the operations of the City's airport.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Assets and Liabilities. The City's fiduciary fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The fiduciary fund is excluded from the government-wide financial statements.

The City reports the following fiduciary fund:

Agency Funds - are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the City holds for others in an agency capacity. The City has 15 agency funds titled as follows: Evidence Fund, Desert Tortoise Reserve Fund, Animal Control Contribution Fund, American Legion Flag Contribution Fund, Payroll Deductions Fund, Police Unclaimed Fund, Room Tax Fund, Cascata Contribution Fund, Police Department Contributions Fund, Recreation Contributions Fund, Fire Department Contributions Fund, Adams Boulevard Memorial Trees Fund, Beautify City Entrance Fund, Safety Committee Donations Fund, and Parent Project Fund.

Assets, Liabilities, and Net Assets or Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds participate in the City's cash management pool (the Pool). The Pool has the general characteristics of a demand deposit account in that the proprietary funds may effectively withdraw amounts from the Pool at any time. Accordingly, amounts invested in the Pool are considered to be cash equivalents.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Assets or Fund Balance (Continued)

Deposits and Investments (Continued)

Allowable City investments include 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; and bankers' acceptances eligible for rediscount with Federal Reserve Banks, not to exceed 180 days maturity and 10% of total investments.

When investing monies, the City is required to comply with the Nevada Revised Statutes (NRS). City monies must be deposited with federally insured banks. The City is authorized to use demand accounts, time accounts and certificates of deposit. The NRS do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as those described for permissible State investments. Permissible State investments are similar to allowable City investments, described above, except that some State investments are for longer terms and include securities issued by municipalities outside of the State.

Investments are stated at fair value as determined by quoted market prices, regardless of the length of time remaining to maturity.

Receivables, Payables, Transfers and Deferred Revenues

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. In addition, certain transactions between funds are the result of lending/borrowing arrangements. The resulting payables and receivables, which are outstanding at year end, are referred to as either due to/from other funds (*i.e.*, current portion of interfund loans) or advances to/from other funds (*i.e.*, the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. Transfers, between funds, are reported as operating transfers.

Property taxes receivable that are not expected to be collected within 60 days of year end are recognized as deferred revenue in the fund financial statements rather than current revenue since the asset is not available to satisfy current obligations. Deferred revenues also arise when the City receives resources before it has a legal claim to them as when property taxes for the following tax year are received before year end. Other receivables are shown net of an allowance for uncollectible amounts.

Upon the certification of tax rates by the State Tax Commission, the County Commission levies the tax rate for the fiscal year beginning with the succeeding July 1. The County Assessor assesses all real and personal property and the County Treasurer bills and collects the City's share of property taxes. Taxes on real property are due on the third Monday in July of each year and may be paid in quarterly installments on or before the third Monday in July and first Mondays in October, January and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest at the rate of 15% 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. The County Treasurer remits on a monthly basis current and delinquent property tax collections to the City.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories and Prepaid Items

Proprietary fund inventories are valued at the lower of cost or market, using the first-in, first-out (FIFO) method. Governmental fund inventories are accounted for under the consumption method where the costs are recorded as expenditures when the inventory item is used rather than when purchased.

Restricted Cash

Restricted cash consist of amounts held for the repayment of customer deposits and resources accumulated to pay for landfill closure and post-closure care in the utility fund and golf course fund, and resources accumulated to pay for perpetual care in the cemetery fund.

Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and utility delivery systems, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and, where no historical records exist, at estimated historical cost. Donated capital assets are valued at their estimated fair value on the date received. The City had a capitalization threshold of \$1,000 for the current fiscal year.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	25-50
Improvements other than buildings	10-40
Machinery, equipment and furniture	3-30
Infrastructure	20-50
Utility delivery systems	10-50

Compensated Absences

It is the City's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from City service if not previously taken. Accrued vacation and sick leave (compensated absences) obligations totaled \$3,104,079 at June 30, 2006, and are reported in the government-wide financial statements. A liability for compensated absences is reported in the fund financial statements only to the extent it is expected to be paid with current expendable resources, for example, as a result of employee resignations and retirements effective within sixty days of year end. Expenditures for compensated absences are recognized by the applicable fund when paid. These amounts are included as a liability in the government-wide and proprietary fund financial statements.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Compensation Plan

In addition to the retirement plan disclosed in Note 4, the City offers its employees a deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits participants to defer a portion of their salary until future years. The City does not match any employee contributions. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

Starting January 1, 2005 an employee welfare benefit plan, the "Boulder City Medical and Dental Expense Reimbursement Plan", was established. The City does not contribute to this plan.

Both of the Plans assets are held in trust outside the control of the City. Since the assets and income of the Plans are not considered assets of the City and are not subject to the claims of the City's general creditors, the Plans are not reported in the government-wide or fund financial statements.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets. Bond premiums and issuance costs are deferred and amortized over the life of the related bonds using the straight-line method.

Net Assets

The government-wide statement of net assets reports \$901,307 of restricted net assets, of which \$492,700 is restricted by enabling legislation.

Fund Equity

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

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The City adopts annual budgets for all governmental and proprietary fund types, except for the promotional special revenue fund. Within the capital (special) projects and proprietary funds, project-length financial plans are adopted for all capital projects. The budget was amended for certain funds during the year. All budget augmentations made during the year ended June 30, 2006, were as prescribed by law. All budgets are adopted on a basis consistent with applicable accounting principles generally accepted in the United States and used by the City for financial reporting.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

The City uses the following procedures to establish, modify, and control budgetary data:

1. Prior to April 15, the City Manager submits a tentative budget for the next fiscal year, commencing on July 1, to the Council. The budget, as submitted, contains the proposed expenditures and the means of financing them for the upcoming fiscal year.
2. Public hearings are conducted to obtain comments from and address the concerns of City residents.
3. After all changes have been noted and the hearings closed, the Council adopts the budget on or before June 1.
4. Augmentations of the budget are accomplished through formal Council action.
5. The NRS require budget controls to be exercised at the function level. The City Manager is authorized to transfer budget amounts between functions within a fund. However, the Council's approval is required for all transfers between funds.
6. The City cannot expend any money, incur any liability, or enter into any contract, which by its terms involves the expenditure of money in excess of the amount appropriated for a given function, except for bond payments, short-term financing payments, and any other long-term contracts expressly authorized by law.
7. All unencumbered appropriations lapse at the fiscal year end, except for amounts appropriated for specific capital projects or Federal and State grant expenditures.

Excess of Expenditures over Appropriations

For the year ended June 30, 2006, expenditures exceeded appropriations in the general fund by \$129,875, the utility fund by \$3,413,074, the urban forestry fund by \$9,951, the land improvement fund by \$36,302, the aviation fund by \$77,684, and the golf course fund by \$1,435,453. These over expenditures were funded by available assets in excess of liabilities as represented by fund balance/net assets in the respective funds and by additional revenue not budgeted for.

Deficit Fund Balance

The Capital (Special) Projects fund has a deficit fund balance of \$1,414,019. Additional revenues over the next fiscal year will remove the deficit fund balance.

3. DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The City's deposits are categorized by the level of custodial credit risk assumed. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At year end, the City's carrying amount of deposits was \$5,952,389, and the bank balance was \$6,700,511. As of June 30, 2006, \$226,327 of the City's bank balance was insured by the Federal Depository Insurance Corporation (FDIC), the remaining \$6,474,184 was uninsured and collateralized with securities held by the pledging financial institution.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

The City's investments are categorized by the level of custodial credit risk assumed. Investment custodial credit risk is defined as the risk that in the event of the failure of a counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Custodial credit risk exposure can be affected by a concentration of deposits or investments in any one investment type or with any one counterparty.

The City's investments are exposed to custodial credit risk if the investments are either:

1. Uninsured and not registered in the name of the City, and are held by the counterparty, or
2. Uninsured and not registered in the name of the City, and are held by the counterparty's trust department or agent, but not in the City's name.

The City's investments were all in U.S. Government obligations which were registered and held by the City or the City's agent in the City's name. As of June 30, 2006, the City's investments were not exposed to custodial credit risk.

Concentration of Credit Risk - This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At June 30, 2006, all of the City's investments are in U.S. Government obligations, which are authorized investments in accordance with NRS 350.659, 355.165, 355.170 and 356.120. There is no limitation on amounts invested in this type of investment.

The carrying amount of investments in U.S. Government obligations was \$5,278,453 and the market value was \$5,221,947.

Combined Cash and Cash Equivalents

Cash on deposit with banking institutions	\$ 5,952,389
Cash on hand	9,247
Investments	<u>5,278,453</u>
	<u>\$ 11,240,089</u>
Governmental activities	\$ 8,146,816
Business-type activities	2,614,251
Fiduciary funds	<u>479,022</u>
	<u>\$ 11,240,089</u>

Receivables and Deferred Revenue

Receivables as of year end for the City's individual major funds and aggregate non-major funds are as follows:

	General Fund	Capital Improvement Fund	Capital (Special) Projects Fund	Utility Fund	Golf Course Fund	Aggregate Non-Major Funds	Total
Receivables:							
Interest	\$ 23,178	\$ 18,542	\$ -	\$ 5,794	\$ -	\$ 10,429	\$ 57,943
Taxes	19,035	-	-	-	-	-	19,035
Accounts	837,869	37,029	-	4,880,914	93,261	99,639	5,948,712
Due from other governments	1,530,346	-	2,218,029	138,571	-	211,563	4,098,509
Less allowances for doubtful accounts	(1,040)	-	-	(839)	-	-	(1,879)
	<u>\$ 2,409,388</u>	<u>\$ 55,571</u>	<u>\$ 2,218,029</u>	<u>\$ 5,024,440</u>	<u>\$ 93,261</u>	<u>\$ 321,631</u>	<u>\$ 10,122,320</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Receivables and Deferred Revenue (Continued)

The City receives rents for the use of land and buildings by various entities for communications purposes under operating leases that expire at various times through 2036. Fees are based on square footage and the type of operation (continuous vs. intermittent broadcasting).

Minimum rent receivable under non-cancelable operating leases (with remaining terms in excess of one year) as of June 30, 2006, are as follows:

Year ending June 30,	General Fund	Capital Improvement Fund	Aggregate Non-Major Funds	Total
2007	\$ 1,530,887	\$ 382,722	\$ 309,623	\$ 2,223,232
2008	1,518,799	379,700	311,892	2,210,391
2009	1,483,987	370,997	313,504	2,168,488
2010	1,413,343	353,336	315,893	2,082,572
2011	1,354,342	338,586	318,348	2,011,276
2012-2016	6,551,913	1,637,978	1,591,738	9,781,629
2017-2021	6,451,779	1,612,945	1,591,738	9,656,462
2022-2026	6,336,032	1,584,008	1,591,738	9,511,778
2027-2031	6,295,836	1,573,959	1,591,738	9,461,533
2032-2036	5,644,260	1,411,065	1,591,738	8,647,063

Governmental funds report deferred revenue in connection with resources that have been received, but not yet earned. At June 30, 2006, deferred revenue in the governmental funds was as follows:

Rent royalty, and grant revenue	
General fund	\$ 821,513
Capital improvements fund	163,727
Capital (special) projects fund	<u>2,055,257</u>
	<u>\$ 3,040,497</u>

Capital Assets

Changes in capital assets for the year ended June 30, 2006, were as follows:

	Balance July 1, 2005	Increases	Decreases	Balance June 30, 2006
<u>Governmental activities</u>				
Capital assets not being depreciated:				
Land	\$ 19,929,515	\$ -	\$ -	\$ 19,929,515
Capital assets being depreciated:				
Buildings	7,095,472	873,074	-	7,968,546
Improvements other than buildings	14,671,412	1,033,189	-	15,704,601
Machinery, equipment and furniture	7,685,706	949,802	(22,220)	8,613,288
Infrastructure	56,673,413	2,686,396	-	59,359,809
	<u>86,126,003</u>	<u>5,542,461</u>	<u>(22,220)</u>	<u>91,646,244</u>
Less accumulated depreciation for:				
Buildings	(2,447,618)	(221,274)	-	(2,668,892)
Improvements other than buildings	(5,699,423)	(671,200)	-	(6,370,623)
Machinery, equipment and furniture	(5,517,900)	(546,310)	-	(6,064,210)
Infrastructure	(32,743,647)	(1,644,846)	-	(34,388,493)
	<u>(46,408,588)</u>	<u>(3,083,630)</u>	<u>-</u>	<u>(49,492,218)</u>
	<u>\$ 59,646,930</u>	<u>\$ 2,458,831</u>	<u>\$ (22,220)</u>	<u>\$ 62,083,541</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

	Balance July 1, 2005	Increases	Decreases	Balance June 30, 2006
<u>Business-type activities</u>				
Capital assets not being depreciated:				
Land	\$ 606,375	\$ -	\$ -	\$ 606,375
Capital assets being depreciated:				
Buildings	3,088,979	14,264	-	3,103,243
Improvements other than buildings	20,348,623	166,441	-	20,515,064
Machinery, equipment and furniture	7,526,032	92,578	(3,383)	7,615,227
Utility delivery systems	80,329,101	425,418	-	80,754,519
	<u>111,292,735</u>	<u>698,701</u>	<u>(3,383)</u>	<u>111,988,053</u>
Less accumulated depreciation for:				
Buildings	(408,284)	(111,258)	-	(519,542)
Improvements other than buildings	(3,502,469)	(934,204)	-	(4,436,673)
Machinery, equipment and furniture	(5,542,928)	(586,937)	2,951	(6,126,914)
Utility delivery systems	(20,336,666)	(1,948,942)	-	(22,285,608)
	<u>(29,790,347)</u>	<u>(3,581,341)</u>	<u>2,951</u>	<u>(33,368,737)</u>
	<u>\$ 82,108,763</u>	<u>\$ (2,882,640)</u>	<u>\$ (432)</u>	<u>\$ 79,225,691</u>

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

Governmental activities

General government	\$ 66,908
Judicial	29,113
Public safety	337,073
Public works	1,761,771
Culture and recreation	883,717
Community support	5,048
	<u>\$ 3,083,630</u>

Business-type activities

Utility	\$ 2,177,294
Golf course	1,220,376
Other	183,671
	<u>\$ 3,581,341</u>

Interfund Receivables, Payables, and Transfers

Interfund balances as of June 30, 2006, are as follows:

Amounts due to and due from other funds represent amounts payable or receivable that are expected to be paid within one year. Amounts due to/from other funds are summarized below:

	Receivable	Payable
Capital Improvement Fund	\$ 1,519,179	\$ -
Capital (Special) Projects Fund	-	1,519,179
	<u>\$ 1,519,179</u>	<u>\$ 1,519,179</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables, and Transfers (Continued)

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

Transfers In/Out:

Transfers out	Transfers in			
	General fund	Capital (Special) projects fund	Golf course fund	Total
General fund	\$ -	\$ -	\$ 1,483,241	\$ 1,483,241
Capital improvement fund	-	700,000	-	700,000
Non-major governmental funds	-	18,549	-	18,549
Utility fund	2,200,000	-	-	2,200,000
Golf course fund	-	-	-	-
Non-major proprietary funds	46,000	-	-	46,000
	<u>\$ 2,246,000</u>	<u>\$ 718,549</u>	<u>\$ 1,483,241</u>	<u>\$ 4,447,790</u>

Transfers of unrestricted revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization. There were no significant transfers during the fiscal year that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

Capital Lease

Governmental activities

In fiscal year 2005, the City entered into three capital lease agreements, as lessee, for financing the acquisition of capital assets for use in municipal golf course operations. For accounting purposes, the assets acquired under these capital leases have been recorded at the present value of the future minimum lease obligation payments as of the lease inception date. The assets acquired through these capital leases are as follows:

Machinery, equipment and furniture	\$ 265,862
Less: accumulated depreciation	<u>(31,153)</u>
	<u>\$ 234,709</u>

Installment payments of \$5,803, \$135 and \$245 including principal and interest are due monthly with the final payments due in April 2009, March 2009, and March 2009, respectively. Future minimum lease obligation payments and net present value of future lease obligation payments as of June 30, 2006, are as follows:

Year ending June 30,	
2007	\$ 74,196
2008	74,196
2009	<u>61,450</u>
Total future minimum lease obligation payments	209,842
Less interest	<u>(15,881)</u>
Present value of minimum lease obligations	<u>\$ 193,961</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Capital Lease (Continued)

Business-type activities

In fiscal year 2003, the City entered into a capital lease agreement, as lessee, for financing the acquisition of capital assets for use in golf course operations. For accounting purposes, the assets acquired under this capital lease have been recorded at the present value of the future minimum lease obligation payments as of the lease inception date. The assets acquired through capital leases are as follows:

Buildings	\$ 342,465
Improvements other than buildings	617,083
Machinery, equipment and furniture	<u>2,020,564</u>
	2,980,112
Less accumulated depreciation	<u>(890,298)</u>
	<u>\$ 2,089,814</u>

Annual installments of \$752,701, including principal and interest, are due each fiscal year with the final payment due in 2008. Future minimum lease obligation payments and net present value of future minimum lease obligation payments as of June 30, 2006, are as follows:

<u>Year ending June 30,</u>	
2007	\$ 752,701
2008	<u>752,701</u>
Total future minimum lease obligation payments	1,505,402
Less interest	<u>(97,856)</u>
Present value of minimum lease obligations	<u>\$ 1,407,546</u>

Long-term Debt

The City has entered into long-term debt obligations of which the golf course revenue bonds are not a general obligation of the City. These revenue bonds are payable from net golf course receipts and are additionally secured by a pledge of 15% of the City's consolidated tax revenues. The City has also incurred capital debt under an interlocal agreement, which is a general obligation of the City, with the Southern Nevada Water Authority. Through this interlocal agreement, the Southern Nevada Water Authority agreed to finance, design and construct a raw water delivery system for the City.

Long-term debt obligations outstanding at June 30, 2006, are as follows:

<u>Business-type activities</u>	<u>Maturity date</u>	<u>Original amount</u>	<u>Interest rate</u>	<u>Balance June 30, 2006</u>
U.S. Bureau of Reclamation	June 2011	\$ 644,721	3%	\$ 127,568
Southern Nevada Water Authority	August 2035	32,723,765	5.17%	33,699,685
Golf course revenue bonds	December 2024	<u>9,335,000</u>	3.85%	<u>9,335,000</u>
		<u>\$ 42,703,486</u>		<u>\$ 43,162,253</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt (Continued)

In December 2005, the City issued \$9,335,000 Golf Course Revenue Refunding bonds Series 2005 with an interest rate of 3.85 percent. The proceeds along with the transfer of the debt service reserve funds were used to advance refund \$9,540,000 of the outstanding Golf Course Revenue bonds Series 2001 with an average interest rate of 4.77 percent. The proceeds of \$10,052,064 (\$9,335,000 from Golf Course Revenue Refunding bonds Series 2005 and \$717,064 from the debt service reserve funds) were used to purchase U.S. government securities. Those securities were deposited into a separate irrevocable trust with an escrow agent to provide future debt service payments on the Golf Course Revenue bonds Series 2001.

As a result, the bond issue listed above is considered defeased and the liability for the bonds has been removed from the long-term obligations of the business-type activities. The reacquisition price exceeded the net carrying amount of the old debt by \$512,064. This amount is being amortized over the new debt's life, which is the same as the life of the refunded debt. The advanced refunding reduced the total debt service over the next nineteen years by \$1,329,828 which represents an economic gain of \$1,166,621.

Annual debt service requirements to maturity are as follows:

Business-type Activities	U.S. Bureau of Reclamation		Golf Course Revenue Bonds		Southern Nevada Water Authority		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
Years ending June 30,								
2007	24,028	3,827	120,000	357,088	585,197	1,742,274	729,225	2,103,189
2008	24,749	3,106	130,000	352,275	615,451	1,712,019	770,200	2,067,400
2009	25,492	2,364	135,000	347,174	647,271	1,680,200	807,763	2,029,738
2010	26,257	1,599	135,000	341,976	680,735	1,646,736	841,992	1,990,311
2011	27,042	811	400,000	331,678	715,929	1,611,542	1,142,971	1,944,031
2012-2016	-	-	2,510,000	1,385,423	4,174,634	7,462,721	6,684,634	8,848,144
2017-2021	-	-	3,035,000	853,641	5,371,280	6,266,076	8,406,280	7,119,717
2022-2026	-	-	2,870,000	225,803	6,910,939	4,726,415	9,780,939	4,952,218
2027-2031	-	-	-	-	8,891,939	2,745,416	8,891,939	2,745,416
2032-2036	-	-	-	-	5,106,310	667,187	5,106,310	667,187
	<u>\$ 127,568</u>	<u>\$ 11,707</u>	<u>\$ 9,335,000</u>	<u>\$ 4,195,058</u>	<u>\$ 33,699,685</u>	<u>\$ 30,260,586</u>	<u>\$ 43,162,253</u>	<u>\$ 34,467,351</u>

Changes in Long-term Liabilities

Long-term debt obligation activity for the year ended June 30, 2006, was as follows:

	Balance July 1, 2005	Increases	Decreases	Balance June 30, 2006	Due within one year
<u>Governmental activities</u>					
Capital lease	\$ 255,667	\$ -	\$ (61,706)	\$ 193,961	\$ 65,177
Compensated absences	2,178,858	447,836	(314,372)	2,312,322	811,767
	<u>\$ 2,434,525</u>	<u>\$ 447,836</u>	<u>\$ (376,078)</u>	<u>\$ 2,506,283</u>	<u>\$ 876,944</u>

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

3. DETAILED NOTES ON ALL FUNDS (Continued)

Changes in Long-term Liabilities (Continued)

	Balance July 1, 2005	Increases	Decreases	Balance June 30, 2006	Due within one year
<u>Business-type activities</u>					
U.S. Bureau of Reclamation	\$ 150,897	\$ -	\$ (23,329)	\$ 127,568	\$ 24,028
Southern Nevada Water Authority	33,969,126	106,434	(375,875)	33,699,685	585,197
Golf course revenue bonds	9,850,000	9,335,000	(9,850,000)	9,335,000	120,000
Capital lease	2,054,192	-	(646,646)	1,407,546	684,048
Compensated absences	599,572	463,471	(271,286)	791,757	209,568
	<u>\$ 46,623,787</u>	<u>\$ 9,904,905</u>	<u>\$ (11,167,136)</u>	<u>\$ 45,361,556</u>	<u>\$ 1,622,841</u>

Landfill Closure and Post-closure Care

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to landfill current activities, an expense provision and related liability are being recognized based on estimated future closure and post-closure care costs, which will be incurred near or after the date the landfill no longer accepts waste. Recognized landfill closure and post-closure care costs represents the cumulative amount reported to date and has a balance of \$2,178,480 as of June 30, 2006, which is based on 91% usage (capacity) of the landfill. It is estimated that an additional \$221,520 will be recognized as closure and post-closure care costs prior to the year (2008) in which the landfill is expected to be closed. The City has allocated cash and cash equivalents in the amount of \$737,639, which is 34% of the liability recorded at June 30, 2006. These assets are being held in an interest-bearing account and presented on the City's proprietary funds statement of net assets as "restricted investments: Landfill closure and post-closure care".

The estimated total current cost of the landfill closure and post-closure care of \$2,400,000 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2006. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The City is also required by state and federal laws and regulations to make annual contributions to finance closure and post-closure care. The City plans to make future contributions to this fund and use the working capital of the utility fund to meet this obligation. It is anticipated that future inflation costs will be financed in part from investment earnings. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in post-closure requirements (for example, due to changes in technology or more rigorous environmental regulations) may need to be covered by additional charges to future landfill users, taxpayers or both.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

4. OTHER INFORMATION

Risk Management

The City is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these and other risks, the City is a participating member of the Nevada Public Agency Insurance Pool (the Pool). The Pool was created through an inter-local cooperative agreement (the agreement). As a participating member, the City is entitled to all the rights, privileges and protections and subject to all the duties and responsibilities under the agreement and bylaws of the Pool.

Including the City, 49 public agencies are members of the Pool as of June 30, 2006. Pool premiums are based on policy coverage. The City does not have any liability beyond the premium amounts paid and normal policy deductible limits. Settled claims did not exceed insurance coverage for fiscal years ended June 30, 2006, 2005 and 2004.

The City's coverage for various types of risks is as summarized below.

Property has blanket coverage for all risks of physical loss or damage to all real and personal property. Casualty includes: Comprehensive General Liability for \$10,000,000 for any one event with a \$13,000,000 annual aggregate and \$13,000,000 annual aggregate for products/completed operations; Law Enforcement Liability for \$10,000,000 for any one event with a \$13,000,000 annual aggregate per member; Wrongful Acts Liability for \$10,000,000 for any one event with a \$10,000,000 annual aggregate; Automobile Liability for \$10,000,000 for any one event; Crime includes: Employee Dishonesty/Faithful Performance for \$500,000 for each loss, Money and Securities for \$500,000 for each loss; and Boiler and Machinery for \$60,000,000 for each accident.

The Pool has a self-insurance retention of property of \$200,000, and crime and casualty of \$500,000 for each and every loss and/or claim and/or event included in the limits shown. The City's maintenance deductible is \$5,000 for each and every loss and/or claim and/or event.

The City also carries Airport Liability Insurance Products - Completed Operations aggregate limit of \$10,000,000; Personal Injury and Advertising Injury aggregate limit of \$10,000,000; Malpractice limit of \$10,000,000 per occurrence and in the aggregate, Fire Damage limit any one fire \$50,000, Medical Expense limit any one person \$1,000, Hanger Keepers any one aircraft \$10,000,000, and Non-owned Aircraft liability limit \$10,000,000. There is no deductible.

The City is a member of the Public Agency Compensation Trust (PACT) for handling workers' compensation. The lines of coverage and limits of liability are statutory. PACT has a self-insurance retention of \$300,000 for each and every loss and/or claim and/or occurrence. There is no maintenance deductible.

The United States is engaged in a war on terrorism likely to continue to have far-reaching effects, including the possible effects of war on the economic activity in the country for an indeterminable period. The long-term impact on the State's economy and the City's operating activities cannot be predicted at this time but may be substantial.

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

4. OTHER INFORMATION (Continued)

Contingent Liabilities

In the ordinary course of its operations, claims are filed against the City. City management intends to vigorously defend each claim and believes that these claims will not result in any material adverse effect on the City's future basic financial statements.

Joint Venture

The Southern Nevada Water Authority (SNWA) is a political subdivision of the State, which was created by a cooperative agreement between the City, Big Bend Water District, Las Vegas Valley Water District, City of Henderson, City of Las Vegas, City of North Las Vegas, and the Clark County Reclamation District (the Members). SNWA's purpose is to secure additional supplies of water and effectively manage existing water supplies through cooperative action of the Members.

SNWA has the power to periodically assess the Members directly for operating and capital budgets and for the satisfaction of any liabilities imposed against SNWA. The City and other members do not have an expressed claim to the resources of SNWA except that upon termination of the joint venture any water rights or facilities remaining after payment of all obligations shall be returned to the contributing members.

The City is committed through 2033 under a water purchase agreement, to reimburse SNWA for the City's share of debt incurred in connection with construction of the Southern Nevada Water Project, phases I and II. Total outstanding principal on bonds and the federal repayment contract as of June 30, 1999, was \$1,179,966,043, with interest payable at various rates from 3.25% to 10.75%. The City's estimated share of the project cost based on actual water usage for the fiscal year ended June 30, 1999, was \$5,659,364. During the current fiscal year, the City made payments under this agreement of \$2,914,902, which amount is included as a cost of water in the water quality control department of the utility fund. The City has not recorded a liability for this agreement because future obligations are to be met by future user charges.

Audited financial statements of SNWA, for the fiscal year ended June 30, 2006, may be obtained by writing Treasurer, Southern Nevada Water Authority, c/o Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada 89153.

Retirement Plan

The City's employees are covered by the State's Public Employees' Retirement System (PERS). PERS was established on July 1, 1949, by the State 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 PERS, which is a cost sharing multiple-employer defined benefit retirement plan.

The City does not exercise any control over PERS. NRS 286.110 states, "Respective participating public employers are not liable for any obligation of the system."

CITY OF BOULDER CITY, NEVADA
NOTES TO FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2006

4. OTHER INFORMATION (Continued)

Retirement Plan (Continued)

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

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

Contribution rates are established by the NRS, which are tied to the increase in taxable sales within the State each year, which provides for yearly increases of up to 1% until such time as the actuarially determined unfunded liability of PERS is reduced to zero. The City is obligated to contribute all amounts due under PERS.

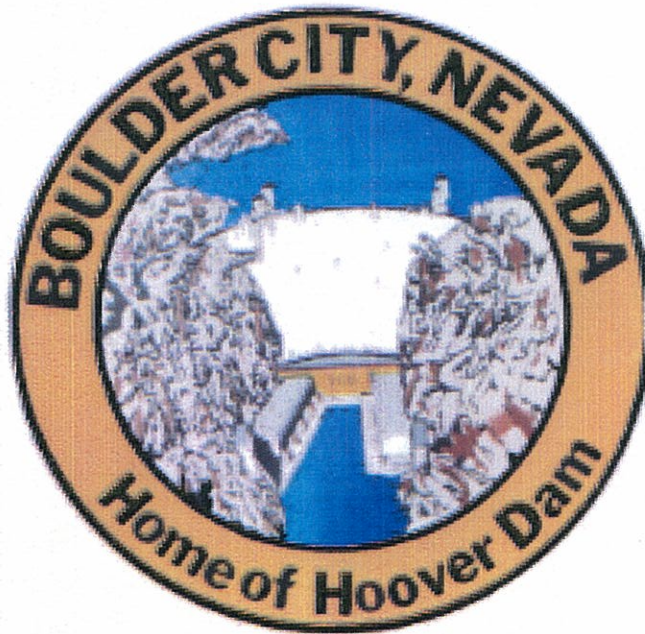
The City's contribution rates and amounts contributed to PERS for the last three years are as follows:

<u>Years ended June 30,</u>	<u>Contribution rate</u>		<u>Amount</u>
	<u>Regular Members</u>	<u>Police / Fire</u>	
2004	20.25%	28.5%	\$ 2,340,131
2005	20.25%	28.5%	2,402,696
2006	19.75%	32.0%	2,553,740

5. SUBSEQUENT EVENT

On November 30, 2006, the City issued Utility Revenue Refunding Bonds, Series 2006 in the amount of \$33,545,000. Issuance of the Bonds was to refinance the general note obligation due to the Southern Nevada Water Authority for the City's portion of the design and construction of a raw water facility delivery system. The bonds are secured by Net Revenues of the Municipal Utility System. Interest rates range from 4% - 5% and repayments are due semi-annually on March 1 and September 1 commencing on September 1, 2007, with principal payments due annually on September 1, commencing on September 1, 2007.

Other Required Supplementary Information



General Fund

The general fund is the main operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

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CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Taxes				
Ad Valorem	\$ 1,039,115	\$ 1,039,115	\$ 933,592	\$ (105,523)
Room	375,493	375,493	462,489	86,996
	1,414,608	1,414,608	1,396,081	(18,527)
Licenses and permits				
Business licenses and permits				
Business licenses	235,151	235,151	250,312	15,161
Liquor licenses	35,315	35,315	39,652	4,337
Franchise fees				
Gas	230,635	230,635	399,236	168,601
Telephone	229,860	229,860	249,785	19,925
Cable TV	180,082	180,082	137,207	(42,875)
Non-business licenses and permits				
Building permits	107,926	107,926	142,546	34,620
Other licenses	5,886	5,886	7,166	1,280
Other permits	47,087	47,087	102,841	55,754
	1,071,942	1,071,942	1,328,745	256,803
Intergovernmental revenues				
Federal grants				
Department of Transportation	10,000	10,000	-	(10,000)
Federal Emergency Management Agency	30,000	30,000	50,275	20,275
Department of Justice	-	-	130,000	130,000
State shared revenues				
Motor vehicle tax	177,648	177,648	118,482	(59,166)
Consolidated tax	8,587,988	8,587,988	8,634,543	46,555
Aviation fuel tax	-	-	12,343	12,343
	8,805,636	8,805,636	8,945,643	140,007
Charges for services				
General government				
Building and zoning fees	220,000	220,000	123,918	(96,082)
Public safety				
Ambulance fees	280,000	280,000	314,497	34,497
Fire permits and fees	15,000	15,000	14,815	(185)
Culture and recreation				
Golf course	1,545,000	1,545,000	1,874,266	329,266
Swimming pool	145,000	145,000	141,495	(3,505)
Internet sales	100,000	100,000	277,803	177,803
Other recreation receipts	345,705	345,705	400,373	54,668
Community support	15,000	15,000	13,657	(1,343)
	2,665,705	2,665,705	3,160,824	495,119

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues (Continued)				
Fines and fees				
Court fines	373,974	373,974	540,706	166,732
Miscellaneous				
Interest	50,000	50,000	101,887	51,887
Building rent	-	-	19,084	19,084
Communication site leases	305,628	305,628	266,804	(38,824)
Eldorado energy project	729,190	729,190	729,009	(181)
Eldorado administration fee	475,000	475,000	175,000	(300,000)
Cascata golf course	636,482	636,482	602,462	(34,020)
Other	881,212	881,212	1,507,618	626,406
Reimbursed expenditures	-	-	87,728	87,728
	3,077,512	3,077,512	3,489,592	412,080
Total revenues	17,409,377	17,409,377	18,861,591	1,452,214
Expenditures				
General government				
Legislative				
City council				
Salaries and wages	58,710	58,710	58,710	-
Employee benefits	16,173	16,173	13,473	2,700
Services and supplies	140,000	140,000	119,211	20,789
Capital outlay	-	-	160	(160)
	214,883	214,883	191,554	23,329
City clerk				
Salaries and wages	157,632	160,816	176,280	(15,464)
Employee benefits	60,962	60,962	61,101	(139)
Services and supplies	50,050	50,050	34,950	15,100
	268,644	271,828	272,331	(503)
City attorney				
Salaries and wages	163,180	166,476	168,407	(1,931)
Employee benefits	53,329	53,329	53,498	(169)
Services and supplies	61,491	61,491	91,392	(29,901)
	278,000	281,296	313,297	(32,001)

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Expenditures (Continued)				
General government (Continued)				
Executive				
City manager				
Salaries and wages	222,781	227,281	230,762	(3,481)
Employee benefits	65,079	65,079	67,003	(1,924)
Services and supplies	30,100	23,100	22,269	831
Capital outlay	1,000	8,000	7,135	865
	318,960	323,460	327,169	(3,709)
Personnel				
Salaries and wages	75,920	77,454	78,344	(890)
Employee benefits	25,426	25,426	25,437	(11)
Services and supplies	49,500	49,500	40,611	8,889
Capital outlay	2,000	2,000	2,000	-
	152,846	154,380	146,392	7,988
Public information office				
Salaries and wages	59,228	60,424	61,022	(598)
Employee benefits	21,781	21,781	21,773	8
Services and supplies	22,200	22,200	19,192	3,008
	103,209	104,405	101,987	2,418
Finance				
Salaries and wages	367,864	375,295	379,689	(4,394)
Employee benefits	125,159	125,159	125,563	(404)
Services and supplies	71,750	71,750	59,859	11,891
	564,773	572,204	565,111	7,093
Information systems				
Salaries and wages	192,872	196,768	203,065	(6,297)
Employee benefits	68,658	68,658	68,036	622
Services and supplies	109,571	109,571	85,927	23,644
Capital outlay	53,250	53,250	47,729	5,521
	424,351	428,247	404,757	23,490
Special activities				
Services and supplies	973,610	1,223,610	970,521	253,089
Capital outlay	-	-	170,999	(170,999)
	973,610	1,223,610	1,141,520	82,090
Total general government	3,299,276	3,574,313	3,464,118	110,195

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Expenditures (Continued)				
Judicial				
Municipal court				
Salaries and wages	207,076	211,259	214,319	(3,060)
Employee benefits	78,040	78,040	75,607	2,433
Services and supplies	67,724	67,724	65,138	2,586
Total judicial	352,840	357,023	355,064	1,959
Public safety				
Police				
Salaries and wages	2,418,535	2,528,535	2,499,061	29,474
Employee benefits	1,126,491	1,126,491	1,104,425	22,066
Services and supplies	620,089	620,089	595,360	24,729
Capital outlay	104,200	104,200	106,738	(2,538)
	4,269,315	4,379,315	4,305,584	73,731
Animal control				
Salaries and wages	106,915	109,075	108,692	383
Employee benefits	39,568	39,568	40,282	(714)
Services and supplies	34,481	34,481	26,192	8,289
Capital outlay	4,500	4,500	-	4,500
	185,464	187,624	175,166	12,458
Fire				
Salaries and wages	1,500,549	1,578,549	1,572,577	5,972
Employee benefits	621,916	663,916	657,521	6,395
Services and supplies	187,520	185,415	213,955	(28,540)
Capital outlay	18,000	20,105	9,876	10,229
	2,327,985	2,447,985	2,453,929	(5,944)
Total public safety	6,782,764	7,014,924	6,934,679	80,245
Public works				
Highways and streets				
Salaries and wages	458,460	467,721	436,055	31,666
Employee benefits	164,987	164,987	151,796	13,191
Services and supplies	170,700	170,700	167,261	3,439
Capital outlay	25,500	25,500	24,799	701
	819,647	828,908	779,911	48,997

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
Expenditures (Continued)				
Public works (Continued)				
Engineering				
Salaries and wages	232,779	237,481	230,814	6,667
Employee benefits	80,586	80,586	89,250	(8,664)
Services and supplies	54,420	54,420	32,780	21,640
Capital outlay	7,640	7,640	6,486	1,154
	375,425	380,127	359,330	20,797
Administration				
Salaries and wages	164,672	167,998	141,235	26,763
Employee benefits	52,776	52,776	29,617	23,159
Services and supplies	19,900	19,900	22,330	(2,430)
Capital outlay	-	-	3,414	(3,414)
	237,348	240,674	196,596	44,078
Landscaping				
Salaries and wages	394,458	402,426	408,284	(5,858)
Employee benefits	150,570	150,570	152,417	(1,847)
Services and supplies	346,200	346,200	413,817	(67,617)
Capital outlay	10,000	10,000	12,786	(2,786)
	901,228	909,196	987,304	(78,108)
Building maintenance				
Salaries and wages	162,214	165,491	140,885	24,606
Employee benefits	59,124	59,124	48,733	10,391
Services and supplies	176,163	176,163	120,161	56,002
Capital outlay	10,000	10,000	3,043	6,957
	407,501	410,778	312,822	97,956
Total public works	2,741,149	2,769,683	2,635,963	133,720
Culture and recreation				
Golf course				
Salaries and wages	741,027	755,996	722,407	33,589
Employee benefits	230,084	230,084	217,576	12,508
Services and supplies	803,954	803,954	1,239,538	(435,584)
Capital outlay	74,000	74,000	106,381	(32,381)
	1,849,065	1,864,034	2,285,902	(421,868)
Senior citizens				
Salaries and wages	12,376	12,626	10,696	1,930
Employee benefits	3,369	3,369	2,384	985
Services and supplies	58,991	58,991	60,184	(1,193)
	74,736	74,986	73,264	1,722

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Culture and recreation (Continued)				
Swimming Pool				
Salaries and wages	259,306	264,544	298,416	(33,872)
Employee benefits	47,611	47,611	54,450	(6,839)
Services and supplies	104,900	134,900	129,979	4,921
Capital outlay	8,240	8,240	8,361	(121)
	420,057	455,295	491,206	(35,911)
Cable TV				
Salaries and wages	59,228	60,424	62,184	(1,760)
Employee benefits	21,781	21,781	21,889	(108)
Services and supplies	29,300	29,300	22,268	7,032
Capital outlay	2,700	2,700	-	2,700
	113,009	114,205	106,341	7,864
Other recreation				
Salaries and wages	936,258	955,170	964,020	(8,850)
Employee benefits	217,781	217,781	228,688	(10,907)
Services and supplies	385,519	382,349	409,705	(27,356)
Capital outlay	37,213	40,382	4,317	36,065
	1,576,771	1,595,682	1,606,730	(11,048)
Total culture and recreation	4,033,638	4,104,202	4,563,443	(459,241)
Community support				
Community development administration				
Salaries and wages	143,877	146,783	151,912	(5,129)
Employee benefits	48,814	48,814	49,693	(879)
Services and supplies	17,366	17,366	13,465	3,901
Capital outlay	10,000	10,000	1,920	8,080
	220,057	222,963	216,990	5,973
Planning and zoning				
Salaries and wages	75,920	77,454	78,344	(890)
Employee benefits	25,426	25,426	25,398	28
Services and supplies	6,558	6,558	5,553	1,005
	107,904	109,438	109,295	143
Building inspection and code enforcement				
Salaries and wages	158,296	161,494	160,575	919
Employee benefits	52,325	52,325	57,710	(5,385)
Services and supplies	59,615	59,614	60,492	(878)
Capital outlay	2,000	2,000	1,997	3
	272,236	275,433	280,774	(5,341)

CITY OF BOULDER CITY, NEVADA
MAJOR FUND - GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Expenditures (Continued)				
Community support (Continued)				
Urban designer/forester				
Salaries and wages	83,798	85,491	86,469	(978)
Employee benefits	27,147	27,147	27,157	(10)
Services and supplies	12,640	12,640	11,180	1,460
Capital outlay	2,000	2,000	-	2,000
	125,585	127,278	124,806	2,472
Total community support	725,782	735,112	731,865	3,247
Total expenditures	17,935,449	18,555,257	18,685,132	(129,875)
Excess (deficiency) of revenues over (under) expenditures	(526,072)	(1,145,880)	176,459	1,322,339
Other financing sources (uses)				
Contingency	(538,063)	(28,063)	-	28,063
Transfers in	2,200,000	2,200,000	2,246,000	46,000
Transfers out	(1,540,181)	(1,540,181)	(1,483,241)	56,940
Total other financing sources (uses)	121,756	631,756	762,759	131,003
Net change in fund balance	(404,316)	(514,124)	939,218	1,453,342
Fund balance, beginning of year	3,233,003	3,605,527	3,605,527	-
Fund balance, end of year	\$ 2,828,687	\$ 3,091,403	\$ 4,544,745	\$ 1,453,342

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Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The Capital Improvement Fund is used to account for the accumulation of resources from the sale of City owned land, which is specifically restricted by City Charter to be expended on voter approved projects. When designated projects are approved by the voters, resources of this fund are transferred to the Capital (Special) Projects Fund.

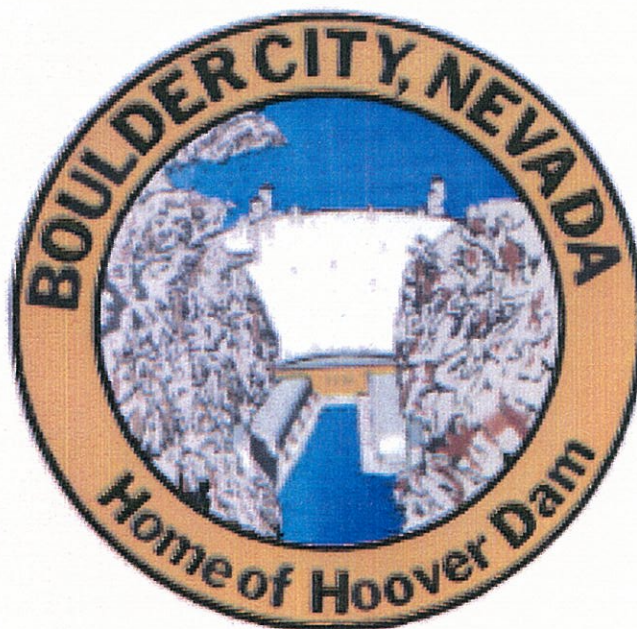
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CITY OF BOULDER CITY, NEVADA
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Miscellaneous				
Leases	\$ 261,051	\$ 261,051	\$ 485,131	\$ 224,080
Land sales	500,000	500,000	194,000	(306,000)
Interest	50,000	50,000	93,298	43,298
Other	159,121	159,121	70,537	(88,584)
	970,172	970,172	842,966	(127,206)
Other financing sources (uses)				
Transfers out	(2,200,000)	(2,200,000)	(700,000)	1,500,000
Net change in fund balance	(1,229,828)	(1,229,828)	142,966	1,372,794
Fund balance, beginning of year	2,635,282	2,683,658	2,683,658	-
Fund balance, end of year	<u>\$ 1,405,454</u>	<u>\$ 1,453,830</u>	<u>\$ 2,826,624</u>	<u>\$ 1,372,794</u>

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**Note to Other Required
Supplementary Information**



CITY OF BOULDER CITY, NEVADA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2006

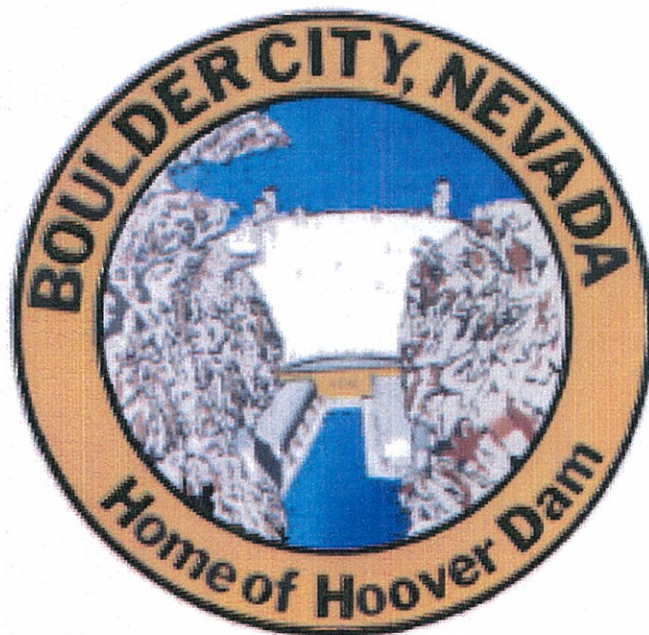
1. Basis of Presentation

The accompanying required supplementary schedules of revenues, expenditures and changes in fund balance present the original adopted budget, the final amended budget, and actual fund data. The original budget was adopted on a basis consistent with the City's financial accounting policies and with accounting principles generally accepted in the United States. All amendments made to the original budget were as prescribed by law and similarly consistent.

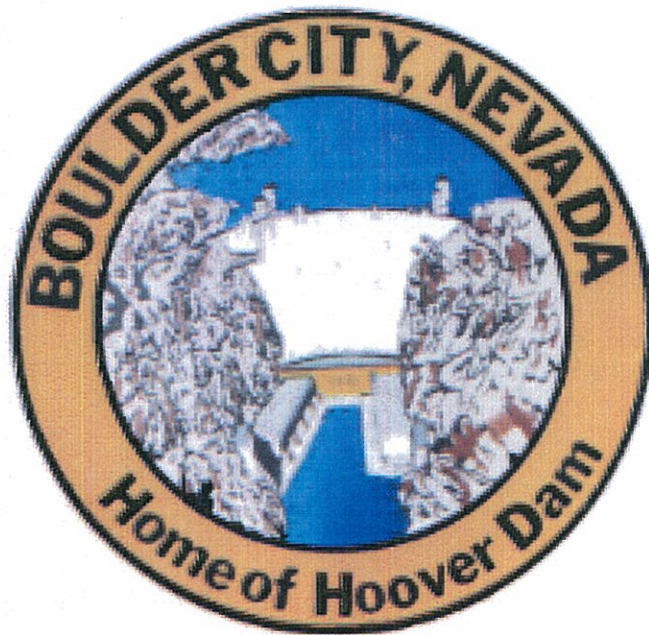
Additional budgetary information can be found in Note 2 to the City's basic financial statements on page 37 of this report.

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Combining and Individual Fund Statements and Schedules



Major Governmental Fund



Capital (Special) Projects Fund

The Capital (Special) Projects Fund is used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

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**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Taxes				
Room tax	\$ 38,938	\$ 38,938	\$ 38,938	\$ -
County optional motor fuel tax	60,000	60,000	68,321	8,321
Special ad valorem tax	140,000	140,000	72,369	(67,631)
Other	30,000	30,000	-	(30,000)
	268,938	268,938	179,628	(89,310)
Intergovernmental revenues				
Federal grants				
Community Development Block Grant (CDBG)	150,000	150,000	56,028	(93,972)
Department of Transportation	619,121	619,121	-	(619,121)
National Park Service	3,020,854	3,020,854	-	(3,020,854)
State shared revenues				
Motor vehicle fuel tax	140,000	140,000	176,237	36,237
Local government shared revenues				
Regional Transportation Commission	300,000	300,000	990,000	690,000
Clark County Flood Control District	2,032,239	2,032,239	224,725	(1,807,514)
Southern Nevada Public Lands Management Account (SNPLMA)	1,500,000	1,500,000	-	(1,500,000)
Southern Nevada Water Authority (SNWA)	220,000	220,000	-	(220,000)
Clark County, other	231,754	231,754	34,715	(197,039)
	8,213,968	8,213,968	1,481,705	(6,732,263)
Miscellaneous				
Other	-	-	3,373	3,373
Total revenues	8,482,906	8,482,906	1,664,706	(6,818,200)

**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

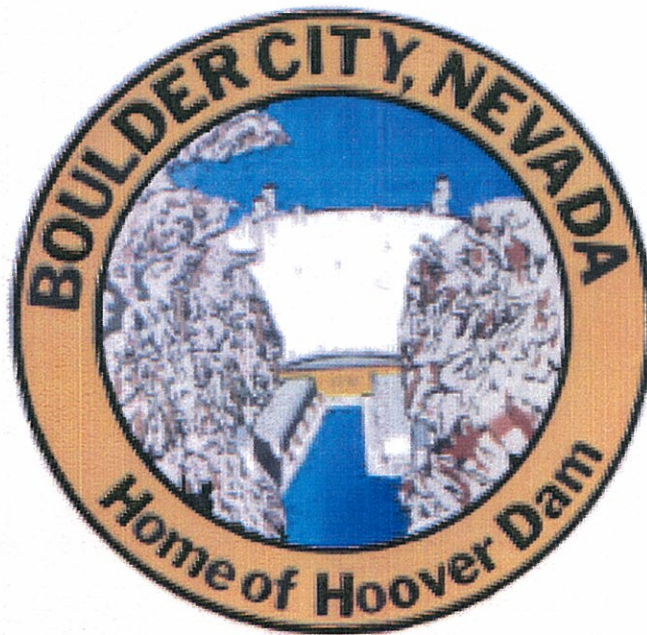
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures				
General government				
Capital outlay				
CDBG - Boulder City Welfare	23,498	23,498	32,701	(9,203)
CDBG - Lend-a-hand	8,256	8,256	8,256	-
	31,754	31,754	40,957	(9,203)
Public safety				
Capital outlay				
Animal shelter	1,500,000	1,500,000	59,351	1,440,649
CBRNE response unit	572,854	572,854	-	572,854
Mobile command comm. unit	566,000	566,000	-	566,000
Police building renovation	-	440,000	25,107	414,893
800 MHZ Radio system	1,882,000	1,882,000	-	1,882,000
Red mountain fire improvement	-	-	2,871	(2,871)
	4,520,854	4,960,854	87,329	4,873,525
Public works				
Capital outlay				
2005-2006 street reconstruction	1,000,000	1,000,000	2,383,424	(1,383,424)
Bootleg Canyon Trailhead	1,500,000	1,500,000	908,359	591,641
Drainage projects	2,032,239	2,032,239	101,443	1,930,796
Hillside drive turn-around	-	-	33,879	(33,879)
Industrial court subdivision	225,000	225,000	-	225,000
Micro-pave/Fog seal program	200,000	200,000	178,526	21,474
Recreation center drainage	-	-	10,393	(10,393)
River Mountain loop trail	669,121	669,121	645	668,476
	5,626,360	5,626,360	3,616,669	2,009,691

**CITY OF BOULDER CITY, NEVADA
CAPITAL (SPECIAL) PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Culture and recreation				
Capital outlay				
ABC park master plan	-	181,000	45,160	135,840
Boulder City Muni Golf - Lake pumps replacement	38,000	38,000	-	38,000
Central Park	65,000	65,000	59,188	5,812
Golf course capital improvements	132,000	132,000	18,549	113,451
Hemenway Park	-	-	4,557	(4,557)
Del Prado Park	-	-	364	(364)
Recreation center renovation	-	20,000	33,771	(13,771)
Senior citizens center renovation	-	439,000	785,324	(346,324)
Swimming pool renovation	654,040	654,040	7,717	646,323
Turf removal - BC Muni golf course	220,000	220,000	-	220,000
Veterans Memorial Park	100,000	10,000	57,583	(47,583)
	1,209,040	1,759,040	1,012,213	746,827
Community support				
Capital outlay				
CDBG - Senior housing study	-	-	2,500	(2,500)
Total expenditures	11,388,008	12,378,008	4,759,668	7,618,340
Deficiency of revenues under expenditures	(2,905,102)	(3,895,102)	(3,094,962)	800,140
Other financing sources (uses)				
Transfers in	2,751,147	2,751,147	718,549	(2,032,598)
Net change in fund balance	(153,955)	(1,143,955)	(2,376,413)	(1,232,458)
Fund balance, beginning of year	1,000,313	962,394	962,394	-
Fund balance, end of year	<u>\$ 846,358</u>	<u>\$ (181,561)</u>	<u>\$ (1,414,019)</u>	<u>\$ (1,232,458)</u>

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Non-Major Governmental Funds



Non-Major Special Revenue Funds

The Urban Forestry Fund was established to account for revenues received from the Clark County Health District for emission reduction credits received from the Eldorado Energy Project. The City plans to plant 15,000 trees with the proceeds.

The Sales and Use Tax Special Revenue Fund was established to account for the City's share of an Act of 2005 relating to taxation; authorizing the Board of County Commissioners of Clark County to increase sales and use tax to employ and equip additional police officers.

The Residential Construction Tax Fund is used to account for revenues from residential construction taxes, which are specifically restricted for the development of park projects.

The Police Forfeiture Fund was established in accordance with Nevada Revised Statutes No. 179.1187 wherein forfeited property may be sold and the proceeds used for any lawful purpose by the police department, except for ordinary expenses.

The Municipal Court Construction Fee Fund was established in accordance with Nevada Revised Statutes No. 176.0611, which authorizes the collection of an administrative assessment in the municipal court for the provision of court facilities.

The Municipal Court Administrative Assessment Fund was established in accordance with Nevada Revised Statutes No. 176.059, which authorizes the collection of an administrative assessment in the municipal court for the training and education of personnel, acquisition of capital assets, management and operational studies, and audits.

The Land Improvement Fund was established as a revolving fund of \$500,000, which is specifically restricted by City Charter to develop and prepare property owned by the City for sale.

The Golf Course Improvement Fund is used for the accumulation of resources from a surcharge on each round of golf played and is specifically restricted to repay the City for financing improvements at the Boulder Creek Golf Course.

The Redevelopment District #1 Fund is used for the accumulation of resources from a portion of local property taxes and was established as a separate legal entity to encourage renovation and development in the core business area of the City.

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**CITY OF BOULDER CITY, NEVADA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
AS OF JUNE 30, 2006**

	Special Revenue Funds										Total Non-Major Governmental Funds
	Urban Forestry Fund	Sales and Use Tax Fund	Residential Construction Tax Fund	Police Forfeiture Fund	Municipal Court Construction Fee Fund	Municipal Court Administrative Assessment Fund	Land Improvement Fund	Golf Course Improvement Fund	Redevelopment District #1 Fund		
ASSETS											
Cash, cash equivalents and investments	\$ 138,827	\$ 294,098	\$ 168,594	\$ 8,164	\$ 263,934	\$ 199,460	\$ 84,894	\$ -	\$ 1,784,637	\$ 2,942,608	
Interest receivable	-	-	-	-	-	-	-	-	6,953	6,953	
Taxes receivable	-	198,602	-	-	-	-	-	-	12,961	211,563	
	\$ 138,827	\$ 492,700	\$ 168,594	\$ 8,164	\$ 263,934	\$ 199,460	\$ 84,894	\$ -	\$ 1,804,551	\$ 3,161,124	
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ -	\$ -	\$ 3,423	\$ 3,428	
Fund balances											
Reserved for											
Future projects	-	-	-	-	-	-	84,894	-	1,801,128	1,886,022	
Additional police officers	-	492,700	-	-	-	-	-	-	-	492,700	
Unreserved											
Undesignated	138,827	-	168,594	8,164	263,934	199,455	-	-	-	778,974	
	138,827	492,700	168,594	8,164	263,934	199,455	84,894	-	1,801,128	3,157,696	
Total liabilities and fund balances	\$ 138,827	\$ 492,700	\$ 168,594	\$ 8,164	\$ 263,934	\$ 199,460	\$ 84,894	\$ -	\$ 1,804,551	\$ 3,161,124	

**CITY OF BOULDER CITY, NEVADA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Special Revenue Funds										Total Non-Major Governmental Funds
	Urban Forestry Fund	Sales and Use Tax Fund	Residential Construction Tax Fund	Police Forfeiture Fund	Municipal Court Construction Fee Fund	Municipal Court Administrative Assessment Fund	Land Improvement Fund	Golf Course Improvement Fund	Redevelopment District #1 Fund		
Revenues											
Taxes	\$ -	\$ 581,442	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 662,815	\$ 1,297,257	
Charges for services	-	-	-	-	-	-	-	18,549	-	18,549	
Fines and fees	-	-	-	-	36,734	56,298	-	-	-	93,032	
Miscellaneous	-	-	-	-	-	-	11,139	-	25,625	36,764	
	-	581,442	53,000	-	36,734	56,298	11,139	18,549	688,440	1,445,602	
Expenditures											
General government	-	-	-	-	-	-	36,302	-	288,906	325,208	
Judicial	-	-	-	-	38,762	19,179	-	-	-	57,941	
Public safety	-	88,742	-	2,000	-	-	-	-	-	90,742	
Culture and recreation	9,951	-	-	-	-	-	-	-	-	9,951	
	9,951	88,742	-	2,000	38,762	19,179	36,302	-	288,906	483,842	
Other financing sources											
Transfers in	-	-	-	-	-	-	-	-	-	-	
Transfers out	-	-	-	-	-	-	-	(18,549)	-	(18,549)	
	-	-	-	-	-	-	-	(18,549)	-	(18,549)	
Net change in fund balance	(9,951)	492,700	53,000	(2,000)	(2,028)	37,119	(25,163)	-	399,534	943,211	
Fund balance, beginning of year	148,778	-	115,594	10,164	265,962	162,336	110,057	-	1,401,594	2,214,485	
Fund balance, end of year	\$ 138,827	\$ 492,700	\$ 168,594	\$ 8,164	\$ 263,934	\$ 199,455	\$ 84,894	\$ -	\$ 1,801,128	\$ 3,157,696	

CITY OF BOULDER CITY, NEVADA
URBAN FORESTRY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures				
Culture and recreation	-	-	9,951	(9,951)
Net change in fund balance	-	-	(9,951)	(9,951)
Fund balance, beginning of year	-	148,778	148,778	-
Fund balance, end of year	\$ -	\$ 148,778	\$ 138,827	\$ (9,951)

CITY OF BOULDER CITY, NEVADA
SALES AND USE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ 450,000	\$ 581,442	\$ 131,442
Expenditures				
Public safety				
Salaries and wages	-	65,304	53,572	11,732
Employee benefits	-	43,500	24,650	18,850
Services and supplies	-	8,915	10,520	(1,605)
Capital outlay	-	52,549	-	52,549
	-	170,268	88,742	81,526
Net change in fund balance	-	279,732	492,700	212,968
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 279,732	\$ 492,700	\$ 212,968

CITY OF BOULDER CITY, NEVADA
RESIDENTIAL CONSTRUCTION TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Taxes	\$ 45,000	\$ 45,000	\$ 53,000	\$ 8,000
Other financing uses				
Operating transfer out	(156,147)	(156,147)	-	156,147
Net change in fund balance	(111,147)	(111,147)	53,000	164,147
Fund balance, beginning of year	111,147	115,594	115,594	-
Fund balance, end of year	\$ -	\$ 4,447	\$ 168,594	\$ 164,147

CITY OF BOULDER CITY, NEVADA
POLICE FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Miscellaneous	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Expenditures				
Public safety				
Services and supplies	6,486	6,486	2,000	4,486
Net change in fund balance	(1,486)	(1,486)	(2,000)	(514)
Fund balance, beginning of year	1,486	10,164	10,164	-
Fund balance, end of year	\$ -	\$ 8,678	\$ 8,164	\$ (514)

**CITY OF BOULDER CITY, NEVADA
MUNICIPAL COURT CONSTRUCTION FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and fees				
Court fines	\$ 40,000	\$ 40,000	\$ 36,734	\$ (3,266)
Expenditures				
Judicial				
Services and supplies	278,562	278,562	-	278,562
Capital outlay	-	-	38,762	(38,762)
	278,562	278,562	38,762	239,800
Net change in fund balance	(238,562)	(238,562)	(2,028)	236,534
Fund balance, beginning of year	238,562	265,962	265,962	-
Fund balance, end of year	\$ -	\$ 27,400	\$ 263,934	\$ 236,534

CITY OF BOULDER CITY, NEVADA
MUNICIPAL COURT ADMINISTRATIVE ASSESSMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Fines and fees				
Court administration assessment	\$ 45,000	\$ 45,000	\$ 56,298	\$ 11,298
Expenditures				
Judicial				
Services and supplies	-	-	14,465	(14,465)
Capital outlay	222,143	222,143	4,714	217,429
	222,143	222,143	19,179	202,964
Net change in fund balance	(177,143)	(177,143)	37,119	214,262
Fund balance, beginning of year	177,143	162,336	162,336	-
Fund balance, end of year	\$ -	\$ (14,807)	\$ 199,455	\$ 214,262

CITY OF BOULDER CITY, NEVADA
LAND IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Miscellaneous	\$ 225,000	\$ 225,000	\$ 11,139	\$ (213,861)
Expenditures				
General government				
Services and supplies	-	-	36,302	(36,302)
Other financing sources				
Transfers out	(225,000)	(225,000)	-	225,000
Net change in fund balance	-	-	(25,163)	(25,163)
Fund balance, beginning of year	-	110,057	110,057	-
Fund balance, end of year	\$ -	\$ 110,057	\$ 84,894	\$ (25,163)

**CITY OF BOULDER CITY, NEVADA
GOLF COURSE IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

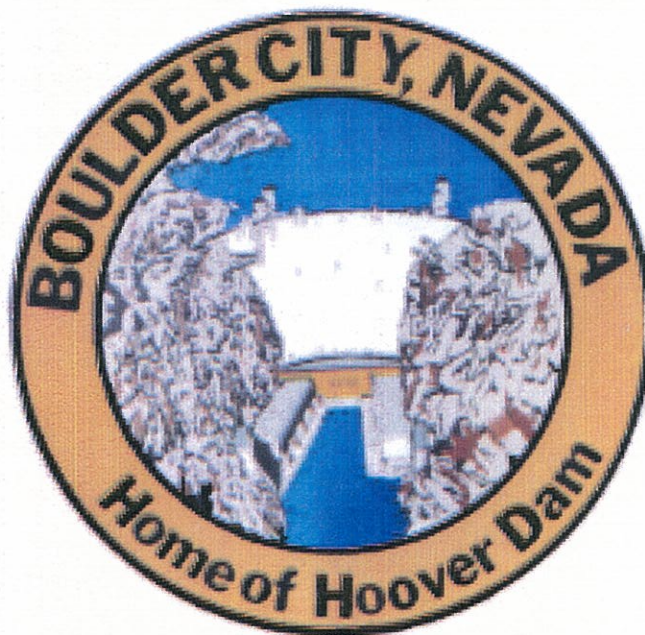
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Charges for services				
Golf course surcharge	\$ 170,000	\$ 170,000	\$ 18,549	\$ (151,451)
Other financing uses				
Operating transfer out	(170,000)	(170,000)	(18,549)	151,451
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

**CITY OF BOULDER CITY, NEVADA
REDEVELOPMENT DISTRICT #1 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 550,000	\$ 550,000	\$ 662,815	\$ 112,815
Miscellaneous				
Interest income	15,000	15,000	24,038	9,038
Other	-	-	1,587	1,587
	565,000	565,000	688,440	123,440
Expenditures				
General government				
Service and supplies	1,987,140	1,987,140	288,906	1,698,234
Net change in fund balance	(1,422,140)	(1,422,140)	399,534	1,821,674
Fund balance, beginning of year	1,528,612	1,401,594	1,401,594	-
Fund balance, end of year	<u>\$ 106,472</u>	<u>\$ (20,546)</u>	<u>\$ 1,801,128</u>	<u>\$ 1,821,674</u>

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Major Proprietary Funds



Proprietary Funds

Proprietary Funds are used to account for operations that are financed and operating in a manner similar to private business enterprises - where the intent of the City Council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of net income is appropriate for accounting purposes.

The Utility Fund is used to account for the electric, water and sewer services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction, maintenance, financing and related debt services, billing and collection.

The Golf Course Fund is used to account for the Boulder Creek Golf Course. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating construction, maintenance, financing and related debt services.

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CITY OF BOULDER CITY, NEVADA
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating revenues				
Electric	\$ 8,128,568	\$ 8,128,568	\$ 8,386,505	\$ 257,937
Water	6,700,000	6,700,000	5,958,224	(741,776)
Sewer	1,201,817	1,201,817	909,454	(292,363)
Refuse	799,690	799,690	742,717	(56,973)
Refuse special charge	-	-	54,549	54,549
Landfill receipts	131,063	131,063	176,439	45,376
Penalties	31,000	31,000	98,840	67,840
Miscellaneous	89,000	89,000	17,741	(71,259)
Hookup fees	160,000	160,000	227,925	67,925
Total revenues	17,241,138	17,241,138	16,572,394	(668,744)
Operating expenses				
Utility administration				
Salaries and benefits	70,140	71,037	64,925	6,112
Supplies and services	-	-	5,124	(5,124)
	70,140	71,037	70,049	988
Electrical distribution				
Salaries and benefits	6,625,731	6,649,509	1,670,089	4,979,420
Supplies and services	-	-	5,942,525	(5,942,525)
	6,625,731	6,649,509	7,612,614	(963,105)
Water quality control				
Salaries and benefits	4,370,215	4,378,112	614,345	3,763,767
Supplies and services	-	-	3,165,726	(3,165,726)
	4,370,215	4,378,112	3,780,071	598,041
Water quality control-wastewater				
Salaries and benefits	674,661	678,528	199,579	478,949
Supplies and services	-	-	135,119	(135,119)
	674,661	678,528	334,698	343,830
Refuse collection				
Salaries and benefits	726,222	726,222	-	726,222
Supplies and services	-	-	1,814,070	(1,814,070)
	726,222	726,222	1,814,070	(1,087,848)
Billing and collection				
Salaries and benefits	569,228	575,228	421,350	153,878
Supplies and services	-	-	99,266	(99,266)
	569,228	575,228	520,616	54,612

CITY OF BOULDER CITY, NEVADA
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND
ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

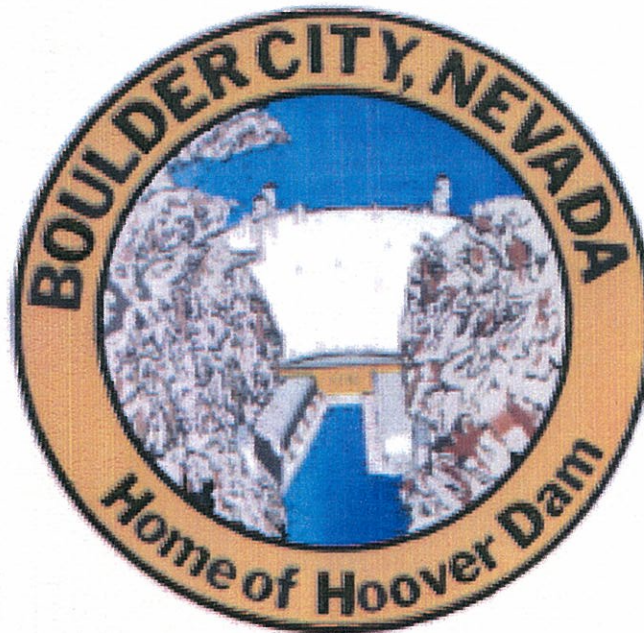
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating expenses (Continued)				
Other				
Supplies and services	546,000	546,000	728,298	(182,298)
Depreciation	-	-	2,177,294	(2,177,294)
	13,582,197	13,624,636	17,037,710	(3,413,074)
Operating income (loss)	3,658,941	3,616,502	(465,316)	(4,081,818)
Non-operating revenues (expenses)				
Interest income	-	-	47,146	47,146
Interest expense	(1,542,876)	(1,542,876)	(1,744,479)	(201,603)
1/4-cent sales tax (infrastructure)	854,438	854,438	812,575	(41,863)
Loss on disposition of assets	-	-	(432)	(432)
Refund of utility services overcharges	-	-	-	-
Grant revenue	1,836,089	1,836,089	-	(1,836,089)
	1,147,651	1,147,651	(885,190)	(2,032,841)
Income (loss) before transfers	4,806,592	4,764,153	(1,350,506)	(6,114,659)
Transfers out	(2,200,000)	(2,200,000)	(2,200,000)	-
Net income (loss)	2,606,592	2,564,153	(3,550,506)	(6,114,659)
Net assets				
Fund balance, beginning of year	34,011,798	34,011,798	29,285,136	(4,726,662)
Fund balance, end of year	<u>\$ 36,618,390</u>	<u>\$ 36,575,951</u>	<u>\$ 25,734,630</u>	<u>\$ (10,841,321)</u>

CITY OF BOULDER CITY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final	Amounts	
Operating revenues				
Golf course receipts	\$ 2,834,000	\$ 2,834,000	\$ 2,522,116	\$ (311,884)
Operating expenses				
Salaries and wages	10,932	10,932	7,132	3,800
Supplies and services	2,757,610	2,757,610	2,976,487	(218,877)
Depreciation	-	-	1,220,376	(1,220,376)
	2,768,542	2,768,542	4,203,995	(1,435,453)
Operating income (loss)	65,458	65,458	(1,681,879)	(1,747,337)
Non-operating revenues (expenses)				
Interest expense	(1,540,181)	(1,540,181)	(504,265)	1,035,916
Capital expenses	(65,000)	(65,000)	-	65,000
	(1,605,181)	(1,605,181)	(504,265)	1,100,916
Income (loss) before transfers	(1,539,723)	(1,539,723)	(2,186,144)	(646,421)
Transfers in	1,540,181	1,540,181	1,483,241	(56,940)
Net income (loss)	458	458	(702,903)	(703,361)
Net assets				
Fund balance, beginning of year	5,660,326	4,828,738	4,828,738	-
Fund balance, end of year	\$ 5,660,784	\$ 4,829,196	\$ 4,125,835	\$ (703,361)

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Non-Major Proprietary Funds



Non-Major Proprietary Funds

The Aviation Fund is used to account for aviation services provided to users of the City's airport. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating construction and maintenance.

The Cemetery Fund is used to account for cemetery services provided to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operating, construction and maintenance.

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CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2006

ASSETS	Aviation Fund	Cemetery Fund	Total
Cash, cash equivalents and investments	\$ 512,964	\$ 363,102	\$ 876,066
Interest receivable	1,738	1,738	3,476
Due from other governments	99,639	-	99,639
	614,341	364,840	979,181
Restricted investments, perpetual care	-	141,982	141,982
Property and equipment:			
Land	512,760	65,000	577,760
Buildings	269,333	-	269,333
Improvements other than buildings	4,866,729	263,305	5,130,034
Machinery, equipment and furniture	73,866	25,727	99,593
Less accumulated depreciation	(1,727,595)	(167,974)	(1,895,569)
	3,995,093	186,058	4,181,151
Total assets	\$ 4,609,434	\$ 692,880	\$ 5,302,314
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable	\$ 38,286	\$ 635	\$ 38,921
Net assets			
Invested in capital assets, net of related debt	3,995,093	186,058	4,181,151
Restricted for perpetual care	-	141,982	141,982
Unrestricted	576,055	364,205	940,260
	4,571,148	692,245	5,263,393
Total liabilities and net assets	\$ 4,609,434	\$ 692,880	\$ 5,302,314

CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Aviation Fund	Cemetery Fund	Total
Operating revenues	\$ 243,192	\$ 70,258	\$ 313,450
Operating expenses			
Salaries and wages	3,222	-	3,222
Supplies and services	258,494	8,542	267,036
Depreciation	171,136	12,535	183,671
	432,852	21,077	453,929
Operating income (loss)	(189,660)	49,181	(140,479)
Non-operating revenues			
Grant revenue	99,639	-	99,639
Interest	2,126	22,318	24,444
Income (loss) before transfers	(87,895)	71,499	(16,396)
Transfers out	-	(46,000)	(46,000)
Net loss	(87,895)	25,499	(62,396)
Net assets, beginning of year	4,659,043	666,746	5,325,789
Net assets, end of year	\$ 4,571,148	\$ 692,245	\$ 5,263,393

**CITY OF BOULDER CITY, NEVADA
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Aviation Fund	Cemetery Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 243,192	\$ 70,258	\$ 313,450
Cash payments to suppliers for goods and services	(329,540)	(8,782)	(338,322)
Cash payments to employees	(3,222)	-	(3,222)
Net cash provided by (used in) operating activities	(89,570)	61,476	(28,094)
Cash flows from noncapital financing activities			
Transfers out	-	(46,000)	(46,000)
Cash flows from capital and related financing activities			
Acquisition of fixed assets	(181,137)	(2,645)	(183,782)
Proceeds from capital grant contributions from federal government	99,639	-	99,639
Net cash used in capital and related financing activities	(81,498)	(2,645)	(84,143)
Cash flows from investing activities			
Proceeds from sale of investments	500,857	300,856	801,713
Interest on investments	1,270	21,462	22,732
Net cash provided by investing activities	502,127	322,318	824,445
Net increase in cash and cash equivalents	331,059	335,149	666,208
Cash and cash equivalents, beginning of year	181,905	169,935	351,840
Cash and cash equivalents, end of year	\$ 512,964	\$ 505,084	1,018,048
Reconciliation of operating income to net cash provided by operating activities			
Operating income (loss)	\$ (189,660)	\$ 49,181	\$ (140,479)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	171,136	12,535	183,671
Changes in operating assets and liabilities			
Increase in interest receivable	(856)	(856)	(1,712)
Increase in due from other governments	(99,639)	-	(99,639)
Increase in accounts payable	29,449	616	30,065
Net cash provided by (used in) operating activities	\$ (89,570)	\$ 61,476	\$ (28,094)

CITY OF BOULDER CITY, NEVADA
AVIATION FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating revenues				
Rents and royalties	\$ 276,000	\$ 276,000	\$ 243,092	\$ (32,908)
Miscellaneous	2,000	2,000	100	(1,900)
	<u>278,000</u>	<u>278,000</u>	<u>243,192</u>	<u>(34,808)</u>
Operating expenses				
Salaries and wages	119,678	119,678	3,222	116,456
Supplies and services	235,490	235,490	258,494	(23,004)
Depreciation	-	-	171,136	(171,136)
	<u>355,168</u>	<u>355,168</u>	<u>432,852</u>	<u>(77,684)</u>
Operating income (loss)	<u>(77,168)</u>	<u>(77,168)</u>	<u>(189,660)</u>	<u>(112,492)</u>
Non-operating revenues (expenses)				
Federal Aviation Administration grant	150,000	150,000	99,639	(50,361)
Interest income	-	-	2,126	2,126
	<u>150,000</u>	<u>150,000</u>	<u>101,765</u>	<u>(48,235)</u>
Net income (loss)	<u>72,832</u>	<u>72,832</u>	<u>(87,895)</u>	<u>(160,727)</u>
Net assets				
Fund balance, beginning of year	<u>5,728,246</u>	<u>4,659,043</u>	<u>4,659,043</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,801,078</u>	<u>\$ 4,731,875</u>	<u>\$ 4,571,148</u>	<u>\$ (160,727)</u>

CITY OF BOULDER CITY, NEVADA
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS -
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Operating revenues				
Sale of lots	\$ 29,000	\$ 29,000	\$ 24,343	\$ (4,657)
Opening and closing	22,000	22,000	34,375	12,375
Miscellaneous	25,000	25,000	11,540	(13,460)
	76,000	76,000	70,258	(5,742)
Operating expenses				
Supplies and services	56,000	56,000	8,542	47,458
Depreciation	-	-	12,535	(12,535)
	56,000	56,000	21,077	34,923
Operating income (loss)	20,000	20,000	49,181	29,181
Non-operating revenues (expenses)				
Interest income	12,000	12,000	22,318	10,318
Income before transfers	32,000	32,000	71,499	39,499
Transfers out	-	-	(46,000)	(46,000)
Net income (loss)	32,000	32,000	25,499	(6,501)
Net assets				
Fund balance , beginning of year	702,131	666,746	666,746	-
Fund balance , end of year	\$ 734,131	\$ 698,746	\$ 692,245	\$ (6,501)

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Fiduciary Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments, and other funds.

The Evidence Fund is used to account for property confiscated by the police department prior to distribution by the court system.

The Desert Tortoise Reserve Fund is used to account for the collection and distribution of funds for the Clark County Desert Tortoise Reserve.

The Animal Control Contributions Fund is used to account for contributions for use by animal control.

The American Legion Flag Contributions Fund is used to account for contributions to be used by the American Legion for the purchase of flags.

The Payroll Deduction Fund is used to account for the collection and distribution of funds for the City's payroll related liabilities.

The Police Unclaimed Fund was established to account for funds collected by the Police Department and never claimed.

The Room Tax Fund is used to account for the collections and distribution of room taxes received from various hotels within the City.

The Cascata Contribution Fund is used to account for contributions received from Cascata Golf Course, prior to distribution to local not-for-profit organizations.

The Police Department Contributions Fund is used to account for the collection and distribution of police department contributions.

The Recreation Contributions Fund is used to account for the collection and distribution of recreation contributions.

The Fire Department Contributions Fund is used to account for the collection and distribution of fire department contributions.

The Adams Boulevard Memorial Trees Fund is used to account for the collection and distribution contributions for the Adams Boulevard tree project.

The Beautify City Entrance Fund is used to account for the collection and distribution of contributions for beautifying the City entrance.

The Safety Committee Donations Fund is used to account for the collection and distribution of safety committee donations.

The Parent Project Fund is used to account for the collection and distribution of funds used to conduct parent training program designed specifically for parents of strong-willed or out of control adolescent children in Boulder City.

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CITY OF BOULDER CITY, NEVADA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Agency Funds			
	July 1, 2005	Increases	Decreases	June 30, 2006
Evidence				
Assets				
Cash, cash equivalents and investments	\$ 8,565	\$ 19,795	\$ 1,116	\$ 27,244
Liabilities				
Deposits	\$ 8,565	\$ 19,795	\$ 1,116	\$ 27,244
Desert Tortoise Reserve				
Assets				
Cash, cash equivalents and investments	\$ -	\$ 233,248	\$ 223,343	\$ 9,905
Due from other governments	-	2,575	-	2,575
	\$ -	\$ 235,823	\$ 223,343	\$ 12,480
Liabilities				
Due to other governments	\$ -	\$ 235,823	\$ 223,343	\$ 12,480
Animal Control Contributions				
Assets				
Cash, cash equivalents and investments	\$ 3,898	\$ 1,593	\$ 4,143	\$ 1,348
Liabilities				
Deposits	\$ 3,898	\$ 1,593	\$ 4,143	\$ 1,348
American Legion Flag Contributions				
Assets				
Cash, cash equivalents and investments	\$ 898	\$ -	\$ -	\$ 898
Liabilities				
Deposits	\$ 898	\$ -	\$ -	\$ 898
Payroll Deductions				
Assets				
Cash, cash equivalents and investments	\$ 301,208	\$ 196,908	\$ 150,469	\$ 347,647
Due from other governments	-	38,174	-	38,174
	\$ 301,208	\$ 235,082	\$ 150,469	\$ 385,821
Liabilities				
Due to employee union and taxing units	\$ 301,208	\$ 235,082	\$ 150,469	\$ 385,821
Police Unclaimed				
Assets				
Cash, cash equivalents and investments	\$ 9,922	\$ 2,889	\$ 7,939	\$ 4,872
Liabilities				
Deposits	\$ 9,922	\$ 2,889	\$ 7,939	\$ 4,872
Room Tax				
Assets				
Cash, cash equivalents and investments	\$ -	\$ 223,914	\$ 220,271	\$ 3,643
Liabilities				
Due to other governments	\$ -	\$ 223,914	\$ 220,271	\$ 3,643

CITY OF BOULDER CITY, NEVADA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

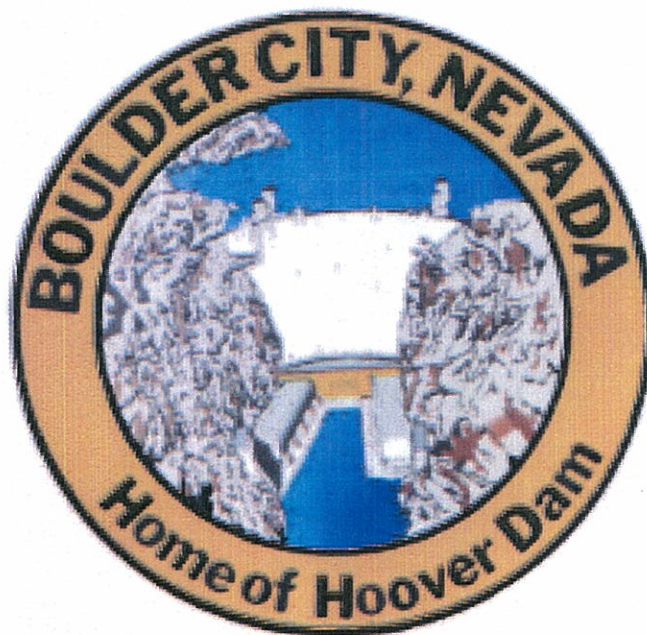
	Agency Funds			
	July 1, 2005	Increases	Decreases	June 30, 2006
Cascata Contribution				
Assets				
Cash, cash equivalents and investments	\$ 2,540	\$ 75,000	\$ 71,374	\$ 6,166
Liabilities				
Deposits	\$ 2,540	\$ 75,000	\$ 71,374	\$ 6,166
Police Department Contributions				
Assets				
Cash, cash equivalents and investments	\$ 5,151	\$ 18,714	\$ 18,811	\$ 5,054
Liabilities				
Deposits	\$ 5,151	\$ 18,714	\$ 18,811	\$ 5,054
Recreation Contributions				
Assets				
Cash, cash equivalents and investments	\$ 34,763	\$ 74,587	\$ 59,842	\$ 49,508
Liabilities				
Deposits	\$ 34,763	\$ 74,587	\$ 59,842	\$ 49,508
Fire Department Contributions				
Assets				
Cash, cash equivalents and investments	\$ 505	\$ 2,605	\$ 2,263	\$ 847
Liabilities				
Deposits	\$ 505	\$ 2,605	\$ 2,263	\$ 847
Adams Boulevard Memorial Trees				
Assets				
Cash, cash equivalents and investments	\$ 4,335	\$ -	\$ -	\$ 4,335
Liabilities				
Deposits	\$ 4,335	\$ -	\$ -	\$ 4,335
Beautify City Entrance				
Assets				
Cash, cash equivalents and investments	\$ 9,376	\$ 440	\$ 691	\$ 9,125
Liabilities				
Deposits	\$ 9,376	\$ 440	\$ 691	\$ 9,125
Safety Committee Donations				
Assets				
Cash, cash equivalents and investments	\$ 3,522	\$ 750	\$ -	\$ 4,272
Liabilities				
Deposits	\$ 3,522	\$ 750	\$ -	\$ 4,272

CITY OF BOULDER CITY, NEVADA
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

	Agency Funds			
	July 1, 2005	Increases	Decreases	June 30, 2006
Parent Project				
Assets				
Cash, cash equivalents and investments	\$ 4,708	\$ 482	\$ 1,032	\$ 4,158
Liabilities				
Deposits	\$ 4,708	\$ 482	\$ 1,032	\$ 4,158
Total - All Agency Funds				
Assets				
Cash, cash equivalents and investments	\$ 389,391	\$ 850,925	\$ 761,294	\$ 479,022
Due from other governments	-	40,749	-	40,749
	\$ 389,391	\$ 891,674	\$ 761,294	\$ 519,771
Liabilities				
Deposits	\$ 88,183	\$ 196,855	\$ 167,211	\$ 117,827
Due to other governments	-	459,737	443,614	16,123
Due to employee union and taxing units	301,208	235,082	150,469	385,821
	\$ 389,391	\$ 891,674	\$ 761,294	\$ 519,771

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Capital Assets - Governmental Funds



CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY SOURCE
JUNE 30, 2006

Governmental funds capital assets:

Land	\$	19,929,515
Buildings		7,968,546
Improvements other than buildings		15,704,601
Machinery, equipment and furniture		8,613,288
Infrastructure		59,359,809
Total governmental funds capital assets	\$	<u>111,575,759</u>

Investments in governmental funds capital assets by source:

General fund	\$	7,781,426
Special revenue funds		79,928
Capital (special) projects fund		77,736,646
Donations		25,977,759
	\$	<u>111,575,759</u>

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS -
BY FUNCTION AND ACTIVITY
JUNE 30, 2006

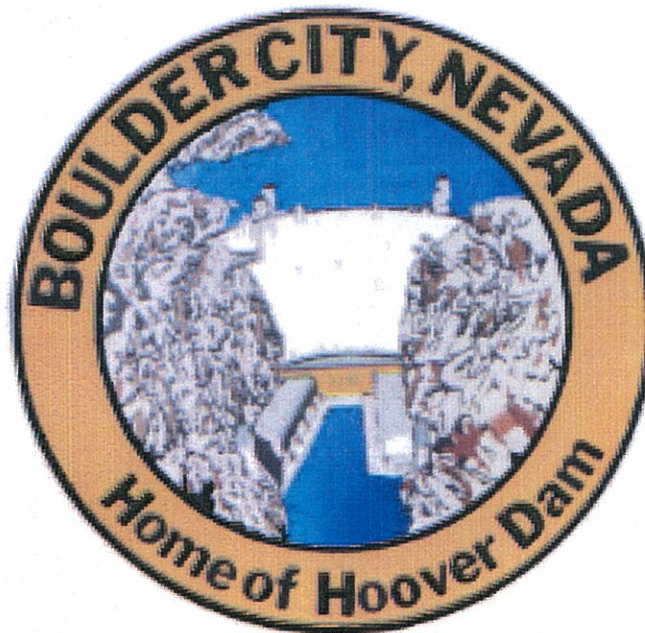
	Land	Buildings	Improvements Other than Buildings	Machinery, Equipment and Furniture	Infrastructure	Total
General Government						
City Council	\$ -	\$ -	\$ -	\$ 47,299	\$ -	\$ 47,299
City Clerk	-	-	-	25,131	-	25,131
City Attorney	-	-	-	8,994	-	8,994
City Manager	-	-	-	16,940	-	16,940
Personnel	-	-	-	6,379	-	6,379
Public information	-	-	-	17,624	-	17,624
Urban Designer/Forester	-	-	-	14,716	-	14,716
Finance	-	-	-	334,237	-	334,237
City Hall	61,300	765,318	39,497	219,432	-	1,085,547
	61,300	765,318	39,497	690,752	-	1,556,867
Judicial						
Municipal court	-	904,130	-	60,264	-	964,394
Public safety						
Police	-	927,397	-	1,395,238	-	2,322,635
Animal Control	-	156,831	-	60,093	-	216,924
Fire	6,520	1,121,343	-	2,338,407	-	3,466,270
	6,520	2,205,571	-	3,793,738	-	6,005,829
Public works						
Highways and streets	-	-	-	971,887	59,359,809	60,331,696
Engineering	-	-	-	105,931	-	105,931
Public works administration	-	-	-	34,342	-	34,342
Landscaping	-	-	186,100	412,970	-	599,070
Building maintenance	-	-	-	107,296	-	107,296
Garage	-	28,349	-	73,149	-	101,498
	-	28,349	186,100	1,705,575	59,359,809	61,279,833
Culture and recreation						
Golf course	183,000	337,557	2,931,205	1,277,937	-	4,729,699
Recreation	117,554	2,229,372	11,586,264	381,781	-	14,314,971
Senior citizens	-	1,300,561	-	29,352	-	1,329,913
Swimming pool	-	197,688	955,649	401,614	-	1,554,951
Cable TV	-	-	-	196,646	-	196,646
	300,554	4,065,178	15,473,118	2,287,330	-	22,126,180
Community support						
Community development administration	-	-	-	30,503	-	30,503
Planning	-	-	5,886	1,668	-	7,554
Building inspection and code enforcement	-	-	-	43,458	-	43,458
	-	-	5,886	75,629	-	81,515
Land held for resale	18,283,510	-	-	-	-	18,283,510
Land held for El Dorado Valley	1,277,631	-	-	-	-	1,277,631
Total governmental fund capital assets	\$19,929,515	\$ 7,968,546	\$ 15,704,601	\$ 8,613,288	\$ 59,359,809	\$111,575,759

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY
JUNE 30, 2006

	General Fixed Assets July 1, 2005	Increase	Decrease	Transfers	General Fixed Assets June 30, 2006
General government					
City Council	\$ 47,299	\$ -	\$ -	\$ -	\$ 47,299
City Clerk	25,131	-	-	-	25,131
City Attorney	8,994	-	-	-	8,994
City Manager	21,917	-	(4,977)	-	16,940
Personnel	4,704	1,675	-	-	6,379
Public information	16,562	2,450	(1,388)	-	17,624
Urban Designer/Forester	9,687	5,029	-	-	14,716
Finance	307,975	30,913	(4,651)	-	334,237
City Hall	1,085,547	-	-	-	1,085,547
	<u>1,527,816</u>	<u>40,067</u>	<u>(11,016)</u>	<u>-</u>	<u>1,556,867</u>
Judicial					
Municipal Court	966,987	3,785	(6,378)	-	964,394
Police safety					
Police	2,765,403	104,242	-	(547,010)	2,322,635
Animal Control	157,573	59,351	-	-	216,924
Fire	2,705,066	761,204	-	-	3,466,270
	<u>5,628,042</u>	<u>924,797</u>	<u>-</u>	<u>(547,010)</u>	<u>6,005,829</u>
Public works					
Highways and street	57,622,550	2,709,146	-	-	60,331,696
Engineering	102,288	3,643	-	-	105,931
Public works administration	31,249	3,093	-	-	34,342
Landscaping	590,882	8,188	-	-	599,070
Building maintenance	107,296	-	-	-	107,296
Garage	101,498	-	-	-	101,498
	<u>58,555,763</u>	<u>2,724,070</u>	<u>-</u>	<u>-</u>	<u>61,279,833</u>
Culture and recreation					
Golf course	4,711,150	18,549	-	-	4,729,699
Recreation	13,250,503	1,065,941	(1,473)	-	14,314,971
Senior citizens	29,352	753,551	-	547,010	1,329,913
Swimming pool	1,547,383	9,154	(1,586)	-	1,554,951
Cable TV	196,646	-	-	-	196,646
	<u>19,735,034</u>	<u>1,847,195</u>	<u>(3,059)</u>	<u>547,010</u>	<u>22,126,180</u>
Community support					
Community development administration	27,956	2,547	-	-	30,503
Planning	9,321	-	(1,767)	-	7,554
Building inspection and code enforcement	43,458	-	-	-	43,458
	<u>80,735</u>	<u>2,547</u>	<u>(1,767)</u>	<u>-</u>	<u>81,515</u>
Land held for resale	<u>18,283,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,283,510</u>
Land held for El Dorado Valley	<u>1,277,631</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,277,631</u>
Total governmental fund capital assets	<u>\$106,055,518</u>	<u>\$ 5,542,461</u>	<u>\$ (22,220)</u>	<u>\$ -</u>	<u>\$111,575,759</u>

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Business License Fees

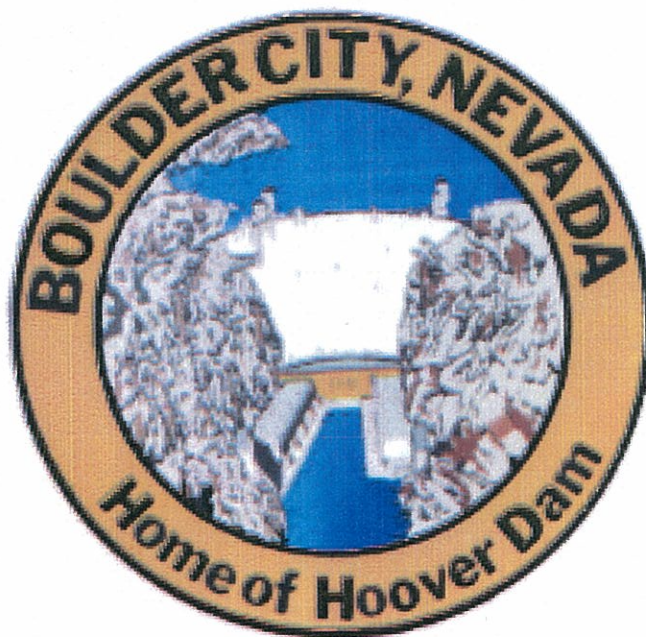


CITY OF BOULDER CITY, NEVADA
SCHEDULE OF BUSINESS LICENSE FEES - SUBJECT TO THE PROVISIONS OF NEVADA
REVISED STATUTES NO. 354.5989
FOR THE FISCAL YEAR ENDED JUNE 30, 2006
(UNAUDITED)

Flat fixed fees and fees based on point system		
Business license revenue for the fiscal year ended June 30, 2005 (base year)	\$	244,561
Adjustments to base year		
Percentage increase in population of local government	1.00%	
Percentage increase in the consumer price index for the year ending on December 31, next preceding the year for which the limit is being calculated	<u>3.40%</u>	4.40%
Adjustment to base year at June 30, 2006		<u>10,761</u>
Adjusted base year at June 30, 2006		255,322
Actual business license revenue for the fiscal year ended June 30, 2006		<u>250,312</u>
Amount under allowable amount	\$	<u>(5,010)</u>

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Statistical Section



**CITY OF BOULDER CITY, NEVADA
STATISTICAL TABLES
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

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CITY OF BOULDER CITY, NEVADA
TABLE ONE
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS (UNAUDITED)

	2003	2004	2005	2006
Governmental activities				
Invested in capital assets				
Restricted	\$ 58,562,357	\$ 59,196,125	\$ 59,391,263	\$ 61,889,580
Unrestricted	4,914,202	6,024,955	-	492,700
	4,044,596	2,008,079	7,484,167	8,521,247
Total governmental activities	67,521,155	67,229,159	66,875,430	70,903,527
Business-type activities				
Invested in capital assets				
Restricted	29,692,403	39,229,514	36,046,979	34,655,892
Unrestricted	1,353,984	132,411	1,163,994	408,607
	11,863,586	2,186,686	2,228,690	59,359
Total business-type activities	42,909,973	41,548,611	39,439,663	35,123,858
Primary government				
Invested in capital assets, net of related debt				
Restricted	88,254,760	98,425,639	95,438,242	96,545,472
Unrestricted	6,268,186	6,157,366	1,163,994	901,307
	15,908,182	4,194,765	9,712,857	8,580,606
Total primary government net assets	\$ 110,431,128	\$ 108,777,770	\$ 106,315,093	\$ 106,027,385

(Prepared using the accrual basis of accounting)

CITY OF BOULDER CITY, NEVADA
TABLE TWO
CHANGES IN NET ASSETS*
LAST FOUR FISCAL YEARS (UNAUDITED)

	2003	2004	2005	2006
Expenses				
Governmental activities:				
General government	\$ 3,314,728	\$ 3,324,657	\$ 4,260,228	\$ 3,841,233
Judicial	367,397	382,335	358,102	393,959
Public safety	6,394,584	6,777,765	7,266,125	7,138,480
Public works	4,026,866	3,898,312	4,322,704	4,784,449
Culture and recreation	4,351,206	4,442,063	4,464,246	5,270,092
Community support	670,190	668,367	651,892	742,570
Long-term debt interest	6,122	-	-	-
Total governmental activities expenses	19,131,093	19,493,499	21,323,297	22,170,783
Business-type activities:				
Utility	15,059,253	16,955,298	17,078,879	18,782,189
Golf course	3,701,878	6,067,733	4,674,778	4,708,260
Other	240,286	239,075	324,807	453,929
Total business-type activities expenses	19,001,417	23,262,106	22,078,464	23,944,378
Total primary government expenses	38,132,510	42,755,605	43,401,761	46,115,161
Program Revenues				
Governmental activities:				
Charges for services:				
General government	1,364,734	1,362,282	1,898,817	1,452,663
Judicial	94,813	94,813	68,277	633,738
Public safety	243,517	243,517	331,511	329,312
Public works	59,344	59,344	-	-
Culture and recreation	2,186,791	1,992,441	2,032,303	2,712,486
Community support	-	-	16,600	13,657
Total charges for services	3,949,199	3,752,397	4,347,508	5,141,856

CITY OF BOULDER CITY, NEVADA
TABLE TWO
CHANGES IN NET ASSETS* (CONTINUED)
LAST FOUR FISCAL YEARS (UNAUDITED)

	2003	2004	2005	2006
Operating grants and contributions:				
General government	42,715	37,014	76,776	236,303
Capital grants and contributions:				
Public safety	5,800	6,000	-	566,000
Public works	3,068,366	3,369,487	1,048,125	1,249,440
Culture and recreation	-	-	-	2,055,257
Total capital grants and contributions	3,074,166	3,375,487	1,048,125	3,870,697
Total governmental activities program revenues	7,066,080	7,164,898	5,472,409	9,248,856
Business-type activities:				
Charges for services:				
Utility	14,190,590	17,005,612	15,620,432	16,572,394
Golf course	1,285,123	2,177,811	2,464,779	2,522,116
Other	289,025	351,869	208,694	313,450
	15,764,738	19,535,292	18,293,905	19,407,960
Capital grants and contributions:				
Utility	530,275	1,139,437	1,518,113	-
Other	1,050,523	-	65,571	99,639
	1,580,798	1,139,437	1,583,684	99,639
Total business-type activities program revenues	17,345,536	20,674,729	19,877,589	19,507,599
Total primary government program revenues	24,411,616	27,839,627	25,349,998	28,756,455
Net (expense)/revenue				
Governmental activities	(12,065,013)	(12,328,601)	(15,850,888)	(12,921,927)
Business-type activities	(1,655,881)	(2,587,377)	(2,200,875)	(4,436,779)
Total primary government net expense	(13,720,894)	(14,915,978)	(18,051,763)	(17,358,706)

CITY OF BOULDER CITY, NEVADA
TABLE TWO
CHANGES IN NET ASSETS* (CONTINUED)
LAST FOUR FISCAL YEARS (UNAUDITED)

	2003	2004	2005	2006
General Revenues and Other				
Changes in Net Assets				
Governmental activities:				
General revenues:				
Property taxes	2,170,091	2,197,872	2,269,207	2,872,966
Intergovernmental (unrestricted)				
Consolidated taxes	6,804,947	7,818,296	8,301,335	8,634,543
Other	304,220	282,512	277,166	307,062
Miscellaneous	3,152,857	3,186,097	3,764,871	4,372,695
Transfers	2,560,577	(448,173)	884,580	762,759
Total governmental activities	14,992,692	13,036,604	15,497,159	16,950,025
Business-type activities:				
General revenues:				
Intergovernmental (unrestricted)				
Other	733,553	695,351	754,598	812,575
Miscellaneous	618,985	82,491	2,569,127	71,158
Transfers	(2,560,577)	448,173	(884,580)	(762,759)
Total business-type activities	(1,208,039)	1,226,015	2,439,145	120,974
Total primary government general revenues and other changes in net assets	13,784,653	14,262,619	17,936,304	17,070,999
Change in Net Assets				
Governmental activities	2,927,679	708,003	(353,729)	4,028,098
Business-type activities	(2,863,920)	(1,361,362)	238,270	(4,315,805)
Total primary government	\$ 63,759	\$ (653,359)	\$ (115,459)	\$ (287,707)

* Includes General and Special Revenue Funds.

CITY OF BOULDER CITY, NEVADA
TABLE THREE
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Fund										
Reserved	\$ 1,484,386	\$ 1,673,451	\$ 1,781,477	\$ 1,855,312	\$ 2,139,211	\$ 2,043,101	\$ 185,088	\$ 185,088	\$ -	\$ -
Unreserved	2,714,809	2,007,729	2,540,898	2,468,809	2,732,768	3,361,373	4,508,406	2,421,240	3,605,527	4,544,745
Total governmental activities	<u>4,199,195</u>	<u>3,681,180</u>	<u>4,322,375</u>	<u>4,324,121</u>	<u>4,871,979</u>	<u>5,404,474</u>	<u>4,693,494</u>	<u>2,606,328</u>	<u>3,605,527</u>	<u>4,544,745</u>
All Other Governmental Funds										
Reserved	4,205,090	2,984,014	2,917,175	4,559,409	4,205,863	2,882,108	5,530,241	6,640,994	5,157,703	5,205,346
Unreserved, reported in:										
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Special revenue funds	61,042	119,448	1,607,189	1,352,289	1,012,097	972,691	665,127	728,509	702,834	(635,045)
Debt service fund	87,552	33	74	9,723	18,810	16,282	-	-	-	-
Total all other governmental funds	<u>\$ 4,353,684</u>	<u>\$ 3,103,495</u>	<u>\$ 4,524,438</u>	<u>\$ 5,921,421</u>	<u>\$ 5,236,770</u>	<u>\$ 3,871,081</u>	<u>\$ 6,195,368</u>	<u>\$ 7,369,503</u>	<u>\$ 5,860,537</u>	<u>\$ 4,570,301</u>

(Prepared using the modified accrual basis of accounting)

CITY OF BOULDER CITY, NEVADA

TABLE FOUR

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (UNAUDITED)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Revenues										
Taxes	\$ 988,791	\$ 985,915	\$ 1,084,797	\$ 1,328,463	\$ 1,443,403	\$ 1,473,397	\$ 2,170,091	\$ 2,197,872	\$ 2,269,207	\$ 1,575,709
Licenses and permits	489,012	490,323	675,191	736,066	862,377	851,168	890,817	984,582	1,297,378	1,328,745
Intergovernmental	5,665,010	9,320,803	11,685,268	8,846,622	8,003,284	9,735,384	10,226,048	11,513,309	9,703,402	10,427,348
Charges for services	2,246,194	2,279,681	2,268,700	2,368,991	2,301,431	2,417,241	2,489,652	2,295,302	2,453,910	3,160,824
Fines and fees	574,429	659,185	506,129	476,094	473,884	599,371	568,730	472,513	596,220	540,706
Land sales	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,475,571	2,140,452	2,492,073	2,404,038	3,915,016	4,122,229	3,152,857	3,186,097	3,773,493	4,335,931
	<u>11,439,007</u>	<u>15,876,359</u>	<u>18,712,158</u>	<u>16,160,274</u>	<u>16,999,395</u>	<u>19,198,790</u>	<u>19,498,195</u>	<u>20,649,675</u>	<u>20,093,610</u>	<u>21,369,263</u>
Expenditures										
Current:										
General government	1,561,376	1,559,812	1,831,411	2,039,258	2,338,127	2,517,739	3,382,660	3,409,954	4,242,044	3,505,075
Judicial	270,385	289,340	285,184	298,301	291,893	320,734	339,402	353,494	364,883	355,064
Public safety	4,555,731	4,752,679	4,983,081	5,681,617	5,906,763	6,291,443	6,943,703	6,784,610	7,178,848	7,022,008
Public works	1,635,465	1,696,620	1,836,262	2,173,627	2,236,639	2,339,340	8,542,468	5,570,816	4,751,085	6,252,632
Culture and recreation	2,140,847	2,247,018	2,243,202	2,422,859	2,876,863	3,220,126	5,690,412	4,184,675	4,568,577	5,575,656
Community support	353,048	422,203	501,165	562,110	560,647	676,422	660,972	684,093	648,382	734,365
Capital outlay	2,575,259	7,978,892	6,574,176	3,314,249	6,346,322	6,656,770	-	-	-	-
Debt service:										
Principal	179,000	168,000	87,000	92,000	97,000	102,000	107,000	-	-	-
Interest	40,738	34,010	27,229	22,436	17,283	11,854	6,122	-	-	-
	<u>13,311,849</u>	<u>19,148,574</u>	<u>18,368,710</u>	<u>16,606,457</u>	<u>20,671,537</u>	<u>22,136,428</u>	<u>25,672,739</u>	<u>20,987,642</u>	<u>21,753,819</u>	<u>23,444,800</u>
Other financing sources (uses)										
Transfers in	2,944,776	2,579,237	1,874,945	2,230,182	4,040,474	2,295,270	4,174,804	3,192,369	3,742,873	2,964,549
Transfers out	(105,533)	(1,084,106)	(175,700)	(394,985)	(507,500)	(223,900)	(1,614,227)	(3,640,542)	(2,858,293)	(2,183,241)
Sale of capital assets	8,236	8,880	19,445	9,715	2,375	33,074	-	-	265,862	-
	<u>2,847,479</u>	<u>1,504,011</u>	<u>1,718,690</u>	<u>1,844,912</u>	<u>3,535,349</u>	<u>2,104,444</u>	<u>2,560,577</u>	<u>(448,173)</u>	<u>1,150,442</u>	<u>781,308</u>
Net change in fund balances	\$ 974,637	\$ (1,768,204)	\$ 2,062,138	\$ 1,398,729	\$ (136,793)	\$ (833,194)	\$ (3,613,967)	\$ (786,140)	\$ (509,767)	\$ (1,294,229)
Debt service as a percentage of noncapital expenditures	2.05%	1.81%	0.97%	0.86%	0.80%	0.74%	0.44%	-%	-%	-%

(Prepared using the modified accrual basis of accounting)

CITY OF BOULDER CITY, NEVADA
TABLE FIVE
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed to Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1996-97	\$ 262,928,323	\$ 751,223,780	\$ 18,308,733	\$ 52,310,665	\$ 281,237,056	\$ 803,534,445	35%
1997-98	286,116,376	817,475,360	16,653,970	47,582,771	302,770,346	865,058,131	35%
1998-99	354,266,706	1,012,190,589	19,235,620	54,958,914	373,502,326	1,067,149,503	35%
1999-00	303,745,390	867,843,971	72,343,760	206,696,457	376,089,150	1,074,540,428	35%
2000-01	320,266,220	915,046,340	74,346,690	212,419,110	394,612,910	1,127,465,450	35%
2001-02	336,699,660	961,999,029	72,096,780	205,990,800	408,796,440	1,167,989,829	35%
2002-03	368,520,000	1,052,914,286	68,701,119	196,288,911	437,221,119	1,249,203,197	35%
2003-04	383,688,695	1,096,253,414	57,429,229	164,083,511	441,117,924	1,260,336,925	35%
2004-05	416,321,738	1,189,490,680	56,267,718	160,764,909	472,589,456	1,350,255,589	35%
2005-06	504,180,211	1,440,514,889	50,517,769	144,336,483	554,697,980	1,584,851,372	-%

Source: Clark County Assessor's Office

CITY OF BOULDER CITY, NEVADA**TABLE SIX****PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS *****LAST TEN FISCAL YEARS****(UNAUDITED)**

Fiscal Year	City of Boulder City	State of Nevada	Clark County School District	Clark County	Special Districts	Total
1996-97	0.1951	0.1650	1.1935	0.6705	0.0733	2.2974
1997-98	0.2007	0.1650	1.3034	0.6635	0.0766	2.4092
1998-99	0.2012	0.1650	1.3034	0.6503	0.0766	2.3965
1999-00	0.2022	0.1650	1.3034	0.6579	0.0766	2.4051
2000-01	0.2038	0.1500	1.3034	0.6527	0.2531	2.5630
2001-02	0.2038	0.1650	1.3034	0.6527	0.2531	2.5780
2002-03	0.2038	0.1500	1.3034	0.6352	0.1655	2.4579
2003-04	0.2038	0.1650	1.3034	0.6552	0.1655	2.4929
2004-05	0.2038	0.1700	1.3034	0.6502	0.1655	2.4929
2005-06	0.1844	0.1700	1.3034	0.6566	0.1655	2.4799

* Per \$100 of assessed value. Constitutional limit is \$3.64 on any one area's combined tax rate.

Source: State of Nevada, Department of Taxation publication, "Ad Valorem Tax Rates for Nevada Local Governments".

**CITY OF BOULDER CITY, NEVADA
TABLE SEVEN
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO (UNAUDITED)**

Taxpayer	Type of Business	2005 - 06			1996 - 97		
		Taxable Assessed Value	Rank	Percent of Total Assessed Valuation	Taxable Assessed Value	Rank	Percent of Total Assessed Valuation
El Dorado Energy, LLC	Energy	\$ 36,867,886	1	6.65%	\$ -	-	-%
Harrah's Entertainment (Casata Golf)	Golf Course	16,139,747	2	2.91%	-	-	-%
Brother Sonny Limited Liability Co.	Real Estate	3,240,938	3	0.58%	-	-	-%
Gingerwood Mobile Home Park, LLC	Real Estate	3,222,816	4	0.58%	-	-	-%
Matthew P. Gardner	Real Estate	2,947,191	5	0.53%	-	-	-%
Claremont Heights Development Corp	Real Estate	2,927,555	6	0.53%	-	-	-%
Francis Carrington	Real Estate	2,862,900	7	0.52%	-	-	-%
Mario & A. Caruso 1999 Family Trust	Hotel/Real Estate	2,861,483	8	0.52%	1,550,370	1	0.59%
Lido & Laila Paglia	Real Estate	2,028,044	9	0.37%	1,479,040	2	0.56%
Canyon Road Self Storage, Inc.	Real Estate	1,995,317	10	0.36%	-	-	-%
N F D Mini Storage, Inc.	Real Estate	1,981,209	11	0.36%	1,106,120	4	0.42%
Arvis C. Forrest, Trustee	Real Estate	-	-	-%	1,253,860	3	0.48%
Arvis C. Forrest, Trustee	Real Estate	-	-	-%	1,091,920	5	0.42%
B.C.R.V. Limited	Real Estate	-	-	-%	999,050	6	0.38%
Lakeview Development	Real Estate	-	-	-%	909,940	7	0.35%
Elmer G. Marshall	Commercial	-	-	-%	810,850	8	0.31%
Elois Veltman Living Trust	Real Estate / Industrial	-	-	-%	804,300	9	0.31%
Community Cable TV	Cable TV	-	-	-%	796,990	10	0.30%
		\$ 77,075,086		13.91%	\$ 10,802,440		4.12%

Source: Clark County Assessor's Office

**CITY OF BOULDER CITY, NEVADA
TABLE EIGHT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Collections as Percent of Total Tax Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Percent of Total Tax Levy
1996-97	\$ 439,368	\$ 432,711	98.48%	\$ 6,657	\$ 439,368	100.00%	-	0.0000%
1997-98	465,329	458,865	98.61%	6,464	465,329	100.00%	-	0.0000%
1998-99	529,082	521,369	98.54%	7,713	529,082	100.00%	-	0.0000%
1999-00	785,594	777,016	98.91%	8,578	785,594	100.00%	-	0.0000%
2000-01	893,432	885,622	99.13%	7,769	893,432	100.00%	-	0.0000%
2001-02	1,149,018	1,104,220	96.10%	43,901	1,148,121	99.92%	897	0.0781%
2002-03	1,289,511	1,273,035	98.72%	14,288	1,287,323	99.83%	2,188	0.1697%
2003-04	1,300,116	1,292,498	99.41%	5,058	1,297,556	99.80%	2,560	0.1969%
2004-05	1,376,993	1,365,814	99.19%	7,435	1,375,249	99.87%	1,744	0.1267%
2005-06	1,389,834	1,376,431	99.04%	*	1,376,431	99.04%	13,403	0.9644%

Source: Clark County Comptroller's Office

* Not available at time of printing.

CITY OF BOULDER CITY, NEVADA
TABLE NINE
DEBT CAPACITY INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Capital Leases	Golf Course Revenue Bond	General Obligation Notes Payable	Capital Leases					
1996-97	653,000	64,422	-	296,241	-			1,013,663	-	-
1997-98	485,000	8,070	-	277,273	-			770,343	-	-
1998-99	398,000	-	-	257,736	-			655,736	-	-
1999-00	306,000	-	-	237,612	-			543,612	-	-
2000-01	209,000	-	-	216,885	-			425,885	-	-
2001-02	107,000	-	-	195,536	-			302,536	-	-
2002-03	-	-	9,950,000	33,145,154	3,250,325			46,345,479	-	-
2003-04	-	-	9,949,999	32,234,360	2,670,654			44,855,013	-	-
2004-05	-	255,667	9,850,000	34,120,023	2,054,192			46,279,882	-	-
2005-06	-	193,961	9,335,000	33,827,253	1,407,546			44,763,760	-	-

* Information not available for the City of Boulder City.

CITY OF BOULDER CITY, NEVADA

TABLE TEN

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population *	Assessed Value **	Gross Bonded Debt	Debt Service Available	Debt Payable by Proprietary Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1996-1997	14,460	\$ 281,237,056	\$ 420,000	-	\$ 420,000	-	0.00%	-
1997-1998	14,493	302,770,346	-	-	-	-	0.00%	-
1998-1999	14,730	373,502,326	-	-	-	-	0.00%	-
1999-2000	14,860	376,089,150	-	-	-	-	0.00%	-
2000-2001	15,519	394,612,910	-	-	-	-	0.00%	-
2001-2002	14,760	408,796,440	9,950,000	-	9,950,000	-	0.00%	-
2002-2003	14,842	437,221,119	9,950,000	-	9,950,000	-	0.00%	-
2003-2004	14,934	441,117,924	9,950,000	-	9,950,000	-	0.00%	-
2004-2005	15,058	472,589,456	9,850,000	-	9,850,000	-	0.00%	-
2005-2006	15,203	554,697,980	9,335,000	-	9,335,000	-	0.00%	-

Source: * State of Nevada.

** Clark County Assessor's Office

CITY OF BOULDER CITY, NEVADA
TABLE ELEVEN
COMPUTATION OF GENERAL OBLIGATIONS DIRECT AND OVERLAPPING
GOVERNMENT DEBT
JUNE 30, 2006
(UNAUDITED)

	Assessed Value *	General Obligation Bonded Debt Outstanding *	Percentage Applicable to the City of Boulder City	Amount Applicable to the City of Boulder City *
City of Boulder City	\$ 563,511	\$ -	100.00%	\$ -
State of Nevada	-	-	-%	-
Clark County	64,498,993	96,160	0.87%	840
Clark County School District	64,498,993	2,837,546	0.87%	24,791
Las Vegas Convention Authority	64,498,993	-	-%	-
Total Direct and Overlapping Debt	\$ 194,060,490	\$ 2,933,706		\$ 25,631

Source: State of Nevada, Department of Taxation, Local Government Finance.

* Amounts expressed in thousands.

CITY OF BOULDER CITY, NEVADA
TABLE TWELVE
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
(UNAUDITED)

Assessed Value	\$ 554,697,980									
Debt Limit (30% of assessed value)	166,409,394									
Amount of debt applicable to the debt limit	-									
Legal Debt Margin	\$ 166,409,394									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Debt limit	\$ 84,371,117	\$ 90,831,104	\$ 112,050,698	\$ 112,826,745	\$ 118,383,873	\$ 122,638,932	\$ 131,166,336	\$ 132,335,377	\$ 141,776,837	\$ 166,409,394
Total net debt applicable to limit	988,000	485,000	398,000	306,000	209,000	107,000	-	-	-	-
Legal debt margin	\$ 83,383,117	\$ 90,346,104	\$ 111,652,698	\$ 112,826,745	\$ 118,383,873	\$ 122,638,932	\$ 131,166,336	\$ 132,335,377	\$ 141,776,837	\$ 166,409,394
Total net debt applicable to limit as a percentage of debt limit	1.17%	0.53%	0.36%	0.27%	0.18%	0.09%	-%	-%	-%	-%

Source: Clark County Assessor's Office.

CITY OF BOULDER CITY, NEVADA
TABLE THIRTEEN
PROPRIETARY FUNDS - REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Operating Revenue	Direct Operating Expenses	Net Operating Revenue	Accrued Interest	Interest Reserve	Consolidated Taxes (15% pledged)	Amount Available for Debt Service	Debt Service Requirements		
								Principal	Interest	Total Coverage
1996-97	\$10,737,750	\$ 9,691,658	\$ 1,046,092	\$ -	\$ -	\$ -	1,046,092	\$ 420,000	\$ 27,300	\$ 447,300 2.34
1997-98	10,205,345	8,129,284	2,076,061	-	-	-	2,076,061	-	-	- N/A
1998-99	10,666,789	8,342,283	2,324,506	-	-	-	2,324,506	-	-	- N/A
1999-00	11,434,485	9,594,679	1,839,806	-	-	-	1,839,806	-	-	- N/A
2000-01	12,626,833	11,681,830	945,003	-	-	-	945,003	-	-	- N/A
2001-02	12,657,423	12,318,264	339,159	63,669	925,405	953,292	2,281,525	-	284,480	284,480 8.02
2002-03	1,285,123	2,408,187	(1,123,064)	-	704,594	1,020,742	602,272	-	487,680	487,680 1.23
2003-04	2,177,811	4,118,585	(1,940,774)	-	-	1,172,744	(768,030)	-	487,680	487,680 (1.57)
2004-05	2,464,779	2,884,540	(419,761)	-	-	1,245,200	825,439	100,000	485,680	585,680 1.41
2005-06	2,522,116	2,983,619	(461,503)	-	-	1,295,181	833,678	310,000	420,540	730,540 1.14

CITY OF BOULDER CITY, NEVADA
TABLE FOURTEEN
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population *	Per Capita Personal Income **	School Enrollment ***	Unemployment Rate ****
1996-97	14,460	-	2,320	5.00%
1997-98	14,493	-	2,288	4.20%
1998-99	14,730	-	2,334	3.80%
1999-00	14,860	-	2,353	4.00%
2000-01	15,519	-	2,368	5.10%
2001-02	14,760	-	2,196	5.20%
2002-03	14,842	-	2,337	5.60%
2003-04	14,934	-	2,302	4.80%
2004-05	15,058	-	2,247	4.20%
2005-06	15,203	-	2,223	3.90%

* Source: State of Nevada.

** Information not available for the City of Boulder City.

*** Source: Clark County School District.

**** Source: State of Nevada, Employment Agency, Clark County data.

Annual Household Income Characteristics *

Income category:	
Under \$15,000	8.0 %
\$15,000-\$24,999	13.0 %
\$25,000-\$34,999	16.0 %
\$35,000-\$49,999	19.0 %
\$50,000-\$74,999	25.0 %
Over \$75,000	19.0 %
	100.0 %
Median income	\$ 44,921

Age Characteristics **

Age category:	
0-19	22.4 %
20-24	3.3 %
25-34	7.4 %
35-54	29.6 %
55-64	13.6 %
Over 65	23.7 %
	100.0 %

* Source: University of Nevada, Las Vegas, Center for Business and Economic Research, Las Vegas Perspective 2003, District 10.

** Source: U.S. Census Bureau, Census 2000.

CITY OF BOULDER CITY, NEVADA
TABLE FIFTEEN
MAJOR EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

Employer	Product / Service	2005 - 06		1996 - 97	
		Employees	Rank	Employees	Rank
Bureau of Reclamation	Government	866	1	290	1
City of Boulder City	Government	364	2	125	5
National Park Service	Government	180	3	165	2
Clark County School District	Government, school district	155	4	155	3
Boulder City Hospital	Health care	130	5	125	4
Albertson's, Inc.	Retail, food	92	6	-	-
Vons Companies, Inc.	Retail, food	80	7	80	6
U.S. Department of Energy, Western Area Power Administration	Government	77	8	77	7
Fisher Pen	Manufacturing	75	9	50	8
Boulder Dam Credit Union	Financial, bank	43	10	-	-
Vale Hotel/Restaurant/Lounge	Hotel	-	-	40	9
Los Angeles Dept. of Water and Power	Government	-	-	39	10

* Source: City of Boulder City, Department of Community Development.

CITY OF BOULDER CITY, NEVADA
TABLE SIXTEEN
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)

Function	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental activities										
General government	-	-	-	-	-	-	-	-	-	18
Judicial	-	-	-	-	-	-	-	-	-	3
Public safety	-	-	-	-	-	-	-	-	-	67
Public works	-	-	-	-	-	-	-	-	-	26
Culture and recreation	-	-	-	-	-	-	-	-	-	18
Community support	-	-	-	-	-	-	-	-	-	6
Business-type activities										
Water and sewer	-	-	-	-	-	-	-	-	-	10
Electric	-	-	-	-	-	-	-	-	-	21
	-	-	-	-	-	-	-	-	-	169

Source: City of Boulder City Finance Department

(1) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

**CITY OF BOULDER CITY, NEVADA
TABLE SEVENTEEN
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)**

Function	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental activities										
Judicial										
Average charges filed per day	-	-	-	-	-	-	-	-	-	13
Public safety										
Citations	-	-	-	-	-	-	-	-	-	4,992
Police calls for service	-	-	-	-	-	-	-	-	-	25,730
# of EMS responses	-	-	-	-	-	-	-	-	-	1,567
Total fire responses	-	-	-	-	-	-	-	-	-	631
Public works										
Lane miles of street maintenance	-	-	-	-	-	-	-	-	-	87
Areas of turf	-	-	-	-	-	-	-	-	-	95
# of facilities maintained	-	-	-	-	-	-	-	-	-	71
Culture and recreation										
Parks and Recreation class registrations	-	-	-	-	-	-	-	-	-	323,193
Community support										
Building inspections	-	-	-	-	-	-	-	-	-	4,969
Plans reviewed	-	-	-	-	-	-	-	-	-	491
Business-type activities										
Water										
Acre feet of water distributed	-	-	-	-	-	-	-	-	-	12,489
Water meter repairs	-	-	-	-	-	-	-	-	-	720
Water service repairs	-	-	-	-	-	-	-	-	-	120
Electric										
Kilowatt hours purchased	-	-	-	-	-	-	-	-	-	183,357,000
Average purchased power cost/kwh	-	-	-	-	-	-	-	-	-	\$.028
Sewer										
Line cleaned (feet)	-	-	-	-	-	-	-	-	-	105,000
Line location (Call before you dig)	-	-	-	-	-	-	-	-	-	950
Acre ft. of water treated	-	-	-	-	-	-	-	-	-	1,400

Source: City of Boulder City Finance Department

- (1) Indicators are not available for the general government function.
(2) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

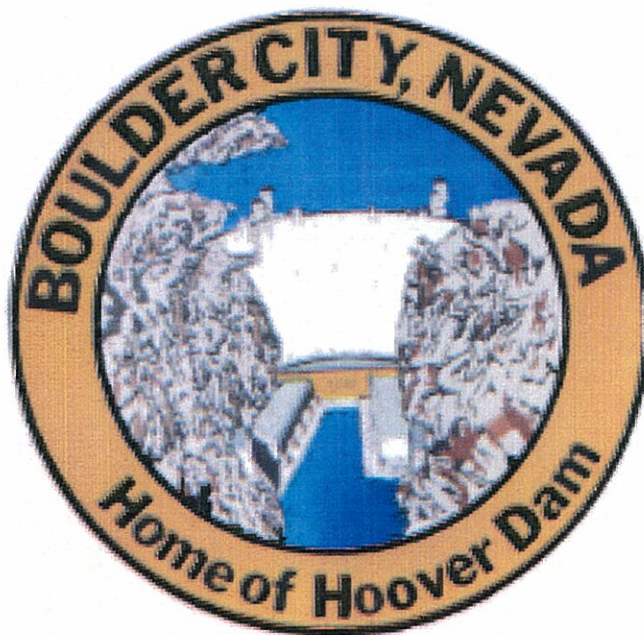
CITY OF BOULDER CITY, NEVADA
TABLE EIGHTEEN
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (UNAUDITED)

Function	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Governmental activities										
Public safety										
# of police stations	-	-	-	-	-	-	-	-	-	1
# of fire stations	-	-	-	-	-	-	-	-	-	1
Public works										
Streets (miles)	-	-	-	-	-	-	-	-	-	87
Traffic signals	-	-	-	-	-	-	-	-	-	3
Culture and recreation										
Parks acreage	-	-	-	-	-	-	-	-	-	111
# of parks	-	-	-	-	-	-	-	-	-	17
# of swimming pools	-	-	-	-	-	-	-	-	-	1
# of tennis courts	-	-	-	-	-	-	-	-	-	6
# of recreation centers	-	-	-	-	-	-	-	-	-	1
Business-type activities										
Water										
Water mains (miles)	-	-	-	-	-	-	-	-	-	121
# of treatment plants	-	-	-	-	-	-	-	-	-	-
Electric										
Miles of electrical lines	-	-	-	-	-	-	-	-	-	148
Number of substations	-	-	-	-	-	-	-	-	-	6
Sewer										
Number of sewage treatment plants	-	-	-	-	-	-	-	-	-	1
Number of sewer lift stations	-	-	-	-	-	-	-	-	-	3
Miles of sanitary sewer lines	-	-	-	-	-	-	-	-	-	69

Source: City of Boulder City Finance Department

- (1) Indicators are not available for the general government, judicial, or community support functions.
(2) Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

Single Audit and Accompanying Information





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

To the Honorable Mayor, Members of the City Council and
City Manager of the
City of Boulder City, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Boulder City, Nevada (the City) as of and for the year ended June 30, 2006, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 13, 2006. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 06-01 to 06-08.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Acuity Financial Center
7881 W. Charleston Blvd., Suite 250
Las Vegas, NV 89117-8323
P: 702.579.7000 • F: 702.876.7946
sabcpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, including whether the funds established by the City, as listed in Nevada Revised Statutes (NRS) 354.624 Sec. 5 complied with the express purposes required by NRS 354.6241 Sec. 1 (a) through (f). However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that we reported to management of the City in a separate letter dated December 13, 2006.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, City Manager, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Stewart, Archibald & Barney, LLP

Las Vegas, Nevada
December 13, 2006



STEWART
ARCHIBALD
& BARNEY, LLP

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of the City of Boulder City, Nevada (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Acuity Financial Center
7881 W. Charleston Blvd., Suite 250
Las Vegas, NV 89117-8323
P: 702.579.7000 • F: 702.876.7946
sabcpa.com

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying schedule of findings and questioned costs as item 06-09.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, City Manager, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Stewart, Archibald & Barney, LLP

Las Vegas, Nevada
December 13, 2006

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Agency/Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-through Number	Federal Expenditures
U.S. Federal Emergency Management Administration			
Passed through State of Nevada, Division of Emergency Management:			
Emergency Management Assistance	83.552		\$ 20,296
Emergency Management Assistance - Assistance to Firefighters	97.044		39,995
			60,291
U.S. Department of Interior - Bureau of Land Management			
Southern Nevada Public Land Management Act (SNPLMA)	15.227*		1,295,612
U.S. Department of Justice			
COPS Technology Grant	16		32,295
U.S. Department of Housing & Urban Development			
Passed through Clark County, Nevada, Community Resources Management Division:			
Community Development Block Grants / Senior Citizen Center Remodel	14.218*		761,314
Community Development Block Grants / Welfare	14.218*		32,701
Community Development Block Grants / Lend a Hand	14.218*		8,256
			802,271
U.S. Department of Transportation: Federal Aviation Administration			
Installation of Automated Weather Observation System (AWOS-III)	20		59,375
APRON Expansion Tie Down	20		40,264
			99,639
Total Federal Assistance			\$ 2,290,108

*A "major" program.

CITY OF BOULDER CITY, NEVADA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

1. REPORTING ENTITY

The accompanying supplementary schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the City of Boulder City, Nevada (the City). The reporting entity is defined in Note 1 to the basic financial statements. The schedule includes all federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies.

2. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

3. SUBRECIPIENTS

The City provided federal awards to subrecipients as follows. These expenditures have been reported in the Capital (Special) Projects Fund.

Community Development Block Grant - Grant Year 2005 - 2006

Emergency Aid of Boulder City	\$ 32,701
Lend A Hand, Inc.	<u>8,256</u>
Total	\$ <u>40,957</u>

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- Stewart, Archibald & Barney, LLP issued an unqualified opinion on the basic financial statements of the City of Boulder City, Nevada for the year ended June 30, 2006.
- Reportable conditions were disclosed during the audit of the financial statements.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of the City of Boulder City.

Federal Awards

- Stewart, Archibald & Barney, LLP issued an unqualified opinion on compliance over major programs of the City of Boulder City, Nevada.
- A reportable condition in internal control over major federal award programs was disclosed during the audit and is reported in the *Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*. The condition is reported as a material weakness.
- No audit findings relating to the audit of the major federal audit programs are reported in accordance with section 510(a) of OMB Circular A-133.
- The programs tested as major programs include:
 - U.S. Department of Housing and Urban Development - CFDA #14.218
 - Community Development Block Grant - Senior Citizen Center Remodel
 - Community Development Block Grant - Emergency Aid
 - Community Development Block Grant - Lend a Hand
 - U.S. Department of Interior - Bureau of Land Management - CFDA #15.227
- The threshold used for distinguishing between Type A and Type B programs was \$300,000.
- The City of Boulder City was determined to be a low risk auditee.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Section II - Findings relating to the financial statements which are required to be reported in accordance with auditing standards generally accepted in the United States.

06-01

Criteria: Internal controls should be improved to provide adequate segregation of duties.

Condition: We noted accounts payable checks are prepared, entered into the accounting system, and mailed by the same person.

Cause: The City's current procedures enable the same person to prepare accounts payable checks, enter the payments into the accounting system, and mail the checks once an authorized signature is obtained.

Effect: The potential for misappropriations increases when segregation of duties does not exist.

Recommendation: After checks are signed, they should be returned to someone other than the preparer and recorder for mailing.

06-02

Criteria: Cash over and short amounts should be recorded in the system on a daily basis.

Condition: We noted cash over and short amounts from golf course registers are accumulated and periodically entered into the accounting system as green fee revenues.

Cause: Cash over and short amounts from golf course registers are accumulated until the amount equals a greens fee and are then entered into the point of sale system as a sale.

Effect: The potential for misappropriation increases when cash variances are allowed to accumulate over a period of time.

Recommendation: Cash variances should be recorded in the point-of-sale and accounting systems on a daily basis.

06-03

Criteria: Access to accounting systems should be restricted to those with requirements for access.

Condition: We noted journal entries can be performed on the Crescent accounting system at the golf courses by any employee with access to the accounting system rather than designated employees.

Cause: The City's current accounting system at the golf courses does not have various levels of access rights in place to restrict access to certain functions only to employees with a need for access.

Effect: The potential for errors, misappropriations, and financial statement misstatements increases when access to accounting systems is not limited to specific employees.

Recommendation: Access restrictions should be put in place to allow for proper segregation of duties.

**CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

06-04

Criteria: Proper revenue controls should be in place to ensure all revenue received is recorded.

Condition: We noted revenue control procedures in the Parks and Recreation department are not adequate to ensure proper control and revenue recording.

Cause: The Parks and Recreation department does not utilize prenumbered carbon copy receipts when transactions take place at the pool and weight room.

Effect: The potential for misappropriation and financial statement misstatements increases when proper controls are not in place.

Recommendation: The Parks and Recreation department should utilize prenumbered carbon copy receipts for transactions that occur at the pool and weight room.

06-05

Criteria: Authorization to open or close bank accounts should be documented in the minutes of the City Council meetings.

Condition: We noted the authorization to open a bank account in fiscal year ending June 30, 2006 was not documented in the minutes.

Cause: During the fiscal year ending June 30, 2006 the City opened a new bank account for the municipal golf course. Authorization for opening the bank account was not documented in the minutes.

Effect: The potential for misappropriation of assets increases if procedures are not established to record the authorization of new bank accounts.

Recommendation: Authorization to open or close bank accounts should be documented in the minutes of the City Council meetings.

06-06

Criteria: Time cards evidencing time worked should be properly authorized by an appropriate supervisor.

Condition: We noted 1 of 25 time cards tested did not have the appropriate supervisor approval.

Cause: The appropriate supervisor was not available when time cards were being entered and checked for approval.

Effect: The potential for errors and misappropriation increases when documents do not indicate the proper review and approval.

Recommendation: All time cards should be reviewed and approved by the appropriate supervisor. That review should be documented.

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

06-07

Criteria: Invoices should contain the evidence of proper approval.

Condition: We noted 5 of 25 invoices paid from the City's operating account did not contain evidence of proper approval.

Cause: The procedure for documenting the review and approval of invoices was not followed on utility deposit refunds and mileage reimbursements.

Effect: The potential for errors and misappropriation increases when documents do not indicate the proper review and approval.

Recommendation: All invoices should be reviewed and approved by the appropriate personnel. That review should be documented.

06-08

Criteria: Bank statement reconciliations should document the resolution of differences between the bank reconciliation and the general ledger.

Condition: We noted the book balance per the bank reconciliation did not agree with the amount in the general ledger on the June 2006 Municipal Golf Course bank reconciliation.

Cause: The bank reconciliation prepared with the accounting software at the municipal golf course includes various outstanding items and adjustments. The ending book balance does not agree with the general ledger.

Effect: Complete documentation on bank reconciliations strengthens internal controls over cash.

Recommendation: The City should ensure that the Municipal Golf Course bank reconciliations document the resolution of differences between amounts per the bank reconciliation and the general ledger.

CITY OF BOULDER CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2006

Section III - Findings and questioned costs for Federal awards, including audit findings as defined in Circular A-133 Section .510(a).

06-09

Criteria: Proper oversight procedures should be established to monitor the grant process.

Condition: Federal grant expenditures were not identified and as a result related reimbursement requests were not submitted in a timely manner.

Cause: A system has not been established to identify all federal grant expenditures.

Effect: The lack of identification of federal grant expenditures can lead to noncompliance with grant terms and delays in or lack of reimbursement from federal agencies.

Recommendation: The City should establish a procedure to oversee the grant process to ensure proper identification of all federal grant expenditures, compliance with grant agreements, and timely reimbursement requests.

Grantee Response: The City will establish a procedure to oversee the grant process. Copies of all City grants received will be sent to the Accounting office to ensure proper identification, compliance with grant agreements and submittal of timely reimbursement requests.

CITY OF BOULDER CITY, NEVADA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2006

The City of Boulder City (the City) has taken corrective action on findings documented in the Schedule of Findings and Questioned Costs, Schedule II - findings related to financial reporting, of the City's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2005.

Finding 05-01 - Some Boulder Creek Golf Course invoices did not contain proper written approval and account coding.

Status - The City has implemented procedures to ensure that all Boulder Creek Golf Course invoices contain the proper written approval and account coding.

Finding 05-02 - Checks presented to check signers for signature were not always accompanied by the supporting invoice.

Status - The City has implemented procedures to ensure that all checks presented to check signers are accompanied by the supporting invoice.

Finding 05-03 - The financial statement estimate for the landfill closure and post-closure costs was not evaluated on an annual basis to determine the total capacity used and remaining.

Status - The City has implemented procedures to ensure that the landfill estimate is evaluated and adjusted on an annual basis to properly account for the related closure and post-closure costs.