



State of Nevada Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 1996
Darrel Daines, State Controller

State of Nevada

**Comprehensive Annual
Financial Report**

For the fiscal year ended June 30, 1996

Darrel R. Daines, State Controller



Hotel Management Department

The Hotel Management Department focuses on the front office, human resource management, housekeeping, engineering and casino and computer operations. Students learn the intricacies of the gaming industry through the use of the College's gaming laboratory.

Darrel Daines, State Controller

The State Controller is a constitutional officer elected for a four year term by the general electorate. The Controller is the ex-officio chief fiscal officer of the State and is empowered to represent the State in fiscal matters with the Federal Government. The Controller is charged with the responsibility of paying state obligations, paying employee salaries and maintaining the official accounting records of the State. He is responsible for demonstrating accountability to the public by preparing the Comprehensive Annual Financial Report.

The State Controller serves as a member of both the State Board of Finance and the State Transportation Board.

Mr. Daines is in the second year of his fourth term of office.



STATE OF NEVADA

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 1996

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DARREL DAINES
State Controller

STATE OF NEVADA

OFFICE OF

STATE CONTROLLER

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KEN WEST

Chief Deputy Controller

December 13, 1996

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

I am pleased to present the comprehensive annual financial report for the fiscal year ended June 30, 1996. These financial statements reflect Nevada's growing economy spurred by the gaming industry opening several mega-resorts. Revenue growth rate exceeded the estimates used in determining appropriations, resulting in increased unreserved fund balances. The financial health of the State has steadily improved as demonstrated by the combined increase over 1995 of \$60 million in the unreserved general fund balance and rainy day fund balance.

Responsibility for the accuracy, completeness and fairness of this financial presentation rests with my office as State Controller. I am confident that the information reported is accurate in all material respects, is reported in a manner which fairly presents the financial position and results of operations of the State, and that all disclosures necessary to enable the reader to gain an understanding of the State's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this letter, organization chart, major initiatives, a report on the economic outlook and a special feature on UNLV's William F. Harrah College of Hotel Administration. The financial section includes the independent auditor's opinion, the general purpose financial statements, and the combining, individual fund and account group statements and schedules. Trend information on fiscal, social and demographic measures on a multi-year basis is included in the statistical section.

This report has been prepared in accordance with generally accepted accounting principles (GAAP) for governments as promulgated by the Governmental Accounting Standards Board (GASB). The independent accounting firm of Kafoury, Armstrong & Co. has audited the accompanying financial statements. The audit was conducted in accordance with generally accepted auditing standards and the auditor's unqualified opinion appears first in the financial section.

Nevada was honored for the eighth consecutive year in receiving the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the State's 1995 report. This prestigious award represents the highest form of recognition in the area of governmental financial reporting. We believe our current report continues to conform to the high standards and will be submitted to GFOA for review in their Certificate of Achievement Program.

Reporting Entity - Nevada, named the "Silver State" due to the vast quantities of silver mined from the Comstock Lode in the 1800s, is bordered by California, Oregon, Idaho, Utah and Arizona. The State lies in the Great Basin, an arid region east of the Sierra Nevada Mountains, where the average annual rainfall is less than ten inches. Approximately 87.6 percent of the 110,000 square miles of valleys and north-south mountain ranges is under federal ownership.

The economy and the tax base of the State are dependent upon the interrelated gaming and tourism industries, as well as upon federal activities, mining, warehousing, manufacturing, and agriculture. Nevada has experienced one of the fastest rates of population growth in the nation. The 1990 census showed a 50% increase over 1980 and the 1996 forecast of 1.6 million people indicates that Nevada's population has grown over 30% since 1990.

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

The following State agencies issue independent financial reports:

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

Copies of these independently audited reports are available upon request.

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

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

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

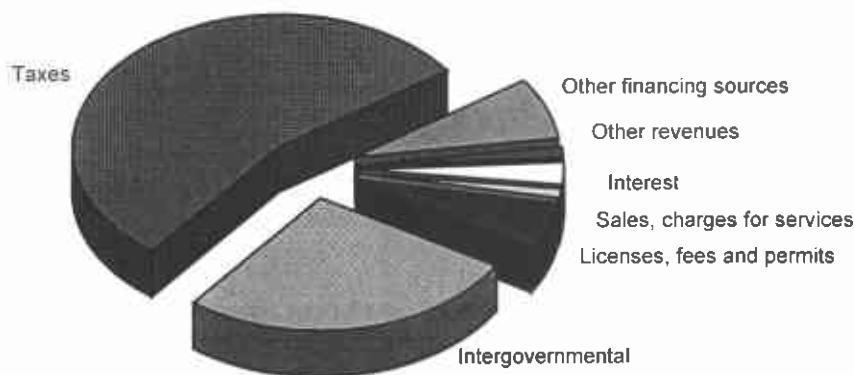
In addition to internal controls, the State also maintains budgetary controls to ensure compliance with the biennial financial plan as enacted by the Legislature through the appropriation and authorized expenditure acts. Budgetary controls also contain a system of encumbering purchase orders to ensure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

General Government Functions - The following schedule presents a summary of general fund, special revenue funds, debt service funds, capital projects funds, and expendable trust funds revenues and other financing sources for the fiscal years ended June 30, 1996 and 1995. Net transfers from/to other funds are considered an other financing source.

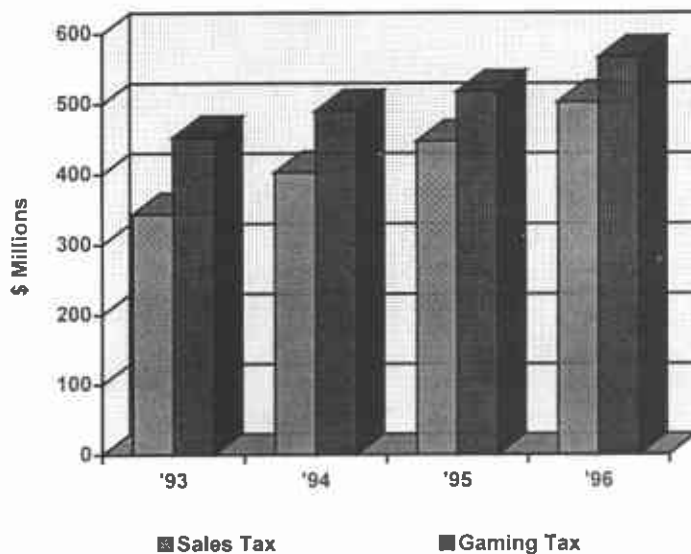
Revenues and Other Financing Sources

(Expressed in thousands)

	1996		1995		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 1,799,602	54.8%	\$ 1,658,059	56.9%	\$ 141,543	8.5%
Intergovernmental	877,735	26.7	836,557	28.7	41,178	4.9
Licenses, fees and permits	185,375	5.6	175,139	6.0	10,236	5.8
Sales and charges for services	41,458	1.3	39,751	1.4	1,707	4.3
Interest	91,595	2.8	68,387	2.3	23,208	33.9
Other revenues	42,699	1.3	43,159	1.5	(460)	-1.1
Other financing sources	244,717	7.5	93,529	3.2	151,188	161.6
	<u>\$ 3,283,181</u>	<u>100.0%</u>	<u>\$ 2,914,581</u>	<u>100.0%</u>	<u>\$ 368,600</u>	<u>12.6</u>



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



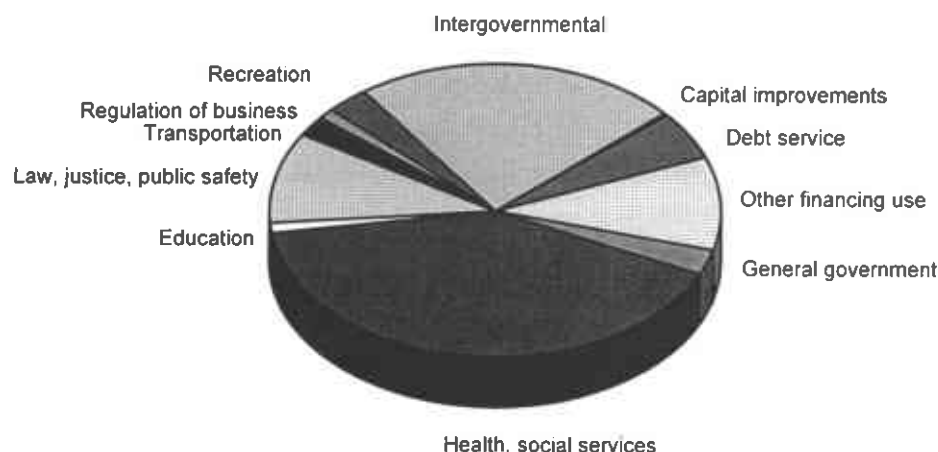
The chart shows that sales taxes have increased 46% over the four years, and gaming taxes have increased 25%. The trend of healthy tax revenue growth continued in 1996.

Intergovernmental revenues, the next largest source, are predominantly federal. Interest, derived from the investment of idle cash, increased substantially. This increase was due to increased earnings rates as well as to the increase of cash and investment balances due to the improved fiscal health of the State. Other financing

sources show a substantial increase, due primarily to proceeds from bonds. This was anticipated because debt financing does not occur on a uniform basis. Table II in the statistical section shows a ten-year time profile of resources for general government.

Expenditures and Other Financing Use
(Expressed in thousands)

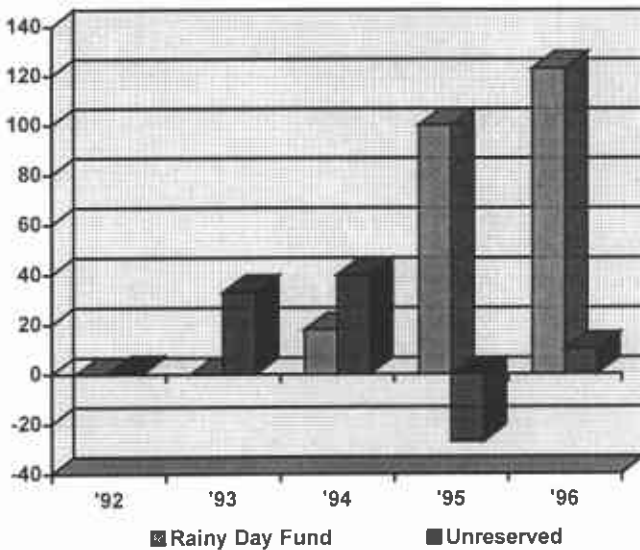
	1996		1995		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General government	\$ 75,770	2.6%	\$ 75,742	2.8%	\$ 28	0.0%
Health, social services	1,061,930	36.0	994,633	36.7	67,297	6.8
Education	28,482	1.0	24,633	0.9	3,849	15.6
Law, justice, public safety	256,015	8.7	224,281	8.3	31,734	14.1
Regulation of business	58,819	2.0	58,925	2.2	(106)	-0.2
Transportation	344,183	11.7	368,040	13.6	(23,857)	-6.5
Recreation	80,713	2.7	77,273	2.8	3,440	4.5
Intergovernmental	608,781	20.7	482,910	17.8	125,871	26.1
Capital improvements	27,932	0.9	40,548	1.5	(12,616)	-31.1
Debt service	138,791	4.7	107,225	4.0	31,566	29.4
Other financing use	266,381	9.0	257,676	9.5	8,705	3.4
	<u>\$ 2,947,797</u>	<u>100.0%</u>	<u>\$ 2,711,886</u>	<u>100.0%</u>	<u>\$ 235,911</u>	<u>8.7</u>



Expenditures for general governmental functions increased by approximately 9% over 1995 as shown in the preceding table. Note that net transfers to component unit (the University System) is the other financing use.

The increase in law, justice, and public safety expenditures is due to opening a new medium security correctional facility. The increase in intergovernmental expenditures reflects the population increases experienced by the State. The increase occurred primarily in payment to local school districts for per pupil support. The number of students enrolled increased by 6% and the support per pupil increased as well. Wide swings in capital improvement expenditures occur due to the biennial cycle of authorizing projects. The 29% increase in debt service was anticipated.

The increase in total revenues exceeded the increases in total expenditures resulting in increased cash and fund balances. The State has been successful in revenue projections and expenditure control. The healthy results for the current year have permitted the State to transfer the maximum amount allowed by statute to the Fund to Stabilize the Operations of State Government, the "rainy day" fund.



An important indicator of fiscal health is the undesignated fund balance of the General Fund. The accompanying chart depicts that balance and the balance in the "rainy day" fund. Table IV in the statistical section provides a ten year comparison. The combined amounts of undesignated General Fund and "rainy day" fund balances increased \$60 million in 1996.

Proprietary Operations - Internal Service Funds - The internal service funds charge and recover costs from State agencies for services such as building maintenance, printing, insurance, data processing, motor pool and others. Rates charged to State agencies for the operations of the internal service funds are adjusted in following years to offset gains and losses. In 1996, these funds showed only nominal net income of \$1 million demonstrating that rates charged to State agencies were appropriate. The surplus earnings in the insurance funds accumulated from prior years will be adjusted in the next biennium through rate adjustments.

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

- The Colorado River Commission (CRC) supplying water to the entities in Clark County and purchasing and selling electrical power from Nevada's share of the generating facilities at Hoover Dam. The water related activities, including associated assets and liabilities, were transferred to the Southern Nevada Water Authority (SNWA) on January 1, 1996.
- The Housing Division providing low interest loans to low and moderate income households.
- The State Industrial Insurance System (SIIS) providing benefits of medical care, disability compensation and rehabilitation services to Nevada workers who are injured or contract a disease in the course of their employment.

Combined assets of enterprise funds increased by \$211 million in 1996 and combined liabilities decreased by \$230 million, resulting in a net reduction to fund deficit of \$441 million. These improvements over 1995 were primarily due to the transfer of net liabilities of \$55 million from CRC to SNWA and to improvements realized by SIIS. SIIS reported net income of \$363 million and unrealized investment gains of \$16 million. SIIS fund deficit decreased from \$1,732 million in 1995 to \$1,352 million in 1996. The laws enacted by the 1993 Legislature and management efficiencies are proving effective in reducing the SIIS fund deficit. Additional legislation changes enacted in 1995 authorized SIIS to collect a solvency surcharge, if needed, to protect SIIS' ability to pay its outstanding obligations as they become due.

Pension Trust Operations - The Public Employees' Retirement System (PERS) covers most public employees of the State and its political subdivisions, as well as other public employees. PERS revenue increased 32% to \$1,066 million due principally to strong investment earnings. Expenses increased only 10% to \$290 million. PERS unfunded accrued liability, using the entry age normal cost method, amounted to \$2.3 billion at June 30, 1996, reflecting a decrease of \$.1 billion from 1995. The funded ratio increased to 75.8% in 1996 from 73.5% in 1995. Under the present plan and actuarial method the unfunded liability will be fully amortized over a period of 28

years from July 1, 1996. Additional information is available in the Actuarial Section of PERS separately issued financial statements.

Debt Administration - The bond ratings from Moody's Investor Service and Standard and Poor's remained at Aa and AA respectively. These ratings reflect a good economic base and sound financial management. On June 30, 1996, outstanding bonded debt was *(expressed in thousands)*:

General Obligation Bonds	\$ 1,293,841
Highway Revenue Bonds	59,820
Mortgage Revenue Bonds	707,688
	<u>\$ 2,061,349</u>

Only \$448 million of the \$1,294 million general obligation bonds are paid through a tax levy on property. The remaining \$846 million are serviced through user fees from enterprise fund operations, slot machine taxes, and revenues from local governments for the municipal bond bank and the water pollution control bonds.

The Constitution of the State limits the aggregate principal amount of the general obligation debt to 2% of the total reported assessed property value of the State. As of June 30, 1996, the debt limit and remaining capacity were as follows *(expressed in millions)*:

Debt limit (2% of assessed value)	\$ 694.6
Less: Bonds and leases payable	<u>451.3</u>
Remaining debt capacity	<u>\$ 243.3</u>

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

New bonds sold during the 1996 fiscal year were *(expressed in thousands)*:

Municipal Bond Bank Projects 47 and 48	7/15/95	\$ 34,380
G.O. Water Pollution Matching	9/1/95A	1,265
G.O. Water Pollution Leverage	9/1/95B	9,670
Municipal Bond Bank Projects 49 and 50	11/1/95A	128,800
G.O. Natural Resources	11/1/95B	6,725
G.O. Capital Improvement	11/1/95C	45,000
Municipal Bond Bank Project 51	1/1/96	4,555
G.O. Water Pollution Matching	5/1/96A	755
G.O. Water Pollution Leverage	5/1/96B	4,265
G.O. Natural Resources	5/1/96C	4,115
Colorado River Commission Refunding	12/1/95	118,590
Housing Single Family 1995D	11/1/95	33,430
Housing Single Family 1996A	3/1/96	50,000
Housing Single Family 1996B	5/1/96	25,000
Housing Multi-family 1995B	4/1/96	9,060
Housing Multi-family 1995C	4/1/96	4,450
Housing Multi-family 1996B	5/30/96	11,525
Housing Multi-family Saratoga Palms	6/1/96	10,250
Housing Multi-family Arville, Granada	6/1/96	14,490

Capital Projects - To keep pace with demands of the growing population and economy, the State has used its bonding capacity for a substantial capital project program. The following is a summary of major projects during 1996.

<i>(Expressed in millions)</i>	<i>Expended by June 30, 1996</i>	<i>Total Budget</i>
Additions to Lovelock Correction Center - Medium Security Prison	\$ 1.2	\$ 35.1
State Office Building - Las Vegas	31.9	32.4
Clark County Armory	8.5	15.6
Legislative Building	3.9	16.0
Additions to Dept. of Motor Vehicles Building - Sparks	1.4	5.3
Dept. of Motor Vehicles Building - Henderson	2.5	3.5

Not shown in the capital projects funds nor in the general fixed assets account group are the efforts of the Department of Transportation in improving and maintaining our highway infrastructure. During 1996 Department of Transportation spent \$84.3 million constructing freeways, state routes, and bridges. The State also spent \$121 million reconstructing, re-paving, or rehabilitating 350 miles of roadways and 11 bridges. The expenditures for these efforts are recorded in the State Highway Fund, a special revenue fund.

University and Community College System of Nevada Funds (University System) - An elected nine-member Board of Regents supervises the operation of the University System, comprising two universities, four community colleges and a research institute. Revenues in the current operating funds increased by \$5 million to \$301 million. Expenditures of current operating funds were recorded at \$499 million, an increase of \$61 million. State support increased \$5 million to \$224 million. Enrollment data are available in Table XVII of the statistical section.

Cash Management - Cash temporarily idle is invested by the State Treasurer. All cash except for monies in pension trust funds, deferred compensation fund, SIIS, University System, and Housing are combined in the State Treasurer's investment pool. Uncommitted balances are invested in collateralized repurchase agreements, bankers acceptances (only those eligible for discount with the Federal Reserve), commercial paper issued by U.S. corporations (rated A-1, P-1 or better), corporate bonds issued by U.S. corporations (rated A or better), and securities of the U.S. government with typical maturities ranging from one day to five years.

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

Risk Management - The State is self-financed against certain property and liability claims. The Risk Management Division manages the Self-Insurance Fund for group health insurance. Revenues are generated through charges to employees and departments to pay for contracted insurance and self-funded plans. The Division also manages the Insurance Premiums Fund to provide fidelity, property and workers' compensation coverages. The State finances the first \$250,000 of property and contents losses and the remainder is insured up to \$500 million through commercial insurers.

Conclusion - This report continues my commitment to inform and clearly demonstrate the financial condition of the State to the citizenry and the financial community. Considerable effort and cooperation has been exhibited by all of the State agencies, the Legislature and the Judiciary. Without their efforts, this financial report could not have been produced. I extend my sincere appreciation to the management and the leaders of State government for their stewardship. I especially thank John Comeaux and Keith Schwer for their contributions of the major initiatives and economic outlook sections. Our pictorial theme highlights the unique educational opportunities available at UNLV's William F. Harrah College of Hotel Administration. I appreciate and thank Dean Christianson and his staff for their outstanding efforts in this feature.

Last but not least, I commend the efforts of the accounting firm of Kafoury, Armstrong & Co., my staff and others who contributed to the production of this report.

Respectfully submitted,



Darrel R. Daines
Nevada State Controller

STATE OF NEVADA CONSTITUTIONAL OFFICERS



Robert J. Miller
Governor



Lonnie L. Hammargren, M.D.
Lieutenant Governor



Dean Heller
Secretary of State



Robert Seale
Treasurer

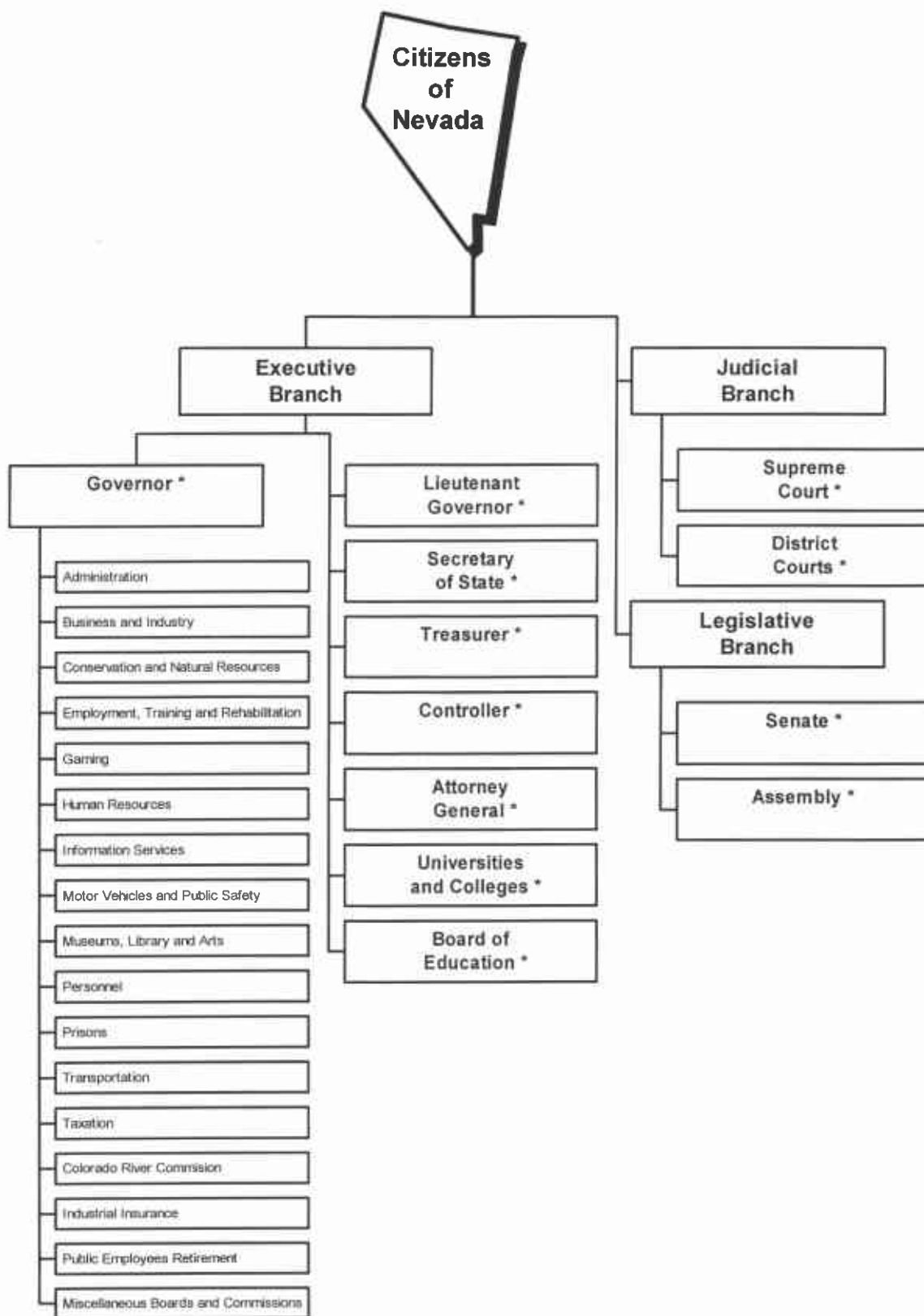


Darrel R. Daines
Controller



Frankie Sue Del Papa
Attorney General

NEVADA STATE GOVERNMENT



* Elected Officials or Bodies

MAJOR INITIATIVES

John P. Comeaux
Director, Department of Administration

With 6,700 hotel casino rooms opened across the State in fiscal 1996, gaming percentage fees grew 8.11%. Meanwhile, construction for those rooms plus the 7,600 rooms projected to open in fiscal 1997 boosted sales tax collections. Comparing the months of fiscal 1996 with the same months of fiscal 1995, sales tax collections grew 12.2%, half again as fast as forecast. Total fiscal 1996 revenues were \$61 million more than forecast. Following the statutory formula, over a third of that extra revenue was added to the State's "rainy day" fund, boosting it to over \$120 million, 10% of general fund appropriations.

The Economic Forum's forecast of revenues for fiscal 1996 proved conservative. First convened in 1994, their forecasts are binding on both executive and legislative branches for purposes of budgeting and appropriations. The same panel of outside fiscal experts who served on the Economic Forum which forecasted fiscal 1996 revenues agreed to return to forecast fiscal 1997, 1998 and 1999. After considering forecasts from the outside econometric firm WEFA, as well as from legislative fiscal staff and budget economists, the Forum forecast revenue growth at or below historical averages.

Nevada's dynamic growth should continue through the next biennial budget cycle. Construction is already underway for 5,700 rooms opening in fiscal 1998, and major casino owners have announced plans to open four major projects in fiscal 1999, adding another 13,000 rooms. Meanwhile, Las Vegas-area occupancy rates continue to exceed 90%.

Nevada's economic diversification continues apace. In fiscal 1996, while the country as a whole lost 1.2% of its manufacturing jobs, Nevada created 5.1% more manufacturing jobs, growing even faster than our gaming employment.

Severe federal uncertainty during fiscal 1996 gave way to federal welfare reform and timely passage of the federal budget in the fall of 1996. This increased certainty greatly eases the process of building the State's budget for fiscal 1998 and 1999. Nevada began its own welfare reform in fiscal 1996 by emphasizing work and personal responsibility, and by changing the culture of welfare. It had a strong effect. Although Nevada's Aid to Families with Dependent Children (AFDC) caseload grew at double digit rates every year from 1988 to 1992, our AFDC caseload dropped 20% between September 1995 and September 1996, the eighth greatest reduction in welfare caseload of all states.

We still wait, with other states, for federal reform of Medicaid. Nevada's Medicaid caseload growth slowed in the fall of 1996. This will help the adjustment to federal changes in Medicaid.

In October 1996, the State signed its first contract for a privately built and operated prison. Located in Southern Nevada, the prison should be built and accept women inmates by September 1997.

Nevada's continued revenue growth, plus declines in welfare caseloads, should help the State budget toward its goals:

VISION

We envision a Nevada where all people have the skill and opportunities they need to achieve their individual dreams; a Nevada where people enjoy and can afford good health, are safe and secure from harm, and share a quality standard of living; a Nevada where we and future generations can enjoy our bountiful natural beauty and resources; and a Nevada whose government consistently surpasses expectations.

MISSION

To provide for the highest quality of life for Nevada's citizens and visitors by ensuring the public safety, protecting the State's natural resources, promoting a strong economy, fostering an environment that is open to diversity, accepting of individual differences, and encouraging individual development, and providing for the welfare of those who cannot care for themselves.

This will be accomplished through a responsive and accountable government that wisely uses the resources entrusted to it.

PHILOSOPHY

Our guiding principles permeate state government. We will be open, accessible and flexible in serving our customers--the public. We will cooperate with each other, avoiding parochial interests. We will take pride in our work, encourage professional development and accept individual differences. We will behave with integrity and choose the ethical course of action. We will operate efficiently and spend the public's money wisely.

FUNCTIONAL GOALS

- Develop an easily accessible, flexible, cost efficient and responsive government.
- Foster an environment that treats employees fairly, with dignity and respect.
- Encourage a work environment that values innovation, team efforts, professional development and improvement of the work process.
- Maximize the quality of life from birth to first year in school, to ensure that each child has the necessary skills to succeed in school.
- Ensure quality educational opportunities for all citizens.
- Ensure that consumers receive fair treatment.
- Optimize the business and government environment.
- Maintain the State's leadership advantage in gaming and recreational tourism.
- Provide stable, equitable and predictable tax structure.
- Provide a social service system that motivates self-sufficiency.
- Ensure the safety of citizens and visitors.
- Provide for the effective development and management of natural resources while protecting the environment.
- Provide for the effective development and management of our cultural resources, including our arts, humanities and heritage.
- Foster an environment that is open to diversity and accepting of individual differences.

ECONOMIC OUTLOOK: 1997

R. Keith Schwer

Director, The Center for Business and Economic Research, UNLV

It is hard to think that economic conditions in Nevada could be better as we approach 1997. Unemployment rates have declined to some of the lowest rates in recent time, job growth continues to trend upward, State revenues have recorded sharp increases, and national economic conditions foretell expansion that is neither too slow nor too fast. Indeed, the strength of Nevada's economy continues to receive favorable reviews in the national press.

By all accounts 1997 will be another good year in Nevada--if for no other reason than the momentum built up over the past few years. Construction and business expansion, reflecting expectations of future economic opportunities, continues. Although the State may not grow as fast in 1997 as in the past few years, the consensus forecast is one of a bright future for the State's economy over the near term.

Nationally, economic conditions have moved forward at a pace that is best described as steady. We now find ourselves in the third longest expansion in the post-World War II period--68 months by the end of 1996. As a consequence, attention will increasingly focus on whether the expansion will continue. Concern for the sustainability of the current expansion often rests on the twin parameters of unemployment and inflation. Yet, announcements of current conditions in recent months bring favorable news--unemployment has declined and inflation remains in check. The core rate of inflation, a measure which excludes the more price volatile items, has been moving forward at a rate of 3.0 percent or less. The Consumer Price Index (CPI) increased at 2.5 percent in 1995 and it is expected to increase by about 3.0 percent in 1996, although some pressure from wage increases remains a concern. The monthly unemployment rate during 1996 has ranged between 5.8 and 5.1 percent. Thus, favorable economic conditions seem at variance with concerns for weaker national economic conditions.

Indeed, the national economic outlook for 1997 is guardedly optimistic, with most forecasters projecting modest growth. Real Gross Domestic Product (GDP), an inflation-adjusted measure of total spending, is expected to grow around 2.5 percent in 1997 and the CPI is expected to increase by 3.0 percent. Not all spending components will, however, experience growth--in particular, disposable income and exports are expected to decline. Moreover, some softening in money markets should result in lower interest rates. Three-month T-bills are expected to yield around 5.5 percent for most of 1997, with the 30-year bond averaging between 6.5 and 7.0 percent.

Further evidence of the maturation of the current business cycle appears in the mixed status of leading indicators, some increasing and some declining. On the one hand, the number of housing starts is likely to be about 5 percent below the 1996 level in 1997. On the other hand, prospects remain favorable for continued increases in industrial production in 1997, likely to be above 1996 levels by more than 3 percent, and nonresident fixed investment, likely to be about 5 percent above 1996 levels in 1997. In short, mixed indicators point to continuation of the current expansion, but at moderate rates.

During the current expansion, now into its fifth year, Nevada and the other western states (excluding California) have grown faster than the national economy. Indeed, we have observed some superlative growth rates. For example, Nevada's monthly sales tax collections, reflecting expenditures for both retail and business purchases, increased at double-digit rates measured over year-ago levels for most months during 1996, exceeding gaming revenue collections. This is not surprising given the substantial increase in hotel construction now underway in Las Vegas, the world's premier destination resort. With substantial construction underway and ambitious plans for future development, it is easy to understand the current economic momentum in the Silver State.

The momentum of the Nevada economy is more easily seen in the context of the State's monthly establishment-based employment, shown in Figure 1. The State's employment has trended upward since 1980, although one notices distinctly different periods of growth--slow growth from 1980 to 1986, more rapid growth from 1986 to 1990, flat growth from 1990 to 1993, and strong growth since 1993. Indeed, Nevada is currently experiencing the strongest expansion in employment in the last 15 years. Continued growth at the current rate, however, will be increasingly difficult to maintain, since conditions are expected to place greater constraints on future expansions, resulting in slower growth rates. In short, the great expansion Nevada has enjoyed for the past few years is now beginning to show some age, making it difficult to keep up in 1997.

Tourism, as measured by employment, unquestionably ranks as the State's major economic sector, providing a greater share to the State's economy than it does in any other state and 15 times the national average. Tourism accounts for over 30 percent of Nevada's Gross Regional Product, a measure of the State's total economic activity. Moreover, Nevada's share is about twice the contribution of Hawaii's, the state with next largest percentage of employment in tourism.

Not surprisingly, gross gaming revenue tax collections is the best indicator of tourism activity. The data are accurate and made available in a timely manner. Nevada's gaming revenue grew in 1996, although the rates of monthly growth tended to be less than they were in 1994 and 1995, when new and exciting must-see attractions brought a rush of visitors into the State, pushing past growth rates to new levels that have been difficult to maintain. As such, lower rates of growth in 1996 were expected, largely reflecting further consolidation of the State's preeminence as the world's premier tourist destination.

With the State's gaming revenue growing at only 2.1 percent from mid-1995 to mid-1996 and the nation's CPI growing at a 2.8 percent annual rate over the same period, one finds the State's gaming revenue growth rate adjusted for inflation falling behind growth in the nation's GDP. Continuation of this trend is not expected. Indeed, the series have tended to move together over time, but have not always been highly correlated. Thus, we expect the State's major industry to follow somewhat in step with the nation's economy--resulting in a forecast for continued expansion of the State's gaming, recreation, and tourism economy in 1997 that is neither too fast nor too slow.

The basis for this forecast rests on the comparison of inflation-adjusted data series. See Figure 2. Readily available Nevada gaming revenue information, often cited in comparisons with national economic growth measures such as inflation-adjusted GDP, suffers from measurement problems. In particular, the gaming revenue series is not adjusted for inflation. Nevada gross gaming revenue adjusted for inflation using the CPI (identified as real gross gaming revenue) offers a measure that can be compared with real GDP. Comparing inflation-adjusted data, we find that the inflation-adjusted series has grown at a decidedly slower rate than the usually cited unadjusted series.

Furthermore, real Nevada gaming revenue has grown faster than real U.S. GDP, but the rates of growth have been uneven. Using indexes for the two series we find pronounced expansion in Nevada's gaming economy during the 1989 to 1990 and 1993 to 1994 periods. In other periods the two series have tended to grow at the same rate.

In Las Vegas, the expansion of construction activity is expected to move forward at a brisk pace, keeping the southern part of the State on a slightly stronger growth path than Reno. The substantial expansion in hotel room capacity in Las Vegas in 1996 and the construction of additional rooms and new properties for opening in the near future have induced investment and construction activity in other business sectors, further reflecting optimism about future business conditions. In addition, public-sector construction, which often has had difficulty keeping up during the past few years, is also experiencing growth. Construction employment in the Las Vegas Metro Area recorded a significant 21.1 percent rate of growth from September 1995 to September 1996, the largest percentage increase for any industrial sector; whereas, construction employment in Reno showed no change over the same period. In addition, Las Vegas recorded a 7.5 percent growth rate for total employment compared with 3.1 percent for Reno.

Figure 1
Nevada Establishment Based Employment: January 1980 - September 1996

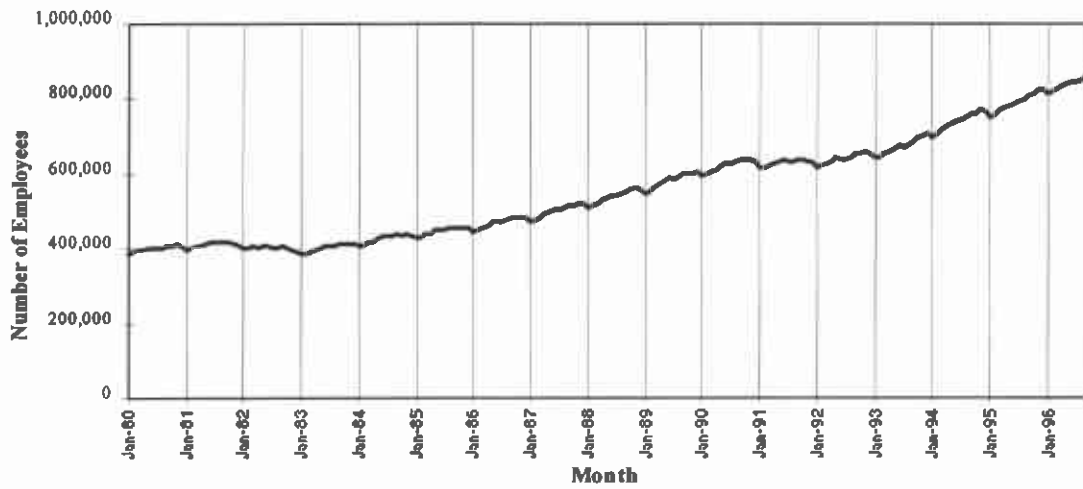
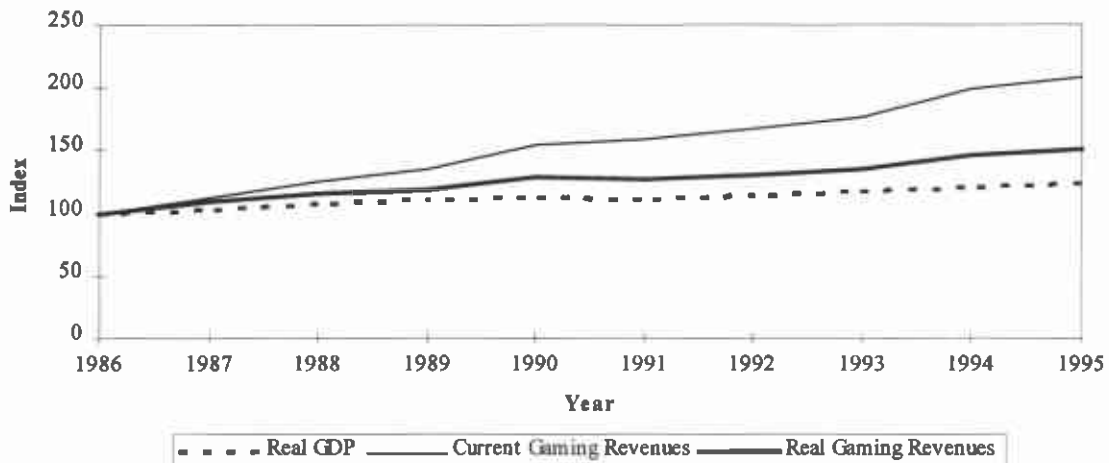


Figure 2
A Comparison of Nevada (Nominal and Real) Gross Gaming Revenues and US Real Gross Domestic Product Indexes, 1986=100: 1986 - 1995



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Arthur R. Lynch
President

Jeffrey L. Esser
Executive Director

A Special Feature on

UNLV's

William F. Harrah

College of Hotel Administration



Dr. David J. Christianson, Dean

Since the late 1960's, the William F. Harrah College of Hotel Administration at the University of Nevada, Las Vegas has been a pacesetter in hospitality education. It is our pleasure to introduce you to our college, faculty and students. The information contained in this report describes what is widely considered to be one of the best hospitality curriculums in the U.S. We believe there are five major factors which have contributed to the College's success since its founding in 1967.

The first is the location. Not only is Las Vegas known internationally for its hotel and casino industry, but it has also become one of the country's fastest growing metropolitan areas. This location provides the student with unparalleled experiential learning opportunities.

The second major contribution is the direction and assistance the program receives from the hospitality industry nationally and internationally, as well as locally. In 1989 the College was renamed the William F. Harrah College of Hotel Administration to reflect a major endowment made by Harrah Entertainment, Inc. and Verna

Harrah, wife of the late William F. Harrah.

A third factor is the estimable quality of our faculty. The College has assembled a faculty that is second to none in the field of hospitality education. They bring a blend of industry experience and academic knowledge to the classroom, and are committed to providing a student focused learning environment.

The fourth attribute is the College's classroom and laboratory facilities in Frank and Estella Beam Hall. The \$11.5 million facility has been widely recognized as one of the country's finest hospitality education settings. The new Stan Fulton Building housing the UNLV International Gaming Institute and a state-of-the-art conference center will soon be added.

Finally, the College has attracted students of the highest caliber who have, as alumni and hospitality professionals, helped to enhance the College's reputation.

The College's primary mission has been and will remain the provision of an educational environment that offers a balanced hospitality, business, and liberal arts curriculum leading students to independent thought, creativity, and mastery of the fundamentals that are essential to a productive personal and professional life.

The Harrah College of Hotel Administration is committed to preparing its students to meet the challenges of a dynamic and exciting industry. The College is also dedicated to attracting and retaining a culturally diverse student body that reflects the hospitality industry. To achieve that end, a substantial scholarship for minorities has been established in the College.

Graduates of the College enter challenging careers in the hotel, gaming, food service, meetings, trade show, club management, convention, entertainment, recreation, tourism, and travel industries.

Graduation, however, does not mean an end to the relationship that has developed between the student and the College. The College's placement assistance program provides graduates with career opportunities upon graduation and throughout their careers.

The Harrah College of Hotel Administration and the Las Vegas hospitality industry offer an unbeatable combination in hospitality education.

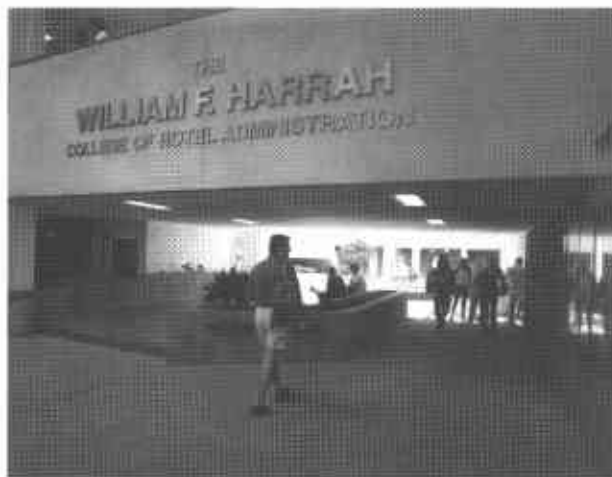
History of the William F. Harrah College of Hotel Administration

Founded in 1967 with a grant from the Nevada Resort Association, the Harrah College of Hotel Administration has risen to a position of preeminence in the world of hospitality education, due in part to the generous private support offered by individuals and companies such as: Harrah Entertainment, Inc. and Verna Harrah, the wife of the late William F. Harrah; Sam and Mary Boyd; Eddie Gambarana and his wife, Peggie Jean Kaltenborn Gambarana; Helen and Aaron Weisberg; Ace Denken Company, Ltd; International Game Technology; and most recently, Stan Fulton.

Significant achievements of the College include its elevation to College status in 1970; the introduction of a Master's Degree program in 1983; exchanges established with schools in Europe, the Caribbean, and Asia; the establishment of a Research and Development Center in 1986; the departmentalization of the College in 1988 that created the Department of Hotel Management, the Department of Food and Beverage Management, and the Department of Tourism and Convention Administration; and the addition of a Ph.D. program in 1993.



A Quick Look at the William F. Harrah College of Hotel Administration



The William F. Harrah College of Hotel Administration at UNLV prepares students for the global hospitality industry with one of the world's best programs. Strong academics combined with focused internship and mentor programs provide a broad educational base in this varied field.

With approximately 100,000 hotel rooms and hundreds of restaurants, conventions, and trade shows, Las Vegas is a "living laboratory" for the hospitality industry. It is one of the best places in the world to study the hospitality field.

The structure of the College's degree programs ensures a student's exposure to different aspects of the industry. It also allows specializations in several areas, such as: food and beverage management, hotel management, gaming management, entertainment management, human resources management, and meeting and convention administration. Traditional classroom instruction is complemented by off-campus experience and professional practice within various areas in the industry ranging from hotel and food operations to meeting, conventions and expositions with participating businesses in Las Vegas as well as the rest of the world.

The College also houses the Hospitality Research and Development Center and the

UNLV International Gaming Institute. These divisions interact and assist industry professionals with special projects and provide students with practical experience.

Supported by more than 40 full-time faculty, each with considerable professional experience, the College of Hotel Administration keeps its classes small and exciting; the student/teacher ratio is 20 to 1.

Classes are held in Frank and Estella Beam Hall, which houses fully equipped classrooms, supplemented by three kitchens, a 150-seat dining room, and bar. Beam Hall also features a demonstration kitchen, a computer lab exclusively for Hotel College use, and a casino lab.

Professional faculty, excellent teaching facilities, and an ideal location combine to make the Harrah College of Hotel Administration attractive to students from all over the world. Currently, the Hotel College student body is approximately 1,600 with students hailing from all 50 states and 50 countries. In addition to state funding, the College also receives many sizeable donations for its various programs from individuals, foundations, corporations and organizations throughout the country.



The Las Vegas Community

Las Vegas has many attractions. Like any other large metropolitan area, the city has fine libraries, museums, community theater, art galleries, and parks, which are enjoyed and supported by more than one million local residents. As one of the fastest growing areas in the United States, Southern Nevada exemplifies modern urban living for families and individuals.

Mild desert temperatures make outdoor recreation possible throughout the year in southern Nevada. Within a 30-mile radius lie the shores of Lake Mead, massive Hoover Dam and the Colorado River recreation area, the snow-skiing and hiking trails of 12,000 foot Mount Charleston, and a panorama of red-rock mountains and eroded sandstone landscapes. In addition, the city is only four to five hours by car from the beaches of Southern California and the national parks of Utah and Arizona.



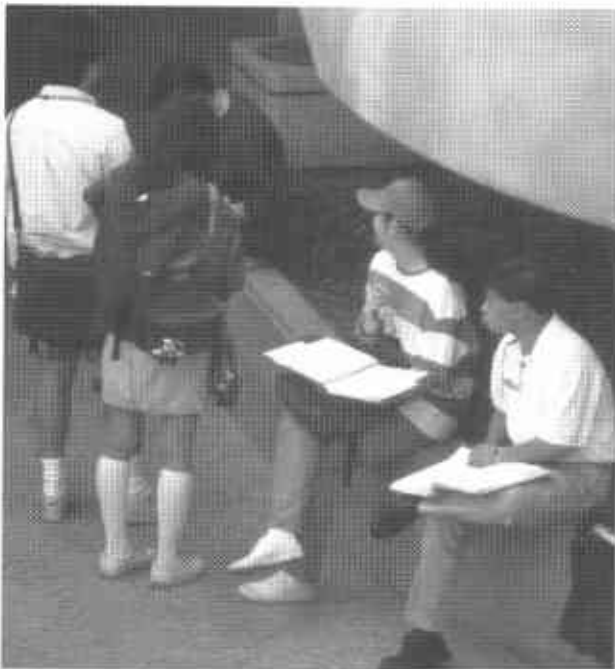
The UNLV Campus

The University of Nevada, Las Vegas is an institution striving to become one of the nation's leading urban universities by providing students an excellent education at a reasonable cost.

Since its founding in 1957, the university has grown rapidly, expanding both its academic programs and its facilities. More than 140 undergraduate, master's and doctoral degree programs are offered to approximately 20,000 students. All UNLV programs are accredited by the Northwest Association of Schools and Colleges.

Located in one of the most pleasant areas of Las Vegas, UNLV has a beautiful campus with extensive computer, library, and residential facilities connected by spacious lawns and walkways shaded by trees and complemented by desert foliage. Just outside the campus are apartments, restaurants, shopping centers, libraries, hospitals, and all the other hallmarks of a modern urban area.

The university is integral to the cultural environment of a city which bills itself as the "Entertainment Capital of the World." The Charles Vanda Master Series features world-class artists and performers, while the Barrick Lecture Series brings some of the foremost thinkers of our time to the campus.



Curriculum Focus

There are three exciting curriculum areas offered at the Harrah College of Hotel Administration including required courses and a wide range of elective courses.



Food & Beverage Management

Learning the components that encompass the food and beverage management industry is important to becoming an effective manager in the business. The program taught at UNLV provides students with management and hands-on experience through a variety of specialized courses. Classroom instruction is complemented with on-site experiences at famous hotels, restaurants, and vineyards. Instruction covers areas such as purchasing, inventory management control, production, service, and laws governing the food and beverage business.

An on-campus dining/banquet room and fully-equipped kitchen reside within the College, giving students a working classroom. Students have the opportunity to develop their skills in various aspects of the industry while getting a well-rounded background needed for positions in management.

Food and beverage departments are important to large-scale operations such as resort-hotels, convention and recreational facilities, and employee food facilities in large corporations. An emphasis in food and beverage management can be applied to many areas of the hospitality industry, as well as providing knowledge for those wanting to manage their own restaurant or club.

Hotel Management

The Hotel Management Department covers all aspects of hotel administration except food and beverage management and tourism. Students learn about hotel operations from the front desk to behind the scenes. They get a thorough survey of facility planning, casino operations, human resources, housekeeping, security, and computer applications in the hospitality industry. Students can select a special area of interest and work with faculty experts in their chosen concentration. Those who successfully complete a concentration may have letters to that effect put in their placement file.

Hotel management is the largest department in the College of Hotel Administration. The department's sixteen full-time faculty members and several part-time instructors employed by or directly involved with the Las Vegas hospitality and gaming industry are a rich resource for students wishing to understand the hospitality industry from every angle.

Tourism & Convention Administration

Tourism is the largest industry in the world, with revenues in the trillions. Tourism is grouped into pleasure and business, including group and individual travel.

Considered a single \$83 billion industry, conventions, expositions, meetings and incentive travel rank seventeenth among all U.S. private sector industries. The industry's direct spending supports 1.5 million jobs in the national economy.

The Tourism & Convention Administration Department offers diverse course work in tourism, convention/meeting planning, mar-

keting, entertainment, club management, accounting and catering.

Classroom activities are supplemented with guest lectures, field trips and internships. Students are afforded the opportunity to attend national conventions, including the Professional Convention Management Association, the International Association for Exposition Management, the Society of Corporate Meeting Professionals and the National Coalition of Black Meeting Planners. The National Association of Catering Executives has provided generous financial support for the catering component of the department. The Club Managers Association of America also houses one of its elective continuing education workshops at UNLV, thus allowing both faculty and staff to work closely with private club managers from around the world.



Professional Development

In addition to traditional courses offered in the food and beverage, hotel management, and tourism and convention curriculum areas, the Harrah College of Hotel Administration offers programs, seminars, and symposiums to hospitality managers and professionals. These offer a world-wide reach and many are sponsored by the UNLV International Gaming Institute and the Hospitality Research and Development Center, both of which are Hotel College entities.

The UNLV International Gaming Institute

The UNLV International Gaming Institute capitalizes on the university's 30-year partnership with the gaming and hospitality industries. The institute draws on the talents of numerous experts for their research and problem-solving abilities.

The institute specializes in managerial training programs, seminars and research for the casino entertainment and gaming industries, gaming regulators, gaming educators, undergraduate and graduate students. It offers individual and group programs dealing with race and sports book operations, casino marketing, internal control procedures, casino accounting, gaming regulations, facility layout/design, protection of games, slots analysis for increased profits, quality assurance surveys, human resources management, mathematics of casino games, table game hold, games analysis for increased profits, feasibility studies, and general arrangement of gaming operations. Presentations are currently done in the institute's casino lab or at domestic and international site locations as requested by clients. In the near future, the institute will move into the Stan Fulton Building which will be located on the UNLV campus. This building will feature a 5,000 square foot state-of-the-art gaming lab, the IGT Gaming Resource Center which will house the Royer Gaming Collection, the most impressive gaming library in the world, multiple classrooms, and exhibit space. The *Gaming Research and Review Journal* is a biannual publication produced by the institute

which serves as a network for critical and timely gaming management information, statistics, and articles.

Hospitality Research and Development Center

This unique research and training center works with properties in the hospitality industry, assisting them in various facets of the business. The center periodically offers students an opportunity to become involved in "hands-on" projects involving many areas of management in their field of study. Projects might include market research, facility layout/design, tourism development, executive development, and other operational areas of a resort, hotel, or food service business.

The Hospitality and Research Center is working to increase its international network. Currently, it has relationships with China, Japan, Saipan, France, Ukraine, Egypt and several other countries.



Job Placement



Career opportunities for UNLV graduates continue to expand. The College receives a constant flow of position announcements. With more than two and one-half decades of growth and experience in the industry, UNLV hotel alumni have reached a level of professional achievement that helps assure a growing base of job opportunities.

UNLV graduates are scattered from Bermuda to Guam, from the Middle East to Alaska. The range of jobs is equally amazing: from large resorts to hospital administration, from fast food franchises to private clubs.

Each year UNLV is visited by a wide variety of large and small businesses in the hotel, restaurant, gaming, and tourism industry - all in search of graduates seeking employment in their fields. The hotel administration program prepares students for the types of questions they will be asked and for the appearance they need to make.

Here is a sample of some of the more than 100 companies that have interviewed UNLV students in recent years:

Aramark
American Airlines
Brinker Enterprises
Caesar's Tahoe
Carnival Cruise Lines
Disneyland
Embassy Suites
Epic Enterprises
Farwest Concepts
Four Seasons Hotels
Freeman Companies
Harrah's Lake Tahoe

Harvey's Hawaiian Hotels & Resort
Hilton Hotel Corporation
Holiday Inn Worldwide
Hyatt Hotels
The Hotel Group
Hyatt Regency
Interstate Hotels
Islands Restaurants
ITT Sheraton
Kenneth Laventhal & Company
Lake Tahoe Cruises
Le Meridien
Louise's Restaurants
Luxor Hotel
Mark Hopkins Intercontinental
Marriot/Host
MGM Grand Hotel, Casino, and Theme Park
The Mirage
Nanco Restaurants
The Old Spaghetti Factory
Pacific Coast Restaurants
Palace Station
Pebble Beach Company
Peninsula-Beverly Hills
Ritz Carlton
Sizzler International
Stouffer Hotels
Syracuse China Corp.
TGI Friday
Walt Disney World
Winegardner & Hammons
United Airlines
U.S. Air Force Civilian Employment
U.S. Dept. Of Army-Civilian Employment

Student Organizations

Many professional organizations in the hospitality field offer membership to students through campus chapters. These groups offer exposure to the student's particular field of interest, providing valuable contacts and experiences through networking. Some of the groups available to students include: Hotel Association, Hotel Sales and Marketing Association, the National Association of Catering Executives, Club Managers Association of America, International Food Service Executives Association, Wine Club, Casino Executive's Club, the International Association of Hospitality Accountants, Professional Convention Management Association, and the National Society of Minority Hoteliers. Eta Sigma Delta, the national honor society, is also present on campus.



Undergraduate Studies

Degree Requirements

The Harrah College of Hotel Administration offers one general program. The large number of electives permit a concentration in any of several areas using hotel and non-hotel courses: accounting, convention, food and beverage, gaming, trade show, club management, marketing, entertainment, human resources, and tourism, among others.

In addition to general academic requirements, the Harrah College of Hotel Administration requires 1,000 hours of acceptable employment (HOA 300). This is a qualitative as well as a quantitative assessment. HOA 300 requirements may be met during the school year or in summers. International students may apply for work permits no earlier than the last semester of their sophomore year.



Graduate Studies



The College provides the opportunity for a limited number of students to pursue a Master of Science (M.S.) or a Doctor of Philosophy (Ph.D.) degree. Through these graduate degrees, students will develop skills essential to the resolution of the complex issues facing the hospitality industry. Educators will develop advanced skills in the successful instruction of hospitality education programs.

Master of Science

Students in the master's program can pursue an emphasis in hotel management, food and beverage management, or casino and gaming management. Students will be expected to complete courses in operations analysis and human resource seminars along with courses in their selected area of specialization. The student will also be expected to write and successfully defend a professional paper or thesis.

All students in the Master of Science program must have at least one year of management experience. The classes are taught in a seminar style with an average class size of 12 to 15 students. This allows the students to interact with each other and the instructor. During these discussions the students relate the concepts being studied to their past work experience, creating lively and interesting classes.

The master's degree requires that students complete a minimum of 36 credit hours, of which no less than 21 are in the College of Hotel Administration. However, this allows for a variety of supplemental tracks including business, education or a related field. Students whose undergraduate degrees did not include a strong business emphasis typically have to complete prerequisite courses with a business emphasis prior to admission.

Doctor of Philosophy in Hospitality Administration

The Ph.D. program, which has been endowed through the generosity of Ace Denken Company, Ltd., is designed for people interested in pursuing a career in higher education or research.

The Ph.D. program consists of 12 credits of research methods and statistics and six credits of required hotel classes. The rest of the courses are focused on the student's major and minor areas. This prepares the student to teach in at least two areas upon graduation. All students in the Ph.D. program are given classroom training and expected to teach one course before graduation.

Research assistantships are available for most full-time students. Research assistants work with the faculty on joint publications. All of the Ph.D. students should have at least three published journal articles upon graduation.

The degree requires: the successful completion at UNLV of 60 hours of approved credits beyond the master's degree; qualifying examination; dissertation; instruction and/or internship; and seminar presentation.



Office for Student Affairs

The Office for Student Affairs serves primarily as a clearing house for student related services provided by the William F. Harrah College of Hotel Administration. This office is responsible for student recruitment, retention, and academic advising. The office for Student Affairs is also responsible for student employment including practical work experience (HOA 300), internships and career placement. The office also provides support and leadership to student clubs, the mentoring program and scholarships. Finally this department is responsible for the processing of college graduates through the handling of the graduate applications.



Food & Beverage Department

The Food & Beverage Department includes restaurant management from fine dining to fast food; off-premise catering; and contract food service. Students obtain real-life managerial experience through the department's capstone course, HOA 467. Through this course students operate a public dining facility in the Boyd Dining Room in Beam Hall.

Financial Section



Course Offerings

In 1989, due to the growth of the college, three departments, (hotel administration, food and beverage management and tourism and convention administration) were formed. Although all students must take the university and college core, the development of these departments enable students to pick an area of specialization within the college. The William F. Harrah College of Hotel Administration provides a plethora of courses from which to choose. These courses taken in conjunction with the university core provides an outstanding education for the student. Listed below are the titles of courses offered through the William F. Harrah College of Hotel Administration.

Undergraduate courses

Introduction to the Lodging Industry
Introduction to Hotel Management
Lodging Operations
Introduction to the Casino
Travel and Tourism I
The Travel Agency
Hotel and Culinary Tour
Food Service Operations Fundamentals

Hospitality Purchasing
Food Service Management Fundamentals
Special Topics in Hotel Administration I
Security for the Hospitality Industry
Practical Hospitality Experience Franchising
Sociology of Innkeeping
Executive Planning for Housekeeping Operations
Ethics for the Hospitality Industry
Hotel Accounting I
Hotel Accounting II
Casino Operations and Management
Protection of Casino Table Games
Gaming Device Management
Travel and Tourism II
The Recreation Industry
Human Resources
Principles of Quantity Foods
Food Production Techniques
Inflight Food Service Management
The Alcoholic Beverages of the Hospitality Industry
Special Topics in Food Service Management
Concessions Operations Management
Nutrition in Food Service
Hotel Entertainment
Modern Service Systems
Special Topics in Hotel Administration II
Catering Sales & Operations
Hotel Marketing I



Sales Blitz
 Sales Blitz Practicum
 Incentive Travel
 Meeting Planning
 Destination Marketing
 Convention Management
 Convention Facility Management
 Fairs and Amusement Park Administration
 Trade Show Operations
 Exposition Service Contracting
 Exhibit Marketing and Management
 International Exhibiting and Exposition
 Management
 Property and Equipment Management
 Architecture in Hotel Management
 Hotel Law
 Organizational Theory Applied to the Service
 Industries
 Employee-Management Relations
 Market and Feasibility Studies
 Staff Planning and Operational Analysis for the
 Hospitality Industry
 Computer Application to the Hospitality Industry
 Accounting for the Casino Hotel
 Casino Operations and Management II
 Mathematics of Casino Games

Gaming Regulations and Control
 Seminar in Casino Management
 Sociology of Gambling
 Strategic Hospitality Marketing
 Cruise Ship Administration & Marketing
 International Tourism
 Hotel Internship (A,B,C or D)
 Hotel Internship II
 Hotel-Motel Operations and Management
 Hotel Administration Seminar
 Employee Development
 Club Management Operations
 Visiting Professor's Seminar
 Facilities Planning and Equipment
 Food and Beverage Cost Control
 Beverage Management
 Quantity Food Management
 Hospitality Realty
 Practicum in Hotel Education
 Seminar in Hotel Research
 Advertising and Sales Promotions
 Hotel Marketing II
 Association Management
 Special Events Management
 Noncommercial Food Service
 Club Management



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INDEPENDENT AUDITOR'S REPORT

The Honorable Darrel R. Daines
State Controller

We have audited the accompanying general purpose financial statements of the State of Nevada as of and for the year ended June 30, 1996. These general purpose financial statements are the responsibility of the management of the State of Nevada. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Water Treatment Fund, Water Transmission Fund or Power Marketing Fund (collectively, the "Colorado River Commission"), the Housing Division Fund, or the Industrial Insurance Fund (State Industrial Insurance System) which statements reflect 99.8 percent of the assets and 99.0 percent of the operating revenues of the Enterprise Funds. We also did not audit the University and Community College System, a discretely presented component unit. The statements not audited by us were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Enterprise Funds and the University and Community College System Funds is based solely on the reports of such other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

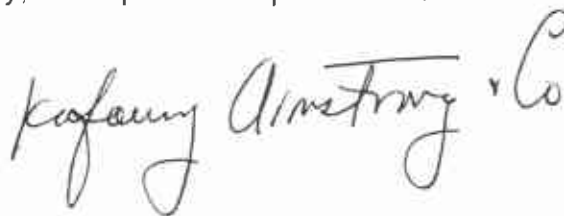
In our opinion, based on our audit and the reports of other auditors, such general purpose financial statements referred to above present fairly, in all material respects, the financial position of the State of Nevada as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types and non-expendable trust funds for the year then ended in conformity with generally accepted accounting principles.

The report of other auditors on the financial statements of the State Industrial Insurance System (SIIS), which statements reflect 59.4 percent and 81.3 percent, respectively, of the assets and operating revenue of the Enterprise Funds, includes an explanatory paragraph emphasizing matters pertaining to the financial situation of SIIS. Such auditor's report on the SIIS financial statements for the year ended June 30, 1996 states:

"The accompanying financial statements have been prepared assuming that the System will continue as a going concern. The System experienced income from underwriting activities and positive cash flow from operations during the years ended June 30, 1996 and 1995; however, in prior years, a loss from underwriting activities and negative cash flows from operations resulted in an accumulated deficit of approximately \$1,420,533,000 at June 30, 1996. Such accumulated deficit will need to be recovered from future revenues, operating efficiencies or from other resources to be provided to the System. To the extent that premiums charged in the future may not be sufficient to pay the unfunded liability for incurred but unpaid claims, adverse loss development thereon, if any, as well as future claims expenses, the System may not have sufficient resources to pay its obligations. As discussed in Note 2 to the ..[SIIS] financial statements, (Notes 2B and 15 to the accompanying general purpose financial statements of the State of Nevada), management has implemented an action plan and initiated substantial changes in applicable laws, which it believes will continue to improve the financial condition of the System."

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

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



Reno, Nevada
December 13, 1996

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

General Purpose Financial Statements



The Students

The William F. Harrah College of Hotel Administration started with 17 students in 1967; undergraduate enrollment now tops 1,700. Graduate enrollment has grown from a dozen or so students in 1983 to more than 65 today. Students come from all over the United States and the world, including such diverse locations as Israel, Norway, Korea, Malaysia, Dominican Republic, Hong Kong, Taiwan, the Bahamas, Canada., Saudi Arabia, Columbia and Egypt.

The William F. Harrah College of Hotel Administration believes in providing students with a well-rounded education through its curriculum and co-curricular activities, therefore the College houses 14 student professional associations. The Hotel Association, started in 1968, is the umbrella organization. Under the umbrella of the Hotel Association, are the following specialized student chapters of industry organizations: Club Managers Associa-

tion of America, International Food Service Executives Association, The Wine Club, International Association of Hospitality Accountants, Professional Convention Management Association, Student Human Resources Association, National Society of Minority Hoteliers, Hotel Sales and Marketing Association, International Association of Exposition Management, National Association of Catering Executives, and Eta Sigma Delta.

STATE OF NEVADA

Combined Balance Sheet

All Fund Types, Account Groups and Discretely Presented Component Unit

June 30, 1996 with comparative totals for 1995 (expressed in thousands)

	Governmental Fund Types				Proprietary
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
Assets and Other Debits					
Assets:					
Cash and pooled investments (Note 3)	\$ 431,919	\$ 305,924	\$ 21,394	\$ 137,228	\$ 355,699
Investments (Note 3)	-0-	391,986	-0-	-0-	1,119,043
Food stamp coupons	24,252	-0-	-0-	-0-	-0-
Receivables (Note 4)	370,699	38,104	5,792	2,582	140,525
Due from other funds (Note 5C)	20,433	150,393	12,582	10,960	4,503
Due from component unit (Note 5D)	4	-0-	-0-	-0-	855
Due from primary government (Note 5D)	-0-	-0-	-0-	-0-	-0-
Interfund receivables (Note 5B)	572	8	-0-	-0-	-0-
Inventory	-0-	10,709	-0-	-0-	1,245
Advances to other funds (Note 5A)	3,890	29	-0-	-0-	-0-
Restricted assets (Note 6):					
Cash	-0-	-0-	-0-	-0-	30,889
Non-cash	-0-	38,889	-0-	-0-	70,606
Loans receivable	-0-	-0-	-0-	-0-	551,745
Deferred charges and other assets	20,205	73	-0-	-0-	63,315
Land	-0-	-0-	-0-	-0-	4,270
Structures and improvements	-0-	-0-	-0-	-0-	19,291
Furniture and equipment	-0-	-0-	-0-	-0-	29,598
Accumulated depreciation	-0-	-0-	-0-	-0-	(26,282)
Construction in progress	-0-	-0-	-0-	-0-	6,948
Other debits:					
Amount available in debt service fund	-0-	-0-	-0-	-0-	-0-
Amount to be provided by other government	-0-	-0-	-0-	-0-	-0-
Amount to be provided for retirement of debt	-0-	-0-	-0-	-0-	-0-
Total assets and other debits	\$ 871,974	\$ 936,115	\$ 39,768	\$ 150,770	\$ 2,372,250
Liabilities, Equity and Other Credits					
Liabilities:					
Accounts payable and accruals	\$ 134,227	\$ 29,147	\$ 7,837	\$ 70	\$ 2,759,478
Contracts payable	-0-	9,361	-0-	7,807	-0-
Due to other funds (Note 5C)	321,827	35,873	-0-	675	1,088
Due to component units (Note 5D)	27,104	186	-0-	-0-	-0-
Due to primary government (Note 5D)	-0-	-0-	-0-	-0-	-0-
Interfund payables (Note 5B)	-0-	-0-	-0-	-0-	76
Compensated absences (Note 8)	-0-	-0-	-0-	-0-	3,222
Deferred revenues	99,729	8,089	-0-	1,114	617
Notes payable (Note 8)	-0-	-0-	-0-	-0-	-0-
Bonds payable, other obligations (Note 8)	-0-	-0-	4,515	-0-	788,468
Advances from other funds (Note 5A)	-0-	-0-	-0-	-0-	338
Obligations under capital leases (Note 8)	-0-	-0-	-0-	-0-	11,478
Claims and judgments (Note 8)	-0-	-0-	-0-	-0-	-0-
Arbitrage rebate liability (Note 8)	-0-	-0-	-0-	-0-	-0-
Other liabilities	11,126	38,889	-0-	33,256	71,658
Total liabilities	594,013	121,545	12,352	42,922	3,636,423
Equity and other credits:					
Investment in general fixed assets/plant	-0-	-0-	-0-	-0-	-0-
Contributed capital (Note 12)	-0-	-0-	-0-	-0-	5,201
Retained earnings (deficit):					
Reserved (Note 12)	-0-	-0-	-0-	-0-	81,851
Unreserved	-0-	-0-	-0-	-0-	(1,419,470)
Net unrealized gain on equity securities	-0-	-0-	-0-	-0-	68,245
Fund balances:					
Reserved:					
Encumbrances and contracts	4,412	104,493	-0-	10,736	-0-
Inventory	-0-	10,709	-0-	-0-	-0-
Advances	3,890	29	-0-	-0-	-0-
Balances forward	238,461	27,610	-0-	-0-	-0-
Other (Note 12)	21,091	560,602	27,416	-0-	-0-
Unreserved:					
Designated (Note 12)	10,107	-0-	-0-	99,782	-0-
Undesignated	-0-	111,127	-0-	(2,670)	-0-
Total equity and other credits	277,961	814,570	27,416	107,848	(1,264,173)
Total liabilities, equity, other credits	\$ 871,974	\$ 936,115	\$ 39,768	\$ 150,770	\$ 2,372,250

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

Exhibit 1

Fund Types	Fiduciary Fund Types	Account Groups		Total - (Memorandum Only)	Component Unit	Totals - (Memorandum Only)	
		General Fixed Assets	General Long-Term Obligations			Reporting Entity	1995 (Restated)
Internal Service	Trust and Agency			Primary Government	University System		
\$ 47,241	\$ 435,697	\$ -0-	\$ -0-	\$ 1,735,102	\$ 35,269	\$ 1,770,371	\$ 1,624,759
-0-	7,174,542	-0-	-0-	8,685,571	224,432	8,910,003	7,322,409
-0-	-0-	-0-	-0-	24,252	-0-	24,252	27,523
1,122	131,737	-0-	-0-	690,561	26,146	716,707	632,687
10,244	189,562	-0-	-0-	398,677	-0-	398,677	461,771
312	-0-	-0-	-0-	1,171	-0-	1,171	216
-0-	-0-	-0-	-0-	-0-	27,290	27,290	35,180
-0-	-0-	-0-	-0-	580	-0-	580	389
667	284	-0-	-0-	12,905	4,800	17,705	17,463
-0-	-0-	-0-	-0-	3,919	-0-	3,919	4,251
-0-	-0-	-0-	-0-	30,889	-0-	30,889	186,129
-0-	-0-	-0-	-0-	109,495	-0-	109,495	107,813
-0-	-0-	-0-	-0-	551,745	8,228	559,973	510,948
94	451	-0-	-0-	84,138	74,849	158,987	130,655
131	3	81,862	-0-	86,266	70,683	156,949	147,910
6,183	-0-	393,172	-0-	418,646	556,959	975,605	1,115,810
28,523	912	205,141	-0-	264,174	214,453	478,627	509,893
(21,571)	(595)	-0-	-0-	(48,448)	(326,278)	(374,726)	(449,860)
-0-	-0-	225,499	-0-	232,447	25,407	257,854	277,248
-0-	-0-	-0-	27,416	27,416	-0-	27,416	24,063
-0-	-0-	-0-	416,021	416,021	-0-	416,021	-0-
-0-	-0-	-0-	1,008,416	1,008,416	-0-	1,008,416	846,194
<u>\$ 72,946</u>	<u>\$ 7,932,593</u>	<u>\$ 905,674</u>	<u>\$ 1,451,853</u>	<u>\$ 14,733,943</u>	<u>\$ 942,238</u>	<u>\$ 15,676,181</u>	<u>\$ 13,533,451</u>
\$ 23,663	\$ 677,641	\$ -0-	\$ -0-	\$ 3,632,063	\$ 29,128	\$ 3,661,191	\$ 3,457,016
-0-	-0-	-0-	-0-	17,168	-0-	17,168	25,028
3,011	36,203	-0-	-0-	398,677	-0-	398,677	461,771
-0-	-0-	-0-	-0-	27,290	-0-	27,290	35,180
-0-	-0-	-0-	-0-	-0-	1,171	1,171	216
504	-0-	-0-	-0-	580	-0-	580	389
2,235	-0-	-0-	57,018	62,475	17,728	80,203	77,531
-0-	80	-0-	-0-	109,629	12,597	122,226	120,113
-0-	9,482	-0-	-0-	9,482	-0-	9,482	26,549
-0-	-0-	-0-	1,388,147	2,181,130	75,635	2,256,765	1,971,313
3,581	-0-	-0-	-0-	3,919	-0-	3,919	4,251
2,812	129	-0-	3,287	17,706	-0-	17,706	12,840
-0-	-0-	-0-	334	334	-0-	334	85
-0-	-0-	-0-	1,104	1,104	-0-	1,104	781
-0-	207,562	-0-	1,963	364,454	7,218	371,672	317,855
<u>35,806</u>	<u>931,097</u>	<u>-0-</u>	<u>1,451,853</u>	<u>6,826,011</u>	<u>143,477</u>	<u>6,969,488</u>	<u>6,510,918</u>
-0-	-0-	905,674	-0-	905,674	467,732	1,373,406	1,294,556
4,764	-0-	-0-	-0-	9,965	-0-	9,965	15,138
-0-	-0-	-0-	-0-	81,851	-0-	81,851	80,394
32,376	-0-	-0-	-0-	(1,387,094)	-0-	(1,387,094)	(1,815,148)
-0-	-0-	-0-	-0-	68,245	-0-	68,245	52,363
-0-	-0-	-0-	-0-	119,641	3,776	123,417	115,618
-0-	284	-0-	-0-	10,993	-0-	10,993	11,304
-0-	-0-	-0-	-0-	3,919	-0-	3,919	4,247
-0-	-0-	-0-	-0-	266,071	-0-	266,071	211,095
-0-	6,638,000	-0-	-0-	7,247,109	271,353	7,518,462	6,465,696
-0-	1,074	-0-	-0-	110,963	-0-	110,963	119,474
-0-	362,138	-0-	-0-	470,595	55,900	526,495	467,796
<u>37,140</u>	<u>7,001,496</u>	<u>905,674</u>	<u>-0-</u>	<u>7,907,932</u>	<u>798,761</u>	<u>8,706,693</u>	<u>7,022,533</u>
<u>\$ 72,946</u>	<u>\$ 7,932,593</u>	<u>\$ 905,674</u>	<u>\$ 1,451,853</u>	<u>\$ 14,733,943</u>	<u>\$ 942,238</u>	<u>\$ 15,676,181</u>	<u>\$ 13,533,451</u>

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996 with comparative totals for 1995
(Expressed in thousands)

Exhibit 2

	Governmental Fund Types				Fiduciary Fund Types	Totals - (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1996	1995 (Restated)
Revenues							
Gaming taxes, fees, licenses	\$ 546,959	\$ 19,875	\$ -0-	\$ -0-	\$ -0-	\$ 566,834	\$ 517,524
Sales taxes	502,960	-0-	-0-	-0-	-0-	502,960	446,504
Intergovernmental	705,286	152,031	10,367	3,548	6,503	877,735	836,557
Other taxes	243,530	230,831	82,037	-0-	173,410	729,808	694,031
Licenses, fees and permits	76,545	108,830	-0-	-0-	-0-	185,375	175,139
Sales and charges for services	24,179	16,721	-0-	-0-	558	41,458	39,751
Interest, investment gain	33,281	34,148	2,692	84	21,390	91,595	68,387
Other	24,115	10,124	-0-	818	7,642	42,699	43,159
Total revenues	2,156,855	572,560	95,096	4,450	209,503	3,038,464	2,821,052
Expenditures							
<i>Current:</i>							
General government	55,978	19,792	-0-	-0-	-0-	75,770	75,742
Health and social services	882,057	31,033	-0-	-0-	148,840	1,061,930	994,633
Education and support services	26,291	577	-0-	-0-	1,614	28,482	24,633
Law, justice and public safety	179,995	75,851	-0-	-0-	169	256,015	224,281
Regulation of business	32,906	25,767	-0-	-0-	146	58,819	58,925
Transportation	-0-	344,183	-0-	-0-	-0-	344,183	368,040
Recreation and resource development	64,828	15,724	-0-	-0-	161	80,713	77,273
<i>Intergovernmental:</i>							
Education	519,363	43,446	-0-	-0-	6,866	569,675	449,077
Other	30,741	8,365	-0-	-0-	-0-	39,106	33,833
Capital improvements	-0-	-0-	-0-	27,932	-0-	27,932	40,548
<i>Debt service:</i>							
Principal	250	800	77,435	-0-	-0-	78,485	59,629
Interest, fiscal charges	51	196	59,789	-0-	-0-	60,036	42,484
Bond issue costs	-0-	2	268	-0-	-0-	270	174
Arbitrage payments	-0-	-0-	-0-	-0-	-0-	-0-	4,277
Refunding payments	-0-	-0-	-0-	-0-	-0-	-0-	661
Total expenditures	1,792,460	565,736	137,492	27,932	157,796	2,681,416	2,454,210
Excess (deficiency) of revenues over expenditures	364,395	6,824	(42,396)	(23,482)	51,707	357,048	366,842
Other Financing Sources (Uses)							
Proceeds from capital leases	149	-0-	-0-	-0-	-0-	149	2,673
Proceeds from sale of bonds	-0-	194,415	116	45,000	-0-	239,531	87,420
Proceeds from sale of fixed assets	204	4	-0-	-0-	-0-	208	162
Operating transfers in (Note 5E)	38,055	76,429	45,827	1,489	-0-	161,800	327,444
Transfers from component unit (Note 5F)	163	70	-0-	-0-	-0-	233	335
Operating transfers out (Note 5E)	(76,365)	(74,080)	-0-	(1,026)	(5,500)	(156,971)	(324,170)
Transfers to component unit (Note 5F)	(224,476)	(2,561)	(194)	(39,383)	-0-	(266,614)	(258,011)
Proceeds of refunding bonds	-0-	-0-	-0-	-0-	-0-	-0-	84,177
Payment to refunded bond agent	-0-	-0-	-0-	-0-	-0-	-0-	(84,177)
Total other financing sources (uses)	(262,270)	194,277	45,749	6,080	(5,500)	(21,664)	(164,147)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	102,125	201,101	3,353	(17,402)	46,207	335,384	202,695
Fund balances, July 1	175,836	613,469	24,063	125,250	317,886	1,256,504	1,053,809
Fund balances, June 30	\$ 277,961	\$ 814,570	\$ 27,416	\$ 107,848	\$ 364,093	\$ 1,591,888	\$ 1,256,504

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

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996

(Expressed in thousands)

Exhibit 3

	General Fund			Special Revenue Funds			Totals (Memorandum Only)		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance	Final Budget	Actual	Variance
Sources of Financial Resources									
Fund balances, July 1 (Note 2D)	\$ 314,014	\$ 314,014	\$ -0-	\$ 244,374	\$ 244,374	\$ -0-	\$ 558,388	\$ 558,388	\$ -0-
Revenues:									
Sales taxes	433,001	458,336	25,335	-0-	-0-	-0-	433,001	458,336	25,335
Gaming taxes, fees, licenses	501,850	513,628	11,778	20,258	19,875	(383)	522,108	533,503	11,395
Federal	689,128	612,016	(77,112)	176,308	151,806	(24,502)	865,436	763,822	(101,614)
Other taxes	312,572	324,009	11,437	240,793	247,048	6,255	553,365	571,057	17,692
Sales, charges for services	68,496	63,943	(4,553)	22,674	18,424	(4,250)	91,170	82,367	(8,803)
Licenses, fees and permits	151,946	139,408	(12,538)	93,922	109,750	15,828	245,868	249,158	3,290
Interest	15,496	25,812	10,316	48,447	49,898	1,451	63,943	75,710	11,767
Other	231,825	157,374	(74,451)	30,926	115,370	84,444	262,751	272,744	9,993
Other financing sources:									
Proceeds from sale of bonds	-0-	-0-	-0-	26,626	26,550	(76)	26,626	26,550	(76)
Transfers from other funds	38,657	38,657	-0-	72,179	71,408	(771)	110,836	110,065	(771)
Reversions from other funds	-0-	1,334	1,334	75	775	700	75	2,109	2,034
Total sources	2,756,985	2,648,531	(108,454)	976,582	1,055,278	78,696	3,733,567	3,703,809	(29,758)
Uses of Financial Resources									
Expenditures, encumbrances:									
Constitutional agencies	61,439	43,830	17,609	36,171	19,647	16,524	97,610	63,477	34,133
Finance and administration	45,794	33,575	12,219	18,488	12,408	6,080	64,282	45,983	18,299
Education	603,261	545,608	57,653	44,456	44,344	112	647,717	589,952	57,765
Human services	1,150,688	956,221	194,467	29,806	26,138	3,668	1,180,494	982,359	198,135
Commerce and industry	67,709	46,670	21,039	40,694	36,596	4,098	108,403	83,266	25,137
Public safety	186,524	164,269	22,255	76,726	73,322	3,404	263,250	237,591	25,659
Infrastructure	113,109	63,135	49,974	473,992	385,216	88,776	587,101	448,351	138,750
Special purpose agencies	5,342	3,959	1,383	-0-	-0-	-0-	5,342	3,959	1,383
Other financing uses:									
Debt service transfers	-0-	-0-	-0-	74,148	75,288	(1,140)	74,148	75,288	(1,140)
Transfers to other funds	416,244	387,729	28,515	59,084	31,498	27,586	475,328	419,227	56,101
Refunds	-0-	1,959	(1,959)	-0-	-0-	-0-	-0-	1,959	(1,959)
Reversions to other funds	-0-	848	(848)	306	1,248	(942)	306	2,096	(1,790)
Total uses	2,650,110	2,247,803	402,307	853,871	705,705	148,166	3,503,981	2,953,508	550,473
Fund balances, June 30	\$ 106,875	\$ 400,728	\$ 293,853	\$ 122,711	\$ 349,573	\$ 226,862	\$ 229,586	\$ 750,301	\$ 520,715

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

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996 with comparative totals for 1995
(Expressed in thousands)

Exhibit 4

	Proprietary Fund Types		Fiduciary Fund Types		Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-expendable Trust	Pension Trust	1996	1995
Operating Revenues						
Net premium income	\$ 458,979	\$ 90,305	\$ -0-	\$ -0-	\$ 549,284	\$ 545,473
Retirement contributions	-0-	-0-	-0-	471,707	471,707	416,469
Sales	49,619	5,342	-0-	-0-	54,961	85,699
Charges for services	1,114	28,323	-0-	-0-	29,437	26,596
Rental income	140	9,340	-0-	-0-	9,480	8,423
Interest, dividends	52,712	-0-	3,732	402,768	459,212	390,475
Investment gains	-0-	-0-	-0-	189,307	189,307	45,119
Other	16,254	1,003	3,493	1,790	22,540	20,225
Total operating revenues	578,818	134,313	7,225	1,065,572	1,785,928	1,538,479
Operating Expenses						
Salaries and benefits	42,467	17,457	-0-	-0-	59,924	57,092
Operating	67,844	20,181	-0-	-0-	88,025	104,599
Benefit payments	-0-	-0-	-0-	267,850	267,850	242,246
Claims expense	113,502	56,493	-0-	-0-	169,995	213,919
Interest on bonds payable	43,156	-0-	-0-	-0-	43,156	37,327
Materials or supplies used	1,905	3,006	-0-	-0-	4,911	4,877
Servicers' fees	1,433	-0-	-0-	-0-	1,433	1,172
Investment expense	-0-	-0-	-0-	10,622	10,622	10,074
Depreciation	6,528	3,533	-0-	99	10,160	14,519
Insurance premiums	-0-	33,264	-0-	-0-	33,264	29,192
Refunds	-0-	-0-	-0-	8,875	8,875	8,851
Administrative expense	5,325	-0-	-0-	2,800	8,125	7,930
Investment losses	-0-	-0-	-0-	-0-	-0-	6
Total operating expenses	282,160	133,934	-0-	290,246	706,340	731,804
Operating income	296,658	379	7,225	775,326	1,079,588	806,675
Nonoperating Revenues (Expenses)						
Interest income	44,782	1,600	-0-	-0-	46,382	41,212
Investment gains	32,643	-0-	-0-	-0-	32,643	11,652
Interest expense	(6,366)	(268)	-0-	-0-	(6,634)	(11,287)
Federal grants	620	-0-	-0-	-0-	620	908
Gain (loss) on disposal of assets	(1)	54	-0-	-0-	53	(15)
Other	2,364	-0-	-0-	-0-	2,364	(852)
Total nonoperating revenues (expenses)	74,042	1,386	-0-	-0-	75,428	41,618
Income before operating transfers	370,700	1,765	7,225	775,326	1,155,016	848,293
Operating Transfers						
Operating transfers in (Note 5E)	-0-	494	147	-0-	641	1,885
Operating transfers out (Note 5E)	(441)	(1,250)	(3,735)	(44)	(5,470)	(5,159)
Net income	370,259	1,009	3,637	775,282	1,150,187	845,019
Fund equity(deficit)/balances, July 1	(1,704,890)	36,131	53,345	5,805,139	4,189,725	3,299,963
Transfer of deficit to other government	54,576	-0-	-0-	-0-	54,576	-0-
Changes in unrealized gains	15,882	-0-	-0-	-0-	15,882	44,743
Fund equity(deficit)/balances, June 30	\$ (1,264,173)	\$ 37,140	\$ 56,982	\$ 6,580,421	\$ 5,410,370	\$ 4,189,725

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

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996 with comparative totals for 1995
(Expressed in thousands)

Exhibit 5

	Proprietary Fund Types		Non-expendable Trust	Totals (Memorandum Only)	
	Enterprise	Internal Service		1996	1995
Cash flows from operating activities					
Cash received from customers, other governments	\$ 503,123	\$ 9,566	\$ 3,478	\$ 516,167	\$ 542,871
Cash received from other funds	20,262	102,965	-0-	123,227	114,786
Cash received from component units	1,518	20,540	-0-	22,058	19,046
Cash received from mortgage loans	94,310	-0-	-0-	94,310	70,144
Cash paid to suppliers, other governments, beneficiaries	(284,248)	(100,850)	-0-	(385,098)	(434,181)
Cash paid to employees for services	(43,121)	(17,246)	-0-	(60,367)	(57,387)
Cash paid to other funds	(32,523)	(9,229)	-0-	(41,752)	(36,838)
Cash paid to component units	-0-	(8)	-0-	(8)	-0-
Purchase of mortgage loans	(107,489)	-0-	-0-	(107,489)	(140,829)
Net cash provided by operating activities	151,832	5,738	3,478	161,048	77,612
Cash flows from noncapital financing activities					
Proceeds from sale of bonds	182,487	-0-	-0-	182,487	203,300
Grants, transfers, advances received	3,555	3,431	77	7,063	3,459
Retirement of bonds and notes	(82,210)	-0-	-0-	(82,210)	(58,042)
Interest payments on bonds	(44,877)	-0-	-0-	(44,877)	(39,769)
Operating/equity transfers out	(441)	(1,324)	(3,704)	(5,469)	(5,905)
Payments for prepaid power	(5,426)	-0-	-0-	(5,426)	(6,707)
Transfers to other government	(85,186)	-0-	-0-	(85,186)	-0-
Other cash used for noncapital financing activities	(4,021)	-0-	-0-	(4,021)	(3,942)
Net cash provided by (used for) noncapital financing activities	(36,119)	2,107	(3,627)	(37,639)	92,394
Cash flows from capital financing activities					
Proceeds from sale of bonds, equipment	119,432	8	-0-	119,440	161,600
Acquisition of property, plant, equipment	(31,112)	(1,240)	-0-	(32,352)	(13,819)
Retirement of bonds/notes/mortgages	(122,510)	(2,498)	-0-	(125,008)	(20,875)
Interest paid on obligations	(6,426)	(253)	-0-	(6,679)	(9,397)
Other cash used for capital financing activities	(4,019)	-0-	-0-	(4,019)	(5,338)
Net cash provided by (used for) capital financing activities	(44,635)	(3,983)	-0-	(48,618)	112,171
Cash flows from investing activities					
Proceeds from sale of investments	2,102,506	-0-	8,500	2,111,006	1,078,412
Purchase of investments	(2,171,004)	-0-	(13,300)	(2,184,304)	(1,262,725)
Interest/dividends on investments	65,403	1,504	3,774	70,681	55,809
Net cash provided by (used for) investing activities	(3,095)	1,504	(1,026)	(2,617)	(128,504)
Net increase in cash	67,983	5,366	(1,175)	72,174	153,673
Cash and cash equivalents, July 1	318,605	41,875	3,973	364,453	210,781
Cash in other trust and agency funds	-0-	-0-	432,899	432,899	379,062
Cash and cash equivalents, June 30	\$ 386,588	\$ 47,241	\$ 435,697	\$ 869,526	\$ 743,516
Reconciliation of operating income to net cash provided by operating activities					
Operating income	\$ 296,658	\$ 379	\$ 7,225	\$ 304,262	\$ 265,074
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	6,528	3,533	-0-	10,061	14,437
Income on investments	(10,773)	-0-	-0-	(10,773)	(14,952)
Interest on bonds payable	43,156	-0-	-0-	43,156	37,327
Decrease (increase) in loans receivable and real estate owned	(52,248)	-0-	-0-	(52,248)	(105,087)
Decrease (increase) in accrued receivables	(2,489)	5,689	(15)	3,185	(8,254)
Decrease (increase) in inventory, deferred charges and other assets	3,434	377	-0-	3,811	1,747
Increase (decrease) in accrued payables, other liabilities	(140,418)	(4,369)	-0-	(144,787)	(121,547)
Other adjustments	7,984	129	(3,732)	4,381	8,867
Total adjustments	(144,826)	5,359	(3,747)	(143,214)	(187,462)
Net cash provided by operating activities	\$ 151,832	\$ 5,738	\$ 3,478	\$ 161,048	\$ 77,612
Noncash investing, capital and financing activities					
Property leased, accrued or acquired	\$ -0-	\$ 2,838	\$ -0-	\$ 2,838	\$ 2,058
Interest/dividends on investments accrued	(386,589)	-0-	-0-	(386,589)	916
Construction completed or in progress	-0-	-0-	-0-	-0-	88
Other non-cash activities	-0-	608	-0-	608	15

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

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996 with comparative totals for 1995
(Expressed in thousands)

	Current Operating Funds			Total
	General Operating		Auxiliary	Current
	Unrestricted	Restricted	Enterprises	Operating
Revenues and Other Additions				
Current fund revenues	\$ 137,409	\$ 140,556	\$ 42,172	\$ 320,137
Federal grants and contracts, restricted	-0-	-0-	-0-	-0-
Private gifts, grants and contracts, restricted	-0-	-0-	-0-	-0-
Estate taxes	-0-	-0-	-0-	-0-
Investment income, restricted	-0-	-0-	-0-	-0-
Interest on loans receivable	-0-	-0-	-0-	-0-
Student fees	-0-	-0-	-0-	-0-
Retirement of indebtedness	-0-	-0-	-0-	-0-
Realized gain on investments, net	-0-	-0-	-0-	-0-
Expended for plant facilities, including \$22,421 charged to current funds expenditures	-0-	-0-	-0-	-0-
Proceeds from notes payable	-0-	-0-	-0-	-0-
Retirement of capital lease obligations	-0-	-0-	-0-	-0-
Other sources	-0-	-0-	-0-	-0-
Total revenues and other additions	137,409	140,556	42,172	320,137
Expenditures and Other Deductions				
Educational and general expenditures	376,609	122,515	-0-	499,124
Auxiliary enterprises expenditures	-0-	-0-	39,108	39,108
Indirect costs recovered	-0-	15,464	-0-	15,464
Loan administration and collection costs	-0-	-0-	-0-	-0-
Loan cancellations, write-offs and provision for bad debts	-0-	-0-	-0-	-0-
Expended for plant facilities, including noncapitalized expenditures of \$6,748	-0-	-0-	-0-	-0-
Depreciation	-0-	-0-	-0-	-0-
Retirement of indebtedness	-0-	-0-	-0-	-0-
Interest on indebtedness	-0-	-0-	-0-	-0-
Disposal of plant assets	-0-	-0-	-0-	-0-
Proceeds of bonds and notes payable	-0-	-0-	-0-	-0-
Distribution of estate taxes	-0-	-0-	-0-	-0-
Obligations under capital leases	-0-	-0-	-0-	-0-
Other deductions	-0-	-0-	-0-	-0-
Total expenditures and other deductions	376,609	137,979	39,108	553,696
Transfers Among Funds, Additions (Deductions)				
Mandatory transfers:				
Principal and interest	(375)	(19)	(2,891)	(3,285)
Student loan matching	(18)	-0-	-0-	(18)
Net transfers (voluntary)	(64)	(806)	(1,441)	(2,311)
Transfers from primary government (Note 5F)	224,476	-0-	-0-	224,476
Transfers to primary government (Note 5F)	(233)	-0-	-0-	(233)
Total transfers	223,786	(825)	(4,332)	218,629
Net increase (decrease) for the year	(15,414)	1,752	(1,268)	(14,930)
Fund balances, July 1	62,323	16,608	14,035	92,966
Fund balances, June 30	\$ 46,909	\$ 18,360	\$ 12,767	\$ 78,036

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

Exhibit 6

Nonoperating Funds							
Student Loan	Endowment	Plant				Totals	
		Unexpended Plant	Retirement of Indebtedness	Investment in Plant	Combined Plant	1996	1995
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 320,137	\$ 314,744
264	300	131	-0-	-0-	131	695	395
159	1,321	3,280	-0-	3,946	7,226	8,706	14,465
-0-	15,648	-0-	-0-	-0-	-0-	15,648	-0-
41	168	618	109	-0-	727	936	738
149	-0-	-0-	-0-	-0-	-0-	149	191
-0-	-0-	5,757	-0-	-0-	5,757	5,757	5,558
-0-	-0-	-0-	-0-	3,469	3,469	3,469	2,435
-0-	7,183	-0-	-0-	-0-	-0-	7,183	2,709
-0-	-0-	-0-	-0-	73,401	73,401	73,401	58,036
-0-	-0-	5,135	-0-	-0-	5,135	5,135	3,007
-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,407
76	2,016	42,002	-0-	1	42,003	44,095	1,966
669	26,636	56,923	109	80,817	137,849	485,311	405,651
3	-0-	-0-	-0-	-0-	-0-	499,127	438,017
-0-	-0-	-0-	-0-	-0-	-0-	39,108	37,214
-0-	-0-	-0-	-0-	-0-	-0-	15,464	16,122
43	-0-	-0-	-0-	-0-	-0-	43	37
446	-0-	-0-	-0-	-0-	-0-	446	95
-0-	-0-	56,280	-0-	-0-	56,280	56,280	44,718
-0-	-0-	-0-	-0-	36,042	36,042	36,042	32,867
-0-	-0-	-0-	3,469	-0-	3,469	3,469	3,802
-0-	-0-	-0-	4,479	-0-	4,479	4,479	4,176
-0-	-0-	-0-	-0-	8,277	8,277	8,277	4,601
-0-	-0-	-0-	-0-	5,135	5,135	5,135	3,000
-0-	231	-0-	-0-	-0-	-0-	231	232
-0-	-0-	-0-	-0-	1,447	1,447	1,447	146
-0-	-0-	541	-0-	45	586	586	23,861
492	231	56,821	7,948	50,946	115,715	670,134	608,888
-0-	-0-	(3,677)	6,962	-0-	3,285	-0-	-0-
18	-0-	-0-	-0-	-0-	-0-	-0-	-0-
(800)	1,094	1,115	902	-0-	2,017	-0-	-0-
-0-	-0-	42,138	-0-	-0-	42,138	266,614	258,011
-0-	-0-	-0-	-0-	-0-	-0-	(233)	(335)
(782)	1,094	39,576	7,864	-0-	47,440	266,381	257,676
(585)	27,499	39,678	25	29,871	69,574	81,558	54,439
10,524	117,712	54,850	3,290	437,861	496,001	717,203	662,764
\$ 9,939	\$ 145,211	\$ 94,528	\$ 3,315	\$ 467,732	\$ 565,575	\$ 798,761	\$ 717,203

STATE OF NEVADA

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

For the fiscal year ended June 30, 1996 with comparative totals for 1995
(Expressed in thousands)

Exhibit 7

	Totals (Memorandum Only)			
	Unrestricted	Restricted	1996	1995
Revenues				
Tuition and fees	\$ 81,588	\$ -0-	\$ 81,588	\$ 74,680
Federal grants and contracts	11,355	70,570	81,925	78,974
State grants and contracts	1,150	16,014	17,164	16,169
Local grants and contracts	169	6,748	6,917	7,198
Private gifts, grants and contracts	5,693	25,294	30,987	30,142
Endowment income	166	2,326	2,492	1,578
Investment income	7,223	19	7,242	6,614
Sales and services of educational departments	26,187	829	27,016	25,014
Sales and services of auxiliary enterprises	40,349	-0-	40,349	41,502
Realized gain on investments	283	-0-	283	-0-
Other sources	5,418	147	5,565	14,446
Total revenues	179,581	121,947	301,528	296,317
Expenditures and Mandatory Transfers				
<i>Educational and general:</i>				
Instruction	167,226	15,250	182,476	156,121
Research	14,641	49,302	63,943	60,230
Public service	11,916	34,249	46,165	41,246
Academic support	44,854	4,277	49,131	40,989
Institutional support	56,664	1,891	58,555	52,101
Student services	34,862	5,282	40,144	36,845
Operation and maintenance of plant	36,900	201	37,101	32,026
Scholarships and fellowships	9,546	12,063	21,609	18,459
Total educational and general expenditures	376,609	122,515	499,124	438,017
<i>Auxiliary enterprises:</i>				
Expenditures for food, housing and other auxiliary services	39,108	-0-	39,108	37,214
<i>Mandatory transfers:</i>				
Principal and interest	3,266	19	3,285	2,985
Student loan matching	18	-0-	18	23
Total expenditures and mandatory transfers	419,001	122,534	541,535	478,239
Other Transfers and Additions (Deductions)				
Voluntary transfers, net	(1,505)	(806)	(2,311)	(2,549)
Excess of restricted receipts over transfers to revenue	-0-	3,145	3,145	2,305
Transfers from primary government	224,476	-0-	224,476	218,742
Transfers to primary government	(233)	-0-	(233)	(21)
Total other transfers and additions (deductions)	222,738	2,339	225,077	218,477
Net increase (decrease) in fund balances	\$ (16,682)	\$ 1,752	\$ (14,930)	\$ 36,555

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

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

Blended Component Units: The Public Employees' Retirement System (PERS) and the Legislators' Retirement System (LRS) are governed by a seven-member board appointed by the Governor. Although they are legally separate from the State, PERS and LRS are reported as if they were part of the primary government under the provisions of GASB Statement 14.

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

Complete financial statements for each of the individual component units may be obtained at that entity's administrative offices:

*Public Employees' Retirement System
Carson City, NV*

*Legislators' Retirement System
Carson City, NV*

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

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

B. Basis of Presentation

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

Governmental Fund Types:

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

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

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

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

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 1 continued)

Proprietary Fund Types:

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

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

Fiduciary Fund Types:

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

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

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

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

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

Account Groups:

General Fixed Assets Account Group - This account group is established to account for all fixed assets of the State, other than those accounted for in enterprise funds, internal service funds and trust funds.

General Long-Term Obligations Account Group - This account group is established to account for all long-term obligations of the State, except those required to be paid from the operations of proprietary

fund types, pension trust funds, and component units.

Component Unit:

The accounts of the University System are organized as follows:

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

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

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

C. Measurement Focus and Basis of Accounting

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

All proprietary funds, nonexpendable trust funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with operating these funds are included on the balance sheet. Fund equity, that is, net assets, is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases, for example, revenues; and decreases, for example, expenses in net assets.

GASB Statement 20 requires proprietary funds to apply all applicable GASB pronouncements and, unless they conflict with or contradict GASB pronouncements, all

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 1 continued)

Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989. As permitted by the Statement, the State has elected not to apply FASB pronouncements issued after that date.

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

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon thereafter.

The State considers revenues as available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. Those revenues susceptible to accrual are gaming revenues, sales taxes, interest revenue and charges for services. Fines and permit revenues are not susceptible to accrual because they are generally not measurable until received in cash.

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

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

D. Assets, Liabilities and Fund Equity

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

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

Investments - Bonds, U.S. Government obligations and government guaranteed mortgage notes are stated at original cost, adjusted where appropriate for bond premiums or discounts, except as noted below. Premiums or discounts are amortized over the life of the issue using the straight-line method. The net amortization of premium and accretion of discount of those investments using straight-line amortization is not materially different from use of the effective-interest method. Interest income is adjusted by amortization of premium and accretion of discount. Bonds are normally held until maturity dates to improve yields. The cost of bonds and mortgages sold is determined by specific identification.

Marketable equity securities are stated at cost, except as noted below. Premium income on options written is deferred and recognized upon expiration, exercise or sale. The cost of marketable equity securities sold is determined on the average cost method. Dividend income on marketable equity securities is recorded as of the ex-dividend date.

Investments of \$115,647,613 in the Deferred Compensation Fund, an agency fund, are stated at market value.

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 1 continued)

Investment securities held by the State Industrial Insurance System (SIIS) are carried at market value.

Unrealized gains and losses on securities are reported as a separate component of equity. Realized gains or losses are recognized as income upon the maturity or disposition of the investment or when a decline in value is considered other than temporary. For purposes of computing gains and losses, the cost of bonds and mortgages sold is determined by specific identification.

Real estate investments in the Public Employees' Retirement System, a pension trust fund, are stated at cost. Additions and improvements to real estate investments are capitalized. Ordinary maintenance and repair expenses are charged to investment expense as incurred.

Short-term investments, consisting of commercial paper and U.S. Government securities, are stated at cost which approximates market.

During fiscal year 1996, PERS and LRS entered into certain derivative transactions. These included options related to marketable equity securities, asset-backed securities and collateralized mortgage obligations related to fixed income securities. In addition, PERS' and LRS' investments in commingled funds include derivative instruments such as forward rate contracts, futures contracts, currency swaps, and interbank currency forward contracts.

These transactions are designed to stabilize investment cash flows, to enhance return on investment of cash and to manage market risks associated with the underlying securities. They may also reduce PERS' and LRS' exposure to changes in stock prices, interest rates and currency exchange rates. PERS' and LRS' management believe that there are no significant credit or legal risks associated with these transactions because of the credibility of investment counsel, counter parties and the ready marketability for these types of instruments.

Receivables - The composition of receivables at June 30, 1996, is presented in Note 4. Most licenses, fees, permits and similar revenues are not susceptible to accrual, and are recognized on a cash basis. Receivables in proprietary fund types have arisen in the ordinary course of business. Accounts receivable for SIIS are net of an allowance for uncollectible accounts. No allowance for

uncollectible accounts has been established in any other fund, as collection history has been excellent.

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

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

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

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

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

Advances to Other Funds - Long-term interfund advances are recorded by the advancing fund as a receivable and as a reserve to maintain the accountability and to disclose properly the amount available for appropriation (unreserved fund balance). Repayments are credited to the receivable and corresponding reductions are made in the reserve. A summary of interfund advances at June 30, 1996, is presented in Note 5.

Fixed Assets and Depreciation - An inventory of State-owned land, buildings and equipment was developed in 1985. All fixed assets are stated at historical cost or estimated historical cost, based on acquisition of comparable property or agency records, if actual historical cost is not available. Donated fixed assets are

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 1 continued)

stated at appraised fair market value at the time of donation or estimated fair market value at time of donation, based on acquisition of comparable property, if appraised fair market value is not available. Interest during construction has not been capitalized on general fixed assets. Certain public domain fixed assets (including highways, bridges, highway lands and rights-of-way) are not capitalized. No depreciation is provided on general fixed assets.

Enterprise fund, internal service fund and pension trust fund fixed assets are stated at cost which includes net capitalized interest. They are depreciated principally on a straight-line basis over estimated useful lives ranging from 5 to 75 years for structures and improvements and 2 to 40 years for furniture and equipment.

In the University System, where current operating funds are used to finance plant assets, those amounts are accounted for as (1) expenditures for normal acquisition or replacement of movable equipment and library books; (2) mandatory transfers for required provisions for debt amortization and interest, and for equipment renewal and replacement; and (3) as voluntary transfers for all other cases. Property, buildings and equipment are stated at cost at the date of acquisition or fair market value at date of donation, except plant assets acquired before 1962, and library books and media acquired before 1976, which are stated at estimated original cost less accumulated depreciation computed on a straight-line basis over estimated useful lives of 40 years for buildings and 5 to 10 years for furniture and equipment.

Compensated Absences - Compensated absences are accounted for in accordance with GASB Statement 16, *Accounting for Compensated Absences*, which requires that a liability for compensated absences relating to services already rendered and that are not contingent on a specified event be accrued as employees earn the rights to the benefits. Compensated absences relating to future services or that are contingent on a specified event will be accounted for in the period those services are rendered or those events take place. Proprietary fund types and pension trust funds report accrued compensated absences as liabilities in the appropriate funds. Governmental funds report compensated absences expected to be liquidated with expendable available financial resources as an expenditure and a fund liability. Amounts not expected to be liquidated with expendable available financial resources are reported in the General Long-Term Obligations Account Group.

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

Long-Term Obligations - The State records long-term debt of governmental funds at face value in the General Long-Term Obligations Account Group. Certain other governmental fund obligations are also recorded in the General Long-Term Obligations Account Group. Long-term debt and other obligations financed by proprietary funds and pension trust funds are recorded as liabilities in the appropriate funds.

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

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

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

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

"Balances forward" indicates unexpended funds brought forward to the next year, which are legally restricted for a specific purpose.

"Other" generally indicates assets, which because of their nature, are unavailable for expenditures. See Note 12.

"Designated" indicates assets which have been designated by the Legislature or governing board for specific purposes. See Note 12.

E. Intergovernmental Assistance Programs

The State participates in various federal financial assistance programs. Federal financial assistance is received by the State in the form of both cash and noncash awards. Federal reimbursement type grants are recorded as revenues when the related expenditures are recognized. Certain grants have matching requirements in which the State must contribute a proportionate share of the total costs of a program. Use of grant resources is

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 1 continued)

conditioned upon compliance with terms of the grant agreements and applicable federal regulations which include subjecting grants to financial and compliance audits.

F. "Memorandum Only" Total Columns

Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

G. Implementation of Accounting Principles

During fiscal year 1996, the State adopted the provisions of Governmental Accounting Standards Board Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* (GASB 24). GASB 24 required that distributions of food stamp benefits be recognized as revenue and expenditures, and that food stamp balances held at the balance sheet date be reported as an asset offset by deferred revenue.

GASB 24 was applied retroactively by restating the 1995 financial statements. The restatement of 1995 financial statements resulted in an increase in total assets of \$27,523,243, an increase in total liabilities of \$27,523,243, an increase in total revenues of \$94,591,541, and an increase in total expenditures of \$94,591,541, all in the General Fund.

NOTE 2 - BUDGETARY AND LEGAL COMPLIANCE

A. Reclassification of Funds for GAAP Reporting

The following funds are misclassified in the statutes:

FUND NAME	GAAP CLASSIFICATION	STATUTORY CLASSIFICATION	NEVADA REVISED STATUTES (NRS) REFERENCE
Care of Sites for Radioactive Waste Disposal	Special Revenue	Trust	459.231
Class-Size Reduction	Special Revenue	Trust	388.730
Cleaning Up Petroleum Discharges	Special Revenue	Trust	590.830
Contingency	Special Revenue	Trust	353.266
Hospital Care to Indigent Persons	Special Revenue	Trust	428.175
Human Resources Gift	Special Revenue-Miscellaneous	Trust	232.355
Mobile Home Lot Rent	Special Revenue-Miscellaneous	Trust	118B.215
Museums and History	Special Revenue-Miscellaneous	Trust	381.0064
National Judicial College	Special Revenue-Miscellaneous	Trust	1.470
National Juvenile and Family Law College	Special Revenue-Miscellaneous	Trust	1.480
Rural Rehabilitation	Special Revenue-Miscellaneous	Trust	561.425
Stabilize the Operations of State Government	Special Revenue	Trust	353.288
Subsequent Injury	An account in Special Revenue	Trust	616.4261
Uninsured Employer's Claim	An account in Special Revenue	Trust	616.437
WICHE Student Loan	Special Revenue-Miscellaneous	Trust	397.063

B. Individual Fund Deficits Enterprise Funds

Industrial Insurance (SIIS) - During the year ended June 30, 1996, SIIS recorded net income of \$363,470,000, and

unrealized gains on equity securities of \$15,882,000, resulting in a decrease of its deficit fund balance to \$1,352,288,000 at June 30, 1996. Changes to the claims management process and statutory changes in 1993 have contributed to the improvements in the overall financial condition of SIIS. See Note 15A.

Notes to Financial Statements*For the Fiscal Year Ended June 30, 1996**(Note 2 continued)*

Nevada Magazine - The Nevada Magazine was removed from the General Fund in the fiscal year ended June 30, 1984 to be accounted for as an enterprise fund. A residual equity transfer (contributed capital) of \$66,849, representing the value of inventory and property, established the new fund. Although Nevada Magazine had a liability for deferred subscription revenues of \$278,774 at June 30, 1983, no cash was transferred. This resulted in a deficit beginning retained earnings of \$278,774. The retained deficit is \$453,322, and the deficit fund equity is \$386,473 at June 30, 1996.

Marlette Lake Water System - The Marlette Lake Water System was acquired by the State in 1962 by the issuance of general obligation bonds. These bonds were serviced with general State revenues rather than revenues of the fund. The original bonded debt, along with any additional General Fund appropriations for capital improvements to the System, have resulted in contributed capital of \$2,885,884. Operating losses and retained earnings deficit are the result of not charging water users for depreciation expense on the contributed assets, with no foreseeable change in this policy of charging users. The retained deficit is \$1,673,458 at June 30, 1996.

C. Budgetary Process and Control

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

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

Limited budgetary revisions may be made without Legislative action through the following management/administrative procedures. Revisions of more than \$2,000, which would increase or decrease program

expenditures by the lesser of 10% of the level approved by the Legislature or \$25,000 must be approved by the Legislative Interim Finance Committee (LIFC). Revisions not exceeding this threshold require only budget director approval. The LIFC approval is not equivalent to governing body approval as total appropriations for a program may not be increased except as follows. The Legislature appropriates limited funds to the Contingency Fund (a special revenue fund), which may be allocated to programs by the LIFC upon recommendation of the Board of Examiners. Allocations totaling \$2,630,733 were made in the 1996 fiscal year. Unencumbered appropriations lapse at the end of each fiscal year, unless specific authority to carry forward is granted in the Appropriations Act. Unexpended authorized resources under the Authorized Expenditures Act are carried forward for expenditure in the next fiscal period.

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

Budgets are legally adopted for the General Fund and special revenue funds. The State's budget is prepared principally on a modified accrual basis, with the following exceptions:

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

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 2 continued)

Actual amounts in the budgetary comparison statements are presented on a budgetary basis. Because this basis

differs from generally accepted accounting principles (GAAP), as described above, a reconciliation between the budgetary and GAAP bases is presented in Note 2D.

D. Budgetary Basis vs. GAAP

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

	General Fund	Special Revenue Funds
Fund balances (budgetary basis) June 30, 1996	\$ 400,728	\$ 349,573
<i>Adjustments:</i>		
<i>Basis Differences:</i>		
Petty cash or outside bank accounts	1,669	1,114
Investments not recorded on the budgetary basis	-0-	391,986
Accrual of receivables under GASB 22	4,441	11,420
Accrual of certain other receivables	1,174	49,009
Inventory	-0-	10,709
Advances to other funds	3,890	29
Deferred charges and other assets	-0-	47
Accrual of certain accounts payable and accruals	(64,674)	(2,437)
Accrual of longevity pay	(673)	(197)
Contract retentions payable	-0-	(185)
Deferred revenues	(74,578)	(623)
Encumbrances	4,412	4,419
Other	1,572	(294)
Fund balances (GAAP basis) June 30, 1996	<u>\$ 277,961</u>	<u>\$ 814,570</u>

Total fund balance on the budgetary basis in the General Fund at June 30, 1996, is composed of both restricted funds, which are not available for appropriation, and unrestricted funds as follows (expressed in thousands):

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

Total fund balance (budgetary basis)	\$ 400,728
Restricted Funds	<u>(240,952)</u>
Unrestricted fund balance (budgetary basis)	<u><u>\$ 159,776</u></u>

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

NOTE 3 - DEPOSITS AND INVESTMENTS

A. Balance Sheet

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

	Total Primary Government	Component Unit	Total Reporting Entity
Cash and pooled investments	\$ 1,735,102	\$ 35,269	\$ 1,770,371
Investments	8,685,571	224,432	8,910,003
Restricted assets (Note 6)	140,384	-0-	140,384
Less restricted assets other than cash and investments (Note 6)	(39,950)	-0-	(39,950)
Total	\$ 10,521,107	\$ 259,701	\$ 10,780,808

B. Deposits

The Statutes of the State authorize the State Treasurer to deposit in any insured state or national bank, credit union or savings and loan association. Insured deposits are covered by the Federal Deposit Insurance Corporation. Statutes require all deposits within the custody of the State Treasurer not within the limits of insurance provided by an instrumentality of the United States to be secured by collateral composed of obligations of the United States; bonds of this State; bonds of any county, municipality or school district within this State; promissory notes secured by first deeds of trust or instruments in which the State is permitted to invest.

At June 30, 1996, deposits were held in various institutions throughout the state as follows (expressed in thousands):

	Carrying Value	Bank Balance
<i>Primary government:</i>		
Insured or collateralized with securities held by the State or by an agent of the State in State's name	\$ 304,140	\$ 327,967
Deposits in the U.S. Treasury investment pool in the name of the State	315,801	315,801
Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the State's name	38,728	39,221
Total deposits primary government	658,669	682,989
<i>Component unit:</i>		
Uncollateralized or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the State's name	35,269	35,269
Total deposits component unit	35,269	35,269
Total deposits reporting entity	\$ 693,938	\$ 718,258

C. Investments

Statutes authorize the State to invest in United States Treasury notes, bonds, and certificates; bonds of this or of other states; bonds of certain political subdivisions of this or of other states; bonds, notes, debentures and loans if they are underwritten by or their payment is guaranteed by the United States; obligations or certificates of the Federal National Mortgage Association, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal Farm Credit Banks Funding Corporation or the Student Loan Marketing Association, whether or not guaranteed by the United States; farm mortgage loans fully insured and guaranteed by the Farmers Home Administration of the U.S. Department of Agriculture; negotiable certificates of deposit issued by commercial banks or insured savings and loan associations; certain banker's acceptances, commercial paper, and notes, bonds and other unconditional obligations for the payment of money issued by corporations or depository institutions organized and operating in the United States; money market mutual funds registered with the SEC, rated "AAA", or its equivalent, and invested only in securities issued by the federal government or in repurchase agreements fully collateralized by such securities. Limited types of repurchase agreements are proper and lawful investments of the State; generally no money of the State

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 3 continued)

may be invested pursuant to a reverse-repurchase agreement. The State's Permanent School Fund is further limited by statute to the types of investments it may purchase. Investments are made after diligent inquiry of the governmental unit and written legal opinion of the Attorney General. Investment policies of the State are reviewed at least every four months by the Board of Finance.

The following table (expressed in thousands) provides information about the credit and market risks associated with the State's investments at June 30, 1996. Category 1 includes investments that are insured or registered or for which the securities are held by the State or its agent in the State's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparties' trust department or agent in the State's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent, but not in the State's name.

	Category			Unclassified as to Risk	Carrying Amount	Market Value
	1	2	3			
Primary government:						
Equity securities	\$ 3,288,207	\$ -0-	\$ -0-	\$ -0-	\$ 3,288,207	\$ 3,770,884
U.S. Government securities	1,601,400	-0-	34,277	-0-	1,635,677	1,632,609
Foreign investments	328,528	-0-	-0-	-0-	328,528	418,886
Corporate bonds	89,710	-0-	-0-	-0-	89,710	89,719
Repurchase agreements	104,262	-0-	41,614	-0-	145,876	145,876
Municipal bonds	391,974	-0-	-0-	-0-	391,974	393,258
Bank acceptances	25,869	-0-	-0-	-0-	25,869	25,869
Commercial paper	377,106	-0-	-0-	-0-	377,106	377,106
Negotiable certificates of deposit	35,002	-0-	-0-	-0-	35,002	35,002
	<u>6,242,058</u>	<u>-0-</u>	<u>75,891</u>	<u>-0-</u>	<u>6,317,949</u>	<u>6,889,209</u>
Guaranteed investment contracts				1,447,781	1,447,781	1,526,069
Real estate				690,810	690,810	710,248
Mortgages				293,968	293,968	293,968
Secured loans				14,746	14,746	14,746
Investment in limited partnerships				61,821	61,821	77,909
				<u>2,509,126</u>	<u>2,509,126</u>	<u>2,622,940</u>
Investments held by agents in mutual funds for:						
Fiduciary funds				919,715	919,715	1,368,391
Deferred compensation				115,648	115,648	115,648
				<u>1,035,363</u>	<u>1,035,363</u>	<u>1,484,039</u>
Total primary government	<u>6,242,058</u>	<u>-0-</u>	<u>75,891</u>	<u>3,544,489</u>	<u>9,862,438</u>	<u>10,996,188</u>
Component unit:						
Equity securities			42,880	-0-	42,880	46,645
U. S. Government securities			3,393	-0-	3,393	3,344
Foreign investments			2,059	-0-	2,059	2,393
Corporate bonds			335	-0-	335	357
			<u>48,667</u>	<u>-0-</u>	<u>48,667</u>	<u>52,739</u>
Real estate				5,000	5,000	3,911
Investment held by agents in mutual funds for:						
University System				170,765	170,765	192,350
Total component unit	<u>-0-</u>	<u>-0-</u>	<u>48,667</u>	<u>175,765</u>	<u>224,432</u>	<u>249,000</u>
Total reporting entity	<u>\$ 6,242,058</u>	<u>\$ -0-</u>	<u>\$ 124,558</u>	<u>\$ 3,720,254</u>	<u>\$ 10,086,870</u>	<u>\$ 11,245,188</u>

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

NOTE 4 - RECEIVABLES

A summary of receivables by fund type at June 30, 1996, is as follows (expressed in thousands):

	Governmental Fund Types				Proprietary Fund Types	Fiduciary Fund Types	Component Unit			
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	Total Primary Government	University System	Total Reporting Entity
Accounts receivable	\$ 4,956	\$ 1,406	\$ -0-	\$ -0-	\$ 128,067	\$ 416	\$ 49,774	\$ 184,619	\$ -0-	\$ 184,619
Taxes receivable	262,189	12,500	-0-	-0-	-0-	-0-	-0-	274,689	-0-	274,689
Accrued interest, dividends	10,925	-0-	-0-	-0-	12,351	-0-	49,997	73,273	-0-	73,273
Intergovernmental receivable	91,921	21,386	5,792	2,582	107	706	31,242	153,736	14,571	168,307
Accounts, notes receivable	708	2,812	-0-	-0-	-0-	-0-	-0-	3,520	11,529	15,049
Accrued investment income	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	46	46
Other receivables	-0-	-0-	-0-	-0-	-0-	-0-	724	724	-0-	724
Total	\$ 370,699	\$ 38,104	\$ 5,792	\$ 2,582	\$ 140,525	\$ -1,122	\$ 131,737	\$ 690,561	\$ 26,146	\$ 716,707

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

NOTE 5 - INTERFUND TRANSACTIONS

A. Interfund Advances

A summary of interfund advances at June 30, 1996, is as follows (expressed in thousands):

	Advances To Other Funds	Advances From Other Funds
<i>General Fund</i>	\$ 3,890	\$ -0-
<i>Special Revenue Fund</i>		
State Highway	29	-0-
<i>Enterprise Funds</i>		
Prison Industry	-0-	190
Marlette Lake Water System	-0-	148
Total enterprise funds	-0-	338
<i>Internal Service Funds</i>		
Buildings and Grounds	-0-	1,655
Motor Pool	-0-	634
Purchasing	-0-	334
Information Services	-0-	747
Printing	-0-	211
Total internal service funds	-0-	3,581
Total	\$ 3,919	\$ 3,919

B. Interfund Receivables and Payables

Interfund receivables and payables are the portion of interfund advance due by June 30, 1997. A summary of interfund receivables and payables at June 30, 1996, is as follows (expressed in thousands):

	Interfund Receivables	Interfund Payables
<i>General Fund</i>	\$ 572	\$ -0-
<i>Special Revenue Funds</i>		
State Highway	4	-0-
Contingency	4	-0-
Total special revenue funds	8	-0-
<i>Enterprise Funds</i>		
CRC Power Marketing	-0-	55
Prison Industry	-0-	15
Marlette Lake Water System	-0-	6
Total enterprise funds	-0-	76
<i>Internal Service Funds</i>		
Buildings and Grounds	-0-	195
Motor Pool	-0-	107
Purchasing	-0-	23
Information Services	-0-	154
Printing	-0-	25
Total internal service funds	-0-	504
Total	\$ 580	\$ 580

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 5 continued)

C. Due From/Due To Other Funds

A summary of due from and due to other funds at June 30, 1996, is shown below (expressed in thousands):

	Due From Other Funds	Due To Other Funds		Due From Other Funds	Due To Other Funds
General Fund	\$ 20,433	\$ 321,827	Enterprise Funds		
Special Revenue Funds			CRC Water Treatment	918	71
State Highway	20,342	12,756	CRC Water Transmission	14	71
Class-Size Reduction	4,172	-0-	CRC Power Marketing	472	93
Employment Security	39	862	Housing Division	-0-	23
Regulatory	30	1,394	Industrial Insurance	2,876	780
Legislative	529	83	Forestry Nurseries	-0-	2
Municipal Bond Bank	327	3,335	Prison Industry	188	46
Workers' Compensation and Safety	499	2,951	Nevada Magazine	8	-0-
Higher Education Capital Construction	-0-	12,760	Marlette Lake Water System	27	2
Cleaning Up Petroleum Discharges	-0-	148	Total Enterprise Funds	4,503	1,088
Hospital Care to Indigent Persons	93	2	Internal Service Funds		
Tourism Promotion	-0-	68	Self-Insurance	1,058	26
Offenders' Store	251	45	Buildings and Grounds	145	18
Colorado River Commission	306	1	Motor Pool	243	570
Contingency	25	1,054	Communications	120	16
Care of Sites for Radioactive Waste			Insurance Premiums	519	379
Disposal	131	11	Administrative Services	-0-	1,815
Stabilize the Operations of State Government	123,392	-0-	Personnel	2	106
Miscellaneous	257	403	Purchasing	5,126	-0-
Total Special Revenue Funds	150,393	35,873	Information Services	2,794	41
Debt Service Funds			Printing	237	40
Consolidated Bond Interest and Redemption	12,298	-0-	Total Internal Service Funds	10,244	3,011
Highway Revenue Bonds	284	-0-	Trust and Agency Funds		
Total Debt Service Funds	12,582	-0-	Gift Funds	20	2
Capital Projects Funds			Custodial Funds	43	6,145
Parks Capital Project Construction	-0-	1	Henry Wood Christmas	-0-	7
CIP Motor Vehicle	9,957	11	Permanent School	270	852
CIP University System	7	-0-	Public Employees' Retirement	6,193	78
CIP General State Government	490	635	Intergovernmental	183,008	2,104
CIP Special Projects	-0-	27	State Agency Fund for Bonds	-0-	54
CIP Prison System	13	1	Motor Vehicle	1	20,860
CIP Wildlife	55	-0-	Restitution Trust	-0-	8
Miscellaneous	438	-0-	Veterans Custodial	6	-0-
Total Capital Projects Funds	10,960	675	Local Government Pooled Investment	-0-	21
			State Payroll	21	6,072
			Total Trust and Agency Funds	189,562	36,203
			Total	\$ 398,677	\$ 398,677

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 5 continued)

D. Due From/Due To Component Unit

A summary of balances receivable or payable between the primary government and the University System (a component unit) at June 30, 1996, is shown below (expressed in thousands):

	Due From Component Unit	Due To Component Unit
<i>General Fund</i>	\$ 4	\$ 27,104
<i>Special Revenue Funds</i>		
State Highway	-0-	126
Employment Security	-0-	23
Regulatory	-0-	6
Cleaning Up Petroleum Discharges	-0-	31
Total Special Revenue Funds	-0-	186
<i>Enterprise Funds</i>		
Industrial Insurance	826	-0-
Prison Industry	27	-0-
Marlette Lake Water System	2	-0-
Total Enterprise Funds	855	-0-
<i>Internal Service Funds</i>		
Self-Insurance	168	-0-
Motor Pool	16	-0-
Purchasing	126	-0-
Information Services	1	-0-
Printing	1	-0-
Total Internal Service Funds	312	-0-
Total	\$ 1,171	\$ 27,290

E. Transfers

A summary of interfund operating transfers for the year ended June 30, 1996, is shown below (expressed in thousands):

	Transfers In	Transfers Out
<i>General Fund</i>	\$ 38,055	\$ 76,365
<i>Special Revenue Funds</i>		
State Highway	2,687	2,948
Class-Size Reduction	27,726	-0-
Employment Security	307	5,760
Regulatory	1,130	4,742
Legislative	12,252	-0-
Municipal Bond Bank	-0-	36,980
Workers Compensation and Safety	-0-	5,974
Higher Education Capital Construction	-0-	12,954
Tourism Promotion	24	1,088
Contingency	8,333	2,631
Stabilize the Operations of State Government	23,392	-0-
Miscellaneous	578	1,003
Total Special Revenue Funds	76,429	74,080
<i>Debt Service Fund</i>		
Consolidated Bond Interest and Redemption	45,827	-0-
<i>Capital Projects Funds</i>	1,489	1,026
<i>Enterprise Funds</i>	-0-	441
<i>Internal Service Funds</i>	494	1,250
<i>Expendable Trust Funds</i>		
Custodial Funds	-0-	5,497
Gift Funds	-0-	3
Total Expendable Trust Funds	-0-	5,500
<i>Nonexpendable Trust Funds</i>		
Permanent School	147	3,729
Henry Wood Christmas	-0-	6
Total Nonexpendable Trust Funds	147	3,735
<i>Pension Trust Funds</i>	-0-	44
Total Transfers	\$ 162,441	\$ 162,441

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 5 continued)

F. Transfers From/Transfers to Component Unit

A summary of transfers between the primary government and the University System (a component unit) for the year ended June 30, 1996, is shown below (expressed in thousands):

	Transfers From Component Unit	Transfers To Component Unit
General Fund	\$ 163	\$ 224,476
Special Revenue Funds		
Class-Size Reduction	-0-	131
Legislative	70	-0-
Higher Education		
Capital Construction	-0-	2,430
Total Special Revenue Funds	70	2,561
Debt Service Fund		
Consolidated Bond Interest and Redemption	-0-	194
Capital Projects Fund		
CIP University System	-0-	39,383
Total Transfers	\$ 233	\$ 266,614

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

NOTE 6 - RESTRICTED ASSETS

Various debt service, operation and maintenance, capital improvement and construction (acquisition) funding requirements of bond covenants, trust indentures and the federal repayment contract are recorded as restricted assets on the enterprise fund and special revenue fund

balance sheets. These restricted assets are established either from bond proceeds, retained earnings, or advances from the federal government. The components of restricted assets at June 30, 1996, are as follows (expressed in thousands):

	Special Revenue Fund	Enterprise Funds			Total Reporting Entity
	State Highway	Colorado River Commission	Housing Division		
<i>Restricted:</i>					
Cash	\$ -0-	\$ 30,889	\$ -0-	\$	30,889
Investments	-0-	-0-	69,545		69,545
Interest receivable	-0-	-0-	1,061		1,061
Right of way acquisitions	38,889	-0-	-0-		38,889
Total	\$ 38,889	\$ 30,889	\$ 70,606	\$	140,384
<i>Restricted for:</i>					
Debt service	\$ -0-	\$ 2,637	\$ -0-	\$	2,637
Debt service reserve	-0-	582	70,606		71,188
Construction reserve	38,889	26,829	-0-		65,718
Other and all purpose reserve	-0-	841	-0-		841
Total	\$ 38,889	\$ 30,889	\$ 70,606	\$	140,384

NOTE 7 - GENERAL FIXED ASSETS

A statement of changes in general fixed assets for the year ended June 30, 1996, is shown below (expressed in thousands):

	Land	Structures and Improvements	Furniture and Equipment	Construction in Progress	Total
Balance, July 1, 1995 (as restated)	\$ 79,989	\$ 377,581	\$ 189,301	\$ 209,672	\$ 856,543
Additions	1,986	15,642	31,448	31,387	80,463
Deletions	(113)	(51)	(15,608)	(15,560)	(31,332)
Balance, June 30, 1996	<u>\$ 81,862</u>	<u>\$ 393,172</u>	<u>\$ 205,141</u>	<u>\$ 225,499</u>	<u>\$ 905,674</u>

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

	Project Authorization	Expended to June 30, 1996	Committed	Required Future Financing
Prisons	\$ 129,230	\$ 71,282	\$ 3,716	None
Natural resources & wildlife	33,057	21,328	220	None
Human resources	19,898	6,236	1,562	None
State library	20,283	17,120	45	None
Supreme Court	26,159	24,559	82	None
State office, Las Vegas	29,037	28,866	13	None
Other projects	121,910	56,108	5,098	None
Totals	\$ 379,574	\$ 225,499	\$ 10,736	

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

NOTE 8 - LONG-TERM OBLIGATIONS

A. Long-Term Obligations

Long-term obligations at June 30, 1996, of the primary government comprise the following (expressed in thousands):

	Interest Rate	Authorized	Issued	Principal and Interest in FY 1996	Principal Outstanding
General Long-Term Obligations Account Group					
<i>General obligation bonds:</i>					
Subject to Constitutional Debt Limitation	4.00-10.00%	\$ 771,779	\$ 770,299	\$ 45,084	\$ 448,280
Exempt from Constitutional Debt Limitation	3.50-9.80%	945,766	943,841	56,792	701,141
<i>Special obligation bonds:</i>					
Exempt from Constitutional Debt Limitation - Highway Improvement Revenue Bonds	4.00-7.00%	152,100	152,100	35,349	59,820
Total Bonds		<u>\$ 1,869,645</u>	<u>\$ 1,866,240</u>	<u>\$ 137,225</u>	<u>1,209,241</u>
Obligations under capital leases	2.19-12.29%		<u>5,555</u>	<u>1,297</u>	3,287
Compensated absences obligations					57,018
Arbitrage rebate liability					1,104
Claims and judgments					334
Federal repayment contract					178,906
Judicial retirement net pension obligation					1,963
Total general long-term obligations					<u>\$ 1,451,853</u>
Enterprise funds					
<i>Colorado River Commission:</i>					
General obligation bonds exempt from Constitutional Debt Limitation	6.00-10.75%	\$ 172,310	\$ 151,810	\$ 13,150	\$ 80,780
<i>Housing Division:</i>					
Mortgage revenue bonds	3.45-11.50%	1,250,000	1,174,787	125,412	707,688
Total general obligations		<u>\$ 1,422,310</u>	<u>\$ 1,326,597</u>	<u>\$ 138,562</u>	<u>788,468</u>
Net obligations under capital leases			<u>26,470</u>	<u>1,017</u>	11,478
Compensated absences obligations					3,222
Total enterprise funds					<u>\$ 803,168</u>
Internal service funds					
Obligations under capital leases	4.06-8.63%		<u>\$ 13,463</u>	<u>\$ 2,641</u>	\$ 4,382
Less current portion					1,570
Net obligations under capital leases					2,812
Compensated absences obligations					2,235
Total internal service funds					<u>\$ 5,047</u>
Pension trust funds					
Notes payable	9.30%		\$ 9,563	\$ 967	\$ 9,482
Obligations under capital lease	5.74%		296	108	129
Total pension trust funds			<u>\$ 9,859</u>	<u>\$ 1,075</u>	<u>\$ 9,611</u>

B. Changes in General Long-Term Obligations Account Group

The following is a summary of changes in General Long-Term Obligations Account Group for the fiscal year ended June 30, 1996 (expressed in thousands):

	Balance July 1, 1995	New Obligations Incurred and Changes in Estimates	Obligations Retired	Balance June 30, 1996
Bonds	\$ 810,031	\$ 582,640	\$ (183,430)	\$ 1,209,241
Obligations under capital leases	4,188	149	(1,050)	3,287
Compensated absences obligations	55,113	1,905	-0-	57,018
Arbitrage rebate liability	781	323	-0-	1,004
Claims and judgments	85	334	(85)	334
Federal contracts payable	-0-	178,906	-0-	178,906
Judicial retirement net pension obligation	-0-	1,963	-0-	1,963
Total	<u>\$ 870,198</u>	<u>\$ 766,220</u>	<u>\$ (184,565)</u>	<u>\$ 1,451,853</u>

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 8 continued)

C. Constitutional Debt Limitations

Section 3, Article 9, of the State Constitution (as amended) limits the aggregated principal amount of the State's public debt to two percent (2%) of the assessed valuation of the State. Exempt from this limitation are debts authorized by the Legislature that are incurred for the protection and preservation or for obtaining the benefits of any property or natural resources within the State. At June 30, 1996, the debt limit and its unused portion are computed as follows (expressed in thousands):

Debt limitation (2% of total assessed valuation)	\$ 694,581
Less: Bonds and leases payable as of June 30, 1996, subject to limitation	451,567
Remaining debt capacity	<u>\$ 243,014</u>

D. Nevada Municipal Bond Bank

General obligation bonds have been issued through the Nevada Municipal Bond Bank, a special revenue fund, as authorized by NRS 350A and NRS 349.950. These bonds are subject to statutory limitation of \$800 million and are exempt from the constitutional debt limitation. Proceeds from the bonds are used to purchase the validly issued general obligation bonds of the State's local governments to finance projects related to natural resources. The State anticipates that the debt service revenue it receives from the participating local governments will be sufficient to pay the debt service requirements of the State bonds as they become due. Twenty-six projects were funded through the Nevada Municipal Bond Bank as of June 30, 1996, and total investments in local governments amounted to \$391,974,362.

E. Refunded Debt and Redemptions

On December 28, 1995, the Colorado River Commission (CRC) issued \$118,590,000 in State of Nevada General Obligation (Limited Tax) Bonds to advance refund term bonds in Series 1994 with a par value of \$105,995,000. The general obligation bonds were issued at par and, after paying issuance costs of \$2,784,508, the net proceeds were \$115,805,492. To accomplish the advance refunding, the CRC used the net proceeds to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The advance refunding met the

requirements of an in-substance debt defeasance, and the liability for those bonds have been removed from the CRC's balance sheet.

The advance refunding resulted in a reduction of the CRC's debt service requirements of \$37,429,620, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$7,303,744.

In the current and prior years the State defeased certain general obligations and other bonds by placing the proceeds of new bonds and other monies in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the State's Financial Statements. The total amount of defeased issues at June 30, 1996 is \$794,256,000.

F. Debt Service Requirements for Bonds

Debt service requirements (principal and interest) for all long-term bonds and notes outstanding at June 30, 1996, of the primary government are summarized as follows (expressed in thousands). Debt service requirements for all capital leases and installment purchases are presented in Section I of this note. No debt service requirements are presented for compensated absences obligations since the repayment dates are unknown. All amounts listed for Housing Bonds are projections and are subject to change based upon changes in the mortgage interest market rate. Actual results may vary considerably from these projections at any point in time, depending upon market rates of interest.

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 8 continued)

	For The Fiscal Year Ending June 30					
	1997	1998	1999	2000	2001	Thereafter
General Long-Term Obligations Account Group						
<i>General obligation bonds serviced from:</i>						
<i>Consolidated bond interest and redemption debt service fund</i>						
Various general obligation bonds	\$ 69,273	\$ 70,139	\$ 72,567	\$ 73,152	\$ 73,163	\$ 833,334
Nevada Municipal Bond Bank Bonds (Municipal Bond Bank Fund)	32,560	28,974	28,536	29,759	29,740	457,458
Federal repayment contract (user fees)	8,935	8,935	8,935	8,935	8,935	253,128
University System projects bonds (slot machine tax)	7,774	7,782	7,791	7,793	7,801	34,711
Total general obligation bonds	118,542	115,830	117,829	119,639	119,639	1,578,631
<i>Special obligation bonds:</i>						
<i>Highway bonds debt service fund:</i>						
Highway improvement revenue bonds (fuel tax)	27,829	19,780	18,939	-0-	-0-	-0-
Total General Long-Term Obligations Account Group	\$ 146,371	\$ 135,610	\$ 136,768	\$ 119,639	\$ 119,639	\$ 1,578,631
Enterprise funds						
<i>General obligation bonds serviced from:</i>						
Colorado River Commission bonds (user fees)	6,913	6,896	6,900	6,895	6,892	116,319
Housing bonds (repaid housing loans)	101,914	100,258	98,858	94,882	86,114	912,229
Total enterprise funds	\$ 108,827	\$ 107,154	\$ 105,758	\$ 101,777	\$ 93,006	\$ 1,028,548
Pension trust fund						
Notes payable serviced from Public Employees' Retirement System of Nevada	\$ 967	\$ 967	\$ 967	\$ 9,403	\$ -0-	\$ -0-

G. Amount Available in Debt Service Funds

At June 30, 1996, the amount in the Highway Revenue Bonds Debt Service Fund available to service the Special Obligation Highway Revenue (Motor Vehicle Fuel Tax) Bonds was \$1,136,471. The amount available in the Consolidated Bond Interest and

Redemption Debt Service Fund to service debt was \$26,279,322.

H. Bond Indenture Provisions

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

I. Capital Leases

The State has entered into various agreements for the lease of equipment. Assets acquired under such leases of the primary government at June 30, 1996, consist of the following (expressed in thousands):

	General Fixed Assets Account Group	Enterprise Funds	Internal Service Funds	Pension Trust Funds	Total
Equipment	\$ 5,555	\$ 26,470	\$ 12,644	\$ 301	\$ 44,970
Less accumulated depreciation	-0-	11,009	7,472	105	18,586
Total	\$ 5,555	\$ 15,461	\$ 5,172	\$ 196	\$ 26,384

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 8 continued)

For all capital leases of the primary government, the gross minimum lease payments and the present value of the net minimum lease payments as of June 30, 1996, follow (expressed in thousands):

For the year ending June 30	Amount
1997	\$ 7,956
1998	6,034
1999	4,795
2000	2,488
2001	15
Total payments	21,288
Less: Amount representing interest	2,012
	19,276
Less: Current portion for internal service funds	1,570
Total	\$ 17,706

J. Arbitrage Rebate Requirement

The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a), must be rebated to the United States Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. In accordance with the Internal Revenue Service Regulations, an arbitrage rebate liability has been calculated as of June 30, 1996. The liability is payable as follows (expressed in thousands):

For the year ending June 30	Amount
1997	\$ 3
1998	-0-
1999	458
2000	643
2001	-0-
Thereafter	-0-
Total	\$ 1,104

K. Component Unit Obligations

Bonds, notes and capital leases payable by the University System at June 30, 1996, consist of the following (expressed in thousands):

	Annual Interest Rate %	Final Payment Due	Principal Outstanding
Student fee revenue bonds	3 10-8.50	2016	\$ 63,640
Notes payable	5.05-13.06	2015	10,272
Capital leases	4.79-19.59	2001	1,723
Total			\$ 75,635

The student fee revenue bonds are secured by tuition and fees, auxiliary enterprises revenue and certain other revenue as defined in the bond indentures.

Accrued compensated absences payable by the University System at June 30, 1996, were \$17,728,430.

Debt service requirements (principal and interest) for bonds, notes, and capital leases payable by the University System for the years ending June 30 are as follows (expressed in thousands):

Fiscal year ending June 30	Amount
1997	\$ 6,036
1998	5,707
1999	4,989
2000	4,483
2001	4,008
Thereafter	50,412
Total	\$ 75,635

At June 30, 1996, debt in the amount of \$27,461,000 is considered to be extinguished through refunding of prior issues by a portion of the current issues. Sufficient proceeds were invested in state and local government securities and placed in escrow to assure the timely payment of the maturities of prior issues. Neither the debt nor the escrowed assets are reflected on the financial statements.

NOTE 9 - PENSIONS AND OTHER EMPLOYEE BENEFITS

The Nevada Legislature has created various plans to provide benefits to qualified employees and Legislators of the State as well as employees of other public employers. The Public Employees' Retirement Board

administers the Public Employees' Retirement System of Nevada (PERS) and the Legislators' Retirement System of Nevada (LRS). A summary description of the plans follows.

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 9 continued)

A. PERS

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

The payroll for State employees covered by PERS, total State payroll, and covered payroll for State employees in police and fire departments for the year ended June 30, 1996, was (expressed in thousands):

	Primary Government	Component Unit University System	Total Reporting Entity
Payroll covered by PERS	\$ 451,750	\$ 65,916	\$ 517,666
Total State payroll	\$ 479,247	\$ 279,649	\$ 758,896
State police and fire employees' payroll covered by PERS	\$ 78,266	\$ 1,076	\$ 79,342

At June 30, 1996, the number of participating government employers was:

State and its component units	1
Cities	20
Counties and related agencies	26
School districts	18
Hospitals and health care	10
Utility and irrigation districts	17
Special districts and agencies	28
Total employers	120

At June 30, 1996, the date of the most recent actuarial valuation, PERS membership consisted of:

<i>Service retirees, disability recipients and beneficiaries receiving benefits:</i>	
Regular employees	14,494
Police and firemen	2,071
Survivor benefit recipients	1,018
Total benefit recipients	17,583
<i>Inactive members vested:</i>	
Regular employees	3,082
Police and firemen	222
Total inactive members	3,304
<i>Active members:</i>	
Regular employees	60,333
Police and firemen	7,782
Total active members	68,115

Benefits - Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation in any 36 consecutive months. Benefit payments to which participants may be entitled under the plan include pension benefits, disability benefits and death benefits. Monthly benefit allowances for regular members are computed at 2.5% of average compensation (36 consecutive months of highest compensation) for each accredited year of service before retirement with a ceiling of 75% of the average compensation. Regular members are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service or at any age with 30 years of service. Police and firemen are eligible for retirement at age 65 with 5 years of accredited police and fire service, at age 55 with 10 years of accredited police and fire service, or at any age with 30 years of accredited service. A member who retired on or after July 1, 1977, or is an active member whose effective date of membership is before July 1, 1985, and who has 36 years of service, is entitled to a benefit of up to 90% of average compensation. When members are eligible for earlier retirement due to the increased service years, the ceiling limitation on monthly benefit allowances increases from the normal 75% to a maximum of 90% of average compensation. Regular members and police and firemen become fully vested as to benefits upon completion of 5 years of service.

Contributions - Member contribution rates are established by statute. Prior to July 1, 1983, each governmental employer belonging to PERS could elect one of two contribution plans. One plan provides for matching employee and employer contributions while the other plan provides for employer contributions only. From July 1, 1985, to December 31, 1990, all new employees and employees of a participating public employer who attained ten years of accredited contributing service were required by statute to enroll in the employer-pay contribution plan.

In a lawsuit instituted by the State of Nevada Employees' Association, the Ninth U.S. Circuit Court of Appeals held the mandatory employer-pay funding mechanism unconstitutional. Beginning January 1, 1991, new employees of the State of Nevada and those of other public employers who were not under employer-pay upon the enactment of the 1983 legislation, have the option of

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 9 continued)

selecting either the employee/employer or the employer-pay contribution plan.

Under the employer/employee contribution plan, the matching contribution rates are 10% for regular members and 14% for police/fire members. Contribution rates under the employer-pay plan are 18.75% for regular members and 27% for police/fire members. The actuarially determined matching contribution requirements under the employer/employee plan are 9.75% for regular members and 14.21% for police/fire members. The actuarially determined contribution requirements under the employer-pay plan are 18.33% for regular members and 27.36% for police/fire members.

The basic funding objective is a level pattern of cost as a percentage of salary throughout an employee's working lifetime. The actuary used the "entry-age-normal" cost method, which is intended to meet this objective and result in a relatively level long-term employer contribution requirement as a percentage of salary.

The State's contribution requirement for the year ended June 30, 1996 was (expressed in thousands):

	Employees' Contribution	Employers' Contribution	Total State Contribution Requirement
Primary government	\$ 25,276	\$ 68,629	\$ 93,905
Component unit:			
University System	3,242	9,569	12,811
Total reporting entity	\$ 28,518	\$ 78,198	\$ 106,716
Contributions as percentages of covered payroll	6%	15%	21%
Contributions as percentages of total contributions of all participating entities of \$471,707	6%	17%	23%

Funding Status and Progress - The amount shown in the following table as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date.

The measure is the actuarial present value of credited projected benefits and is intended to help users assess PERS funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among PERS. The measure is independent of the actuarial funding method used to determine contributions to PERS.

The pension benefit obligation was determined as part of an actuarial valuation at June 30, 1996. Although PERS annually receives an actuarial valuation indicating the contribution rates required to fund PERS on an actuarial reserve basis, contributions actually made are in accordance with the required rates established by the Nevada State Legislature pursuant to NRS 286.410. Significant actuarial assumptions used in the valuation include the following:

Investment Yield: 8%

Payroll Growth: 7.5% per year for regular members and 8.5% per year for police/fire members based upon total payroll.

Salary Increase: The actuarial cost calculations are based on an age-related salary scale in addition to an assumed inflation rate of 5% per year. The age-related salary scale, which is based on the recent salary experience of covered employees who remain in service, ranges from 5.76% at age 60 to 13.40% at age 20.

Retirement Age: Actuarial assumptions are to be based upon different rates of retirement at all ages of eligibility. The actuarial assumed retirement rates are based primarily on retirement experience during the past two fiscal years. The retirement rates vary from 20% to 100%, depending on age for 30 or more years of service for regular members and 20 or more years of service for police/fire members. Further detail of retirement rates are located in the June 30, 1996, actuarial report.

Withdrawal Rates: Withdrawal rates range from 22.5% at 22 years of age to 3.7% at 57 years of age for regular members and 9.3% at 22 years of age to 1.4% at 57 years of age for police and firemen.

Disability Rates: The assumed rates of disability range from .03% at 22 years of age to 1.45% at 62 years of age for regular members and .05% at 22 years of age to 1.40% at 62 years of age for police and firemen.

Mortality Rates: The assumed mortality experience is projected by using the 1983 Group Annuity Mortality Table for all non-disabled members and the 1983 Railroad Retirement Board Disabled Life Mortality Table for disabled members.

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 9 continued)

Presence and Age of Spouse: The assumed proportion of married employees varies by age and is based on

national statistics compiled by the U.S. Social Security Administration. Additionally, it is assumed that female spouses are on the average three years younger than the male spouses.

The PERS does not make separate measurements of assets and pension benefit obligations for individual employers such as the State. The total and unfunded pension benefit obligation as of June 30, 1996, for the PERS as a whole is as follows (expressed in thousands):

	Regular Members	Police and Firemen	Total
Pension benefit obligation:			
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 2,783,387	\$ 632,007	\$ 3,415,394
Current employees:			
Accumulated employee contributions including allocated investment income	188,974	31,331	220,305
Employer-financed, vested	2,319,963	507,298	2,827,261
Employer-financed, non-vested	1,644,589	501,220	2,145,809
Total pension benefit obligation	6,936,913	1,671,856	8,608,769
Net assets available for benefits at cost (market values \$6,411,449, \$1,301,108 and \$7,712,557 respectively)	5,468,072	1,109,627	6,577,699
Unfunded pension benefit obligation	\$ 1,468,841	\$ 562,229	\$ 2,031,070

Trend Information - Ten year historical trend information showing the PERS' progress in accumulating sufficient assets to pay benefits when due is presented in the PERS June 30, 1996, comprehensive annual financial report.

B. LRS

General - All State Legislators are members in the defined benefit, single-employer public employees' retirement system established in 1967 by the Nevada Legislature. The State's payroll for Legislators covered by LRS for the year ended June 30, 1995 was \$491,400. Total payroll for the year ended June 30, 1995 was \$524,810. There was no payroll for the year ended June 30, 1996.

At January 1, 1995, LRS membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	78
Active employees:	
Vested	17
Non-vested	46
	63

Benefits - Benefits, as required by statute, are determined by the number of years of accredited service

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

Contributions - The Legislator contribution of 15% of compensation is paid by the Legislator only when the Legislature is in session, as required by statute. The Legislature holds sessions every two years. State statutes were amended during the 1985 Legislative session to provide for increased annual State contributions actuarially determined to be sufficient to provide LRS with funds to pay all benefits for which LRS will be liable. The annual State contribution required to meet the net normal cost (\$8,500) and to amortize the unfunded actuarial liability over 30 years from January 1, 1995, (\$206,300) is \$214,800. The total contribution to LRS for the year ended June 30, 1995, was \$504,614. The contribution consisted of Legislators' contributions of \$75,014 and the actuarially computed State portion for

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 9 continued)

two years of \$429,600. The State portion was 87% of annual covered payroll.

Funding Status and Progress - Actuarial valuations of the LRS are prepared every two years to determine State contributions required to fund the system on an actuarial basis. The last determination of the actuarial liability was January 1, 1995. The total unfunded accrued liability as of that date is as follows (expressed in thousands):

Liability for:	
Current benefit recipients	\$ 3,259
Active employees	1,346
Total accrued liability at latest valuation date, January 1, 1995	4,605
Net assets available for benefits at cost, January 1, 1995	2,198
Total unfunded accrued liability	\$ 2,407

This total unfunded accrued liability is to be amortized over a period of 30 years from January 1, 1995. Net assets available for benefits at June 30, 1996, were \$2,721,632 at cost (market value \$3,171,659). Due to the date of this most recent actuarial report, the total and unfunded pension benefit obligation (as discussed for PERS above) at June 30, 1996, is not determinable. LRS has used the standardized pension benefit obligation measure for financial reporting purposes in its actuarial valuation as of January 1, 1995. The unfunded pension benefit obligation as of January 1, 1995, the date of the most recent actuarial valuation, follows (expressed in thousands):

Pension Benefit Obligation:

Pensioners and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 3,858
Current employees:	
Accumulated employees contributions	178
Employer-financed vested	335
Employer-financed non-vested	99
Total pension benefit obligation	4,470
Net assets available for benefits, at book value	2,198
Unfunded pension benefit obligation	\$ 2,272

The total pension benefit obligation of the Legislators' Retirement System differs from the total accrued actuarial liability derived from the actuarial valuation as of January 1, 1995. The difference results from the use of different actuarial cost methods to compute the two amounts. The total pension benefit obligation is determined on the basis of the projected unit credit method (as required by GASB Statement No. 5), whereas the total accrued actuarial liability is determined on the basis of the entry-age-normal-cost method. Significant actuarial assumptions used in the valuation include the following:

Investment Yield: 8%

Retirement Age: Members retire at an average age of 64 years.

Mortality Rate: The assumed mortality experience is projected by using the 1983 Group Annuity Mortality Table (with margin).

Turnover: Turnover rates are based on the limited experience of the Nevada Legislators' Retirement System and turnover experience of Legislators in other states. The assumed rates project that only about 20% of the Nevada Legislators will remain in office for more than 12 years.

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

(Note 9 continued)

Analysis of funding progress is available as of January 1, 1995, the date of the most recent actuarial valuation. Analysis of funding progress is as follows (expressed in thousands):

Jan, 1	Net Assets Available For Benefits At Cost	Pension Benefit Obligation	Percent Funded	Unfunded Pension Benefit Obligation	Annual Covered Payroll	Unfunded Pension Benefit Obligation As % of Covered Payroll
1991	1,780	3,899	45.7	2,119	491	431.6
1993	1,976	4,509	43.8	2,533	492	514.8
1995	2,198	4,470	49.2	2,272	491	462.7

Trend Information - Ten year historical trend information designed to provide information about LRS' progress made in accumulating sufficient assets to pay benefits when due is presented in the LRS June 30, 1996, annual report. Three year trend information is below.

Legislator's Contribution	
1996	0%
1995	15%
1994	0%

C. The Judicial Retirement System

General - The justices of the Supreme Court and district court judges have been granted special retirement provisions by various Legislatures. This is a single-employer, State of Nevada, defined benefit, unfunded plan that is administered by the clerk of the Supreme Court. An actuarial valuation for this plan was prepared according to the provisions of Government Accounting Standards Board Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. At the actuarial valuation date of July 1, 1995, membership consisted of 49 active members and 28 retirees and beneficiaries receiving benefits.

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

required age may retire at any age with a benefit actuarially reduced to the required retirement age.

Contributions - No contributions are required of the justices and judges. Funding is provided from the General Fund on a pay-as-you-go basis, according to statute. Benefit expenditures are reported in the law, justice and public safety function of the General Fund. The State's contribution for the year ended June 30, 1996, was \$917,822. The actuarial valuation at July 1, 1995, determined the annual required contribution for the year ended June 30, 1996, using the entry-age-normal level percent of pay cost method for salary related benefits and level dollar for non-salary related benefits. The annual required contribution, annual pension cost and net pension obligation for the year ended June 30, 1996, are as follows (expressed in thousands):

Annual required contribution	
Annual normal cost, beginning of year	\$ 1,097
40 year amortization of unfunded actuarial accrued liability, beginning of year	1,571
Interest to end of year	213
Annual required contribution, end of year	2,881
Interest on net pension obligation	-0-
Adjustment to annual required contribution	-0-
Annual pension cost	2,881
Benefits paid	918
Increase in net pension obligation	1,963
Net pension obligation, beginning of year	-0-
Net pension obligation, end of year	\$ 1,963

The net pension obligation of \$1,963,000, is reported in the General Long-Term Obligations Account Group. Historically, an actuarial determination of the actuarial required contribution has not been made. The contribution to the plan has equaled the benefit payments from the plan. As a result, the net pension obligation at transition is equal to zero as of July 1, 1995, in accordance with GASB Statement No. 27.

STATE OF NEVADA

Notes to Financial Statements For the year ended June 30, 1996

(Note 9 continued)

Funding Status and Progress - The plan accumulates no assets to pay benefits. The unfunded actuarial accrued liability as of July 1, 1995, was \$20,229,000. This unfunded actuarial accrued liability is to be amortized, using the level dollar method, over a period of 40 years on a closed basis from July 1, 1995. Significant actuarial assumptions used in the valuation included the following:

Interest Rate: 8%

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

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

Termination Prior to Retirement: None.

Permanent Incapacity: None.

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

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

The analysis of funding progress for the transition year is as follows (expressed in thousands):

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/95	\$ -0-	\$ 20,229	\$ 20,229	0%	\$ 4,154	487%

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

Fiscal Year Ended	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
6/30/96	\$ 2,881	31.9%	\$ 1,963

D. Post-Retirement Insurance Benefits

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

State. For the year ended June 30, 1996, 3,491 retirees were covered at a cost of \$5,206,574 which represents 61% of total costs.

The State allocates funds for payment of insurance benefits as a percentage of payroll. The cost of the employer contribution is recognized in the year the costs are charged. Any unused funds are carried forward to the next fiscal year. The carry forward to fiscal year 1996 was \$138,018.

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

NOTE 10 - RISK MANAGEMENT

The State of Nevada established the Self-Insurance Fund and Insurance Premiums Fund in 1983 and 1979, respectively. Both funds are classified as internal service funds. The claims liability of \$333,625 in General Long-Term Obligations Account Group, \$9,098,000 in the Self-Insurance Fund, and \$5,383,627 in the Insurance Premiums Fund at June 30, 1996, is recorded in accordance with GASB Statement No. 10, which requires that a liability for claims be reported if information received before the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

The property casualty insurance functions that are accounted for in the General Fund are financed by the State. At June 30, 1996, incurred but not reported claims liability is based upon experience trends.

The Self-Insurance Fund is financed primarily by the State for group health insurance coverage. At June 30, 1996, incurred but not reported claims liability is based upon the actuary's estimate for the Self-Insurance Fund.

The Insurance Premiums Fund is financed by the State and third party insurers. At June 30, 1996, incurred but not reported claims liability is based upon the actuary's estimate for the Insurance Premiums Fund.

The State has a maximum exposure of \$50,000 for each general liability and fleet liability claim. It has a self-insured retention of \$200,000 for property and contents per occurrence with an aggregate annual limit of \$400,000. When the \$400,000 aggregate limit is met, the deductible per occurrence is reduced to \$50,000 and the remainder is insured up to \$100,000. Per State statute, in the event of future general liability or fleet catastrophic losses and fund coverage is exhausted, coverage would revert to the General Fund.

There were no significant reductions in insurance coverage from the prior year for group medical, general liability, automobile liability, or property and casualty. There were no material settlements in excess of insurance coverage for each of the past three fiscal years.

Worker's compensation insurance is obtained from the State Industrial Insurance System, which is reported as an enterprise fund.

Interfund premiums are reported as quasi-external transactions of the General Fund, Self-Insurance Fund and Insurance Premiums Fund. All State funds participate in the insurance program. Changes in the claims liabilities were as follows (expressed in thousands):

	General Long-Term Obligations Account Group	Self Insurance Fund	Insurance Premiums Fund
Beginning balance, July 1, 1995	\$ 85	\$ 7,698	\$ 4,463
Claims and changes in estimates	590	53,831	2,662
Claim payments	(341)	(52,431)	(1,741)
Ending balance, June 30, 1996	<u>\$ 334</u>	<u>\$ 9,098</u>	<u>\$ 5,384</u>

SIIS has established a liability for both reported and unreported insured events, which includes estimates of future payments of claims and related claim adjustment expenses, and which is based on the estimated ultimate cost of settling claims. In estimating its liability for incurred but unpaid claims, SIIS considers prior experience, industry information, currently recognized trends affecting data specific to SIIS and other factors relating to worker's compensation insurance underwritten by SIIS. Because actual claim costs depend upon such factors as duration of worker disability, medical cost trends, occupational disease and inflation, the process used in computing the ultimate cost of settling claims and expense for administering claims is necessarily based on estimates. The following represents changes in the aggregate liabilities for incurred but unpaid claims (IBUC) for SIIS during the year ended June 30, 1996 (expressed in thousands):

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 10 continued)

Liability for IBUC and claims adjustment expenses, July 1, 1995, undiscounted	\$ 2,600,000
Incurred claims:	
Provision for insured events of the current year	407,000
Decreases in provision for insured events of prior years	(322,000)
Net change in provision for claim adjustment expenses	7,000
	<u>2,692,000</u>
Claims payments attributable to:	
Insured events of the current year	51,000
Insured events of prior years	<u>191,000</u>
	<u>242,000</u>
Liability for IBUC and claims adjustment expenses, June 30, 1996, undiscounted	2,450,000
Less reinsurance recoverable on unpaid claims	<u>(7,000)</u>
Liability for IBUC at June 30, 1996	<u>\$ 2,443,000</u>

Underwriting income totaled \$272,272,000 and \$214,668,000 for the years ended June 30, 1996 and 1995, respectively.

NOTE 11 - DEFERRED COMPENSATION PLAN

The State offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all State employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the State (without being restricted

to the provision of benefits under the plan), subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account for each participant. It is the opinion of the State's legal counsel that the State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. At this time it is unlikely that the State will use the assets to satisfy the claims of general creditors in the future.

STATE OF NEVADA

Notes to Financial Statements For the Fiscal Year Ended June 30, 1996

NOTE 12 - FUND EQUITY

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

	Governmental Fund Types					Total Primary Government	Component Unit University System	Total Reporting Entity
	General	Special Revenue	Debt Service	Capital Projects	Fiduciary Fund Types			
<i>Fund balances, reserved for other:</i>								
Reserved for prepaid items	\$ 20,205	\$ -0-	\$ -0-	\$ -0-	\$ -0-	20,205	\$ -0-	\$ 20,205
Reserved for noncurrent loans receivable	886	13,321	-0-	-0-	78	14,285	2,432	16,717
Reserved for fiscal emergency	-0-	123,392	-0-	-0-	-0-	123,392	-0-	123,392
Reserved for debt service	-0-	-0-	27,416	-0-	-0-	27,416	3,315	30,731
Reserved for employees' retirement system	-0-	-0-	-0-	-0-	6,580,421	6,580,421	-0-	6,580,421
Reserved for the principal portion of non-expendable trust funds	-0-	-0-	-0-	-0-	56,961	56,961	-0-	56,961
Reserved for endowment	-0-	-0-	-0-	-0-	30	30	145,210	145,240
Reserved for investments in municipal securities	-0-	391,974	-0-	-0-	-0-	391,974	-0-	391,974
Reserved for specific future allocations	-0-	-0-	-0-	-0-	500	500	-0-	500
Reserved for University System unexpended plant	-0-	-0-	-0-	-0-	-0-	-0-	94,529	94,529
Reserved for University System current operating restricted fund	-0-	-0-	-0-	-0-	-0-	-0-	18,360	18,360
Reserved for appropriations subject to reversion and for refundable federal grants	-0-	5,000	-0-	-0-	-0-	5,000	7,507	12,507
Miscellaneous	-0-	26,915	-0-	-0-	10	26,925	-0-	26,925
Total fund balances, reserved for other	\$ 21,091	\$ 560,602	\$ 27,416	\$ -0-	\$ 6,638,000	\$ 7,247,109	\$ 271,353	\$ 7,518,462
<i>Unreserved, designated fund balances:</i>								
Designated for approved capital projects	\$ -0-	\$ -0-	\$ -0-	\$ 99,782	\$ -0-	\$ 99,782	\$ -0-	\$ 99,782
Designated for budget stabilization	10,107	-0-	-0-	-0-	-0-	10,107	-0-	10,107
Designated to preserve a portion of principal per NRS 504.450	-0-	-0-	-0-	-0-	900	900	-0-	900
Designated by Board of Museums and History	-0-	-0-	-0-	-0-	174	174	-0-	174
Total unreserved, designated fund balances	\$ 10,107	\$ -0-	\$ -0-	\$ 99,782	\$ 1,074	\$ 110,963	\$ -0-	\$ 110,963

Retained earnings, reserved and changes to contributed capital are explained as follows (expressed in thousands):

	Proprietary Fund Types		
	Enterprise	Internal Service	Total
<i>Retained earnings, reserved:</i>			
Reserved for operation and maintenance	\$ 841	\$ -0-	\$ 841
Reserved as security for outstanding obligations	81,010	-0-	81,010
Total retained earnings, reserved	\$ 81,851	\$ -0-	\$ 81,851
<i>Changes to contributed capital:</i>			
Contributed capital, July 1, 1995	\$ 9,924	\$ 4,764	\$ 14,688
Transfer to Southern Nevada Water Authority	(4,723)	-0-	(4,723)
Contributed capital, June 30, 1996	\$ 5,201	\$ 4,764	\$ 9,965

NOTE 13 - PRINCIPAL TAX REVENUES

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

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

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 13 continued)

Sales and Use Taxes are imposed at a total rate of 6.5%, with local county option up to an additional .5%, on all taxable sales and taxable items of use. The State receives tax revenue of 2% of total sales with the balance distributed to local governmental entities and school districts. Motor Vehicle Fuel Tax is levied at 23 cents per gallon on gasoline and gasohol sales. 17.65 cents of the tax goes to the State Highway Fund, the remainder to the counties. Insurance Premium Tax is imposed at 3.5% on insurance premiums written in Nevada. A "Home Office Credit" is given to insurance companies with home or regional offices in Nevada, but not to exceed 80% of the taxes due. Other Sources of tax revenues are: Cigarette Tax, Estate Tax, Net Proceeds of Minerals Tax, Business Tax, and Liquor Tax.

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

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

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

Casino Entertainment Taxes are imposed at 10% of all amounts paid for admission, food, merchandise or refreshment, while the establishment is providing entertainment as specified in NRS 463.401. Flat Fee Collections are levied on the number of gambling games and slot machines operated. Nonrestricted licensees (those operating more than 15 slots or any number of games) remit \$20 per quarter per machine and pay a fee at variable rates on the number of games operated as established in NRS 463.375 and NRS 463.383, respectively. Restricted licensees (those having 15 or fewer slot machines and no table gaming) remit \$61 to \$106 per quarter per machine. Several Other Sources of gaming tax revenues are: Annual State Slot Machine taxes, Annual License Fees and Miscellaneous Collections, which consists of penalties and fines, manufacturer's, distributor's and slot route operator's fees, advance payments, race wire fees, pari-mutuel wagering tax and other nominal miscellaneous items.

NOTE 14 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

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

The Colorado River Commission (CRC) is responsible for managing Nevada's interest in the water and power resources available from the Colorado River. Until January 1, 1996, CRC maintained three enterprise funds. Two of the funds operated together as the Southern Nevada Water System (SNWS) and were transferred, effective January 1, 1996, to the Southern Nevada Water Authority (SNWA) and accounted for as discontinued operations. SNWS is a utility supplying water to five retailing entities in Clark County, Nevada. The other enterprise fund, the Power Marketing Fund, is required by

the bond resolution authorizing the financing of Nevada's share of the cost of uprating the generating facilities at Hoover Dam. It is used to record purchases and sales of power and other power marketing related activities.

In accordance with Chapter 393 of the 1995 Legislature, certain rights, powers, duties and liabilities of SNWS were transferred from the State and CRC to the SNWA effective January 1, 1996. These rights, powers, duties and liabilities included, but were not limited to, the State of Nevada General Obligation bonds, the existing water user contracts, the Federal Repayment Contract, the Service Contract between the Commission and the Las Vegas Valley Water District, and all other contracts related to the System including contracts for capital improvement.

*with the separate
component of F/S.
A transfer of residual cash
balances occurred during the
FY ended 6/30/97.*

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 14 continued)

The Nevada Housing Division was created to make available additional funds to assist private enterprise and governmental agencies in providing housing facilities for low and moderate income households. The Division is currently authorized to issue its bonds, notes and other obligations in an aggregate amount not to exceed \$1,250,000,000. These funds may be used to make loans to purchase mortgage loans from mortgage lenders, and to make temporary loans and advances in anticipation of insured mortgage loans or to finance permanent mortgage loans for the construction or rehabilitation of multi-unit residential housing.

Industrial Insurance (SIIS) is a separate self-supporting agency of the State, which provides insurance to employers against liability for workers' compensation claims. SIIS also operates a rehabilitation center in Las Vegas.

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

Segment information for the fiscal year ended June 30, 1996, is as follows (expressed in thousands):

	Colorado River Commission						
	Water Treatment	Water Transmission	Power Marketing	Housing Division	Industrial Insurance	Other	Total
Operating revenues	\$ 7,602	\$ 13,095	\$ 24,676	\$ 57,226	\$ 470,613	\$ 5,606	\$ 578,818
Depreciation expense	1,233	1,709	-0-	22	3,379	185	6,528
Operating income (loss)	3,499	2,911	110	5,965	284,468	(295)	296,658
Operating grants	-0-	-0-	-0-	520	-0-	100	620
Operating interfund transfers out	-0-	-0-	-0-	(198)	(232)	(11)	(441)
Net income (loss)	326	264	84	6,288	363,470	(173)	370,259
Transfer of deficit to other government	7,802	46,774	-0-	-0-	-0-	-0-	54,576
Property, plant and equipment:							
Additions and adjustments	19,025	34	-0-	24	8,810	29	27,922
Deletions and adjustments	110,549	185,309	-0-	-0-	867	18	296,743
Net working capital	-0-	-0-	35,222	n/a	n/a	1,792	37,014
Total assets	53,098	918	86,509	816,659	1,409,879	5,187	2,372,250
Bonds and other long-term liabilities:							
Payable from operating revenues	-0-	-0-	80,780	707,803	14,220	621	803,424
Payable from other sources	13	-0-	2,191	-0-	69,448	7	71,659
Total equity (deficit)	-0-	-0-	957	83,394	(1,352,288)	3,764	(1,264,173)

NOTE 15 - COMMITMENTS AND CONTINGENCIES

A. To assist in the maintenance of the solvency of SIIS, the Legislature revised certain Nevada statutes. For preservation of the liquidity of SIIS, Nevada Revised Statute 616B.110 was adopted. This statute authorized the collection of a solvency surcharge by the Commissioner of Insurance from each employer who was insured by the Nevada Industrial Commission, or SIIS at any time after July 1, 1979, self-insured employers, and any association of self-insured or private employers. To date, no surcharge has been assessed.

Management believes that the combination of changes in the claims management process and statutory changes has made positive cash flow possible and has continued to allow SIIS to build its combined cash and investment portfolio and to decrease the liability for incurred but unpaid claims and claims adjustment expense.

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

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1996

(Note 15 continued)

B. In 1977 and 1989 the State issued \$13,730,000 and \$14,755,000, respectively, in General Obligation Sewer Improvement Bonds for and on behalf of Clark County. To date, the bonds have been completely serviced by Clark County, however, the State remains contingently liable on the bonds through maturity on July 1, 2004. The amount of bonds outstanding at June 30, 1996, is \$17,240,000.

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

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

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

D. PERS has entered into investment funding commitments as of June 30, 1996. For alternative investments, PERS has committed to fund \$35,656,126 at some future date.

E. The State is obligated by leases accounted for as operating leases. Operating leases do not give rise to property rights as capital leases do. Therefore, the results of the lease agreements are not reflected in the account groups. Lease expense for the year ended June 30, 1996, amounted to \$14,937,810. Following is a schedule of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 1996, (expressed in thousands):

For the Year Ending June 30	Amount
1997	\$ 12,653
1998	10,172
1999	8,934
2000	7,276
2001	4,833
Thereafter	12,591
Total	\$ 56,459

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

G. The Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the State. Under this requirement, an amount equal to the sum of (a) the excess of the aggregate amount earned on all investments (other than certain specified exceptions) over the amount that would have been earned if all investments were invested at a rate equal to the yield on the bonds, and (b) any income earned on the excess described in (a), is required to be rebated to the U.S. Treasury, in order for the interest on the bonds to be excluded from gross income for federal income tax purposes. Rebutable arbitrage is computed as of each installment computation date. The present value of the rebutable arbitrage has been recorded in the General Long-Term Obligations Account Group at June 30, 1996. Future calculations might result in different rebutable arbitrage amounts.

STATE OF NEVADA

Notes to Financial Statements

For the Fiscal Year Ended June 30, 1995

NOTE 16 - SUBSEQUENT EVENTS

General Obligation Bonds - The following bonds have been sold after June 30, 1996:

\$203,280,000 Series, July 1, 1996, A, B, C General Obligation (Limited Tax) Bonds (Nevada Municipal Bond Bank Project No's 52, 53, 54, 55 and 56) and Cultural Affairs Bonds due in annual installments of \$80,000 to \$7,755,000, plus interest, at 3.50% to 7.00% through May 15, 2016. Series 1996A also has term bonds of \$46,280,000 plus interest of 6.00% due May 15, 2021, \$35,100,000 plus interest of 6.00% due May 15, 2024 and \$27,115,000 plus interest of 5.75% due May 15, 2026. Bonds are callable on or after May 15, 2006 at par plus a premium of 1.0% until May 14, 2007, and at par thereafter. \$199,220,000 Series 1996 A and B Bonds are exempt from the constitutional debt limit, but \$4,060,000 Series 1996 C Bonds are subject to the constitutional debt limit.

\$41,905,000 Series, November 15, 1996 A and B General Obligation (Limited Tax) Capital Improvements and Natural Resources Bonds due in annual installments of \$25,000 to \$3,435,000 plus interest at 4.90% to 6.00% through May 15, 2014, callable on or after November 15, 2006, in whole or in part, at par. \$41,185,000 Series 1996 A Bonds are subject to the constitutional debt limit, but \$720,000 Series 1996 B Bonds are not subject to the constitutional debt limit.

Mortgage Revenue Bonds - The following bonds have been sold by Nevada Housing Division, an enterprise fund, after June 30, 1996:

In July, 1996, the Division issued 1996 Issue C Single Housing Revenue Bonds in the amount of \$30,000,000. The last maturity date is April 1, 2028.

In August, 1996, the Division issued 1996 Multi-Unit Housing Revenue Bonds in the amount of \$10,750,000. The last maturity date is October 1, 2028.

In September, 1996, the Division issued 1996 Issue D Single Family Housing Mortgage Bonds in the amount of \$30,000,000. The last maturity date is October 1, 2028.

In November, 1996, the Division issued 1996 Multi-Unit Housing Bonds in the amount of \$31,495,000. The last maturity date is October 1, 2026.

In November, 1996, the Housing Division issued 1996 Issue E Single Family Housing Mortgage Bonds in the amount of \$25,000,000. The last maturity date is October 1, 2028.



Combining, Individual Fund and Account Group Statements and Schedules



Second Degree Program

Increasing job opportunities for Hotel College graduates have encouraged candidates who hold other degrees to apply to the UNLV Harrah College of Hotel Administration for a second bachelor's degree. A special transfer policy has been created by the College faculty to clarify the requirements needed by such applicants.

Under this plan, a Bachelor of Science in Hotel Administration (B.S.H.A.) may be earned in two semesters (36 credits) by students holding undergraduate degrees in business, and in three semesters (54 credits) by those holding degrees in other disciplines.

Noncredit work experience for the equivalent of one summer (500 clock hours as de-

scribed in the HOA 300 regulations) is an additional requirement. Obtaining such satisfactory work experience is solely the responsibility of the student.

This program is designed for those who have earned a grade point average of 2.50 or better.

Candidates with management experience and qualifying undergraduate academic records should consider the graduate program.

General Fund

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



Good Neighbor Policy

In an effort to work with neighboring states to provide affordable education to our residents, UNLV has developed a number of exchange programs. A sample of such programs is provided below.

An individual who graduated from high school or attended a community college in Mohave County, Arizona, or San Bernadino and Inyo Counties, California, and who has maintained a legal bona fide resident status in one of the above counties for a period of at least 12 consecutive months prior to the first semester in which enrollment is sought, may be charged reduced nonresident tuition. Furthermore, any person who resides in one of the above counties in which a designated high school or community college is located and who has maintained a bona fide legal resident status for a period of at least 12 consecutive months prior to the first day of the semester in which enrollment is

sought, may also be charged a reduced nonresident tuition.

Undergraduate children of UNLV alumni who reside outside the state of Nevada will be allowed to attend UNLV for a reduced out-of-state tuition fee. This applies only to alumni who have received the baccalaureate degree from UNLV.

Western Undergraduate Exchange (WUE)

Residents of Alaska, Colorado, Hawaii, Idaho, Montana, New Mexico, North Dakota, South Dakota, Oregon, and Wyoming may be eligible for a reduced out-of-state tuition fee. As a WUE participant, you will be charged tuition at the reduced nonresident rate, or one and one-half times the amount charged a resident of Nevada.

STATE OF NEVADA

Comparative Balance Sheet General Fund

June 30, 1996 with comparative totals for 1995

Exhibit A-1

	June 30, 1996	June 30, 1995 (Restated)	Increase (Decrease)
Assets			
<i>Cash and pooled investments:</i>			
Cash with treasurer	\$ 430,250,517	\$ 489,330,464	\$ (59,079,947)
Cash in custody of other officials	1,668,823	1,148,845	519,978
Food stamp coupons	24,252,288	27,523,243	(3,270,955)
<i>Receivables:</i>			
Accounts receivable	4,956,569	2,925,730	2,030,839
Taxes receivable	262,188,593	175,694,024	86,494,569
Accrued interest and dividends	10,924,578	10,584,603	339,975
Intergovernmental receivables	91,920,723	95,172,899	(3,252,176)
Notes receivable	708,469	752,832	(44,363)
Other receivables	-0-	83,370	(83,370)
Due from other funds	20,432,503	20,969,354	(536,851)
Due from component units	4,287	7,764	(3,477)
Interfund receivables	571,851	383,569	188,282
Advances to other funds	3,890,120	4,215,940	(325,820)
<i>Other assets:</i>			
Prepaid items	20,204,508	18,614,130	1,590,378
Total assets	\$ 871,973,829	\$ 847,406,767	\$ 24,567,062
Liabilities and Fund Balances			
<i>Liabilities:</i>			
<i>Accounts payable and accruals:</i>			
Accounts payable	\$ 110,390,508	\$ 111,963,089	\$ (1,572,581)
Accrued payroll and related liabilities	8,833,310	7,611,387	1,221,923
Intergovernmental payables	15,002,628	17,956,496	(2,953,868)
Due to other funds	321,827,286	390,258,725	(68,431,439)
Due to component units	27,103,947	34,808,214	(7,704,267)
Deferred revenue	99,729,113	102,195,813	(2,466,700)
Other liabilities	11,125,667	6,776,741	4,348,926
Total liabilities	594,012,459	671,570,465	(77,558,006)
<i>Fund balances:</i>			
<i>Reserved:</i>			
Encumbrances and contracts	4,412,225	395,943	4,016,282
Advances	3,890,120	4,215,940	(325,820)
Balances forward	238,461,359	178,307,914	60,153,445
<i>Other:</i>			
Prepaid items	20,204,508	18,614,130	1,590,378
Other	885,918	1,111,532	(225,614)
<i>Unreserved:</i>			
Designated for budget stabilization	10,107,240	-0-	10,107,240
Undesignated deficit	-0-	(26,809,157)	26,809,157
Total fund balances	277,961,370	175,836,302	102,125,068
Total liabilities and fund balances	\$ 871,973,829	\$ 847,406,767	\$ 24,567,062

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit A-2

	June 30, 1996	June 30, 1995 (Restated)	Increase (Decrease)
Revenues			
Gaming taxes, fees, licenses	\$ 546,958,945	\$ 503,251,959	\$ 43,706,986
Sales taxes	502,960,214	446,503,559	56,456,655
Intergovernmental	705,285,537	656,471,689	48,813,848
Other taxes	243,530,293	260,510,525	(16,980,232)
Licenses, fees and permits	76,544,820	68,131,698	8,413,122
Sales and charges for services	24,179,453	23,236,088	943,365
Interest	33,281,419	21,793,082	11,488,337
Other	24,114,574	20,577,618	3,536,956
Total revenues	2,156,855,255	2,000,476,218	156,379,037
Expenditures			
<i>Current:</i>			
General government	55,977,730	54,903,420	1,074,310
Health and social services	882,057,473	817,636,120	64,421,353
Education and support services	26,291,048	22,836,349	3,454,699
Law, justice and public safety	179,994,524	157,440,809	22,553,715
Regulation of business	32,906,209	29,974,690	2,931,519
Recreation and resource development	64,827,814	62,320,877	2,506,937
<i>Intergovernmental:</i>			
Education	519,363,206	410,534,003	108,829,203
Other	30,741,341	22,547,909	8,193,432
<i>Debt service:</i>			
Principal	250,385	152,089	98,296
Interest	50,702	35,700	15,002
Total expenditures	1,792,460,432	1,578,381,966	214,078,466
Excess of revenues over expenditures	364,394,823	422,094,252	(57,699,429)
Other Financing Sources (Uses)			
Proceeds from capital leases	149,260	817,742	(668,482)
Proceeds from sale of fixed assets	205,317	118,139	87,178
Operating transfers in	38,054,278	31,990,599	6,063,679
Transfer from component unit	162,821	21,392	141,429
Operating transfers out	(76,365,159)	(258,940,136)	182,574,977
Transfer to component unit	(224,476,272)	(234,011,092)	9,534,820
Total other financing sources (uses)	(262,269,755)	(460,003,356)	197,733,601
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	102,125,068	(37,909,104)	140,034,172
Fund balances, July 1	175,836,302	218,745,406	(42,909,104)
Residual equity transfers	-0-	(5,000,000)	5,000,000
Fund balances, June 30	\$ 277,961,370	\$ 175,836,302	\$ 102,125,068

Special Revenue Funds

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



Students take classes in state-of-the-art facilities housed in Beam Hall

SPECIAL REVENUE FUNDS

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

Class-Size Reduction Accounts for funding to be used to reduce the pupil-teacher ratio per class in kindergarten through grade 12, with priority given to the earliest grades (NRS 388.730).

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

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

Legislative Accounts for the operation of the Legislature and Legislative Counsel Bureau (NRS 218.085).

Municipal Bond Bank Accounts for revenues and expenditures associated with buying local government bonds with proceeds of State general obligation bonds (NRS 349.952), with financing the construction of local government water treatment projects (NRS 350A.190), and with operating a revolving fund to finance local government pollution control projects (NRS 445A.120).

Workers' Compensation and Safety Records assessments on insurers for compensation of injured workers and administration of regulations for employee safety (NRS 616A.425), assesses self-insurers to pay claims against insolvent self-insured employers (NRS 616B.309), accounts for compensation benefits to physically impaired employees from a subsequent injury in the course of employment (NRS 616B.554), and accounts for injury claims of employees of uninsured employers (NRS 616A.430).

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

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

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

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

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

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

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

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

Stabilize the Operations of State Government Accounts for funds appropriated by the Legislature to be expended only if actual revenues for the biennium fall short by 5% or more from anticipated revenues or

the Legislature and Governor declare that a fiscal emergency exists (NRS 353.288).

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

history (NRS 381.0064); loans for farm projects (NRS 516.405); fees collected from owners of mobile home parks to provide mobile home lot rent assistance to low-income mobile home owners (NRS 118B.215); liquor taxes collected for and gifts received by the Department of Human Resources (NRS 232.355); loans and stipends to students in professional and graduate programs where such education is not available from an institution within the State (NRS 397.063); and appropriations, donations and interest income to support the National Judicial College and the National College of Juvenile and Family Law (NRS 1.470 and 1.480).

STATE OF NEVADA

Combining Balance Sheet Special Revenue Funds

June 30, 1996 with comparative totals for 1995

	State Highway	Class-size Reduction	Employment Security	Regulatory	Legislative
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 134,646,123	\$ 7,393,115	\$ 12,163,590	\$ 11,312,950	\$ 17,269,483
Cash in custody of other officials	864,515	-0-	225	205,117	43,125
Investments	-0-	-0-	-0-	-0-	-0-
<i>Receivables:</i>					
Accounts receivable	578,339	-0-	71,734	589,130	59,886
Taxes receivable	12,218,922	-0-	223,144	-0-	-0-
Accrued interest and dividends	-0-	-0-	-0-	-0-	-0-
Intergovernmental receivables	8,145,781	-0-	1,669,616	3,843	6,864
Notes receivable	-0-	-0-	-0-	-0-	-0-
Due from other funds	20,342,204	4,171,835	39,225	29,595	529,471
Due from component unit	-0-	-0-	-0-	-0-	392
Interfund receivables	4,424	-0-	-0-	-0-	-0-
Inventory	10,139,329	-0-	-0-	-0-	253,486
Advances to other funds	28,767	-0-	-0-	-0-	-0-
Restricted assets (non-cash)	38,888,865	-0-	-0-	-0-	-0-
Prepaid items	-0-	-0-	-0-	30,632	42,585
Total assets	\$ 225,857,269	\$ 11,564,950	\$ 14,167,534	\$ 12,171,267	\$ 18,205,292
Liabilities and Fund Balances					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 4,121,409	\$ -0-	\$ 382,288	\$ 442,418	\$ 1,148,277
Accrued payroll	5,685,268	-0-	458,884	185,280	391
Intergovernmental payables	11,363,891	-0-	21,964	997	-0-
Contracts payable	9,175,871	-0-	-0-	-0-	185,475
Due to other funds	12,755,565	-0-	861,702	1,394,204	82,766
Due to component unit	125,673	-0-	22,613	6,546	-0-
Deferred revenue	3,793,823	-0-	-0-	4,226,137	-0-
<i>Other liabilities:</i>					
Payable from restricted assets	38,888,865	-0-	-0-	-0-	-0-
Total liabilities	85,910,365	-0-	1,747,451	6,255,582	1,416,909
<i>Fund balances:</i>					
<i>Reserved:</i>					
Encumbrances and contracts	103,544,501	-0-	433,543	87,210	335,688
Inventory	10,139,329	-0-	-0-	-0-	253,486
Advances	28,767	-0-	-0-	-0-	-0-
Balances forward	13,214,635	-0-	-0-	-0-	14,395,109
<i>Other:</i>					
Fiscal emergency	-0-	-0-	-0-	-0-	-0-
Investments in municipal securities	-0-	-0-	-0-	-0-	-0-
Revolving loans	-0-	-0-	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-	-0-
<i>Unreserved:</i>					
Undesignated	13,019,672	11,564,950	11,986,540	5,828,475	1,804,100
Total fund balances	139,946,904	11,564,950	12,420,083	5,915,685	16,788,383
Total liabilities and fund balances	\$ 225,857,269	\$ 11,564,950	\$ 14,167,534	\$ 12,171,267	\$ 18,205,292

Municipal Bond Bank	Workers' Compensation and Safety	Higher Education Capital Construction	Cleaning up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Colorado River Commission
\$ 31,755,139	\$ 16,393,774	\$ 24,763,704	\$ 1,829,779	\$ 2,762,749	\$ 4,067,961	\$ 1,693,168	\$ 3,943,696
-0-	300	-0-	-0-	-0-	-0-	-0-	250
391,974,362	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	123	40,380	-0-	-0-	376	976	38,586
-0-	57,808	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
10,463,745	243,231	-0-	-0-	703,087	7,491	-0-	11,547
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
327,001	499,164	-0-	-0-	92,736	-0-	251,048	305,527
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	316,215	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>\$ 434,520,247</u>	<u>\$ 17,194,400</u>	<u>\$ 24,804,084</u>	<u>\$ 1,829,779</u>	<u>\$ 3,558,572</u>	<u>\$ 4,075,828</u>	<u>\$ 2,261,407</u>	<u>\$ 4,299,606</u>
\$ 250	\$ 784,632	\$ -0-	\$ 988,684	\$ -0-	\$ 656,374	\$ 196,752	\$ 26,323
-0-	136,909	-0-	-0-	-0-	16,760	32,787	19,846
1,794,126	20	-0-	120,172	13,431	88,367	-0-	2,113
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
3,335,070	2,951,384	12,760,238	147,563	1,500	67,681	45,470	651
-0-	200	-0-	30,661	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	2,522	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>5,129,446</u>	<u>3,873,145</u>	<u>12,760,238</u>	<u>1,287,080</u>	<u>14,931</u>	<u>831,704</u>	<u>275,009</u>	<u>48,933</u>
-0-	60,510	-0-	-0-	-0-	15,160	2,111	1,097
-0-	-0-	-0-	-0-	-0-	-0-	316,215	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
391,974,362	-0-	-0-	-0-	-0-	-0-	-0-	-0-
37,378,706	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<u>37,733</u>	<u>13,260,745</u>	<u>12,043,846</u>	<u>542,699</u>	<u>3,543,641</u>	<u>3,228,964</u>	<u>1,668,072</u>	<u>4,249,576</u>
<u>429,390,801</u>	<u>13,321,255</u>	<u>12,043,846</u>	<u>542,699</u>	<u>3,543,641</u>	<u>3,244,124</u>	<u>1,986,398</u>	<u>4,250,673</u>
<u>\$ 434,520,247</u>	<u>\$ 17,194,400</u>	<u>\$ 24,804,084</u>	<u>\$ 1,829,779</u>	<u>\$ 3,558,572</u>	<u>\$ 4,075,828</u>	<u>\$ 2,261,407</u>	<u>\$ 4,299,606</u>

STATE OF NEVADA

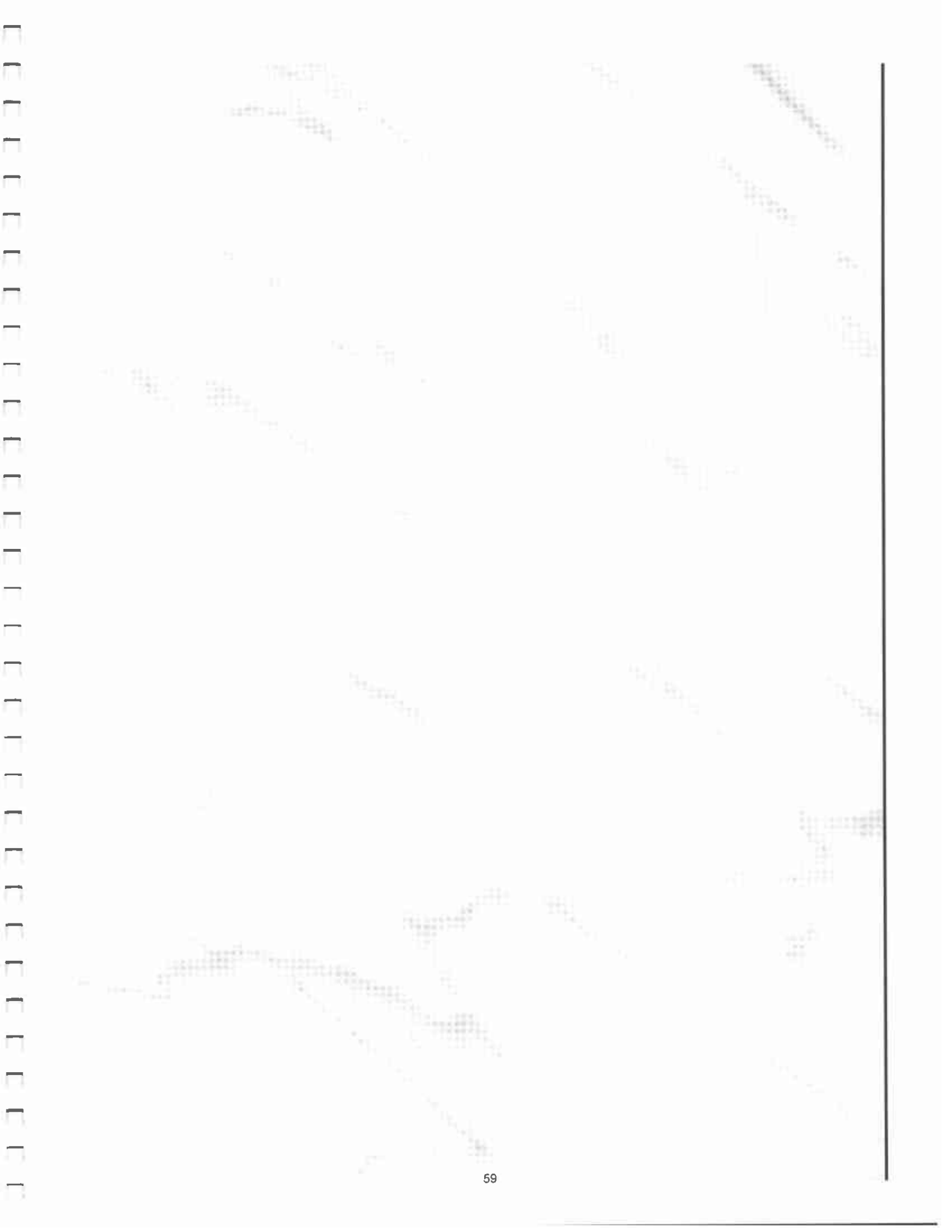
Combining Balance Sheet Special Revenue Funds

Exhibit B-1

Page 2 of 2

June 30, 1996 with comparative totals for 1995

	Contingency	Care of Sites for Radioactive Waste Disposal	Stabilize the Operations of State Government	Miscellaneous	Total All Funds	
					1996	1995 (Restated)
Assets						
<i>Cash and pooled investments:</i>						
Cash with treasurer	\$ 16,301,524	\$ 8,472,730	\$ -0-	\$ 10,040,656	\$ 304,810,141	\$ 259,773,557
Cash in custody of other officials	-0-	-0-	-0-	-0-	1,113,532	8,007,328
Investments	-0-	-0-	-0-	11,500	391,985,862	193,136,500
<i>Receivables:</i>						
Accounts receivable	-0-	-0-	-0-	26,798	1,406,328	1,561,926
Taxes receivable	-0-	-0-	-0-	-0-	12,499,874	11,017,467
Accrued interest and dividends	-0-	-0-	-0-	107	107	47,781
Intergovernmental receivables	44,800	-0-	-0-	85,717	21,385,722	52,737,653
Notes receivable	-0-	-0-	-0-	2,811,542	2,811,542	2,817,319
Due from other funds	25,000	130,759	123,392,226	256,713	150,392,504	142,711,852
Due from component units	-0-	-0-	-0-	-0-	392	12,998
Interfund receivables	3,648	-0-	-0-	-0-	8,072	5,881
Inventory	-0-	-0-	-0-	-0-	10,709,030	11,047,007
Advances to other funds	-0-	-0-	-0-	-0-	28,767	34,625
Restricted assets (non-cash)	-0-	-0-	-0-	-0-	38,888,865	33,621,762
Prepaid items	-0-	-0-	-0-	-0-	73,217	87,143
Total assets	\$ 16,374,972	\$ 8,603,489	\$ 123,392,226	\$ 13,233,033	\$ 936,113,955	\$ 716,620,799
Liabilities and Fund Balances						
<i>Liabilities:</i>						
<i>Accounts payable and accruals:</i>						
Accounts payable	\$ 18,674	\$ 1,825	\$ -0-	\$ 361,754	\$ 9,129,660	\$ 11,303,373
Accrued payroll	-0-	-0-	-0-	60,578	6,596,703	6,193,627
Intergovernmental payables	-0-	-0-	-0-	15,706	13,420,787	9,337,401
Contracts payable	-0-	-0-	-0-	-0-	9,361,346	13,776,871
Due to other funds	1,054,485	11,409	-0-	403,180	35,872,868	24,883,232
Due to component units	-0-	-0-	-0-	551	186,244	49,923
Deferred revenue	-0-	-0-	-0-	66,070	8,088,552	3,986,568
<i>Other liabilities:</i>						
Payable from restricted assets	-0-	-0-	-0-	-0-	38,888,865	33,621,762
Total liabilities	1,073,159	13,234	-0-	907,839	121,545,025	103,152,757
<i>Fund balances:</i>						
<i>Reserved:</i>						
Encumbrances and contracts	-0-	-0-	-0-	12,936	104,492,756	106,529,508
Inventory	-0-	-0-	-0-	-0-	10,709,030	11,047,007
Advances	-0-	-0-	-0-	-0-	28,767	30,978
Balances forward	-0-	-0-	-0-	-0-	27,609,744	32,786,748
<i>Other:</i>						
Fiscal emergency	-0-	-0-	123,392,226	-0-	123,392,226	100,000,000
Investments in municipal securities	-0-	-0-	-0-	-0-	391,974,362	193,125,000
Revolving loans	-0-	-0-	-0-	-0-	37,378,706	58,807,343
Other	44,800	-0-	-0-	7,811,542	7,856,342	7,884,519
<i>Unreserved:</i>						
Undesignated	15,257,013	8,590,255	-0-	4,500,716	111,126,997	103,256,939
Total fund balances	15,301,813	8,590,255	123,392,226	12,325,194	814,568,930	613,468,042
Total liabilities and fund balances	\$ 16,374,972	\$ 8,603,489	\$ 123,392,226	\$ 13,233,033	\$ 936,113,955	\$ 716,620,799



STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	State Highway	Class-size Reduction	Employment Security	Regulatory	Legislative
Revenues					
Gaming taxes, fees, licenses	\$ -0-	\$ -0-	\$ -0-	\$ 4,940,341	\$ -0-
Intergovernmental	120,307,492	-0-	25,980,733	132,652	-0-
Other taxes	158,254,013	17,706,356	5,736,063	6,480,931	-0-
Licenses, fees and permits	97,548,978	-0-	-0-	7,065,474	-0-
Sales and charges for services	8,302,257	-0-	282,276	18,245	813,332
Interest	9,275,444	1,169,565	360,959	122,763	-0-
Other	6,296,823	-0-	797,379	82,869	391,586
Total revenues	399,985,007	18,875,921	33,157,410	18,843,275	1,204,918
Expenditures					
<i>Current:</i>					
General government	-0-	-0-	-0-	-0-	17,570,511
Health and social services	-0-	-0-	25,145,806	-0-	-0-
Education and support services	-0-	-0-	-0-	-0-	-0-
Law, justice and public safety	65,937,695	-0-	-0-	-0-	-0-
Regulation of business	-0-	-0-	-0-	15,159,065	-0-
Transportation	344,182,863	-0-	-0-	-0-	-0-
Recreation, resource development	-0-	-0-	-0-	-0-	-0-
<i>Intergovernmental:</i>					
Education	-0-	43,446,173	-0-	-0-	-0-
Other	27,496	-0-	-0-	-0-	-0-
<i>Debt service:</i>					
Principal	687,757	-0-	-0-	7,207	104,878
Interest	156,845	-0-	-0-	1,944	36,809
Bond issue costs	-0-	-0-	-0-	-0-	-0-
Total expenditures	410,992,656	43,446,173	25,145,806	15,168,216	17,712,198
Excess (deficiency) of revenues over expenditures	(11,007,649)	(24,570,252)	8,011,604	3,675,059	(16,507,280)
Other Financing Sources (Uses)					
Proceeds from capital leases	-0-	-0-	-0-	-0-	-0-
Proceeds from sale of bonds	-0-	-0-	-0-	-0-	-0-
Proceeds from sale of fixed assets	-0-	-0-	50	3,780	-0-
Operating transfers in	2,686,713	27,725,925	307,340	1,129,643	12,251,943
Transfer from component unit	-0-	-0-	-0-	-0-	70,000
Operating transfers out	(2,947,966)	-0-	(5,760,204)	(4,742,357)	-0-
Transfer to component unit	-0-	(130,680)	-0-	-0-	-0-
Total other financing sources (uses)	(261,253)	27,595,245	(5,452,814)	(3,608,934)	12,321,943
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(11,268,902)	3,024,993	2,558,790	66,125	(4,185,337)
Fund balances, July 1	151,215,806	8,539,957	9,861,293	5,849,560	20,973,720
Residual equity transfers in	-0-	-0-	-0-	-0-	-0-
Fund balances, June 30	\$ 139,946,904	\$ 11,564,950	\$ 12,420,083	\$ 5,915,685	\$ 16,788,383

Municipal Bond Bank	Workers' Compensation and Safety	Higher Education Capital Construction	Cleaning up Petroleum Discharges	Hospital Care to Indigent Persons	Tourism Promotion	Offenders' Store	Colorado River Commission
\$ -0-	\$ -0-	\$ 14,934,186	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
4,063,866	1,207,626	-0-	-0-	339,000	-0-	-0-	-0-
-0-	16,653,812	-0-	8,936,730	7,721,483	7,410,972	-0-	-0-
-0-	191,402	-0-	209,500	-0-	72,523	-0-	-0-
-0-	5,094	-0-	-0-	-0-	4,009	6,727,604	569,343
20,132,348	1,106,664	-0-	96,104	289,860	-0-	60,610	334,264
-0-	1,270,991	-0-	14,350	-0-	467	129,604	24,910
24,196,214	20,435,589	14,934,186	9,256,684	8,350,343	7,487,971	6,917,818	928,517
500	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	5,054,797	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	5,632,951	-0-
-0-	10,253,449	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	9,321,257	-0-	5,587,080	-0-	813,320
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
4,169,713	-0-	-0-	-0-	2,964,193	-0-	-0-	1,105,617
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2,207	-0-	-0-	-0-	-0-	-0-	-0-	-0-
4,172,420	10,253,449	-0-	9,321,257	8,018,990	5,587,080	5,632,951	1,918,937
20,023,794	10,182,140	14,934,186	(64,573)	331,353	1,900,891	1,284,867	(990,420)
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
194,414,250	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	1,075	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	48,737	-0-	24,311	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
(36,979,586)	(5,973,582)	(12,953,806)	(366,052)	(1,500)	(1,088,449)	(266,095)	(22,245)
-0-	-0-	(2,430,400)	-0-	-0-	-0-	-0-	-0-
157,434,664	(5,972,507)	(15,384,206)	(317,315)	(1,500)	(1,064,138)	(266,095)	(22,245)
177,458,458	4,209,633	(450,020)	(381,888)	329,853	836,753	1,018,772	(1,012,665)
251,932,343	9,111,622	12,493,866	924,587	3,213,788	2,407,371	967,626	5,263,338
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
\$ 429,390,801	\$ 13,321,255	\$ 12,043,846	\$ 542,699	\$ 3,543,641	\$ 3,244,124	\$ 1,986,398	\$ 4,250,673

STATE OF NEVADA

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

Exhibit B-2

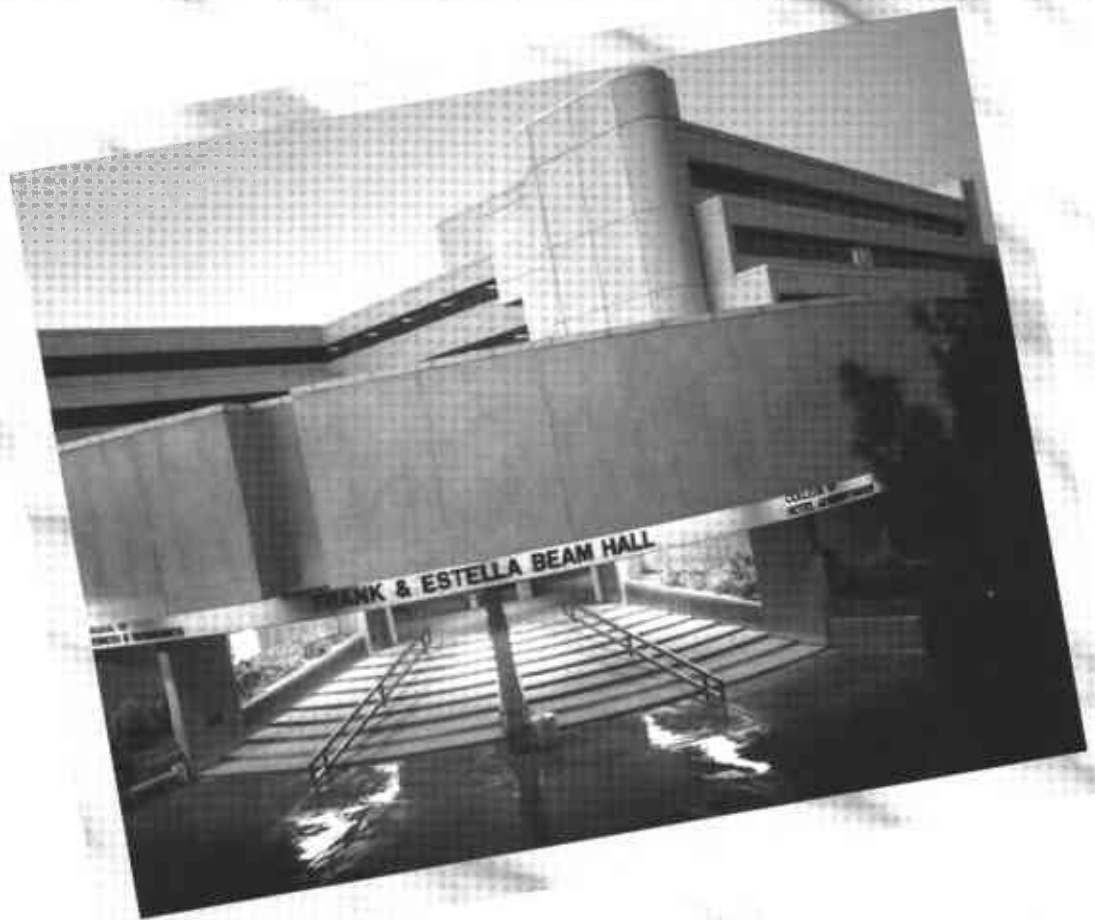
For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Page 2 of 2

	Contingency	Care of Sites for Radioactive Waste Disposal	Stabilize the Operations of State Government	Miscellaneous	Total All Funds	
					1996	1995 (Restated)
Revenues						
Gaming taxes, fees, licenses	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 19,874,527	\$ 18,342,039
Intergovernmental	-0-	-0-	-0-	-0-	152,031,369	171,307,371
Other taxes	-0-	-0-	-0-	1,930,626	230,830,986	199,265,604
Licenses, fees and permits	-0-	347,818	-0-	3,394,076	108,829,771	102,936,473
Sales and charges for services	-0-	-0-	-0-	-0-	16,722,160	15,957,233
Interest	-0-	512,569	-0-	686,538	34,147,688	24,689,428
Other	-0-	-0-	-0-	1,114,477	10,123,456	15,340,013
Total revenues	-0-	860,387	-0-	7,125,717	572,559,957	547,838,161
Expenditures						
<i>Current:</i>						
General government	125,045	-0-	-0-	2,095,631	19,791,687	20,837,400
Health and social services	-0-	47,428	-0-	785,313	31,033,344	38,616,524
Education and support services	-0-	-0-	-0-	577,184	577,184	587,858
Law, justice and public safety	-0-	-0-	-0-	4,280,838	75,851,484	66,707,096
Regulation of business	-0-	-0-	-0-	354,081	25,766,595	28,950,859
Transportation	-0-	-0-	-0-	-0-	344,182,863	368,040,163
Recreation, resource development	-0-	-0-	-0-	2,182	15,723,839	14,840,272
<i>Intergovernmental:</i>						
Education	-0-	-0-	-0-	-0-	43,446,173	38,543,072
Other	97,961	-0-	-0-	-0-	8,364,980	4,863,548
<i>Debt service:</i>						
Principal	-0-	-0-	-0-	-0-	799,842	797,587
Interest	-0-	-0-	-0-	-0-	195,598	231,106
Bond issue costs	-0-	-0-	-0-	-0-	2,207	3,000
Total expenditures	223,006	47,428	-0-	8,095,229	565,735,796	583,018,485
Excess (deficiency) of revenues over expenditures	(223,006)	812,959	-0-	(969,512)	6,824,161	(35,180,324)
Other Financing Sources (Uses)						
Proceeds from capital leases	-0-	-0-	-0-	-0-	-0-	1,854,753
Proceeds from sale of bonds	-0-	-0-	-0-	-0-	194,414,250	63,900,000
Proceeds from sale of fixed assets	-0-	-0-	-0-	-0-	4,905	43,947
Operating transfers in	8,333,259	-0-	23,392,226	528,130	76,428,227	175,550,464
Transfer from component unit	-0-	-0-	-0-	-0-	70,000	-0-
Operating transfers out	(2,630,733)	(208,343)	-0-	(138,657)	(74,079,575)	(59,153,841)
Transfer to component unit	-0-	-0-	-0-	-0-	(2,561,060)	(130,680)
Total other financing sources (uses)	5,702,526	(208,343)	23,392,226	389,473	194,276,727	182,064,643
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,479,520	604,616	23,392,226	(580,039)	201,100,888	146,884,319
Fund balances, July 1	9,822,293	7,985,639	100,000,000	12,905,233	613,468,042	461,583,723
Residual equity transfers in	-0-	-0-	-0-	-0-	-0-	5,000,000
Fund balances, June 30	\$ 15,301,813	\$ 8,590,255	\$ 123,392,226	\$ 12,325,194	\$ 814,568,930	\$ 613,468,042

Debt Service Funds

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



Transfer Policy

For over twenty-five years, thousands of students have transferred to UNLV's William F. Harrah College of Hotel Administration. Transfer students come from every state in the nation and many foreign countries. The college takes great pride in being a "transfer friendly" program.

DEBT SERVICE FUNDS

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

Purpose	Issued	Final Maturity	Outstanding Balance 6/30/96
Purchase of Municipal Securities	\$ 387,955,000	2016	\$ 343,275,000
Capital Construction, Acquisition and Renovation	620,905,000	2015	370,200,000
University Projects	155,394,000	2013	78,580,000
Recreation and Resource Development	526,001,245	2025	343,406,245
Various Purposes	23,885,000	2011	18,475,000
	<u>\$ 1,714,140,245</u>		<u>\$ 1,153,936,245</u>

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

Highway Improvement (Motor Vehicle Fuel Tax)	<u>\$ 152,100,000</u>	1999	<u>\$ 59,820,000</u>
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Some issues have been partially refunded by various refunding issues.

STATE OF NEVADA

Combining Balance Sheet Debt Service Funds

June 30, 1996 with comparative totals for 1995

Exhibit C-1

	Cons Bond Interest and Redemption	Highway Revenue Bonds	Total Both Funds	
			1996	1995
Assets				
<i>Cash and pooled investments:</i>				
Cash with treasurer	\$ 20,528,505	\$ 852,353	\$ 21,380,858	\$ 18,033,993
Cash in custody of other officials	12,921	-0-	12,921	15,968
Intergovernmental receivables	5,791,709	-0-	5,791,709	4,081,281
Due from other funds	12,298,397	284,118	12,582,515	2,211,648
Total assets	\$ 38,631,532	\$ 1,136,471	\$ 39,768,003	\$ 24,342,890
Liabilities and Fund Balances				
<i>Liabilities:</i>				
<i>Accounts payable and accruals:</i>				
Accounts payable	\$ 109,915	\$ -0-	\$ 109,915	\$ -0-
Matured interest payable	7,921	-0-	7,921	7,921
Matured bonds payable	5,000	-0-	5,000	5,000
Interest payable	7,714,374	-0-	7,714,374	3,194
Due to other funds	-0-	-0-	-0-	73,873
Due to component units	-0-	-0-	-0-	190,314
Bonds payable	4,515,000	-0-	4,515,000	-0-
Total liabilities	12,352,210	-0-	12,352,210	280,302
<i>Fund balances:</i>				
Reserved for debt service	26,279,322	1,136,471	27,415,793	24,062,588
Total liabilities and fund balances	\$ 38,631,532	\$ 1,136,471	\$ 39,768,003	\$ 24,342,890

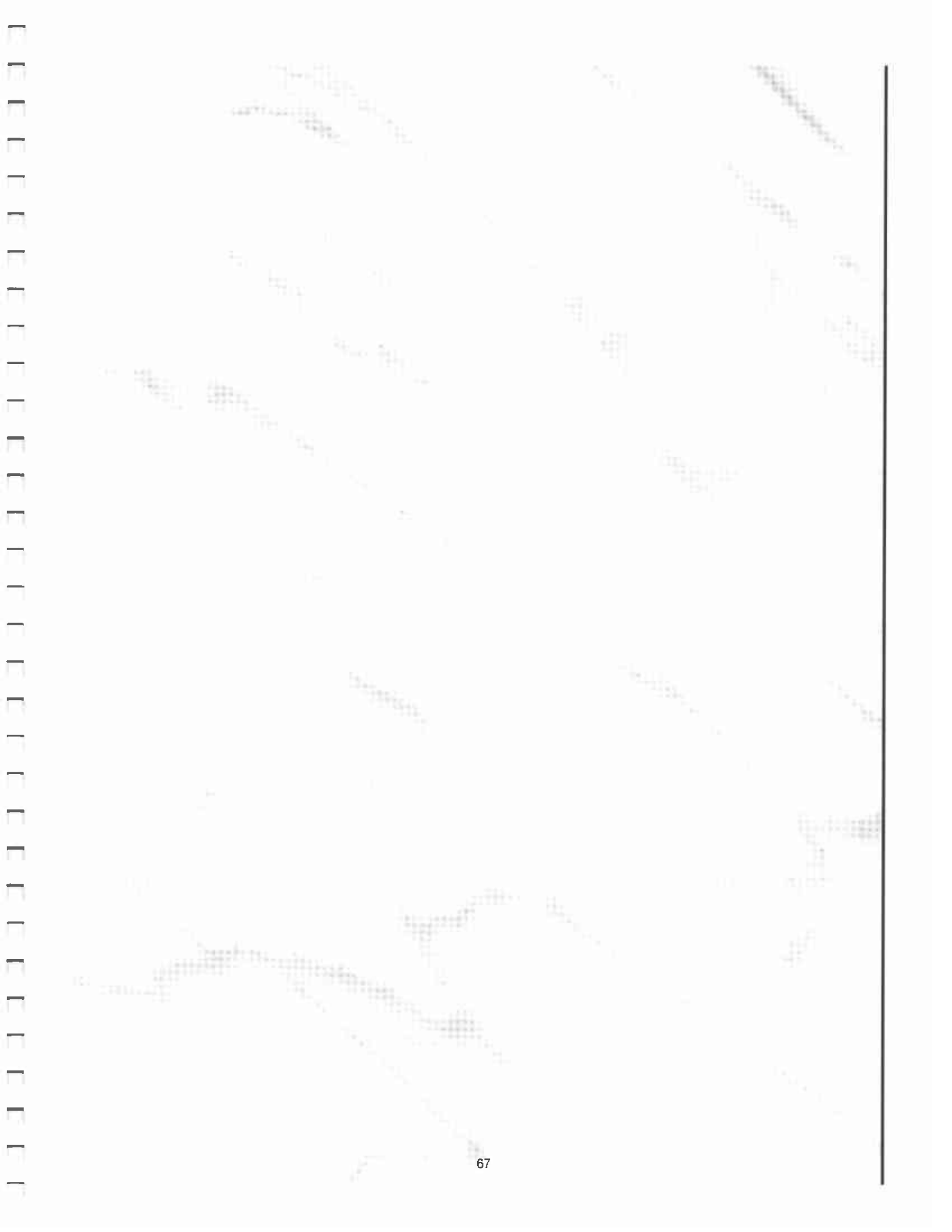
STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit C-2

	Cons Bond Interest and Redemption	Highway Revenue Bonds	Total Both Funds	
			1996	1995
Revenues				
Intergovernmental	\$ 10,366,876	\$ -0-	\$ 10,366,876	\$ 402,668
Taxes	47,194,740	34,842,390	82,037,130	79,229,197
Interest	2,691,530	-0-	2,691,530	3,702,018
Total revenues	60,253,146	34,842,390	95,095,536	83,333,883
Expenditures				
<i>Debt service:</i>				
Principal	47,015,000	30,420,000	77,435,000	58,680,000
Interest, fiscal charges	54,860,506	4,928,880	59,789,386	42,217,146
Bond issue costs	267,543	-0-	267,543	170,756
Arbitrage payments	-0-	-0-	-0-	4,277,200
Refunding payments	-0-	-0-	-0-	661,183
Total expenditures	102,143,049	35,348,880	137,491,929	106,006,285
Deficiency of revenues over expenditures	(41,889,903)	(506,490)	(42,396,393)	(22,672,402)
Other Financing Sources (Uses)				
Proceeds from sale of bonds	115,750	-0-	115,750	-0-
Operating transfers in	45,827,485	-0-	45,827,485	24,408,540
Transfer from component unit	-0-	-0-	-0-	314,838
Transfer to component unit	(193,637)	-0-	(193,637)	(348,564)
Proceeds of refunding bonds	-0-	-0-	-0-	84,177,383
Payment to refunded bond agent	-0-	-0-	-0-	(84,177,383)
Total other financing sources (uses)	45,749,598	-0-	45,749,598	24,374,814
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,859,695	(506,490)	3,353,205	1,702,412
Fund balances, July 1	22,419,627	1,642,961	24,062,588	22,360,176
Fund balances, June 30	\$ 26,279,322	\$ 1,136,471	\$ 27,415,793	\$ 24,062,588



Capital Projects Funds

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



Operational Analysis in Hospitality Management

Human Resources and Behavior in the Hospitality Industry

Financial Analysis for the Service Industries

Laws of Innkeeping and Food Service

Principles and Practices in Hotel Management

Principles of Casino and Gaming Management

Principles and Practices in Food Service Management

Information Technology in the Hospitality Industry

Research Methodology

Marketing Systems

The Dynamics of Tourism

Customer Development Strategies for the Casino and Gaming Industry

Human Dynamics and Organizational Leadership

Research Seminar in Hotel Administration

Research Seminar in Food Service Administration

Research Seminar in Hospitality Education

Research Seminar in Casino and Gaming Management

Seminar in Hospitality Finance

Independent Study and Research

Special Topics in Hospitality Management in the Areas Of: Hotel Management, Tourism and Convention Management, and Food and Beverage Management

Professional Paper

Thesis

CAPITAL PROJECTS FUNDS

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

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

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

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

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

Capital Improvement Program - Special Projects Accounts for asbestos removal and master plan projects of the Public Works Board (NRS 341.146).

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

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

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

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

STATE OF NEVADA

Combining Balance Sheet Capital Projects Funds

June 30, 1996 with comparative totals for 1995

	Parks Capital Project Construction	CIP Motor Vehicle	CIP Human Resources	CIP University System	CIP Gen State Gov't
Assets					
Cash with treasurer	\$ 2,967,187	\$ 327,412	\$ 5,863,923	\$ 19,028,093	\$ 48,490,122
Receivables:					
Intergovernmental receivable	24,837	-0-	-0-	-0-	-0-
Due from other funds	-0-	9,956,959	-0-	7,093	490,000
Total assets	\$ 2,992,024	\$ 10,284,371	\$ 5,863,923	\$ 19,035,186	\$ 48,980,122
Liabilities and Fund Balances					
Liabilities:					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 2,101	\$ 28,022	\$ -0-	\$ 2,419	\$ 3,924
Intergovernmental payables	24,837	-0-	-0-	-0-	3,607
<i>Contracts payable:</i>					
Contracts payable	52,133	36,926	90,438	778,419	2,698,131
Retention payable	110,211	27,846	51,272	158,519	1,140,291
Due to other funds	998	11,110	-0-	81	634,992
Deferred revenues	-0-	-0-	-0-	-0-	-0-
Due to component units	-0-	-0-	-0-	-0-	-0-
Deposits	-0-	-0-	-0-	18,095,748	15,159,750
Total liabilities	190,280	103,904	141,710	19,035,186	19,640,695
Fund balances:					
<i>Reserved:</i>					
Encumbrances and contracts	219,862	221,336	1,562,300	-0-	2,238,546
<i>Unreserved:</i>					
Designated for approved capital projects	2,581,882	9,959,131	4,159,913	-0-	27,100,881
Undesignated	-0-	-0-	-0-	-0-	-0-
Total fund balances	2,801,744	10,180,467	5,722,213	-0-	29,339,427
Total liabilities and fund balances	\$ 2,992,024	\$ 10,284,371	\$ 5,863,923	\$ 19,035,186	\$ 48,980,122

Exhibit D-1

CIP Special Projects	CIP Prison System	CIP Military	CIP Wildlife	Miscellaneous	Total all Funds	
					1996	1995
\$ 26,407	\$ 55,122,587	\$ 689,782	\$ 4,712,305	\$ -0-	\$ 137,227,818	\$ 61,490,394
-0-	-0-	2,557,510	-0-	-0-	2,582,347	1,231,845
-0-	12,725	-0-	55,026	438,233	10,960,036	97,697,872
<u>\$ 26,407</u>	<u>\$ 55,135,312</u>	<u>\$ 3,247,292</u>	<u>\$ 4,767,331</u>	<u>\$ 438,233</u>	<u>\$ 150,770,201</u>	<u>\$ 160,420,111</u>
\$ -0-	\$ 4,275	\$ -0-	\$ 398	\$ -0-	\$ 41,139	\$ 43,230
-0-	7	-0-	787	-0-	29,238	211,536
-0-	491,545	1,566,183	-0-	10,188	5,723,963	7,364,429
-0-	56,472	538,384	-0-	-0-	2,082,995	3,886,719
26,407	1,024	-0-	-0-	-0-	674,612	421,731
-0-	-0-	1,114,320	-0-	-0-	1,114,320	-0-
-0-	-0-	-0-	-0-	-0-	-0-	126,246
-0-	-0-	-0-	-0-	-0-	33,255,498	23,116,168
<u>26,407</u>	<u>553,323</u>	<u>3,218,887</u>	<u>1,185</u>	<u>10,188</u>	<u>42,921,765</u>	<u>35,170,059</u>
-0-	3,716,201	2,698,660	-0-	79,415	10,736,320	6,861,257
-0-	50,865,788	-0-	4,766,146	348,630	99,782,371	118,388,795
-0-	-0-	(2,670,255)	-0-	-0-	(2,670,255)	-0-
-0-	54,581,989	28,405	4,766,146	428,045	107,848,436	125,250,052
<u>\$ 26,407</u>	<u>\$ 55,135,312</u>	<u>\$ 3,247,292</u>	<u>\$ 4,767,331</u>	<u>\$ 438,233</u>	<u>\$ 150,770,201</u>	<u>\$ 160,420,111</u>

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	Parks Capital Project Construction	CIP Motor Vehicle	CIP Human Resources	CIP University System	CIP Gen State Gov't
Revenues					
Intergovernmental	\$ 454,159	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Interest	-0-	-0-	-0-	-0-	-0-
Other	-0-	-0-	2,451	800,852	-0-
Total revenues	<u>454,159</u>	<u>-0-</u>	<u>2,451</u>	<u>800,852</u>	<u>-0-</u>
Expenditures					
Capital Improvements	2,458,952	2,424,055	1,278,125	-0-	6,957,439
Total expenditures	<u>2,458,952</u>	<u>2,424,055</u>	<u>1,278,125</u>	<u>-0-</u>	<u>6,957,439</u>
Deficiency of revenues over expenditures	<u>(2,004,793)</u>	<u>(2,424,055)</u>	<u>(1,275,674)</u>	<u>800,852</u>	<u>(6,957,439)</u>
Other Financing Sources (Uses)					
Proceeds from sale of bonds	-0-	-0-	-0-	24,042,064	9,994,938
Operating transfers in	423,012	-0-	-0-	-0-	36,611
Operating transfers out	-0-	(5,000)	-0-	-0-	(659,648)
Transfer to component unit	-0-	-0-	-0-	(39,383,781)	-0-
Total other financing sources (uses)	<u>423,012</u>	<u>(5,000)</u>	<u>-0-</u>	<u>(15,341,717)</u>	<u>9,371,901</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,581,781)	(2,429,055)	(1,275,674)	(14,540,865)	2,414,462
Fund balances, July 1	<u>4,383,525</u>	<u>12,609,522</u>	<u>6,997,887</u>	<u>14,540,865</u>	<u>26,924,965</u>
Fund balances, June 30	<u><u>\$ 2,801,744</u></u>	<u><u>\$ 10,180,467</u></u>	<u><u>\$ 5,722,213</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 29,339,427</u></u>

Exhibit D-2

CIP Special Projects	CIP Prison System	CIP Military	CIP Wildlife	Miscellaneous	Total all Funds	
					1996	1995
\$ -0-	\$ -0-	\$ 3,093,583	\$ -0-	\$ -0-	\$ 3,547,742	\$ 2,240,274
-0-	84,626	-0-	-0-	-0-	84,626	270,588
-0-	8,825	5,446	-0-	-0-	817,574	199,369
-0-	93,451	3,099,029	-0-	-0-	4,449,942	2,710,231
-0-	4,930,027	9,157,564	434,322	290,725	27,931,209	40,548,344
-0-	4,930,027	9,157,564	434,322	290,725	27,931,209	40,548,344
-0-	(4,836,576)	(6,058,535)	(434,322)	(290,725)	(23,481,267)	(37,838,113)
-0-	10,962,997	-0-	-0-	-0-	44,999,999	23,520,000
-0-	266,000	45,000	-0-	718,770	1,489,393	95,106,347
(12,394)	(228,815)	-0-	(120,103)	-0-	(1,025,960)	(599,298)
-0-	-0-	-0-	-0-	-0-	(39,383,781)	(23,520,000)
(12,394)	11,000,182	45,000	(120,103)	718,770	6,079,651	94,507,049
(12,394)	6,163,606	(6,013,535)	(554,425)	428,045	(17,401,616)	56,668,936
12,394	48,418,383	6,041,940	5,320,571	-0-	125,250,052	68,581,116
\$ -0-	\$ 54,581,989	\$ 28,405	\$ 4,766,146	\$ 428,045	\$ 107,848,436	\$ 125,250,052



Enterprise Funds

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



Experiential Learning Opportunities

While classroom lectures are important to any subject area, nothing can compare to actual work experience in the field. The unique business environment of the Las Vegas area provides numerous outlets for UNLV Hotel Administration students to obtain the practical work experience required by the College for graduation.

Hotels, resorts, casinos, and restaurants have positions that fulfill the specifications of the work experience. At the same time, students earn income during this professional education.

There are two work requirements. HOA 300 is required; the other, HOA 450, is also required but can be replaced under special

circumstances with another undergraduate Hotel course. HOA 300 is a non-credit course that requires students to find a paid position within the hospitality industry. The approved practical experience required in HOA 300 allows a diversification of positions and a diversification of employers in a profit-making segment of the hospitality industry. Each work experience is evaluated on an individual basis.



Students enjoy a variety of educational opportunities in the William F. Harrah College of Hotel Administration.

ENTERPRISE FUNDS

Colorado River Commission Water Treatment Accounts for the operations of the Alfred Merritt Smith Water Treatment Facility. Such operations were transferred on January 1, 1996 to the Southern Nevada Water System (SNWS), a utility supplying water to retailing entities in Clark County, Nevada (A.B. 542, Chapter 393, 1995).

Colorado River Commission Water Transmission Accounts for the operations of the Robert G. Griffith Water Project (federal facilities). Such operations were transferred on January 1, 1996 to SNWS (A.B. 542, Chapter 393, 1995).

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

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

Industrial Insurance Accounts for the operations of the State Industrial Insurance System. The system provides statutory benefits of medical care, disability compensation and rehabilitation services for workers who are injured or contract an occupational disease in the course of their employment (NRS 616B.086).

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

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

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

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

STATE OF NEVADA

Combining Balance Sheet Enterprise Funds

June 30, 1996 with comparative totals for 1995

	Colorado River Commission				
	Water Treatment	Water Transmission	Power Marketing	Housing Division	Industrial Insurance
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 52,153,596	\$ 903,621	\$ 584,334	\$ 140,483	\$ 296,892,000
Cash in custody of other officials	-0-	-0-	-0-	-0-	3,816,000
Investments	-0-	-0-	-0-	177,251,121	941,791,000
<i>Receivables:</i>					
Accounts receivable	-0-	-0-	1,522,090	-0-	126,172,636
Accrued interest and dividends	14,637	-0-	464,791	6,595,284	5,276,000
Intergovernmental receivables	-0-	-0-	-0-	-0-	-0-
Due from other funds	917,670	14,141	471,869	116	2,876,475
Due from component units	-0-	-0-	-0-	-0-	826,000
Inventory	-0-	-0-	-0-	-0-	614,000
<i>Restricted assets:</i>					
Cash	12,500	-0-	30,877,138	-0-	-0-
Non-cash	-0-	-0-	-0-	70,604,941	-0-
Mortgage loans receivable	-0-	-0-	-0-	551,745,008	-0-
<i>Deferred charges and other assets:</i>					
Prepaid expenses	-0-	-0-	6,962,132	-0-	471,000
Deferred charges	-0-	-0-	54,881	9,528,179	-0-
Other assets	-0-	-0-	45,482,674	-0-	795,000
Land	-0-	-0-	-0-	45,157	3,779,000
Structures and improvements	-0-	-0-	-0-	704,056	15,302,000
Furniture and equipment	-0-	-0-	-0-	303,118	26,937,000
Accumulated depreciation	-0-	-0-	-0-	(258,708)	(22,528,000)
Construction in progress	-0-	-0-	89,263	-0-	6,859,000
Total assets	\$ 53,098,403	\$ 917,762	\$ 86,509,172	\$ 816,658,755	\$ 1,409,879,111
Liabilities and Fund Equity					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 45,737	\$ -0-	\$ 2,257,145	\$ 2,146,485	\$ 11,867,594
Unpaid benefits	-0-	-0-	-0-	-0-	2,443,000,000
Due to brokers for security purchases	-0-	-0-	-0-	-0-	222,851,000
Interest payable	-0-	-0-	-0-	23,292,196	-0-
Intergovernmental payables	52,969,547	847,143	-0-	-0-	-0-
Due to other funds	70,619	70,619	92,692	23,062	780,517
Due to component units	-0-	-0-	-0-	-0-	-0-
Interfund payables	-0-	-0-	54,881	-0-	-0-
Accrued compensated absences	-0-	-0-	81,331	115,265	2,742,000
Deferred revenue	-0-	-0-	95,295	-0-	-0-
<i>Bonds, other obligations:</i>					
Bonds payable	-0-	-0-	80,780,000	707,688,084	-0-
Federal repayment contract	-0-	-0-	-0-	-0-	-0-
Advances from general fund	-0-	-0-	-0-	-0-	-0-
Obligations under capital leases	-0-	-0-	-0-	-0-	11,478,000
<i>Other liabilities:</i>					
Payable from restricted assets	12,500	-0-	1,348,639	-0-	-0-
Deposits	-0-	-0-	-0-	-0-	48,692,000
Other liabilities	-0-	-0-	842,078	-0-	20,756,000
Total liabilities	53,098,403	917,762	85,552,061	733,265,092	2,762,167,111
<i>Fund equity (deficit):</i>					
Contributed capital	-0-	-0-	-0-	-0-	-0-
<i>Retained earnings (deficit):</i>					
Reserved for operation and maintenance	-0-	-0-	841,012	-0-	-0-
Reserved as security for outstanding obligations	-0-	-0-	-0-	81,010,613	-0-
Unreserved	-0-	-0-	116,099	2,383,050	(1,420,533,000)
Net unrealized gain on equity securities	-0-	-0-	-0-	-0-	68,245,000
Total fund equity (deficit)	-0-	-0-	957,111	83,393,663	(1,352,288,000)
Total liabilities and fund equity	\$ 53,098,403	\$ 917,762	\$ 86,509,172	\$ 816,658,755	\$ 1,409,879,111

Exhibit E-1

Forestry Nurseries	Prison Industry	Nevada Magazine	Mariette Lake Water System	Total All Funds	
				1996	1995
\$ 129,098	\$ 976,526	\$ 7,283	\$ 96,148	\$ 351,883,089	\$ 132,067,640
-0-	-0-	140	-0-	3,816,140	1,863,931
-0-	-0-	-0-	-0-	1,119,042,121	844,428,692
5,653	230,964	135,838	-0-	128,067,181	100,907,732
-0-	-0-	-0-	-0-	12,350,712	13,701,492
51,000	46,923	-0-	9,314	107,237	14,078
484	188,031	7,807	26,565	4,503,158	7,709,248
-0-	27,144	-0-	1,969	855,113	1,708
47,658	553,010	30,821	-0-	1,245,489	1,233,365
-0-	-0-	-0-	-0-	30,889,638	184,673,879
-0-	-0-	-0-	-0-	70,604,941	74,189,652
-0-	-0-	-0-	-0-	551,745,008	499,404,469
-0-	-0-	20,651	-0-	7,453,783	7,642,083
-0-	-0-	-0-	-0-	9,583,060	18,223,653
-0-	-0-	-0-	-0-	46,277,674	53,154,299
-0-	20,579	-0-	425,742	4,270,478	4,546,061
-0-	2,157,601	-0-	1,127,077	19,290,734	238,304,427
115,109	749,522	44,555	1,448,995	29,598,299	67,635,101
(88,605)	(1,631,812)	(44,555)	(1,730,483)	(26,282,163)	(107,398,562)
-0-	-0-	-0-	-0-	6,948,263	18,430,349
<u>\$ 260,397</u>	<u>\$ 3,318,488</u>	<u>\$ 202,540</u>	<u>\$ 1,405,327</u>	<u>\$ 2,372,249,955</u>	<u>\$ 2,160,733,297</u>
\$ 13,933	\$ 140,492	\$ 26,499	\$ 6,758	\$ 16,504,643	\$ 10,719,905
-0-	-0-	-0-	-0-	2,443,000,000	2,600,000,000
-0-	-0-	-0-	-0-	222,851,000	45,102,000
-0-	-0-	-0-	-0-	23,292,196	25,288,477
13,654	-0-	-0-	-0-	53,830,344	17,928
2,494	46,043	408	1,669	1,088,123	8,611,024
-0-	-0-	-0-	-0-	-0-	6,500
-0-	15,000	-0-	5,723	75,604	32,868
39,049	137,083	76,277	30,882	3,221,887	3,139,050
32,741	3,000	485,829	-0-	616,865	5,468,098
-0-	-0-	-0-	-0-	788,468,084	917,711,053
-0-	-0-	-0-	-0-	-0-	178,905,984
-0-	190,000	-0-	147,869	337,869	412,039
-0-	-0-	-0-	-0-	11,478,000	6,183,274
-0-	-0-	-0-	-0-	1,361,139	16,615,947
-0-	-0-	-0-	-0-	48,692,000	47,409,000
-0-	7,000	-0-	-0-	21,605,078	-0-
<u>101,871</u>	<u>538,618</u>	<u>589,013</u>	<u>192,901</u>	<u>3,636,422,832</u>	<u>3,865,623,147</u>
68,382	2,179,590	66,849	2,885,884	5,200,705	9,924,134
-0-	-0-	-0-	-0-	841,012	5,603,574
-0-	-0-	-0-	-0-	81,010,613	74,790,554
90,144	600,280	(453,322)	(1,673,458)	(1,419,470,207)	(1,847,571,112)
-0-	-0-	-0-	-0-	68,245,000	52,363,000
<u>158,526</u>	<u>2,779,870</u>	<u>(386,473)</u>	<u>1,212,426</u>	<u>(1,264,172,877)</u>	<u>(1,704,889,850)</u>
<u>\$ 260,397</u>	<u>\$ 3,318,488</u>	<u>\$ 202,540</u>	<u>\$ 1,405,327</u>	<u>\$ 2,372,249,955</u>	<u>\$ 2,160,733,297</u>

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	Colorado River Commission			
	Water Treatment	Water Transmission	Power Marketing	Housing Division
Operating Revenues				
Net premium income	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Sales	7,594,559	13,087,282	24,556,298	-0-
Charges for services	6,912	8,055	120,000	-0-
Rental income	-0-	-0-	-0-	64,490
Interest income on mortgage loans	-0-	-0-	-0-	39,110,315
Investment income	-0-	-0-	-0-	13,601,457
Other	-0-	-0-	-0-	4,449,743
Total operating revenues	<u>7,601,471</u>	<u>13,095,337</u>	<u>24,676,298</u>	<u>57,226,005</u>
Operating Expenses				
Salaries and benefits	-0-	-0-	-0-	845,483
Operating	2,870,039	8,475,699	24,566,298	5,803,461
Claims expense	-0-	-0-	-0-	-0-
Interest on bonds payable	-0-	-0-	-0-	43,155,981
Materials or supplies used	-0-	-0-	-0-	-0-
Servicers' fees	-0-	-0-	-0-	1,433,095
Depreciation	1,232,647	1,708,928	-0-	22,377
Administrative expense	-0-	-0-	-0-	-0-
Total operating expenses	<u>4,102,686</u>	<u>10,184,627</u>	<u>24,566,298</u>	<u>51,260,397</u>
Operating income (loss)	<u>3,498,785</u>	<u>2,910,710</u>	<u>110,000</u>	<u>5,965,608</u>
Nonoperating Revenues (Expenses)				
Interest income	234,735	309,560	93,752	-0-
Investment gain	-0-	-0-	-0-	-0-
Interest expense	(3,078,480)	(2,956,339)	-0-	-0-
Federal grants	-0-	-0-	-0-	520,470
Loss on disposal of assets	-0-	-0-	-0-	-0-
Other	(328,908)	-0-	(120,000)	-0-
Total nonoperating revenues (expenses)	<u>(3,172,653)</u>	<u>(2,646,779)</u>	<u>(26,248)</u>	<u>520,470</u>
Income (loss) before operating transfers	326,132	263,931	83,752	6,486,078
Operating Transfers				
Operating transfers in	-0-	-0-	-0-	-0-
Operating transfers out	-0-	-0-	-0-	(198,127)
Net income (loss)	326,132	263,931	83,752	6,287,951
Fund equity (deficit), July 1	(8,127,547)	(47,038,273)	873,359	77,105,712
Transfer of deficit to other government	7,801,415	46,774,342	-0-	-0-
Changes in unrealized gains	-0-	-0-	-0-	-0-
Fund equity (deficit), June 30	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 957,111</u>	<u>\$ 83,393,663</u>

Exhibit E-2

Industrial Insurance	Forestry Nurseries	Prison Industry	Nevada Magazine	Marlette Lake Water System	Total All Funds	
					1996	1995
\$ 458,979,000	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 458,979,000	\$ 451,243,000
-0-	174,563	2,752,480	1,164,928	289,096	49,619,206	80,099,240
-0-	-0-	362,429	616,903	-0-	1,114,299	1,186,489
-0-	-0-	75,653	-0-	-0-	140,143	147,365
-0-	-0-	-0-	-0-	-0-	39,110,315	33,777,372
-0-	-0-	-0-	-0-	-0-	13,601,457	11,276,735
11,634,000	6,717	157,901	5,357	-0-	16,253,718	14,485,474
470,613,000	181,280	3,348,463	1,787,188	289,096	578,818,138	592,215,675
39,751,000	205,519	984,243	583,575	97,359	42,467,179	41,110,059
24,187,790	207,088	1,062,845	543,774	126,816	67,843,810	87,972,274
113,502,000	-0-	-0-	-0-	-0-	113,502,000	167,661,000
-0-	-0-	-0-	-0-	-0-	43,155,981	37,326,633
-0-	38,103	1,190,066	676,680	-0-	1,904,849	1,608,692
-0-	-0-	-0-	-0-	-0-	1,433,095	1,171,805
3,379,000	10,481	113,932	1,418	59,434	6,528,217	10,930,771
5,325,000	-0-	-0-	-0-	-0-	5,325,000	5,378,558
186,144,790	461,191	3,351,086	1,805,447	283,609	282,160,131	353,159,792
284,468,210	(279,911)	(2,623)	(18,259)	5,487	296,658,007	239,055,883
44,093,000	-0-	50,734	-0-	-0-	44,781,781	40,137,004
32,643,000	-0-	-0-	-0-	-0-	32,643,000	11,652,000
(331,000)	-0-	(624)	-0-	-0-	(6,366,443)	(11,039,757)
-0-	99,744	-0-	-0-	-0-	620,214	907,519
-0-	-0-	(1,349)	-0-	-0-	(1,349)	-0-
2,828,000	(14,622)	-0-	-0-	-0-	2,364,470	(851,515)
79,233,000	85,122	48,761	-0-	-0-	74,041,673	40,805,251
363,701,210	(194,789)	46,138	(18,259)	5,487	370,699,680	279,861,134
-0-	48	-0-	-0-	-0-	48	48,028
(231,210)	(2,585)	-0-	-0-	(8,590)	(440,512)	(523,076)
363,470,000	(197,326)	46,138	(18,259)	(3,103)	370,259,216	279,386,086
(1,731,640,000)	355,852	2,733,732	(368,214)	1,215,529	(1,704,889,850)	(2,029,018,936)
-0-	-0-	-0-	-0-	-0-	54,575,757	-0-
15,882,000	-0-	-0-	-0-	-0-	15,882,000	44,743,000
\$ (1,352,288,000)	\$ 158,526	\$ 2,779,870	\$ (386,473)	\$ 1,212,426	\$ (1,264,172,877)	\$ (1,704,889,850)

STATE OF NEVADA

Combining Statement of Cash Flows Enterprise Funds

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	Colorado River Commission			
	Water Treatment	Water Transmission	Power Marketing	Housing Division
Cash flows from operating activities				
Cash received from customers	\$ 7,235,257	\$ 15,887,792	\$ 25,062,107	\$ -0-
Cash received from other funds	-0-	-0-	-0-	-0-
Cash received from component unit	-0-	-0-	-0-	-0-
Cash received from mortgage loans	-0-	-0-	-0-	94,310,421
Cash paid to suppliers, other governments and beneficiaries	(3,196,212)	(10,996,044)	(17,799,223)	(1,405,214)
Cash paid to employees for services	-0-	-0-	-0-	(843,586)
Cash paid to other funds	(564,428)	(351,447)	-0-	(131,593)
Purchase of mortgage loans	-0-	-0-	-0-	(107,489,833)
Net cash provided by (used for) operating activities	3,474,617	4,540,301	7,262,884	(15,559,805)
Cash flows from noncapital financing activities				
Proceeds from sale of bonds	-0-	-0-	-0-	173,205,000
Grants, transfers, advances received	-0-	-0-	-0-	3,422,360
Retirement of bonds and notes	-0-	-0-	(1,675,000)	(80,534,626)
Interest payments on bonds	-0-	-0-	-0-	(44,877,336)
Operating transfers out	-0-	-0-	-0-	(198,127)
Payments for prepaid power	-0-	-0-	(5,426,253)	-0-
Transfers to other government	(74,238,769)	(10,947,639)	-0-	-0-
Other cash used for noncapital financing activities	-0-	-0-	(127,636)	(3,878,481)
Net cash provided by (used for) noncapital financing activities	(74,238,769)	(10,947,639)	(7,228,889)	47,138,790
Cash flows from capital financing activities				
Proceeds from sale of bonds, equipment	118,590,000	-0-	842,078	-0-
Acquisition of property, plant, and equipment	(22,216,158)	(33,746)	(89,263)	(23,724)
Retirement of bonds/notes/mortgages	(122,509,705)	-0-	-0-	-0-
Interest paid on obligations	(6,094,914)	-0-	-0-	-0-
Payments on advances/capital leases	-0-	-0-	0	-0-
Net cash provided by (used for) capital financing activities	(32,230,777)	(33,746)	752,815	(23,724)
Cash flows from investing activities				
Proceeds from sale of investments	-0-	-0-	409,335	247,673,832
Purchase of investments	-0-	-0-	-0-	(292,783,552)
Interest/dividends on investments	3,765,565	375,491	1,780,364	13,672,084
Net cash provided by (used for) investing activities	3,765,565	375,491	2,189,699	(31,437,636)
Net increase (decrease) in cash	(99,229,364)	(6,065,593)	2,976,509	117,625
Cash and cash equivalents, July 1	151,395,460	6,969,214	28,484,963	22,858
Cash and cash equivalents, June 30	\$ 52,166,096	\$ 903,621	\$ 31,461,472	\$ 140,483
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ 3,498,785	\$ 2,910,710	\$ 110,000	\$ 5,965,608
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities				
Depreciation	1,232,647	1,708,928	-0-	22,377
Income on investments	-0-	-0-	-0-	(13,601,457)
Interest on bonds payable	-0-	-0-	-0-	43,155,981
Increase in loans receivable and real estate owned	-0-	-0-	-0-	(52,248,330)
Decrease (increase) in accrued receivables	1,272,523	3,486,919	325,477	(399,025)
Decrease (increase) in inventory, deferred charges and other assets	(139,391)	-0-	-0-	-0-
Increase (decrease) in accounts payable, accruals, other liabilities	(2,389,947)	(3,566,256)	(161,215)	549,756
Prepayments for power	-0-	-0-	6,988,622	-0-
Other adjustments	-0-	-0-	-0-	995,285
Total adjustments	(24,168)	1,629,591	7,152,884	(21,525,413)
Net cash provided by (used for) operating activities	\$ 3,474,617	\$ 4,540,301	\$ 7,262,884	\$ (15,559,805)
Noncash investing, capital and financing activities				
Interest/dividends on investments accrued	\$ -0-	\$ -0-	\$ -0-	\$ -0-

Exhibit E-3

Industrial Insurance	Forestry Nurseries	Prison Industry	Nevada Magazine	Marlette Lake Water System	Total All Funds	
					1996	1995
\$ 451,930,210	\$ 130,607	\$ 1,327,473	\$ 1,428,364	\$ 121,195	\$ 503,123,005	\$ 523,158,054
17,531,000	7,092	2,250,032	316,456	157,763	20,262,343	17,116,892
1,510,000	-0-	-0-	-0-	7,954	1,517,954	8,846
-0-	-0-	-0-	-0-	-0-	94,310,421	70,144,077
(248,362,000)	(209,259)	(1,184,934)	(1,035,169)	(59,761)	(284,247,816)	(351,091,690)
(40,420,000)	(206,105)	(968,789)	(585,811)	(96,770)	(43,121,061)	(41,440,126)
(29,874,000)	(69,542)	(1,218,645)	(202,363)	(111,470)	(32,523,488)	(19,623,813)
-0-	-0-	-0-	-0-	-0-	(107,489,833)	(140,829,607)
152,315,210	(347,207)	205,137	(78,523)	18,911	151,831,525	57,442,633
9,282,000	-0-	-0-	-0-	-0-	182,487,000	203,300,000
-0-	132,485	-0-	-0-	-0-	3,554,845	2,763,173
-0-	-0-	-0-	-0-	-0-	(82,209,626)	(58,041,768)
-0-	-0-	-0-	-0-	-0-	(44,877,336)	(39,768,929)
(231,210)	(2,585)	-0-	-0-	(8,590)	(440,512)	(531,101)
-0-	47	-0-	-0-	-0-	(5,426,206)	(6,707,284)
-0-	-0-	-0-	-0-	-0-	(85,186,408)	-0-
-0-	(14,622)	-0-	-0-	-0-	(4,020,739)	(3,942,052)
9,050,790	115,325	-0-	-0-	(8,590)	(36,118,982)	97,072,039
-0-	-0-	-0-	-0-	-0-	119,432,078	161,452,174
(8,725,000)	(2,392)	(16,268)	-0-	(5,469)	(31,112,020)	(12,911,379)
-0-	-0-	-0-	-0-	-0-	(122,509,705)	(20,875,263)
(331,000)	-0-	(624)	-0-	-0-	(6,426,538)	(9,134,492)
(3,965,000)	-0-	(52,274)	-0-	(1,434)	(4,018,708)	(2,896,914)
(13,021,000)	(2,392)	(69,166)	-0-	(6,903)	(44,634,893)	115,634,126
1,854,423,000	-0-	-0-	-0-	-0-	2,102,506,167	1,078,411,714
(1,878,220,000)	-0-	-0-	-0-	-0-	(2,171,003,552)	(1,259,224,892)
45,762,000	-0-	47,648	-0-	-0-	65,403,152	51,483,505
21,965,000	-0-	47,648	-0-	-0-	(3,094,233)	(129,329,673)
170,310,000	(234,274)	183,619	(78,523)	3,418	67,983,417	140,819,125
130,398,000	363,372	792,907	85,946	92,730	318,605,450	177,786,325
\$ 300,708,000	\$ 129,098	\$ 976,526	\$ 7,423	\$ 96,148	\$ 386,588,867	\$ 318,605,450
\$ 284,468,210	\$ (279,911)	\$ (2,623)	\$ (18,259)	\$ 5,487	\$ 296,658,007	\$ 239,055,883
3,379,000	10,481	113,932	1,418	59,434	6,528,217	10,930,772
2,828,000	-0-	-0-	-0-	-0-	(10,773,457)	(11,276,735)
-0-	-0-	-0-	-0-	-0-	43,155,981	37,326,633
-0-	-0-	-0-	-0-	-0-	(52,248,330)	(105,086,578)
(7,419,000)	(43,581)	333,032	(42,857)	(2,184)	(2,488,696)	(7,314,290)
3,578,000	5,795	(1,086)	(9,860)	-0-	3,433,458	1,791,242
(134,519,000)	(39,991)	(238,118)	(8,965)	(43,826)	(140,417,562)	(116,641,491)
-0-	-0-	-0-	-0-	-0-	6,988,622	7,062,718
-0-	-0-	-0-	-0-	-0-	995,285	1,594,479
(132,153,000)	(67,296)	207,760	(60,264)	13,424	(144,826,482)	(181,613,250)
\$ 152,315,210	\$ (347,207)	\$ 205,137	\$ (78,523)	\$ 18,911	\$ 151,831,525	\$ 57,442,633
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	10,766



Faculty

The William F. Harrah College of Hotel Administration has over 40 full-time faculty, plus a cadre of industry professionals who teach part-time. Our faculty are prolific writers and have authored numerous textbooks that are used worldwide by other hospitality programs, as well as industry professionals. Faculty have also published hundreds of academic journals articles, and several hold journal editorships. Many also publish in trade journals. Faculty are also active in a variety of industry associations, many holding officer/board positions.

James R. Abbey, Professor, B.A., M.B.A., Michigan State University; Ph.D., Utah State University.

Mohsen Azizsoltani, Lecturer, B.S., University of Utah; M.S., University of Nevada, Las Vegas.

Richard Basile, Professor Emeritus, B.A. Washington & Lee University; L.H.D., Combs College.

Donald A. Bell, Professor, B.A., M.B.A., Ph.D., Michigan State University.

Kathleen Bell, Advising Coordinator, B.A., Kent State University; M.A., Ph.D., Michigan State University.

Seyhmus Bolaglu, Assistant Professor, B.S., M.S., Texas A & M University; Ph.D., Virginia Polytechnic Institute.

Robert Bosselman, Associate Professor, B.A., State University of New York; M.S., Florida International University; Ph.D., Oklahoma State University.

Frank D. Borsenik, Professor Emeritus, B.S., M.S., Ph.D., Michigan State University.

John Bowen, Director of Graduate Studies and Research/Associate Professor, B.S., Cornell University; M.B.A., Corpus Christi State University; Ph.D., Texas A&M University.

Kathleen Pearl Brewer, Associate Dean for Academic Affairs/Associate Professor, B.S., M.S., Ph.D., Purdue University

Shannon L. Bybee, Director of the International Gaming Institute/Associate Professor, B.A., University of Nevada, Reno; J.D., University of Utah College of Law.

David J. Christianson, Dean, B.A., M.R.Ed., Brigham Young University; Ph.D., Texas A&M University.

Leslie E. Cummings, Professor, B.S., M.S., D.P.A., Arizona State University.

Vincent H. Eade, Assistant Dean for Finance and Administration/Associate Professor, B.A., M.A., St. Bonaventure University.

Bernard N. Fried, Assistant Professor, B.A., the Evergreen State College, B.S., University of Nevada, Las Vegas; M.B.A., Dallas Baptist University; Ed.D., University of Laverne.

Jolie R. Gaston, Assistant Professor, B.A., University of Tennessee; B.S., University of Nevada, Las Vegas; J.D., University of Tennessee; College of Law.

Gerald Goll, Associate Professor, B.A., Michigan State College; M.A., Pepperdine University; D.B.A., United States International University.

John R. Goodwin, Professor Emeritus, B.S., J.D., West Virginia University.

Zheng Gu, Assistant Professor, B.S., Hangzhou University, China; M.A., Ph.D., University of Central Florida.

Internal Service Funds

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

Jean Hertzman, Chef/Lecturer, B.S., Cornell University; M.B.A., Tulane University.

Susan H. Ivancevich, Assistant Professor, B.B.A., University of Georgia; Ph.D., Texas A&M University.

Alfred Izzolo, Assistant Professor, B.A., Hartwick College; M.S., State University College, Oneonta.

Thomas J.A. Jones, Assistant Professor, B.A., University of South Dakota; B.S., M.S., University of Nevada, Las Vegas; Ed.D., Arizona State University.

Jim R. Kilby, Sam and Mary Boyd Chair/Lecturer, B.A., University of Oklahoma.

Claude J. Lambertz, Chef/Lecturer, Graduate of Food Service, St. Paul Technical Vocational Institute.

Valentino Luciani, Lecturer, Diploma, Professional Hotel Institute, Como, Italy.

Robert J. Martin, Professor, B.S., Stanford University; M.S., United States Naval Post Graduate School.

Audrey McCool, Professor, B.S., M.A., University of Illinois; Ed.D., Texas Tech University.

Rhonda Montgomery, Assistant Dean for Student Affairs/Associate Professor, B.S., M.S., Purdue University; Ph.D., University of South Carolina.

Lyell E. Metcalf, Associate Professor Emeritus, B.S., B.A., M.A., University of Arizona; C.P.A., California.

Kathleen Nelson, B.S., M.S., University of Nevada, Las Vegas.

Andrew M. Nazarechuk, Director of the Hospitality Research and Development Center/Lecturer, B.S., M.S., University of Nevada, Las Vegas.

Ellis Norman, Assistant Professor, B.S., Michigan State University; M.B.A., University of Chicago.

Michael Petrillose, Assistant Professor, A.A.S., State University of New York at Delhi; B.S., M.P.S., Cornell University; Ph.D., Kansas State University.

Boyce W. Phillips, Associate Professor Emeritus, A.B., Wofford College; M.S., Florida State University.

Claude Rand, Assistant Professor Emeritus, A.B., Tufts University; M.A., University of Georgia.

Wesley S. Roehl, Assistant Professor, B.A., Trenton State College; M.S., Southern Illinois University at Carbondale; Ph.D., Texas A & M University.

Gail Sammons, Assistant Professor, B.A., North Dakota State University; M.S., University of Nevada, Las Vegas; Ph.D., Pennsylvania State University.

Patti J. Shock, Associate Professor, B.S., M.S., University of Southern Mississippi.

Stowe Shoemaker, Assistant Professor, B.S., University of Vermont; M.S., University of Massachusetts; Ph.D., Cornell University.

John M. Stefanelli, Professor, B.S., University of Illinois; M.B.A., Michigan State University; Ph.D., University of Denver.

Skip Swerdlow, Associate Professor, B.S., M.B.A., Ph.D., Arizona State University.

Ken Teeters, Assistant Professor, B.L.S., University of Oklahoma; M.B.A., University of Nevada, Las Vegas.

Jerome J. Vallen, William F. Harrah Chair/Professor, B.S., Cornell University; M.Ed., St. Lawrence University; Ph.D., Cornell University.

Donald Walter, Lecturer, B.A., Otterbein College.

Gary A. Waters, Lecturer, B.S., University of California, Berkeley; B.S., M.S., University of Nevada, Las Vegas.



Career Opportunities

The William F. Harrah College of Hotel Administration works very closely with the university's Career Placement Office. Throughout their tenure in the college, students can develop their interviewing skills through participation in our professional development course as well as by attending Career Services workshops. Graduates from the college have numerous opportunities to interview with the top hospitality companies in the country.

INTERNAL SERVICE FUNDS

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

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

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

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

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

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

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

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

Information Services Accounts for designing, programming, and maintaining data processing software and operating the State's central computer facility (NRS 242.211); and accounts for the State's radio communication and telecommunication systems (NRS 233F.148 and NRS 242.213). These last two activities were formerly reported in the Law Enforcement Communications and the Communications Internal Service Funds.

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

STATE OF NEVADA

Combining Balance Sheet Internal Service Funds

June 30, 1996 with comparative totals for 1995

	Self- Insurance	Buildings and Grounds	Motor Pool	Communications	Insurance Premiums
Assets					
Current assets:					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 28,256,216	\$ 1,171,479	\$ 1,947,411	\$ 7,725	\$ 9,949,371
Cash in custody of other officials	-0-	-0-	-0-	-0-	-0-
<i>Receivables:</i>					
Accounts receivable	80,955	2,541	2,799	1,455	-0-
Intergovernmental receivables	-0-	-0-	-0-	-0-	-0-
Due from other funds	1,057,945	144,751	243,359	120,583	518,777
Due from component units	167,854	-0-	16,744	-0-	-0-
Inventory	-0-	-0-	-0-	-0-	-0-
Prepaid expenses	-0-	10,797	-0-	82,426	-0-
Total current assets	29,562,970	1,329,568	2,210,313	212,189	10,468,148
Property:					
Land	-0-	20,400	-0-	-0-	-0-
Buildings	-0-	2,408,791	1,047,746	-0-	-0-
Improvements other than buildings	-0-	411,061	13,650	-0-	-0-
Furniture and equipment	424,297	567,936	6,161,374	181,864	58,055
Accumulated depreciation	(288,114)	(985,215)	(4,311,727)	(130,820)	(33,792)
Construction in progress	-0-	-0-	-0-	-0-	-0-
Total property	136,183	2,422,973	2,911,043	51,044	24,263
Total assets	\$ 29,699,153	\$ 3,752,541	\$ 5,121,356	\$ 263,233	\$ 10,492,411
Liabilities and Fund Equity					
Current liabilities:					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 9,386,790	\$ 362,629	\$ 53,147	\$ 16,140	\$ 5,579,130
Accrued payroll and related liabilities	15,510	89,359	11,069	8,994	3,715
Current portion, long-term obligations	-0-	-0-	-0-	-0-	-0-
Intergovernmental payables	-0-	10,315	14,912	-0-	-0-
Due to other funds	26,144	17,620	570,453	15,516	379,480
Interfund payables	-0-	194,841	106,821	-0-	-0-
Accrued compensated absences	83,399	450,534	78,973	79,368	11,856
Total current liabilities	9,511,843	1,125,298	835,375	120,018	5,974,181
Long-term liabilities:					
<i>Advances:</i>					
Advances from general fund	-0-	1,655,242	605,047	-0-	-0-
Advances from trust fund	-0-	-0-	-0-	-0-	-0-
Advances from special revenue fund	-0-	-0-	28,767	-0-	-0-
Lease obligations	-0-	-0-	-0-	-0-	-0-
Total long-term liabilities	-0-	1,655,242	633,814	-0-	-0-
Total liabilities	9,511,843	2,780,540	1,469,189	120,018	5,974,181
Fund equity:					
Contributed capital	12,682	398,651	2,325,163	23,875	-0-
Retained earnings	20,174,628	573,350	1,327,004	119,340	4,518,230
Total fund equity	20,187,310	972,001	3,652,167	143,215	4,518,230
Total liabilities and fund equity	\$ 29,699,153	\$ 3,752,541	\$ 5,121,356	\$ 263,233	\$ 10,492,411

Exhibit F-1

Administrative Services	Personnel	Purchasing	Information Services	Printing	Total All Funds	
					1996	1995
\$ 2,034,344 100	\$ 1,339,676 -0-	\$ 1,556,190 -0-	\$ 380,006 200	\$ 598,679 75	\$ 47,241,097 375	\$ 41,874,236 375
-0-	-0-	296,240	29,997	1,574	415,561	122,061
-0-	-0-	699,640	6,729	-0-	706,369	1,528,971
-0-	1,939	5,125,902	2,793,586	237,189	10,244,031	16,534,804
-0-	-0-	125,931	1,081	743	312,353	193,275
-0-	-0-	237,671	38,539	390,985	667,195	974,306
-0-	-0-	-0-	-0-	-0-	93,223	163,060
2,034,444	1,341,615	8,041,574	3,250,138	1,229,245	59,680,204	61,391,088
-0-	-0-	95,554	15,000	-0-	130,954	130,954
-0-	-0-	140,000	1,563,756	597,932	5,758,225	6,170,341
-0-	-0-	-0-	-0-	-0-	424,711	424,711
52,748	699,641	518,783	17,581,182	2,277,149	28,523,029	24,453,767
(6,593)	(622,376)	(525,410)	(12,607,143)	(2,059,591)	(21,570,781)	(19,539,488)
-0-	-0-	-0-	-0-	-0-	-0-	88,124
46,155	77,265	228,927	6,552,795	815,490	13,266,138	11,728,409
\$ 2,080,599	\$ 1,418,880	\$ 8,270,501	\$ 9,802,933	\$ 2,044,735	\$ 72,946,342	\$ 73,119,497
\$ 312 13,462	\$ 31,064 65,564	\$ 5,501,682 16,333	\$ 630,673 161,402	\$ 80,726 31,822	\$ 21,642,293 417,230	\$ 20,860,087 365,332
-0-	-0-	-0-	1,517,539	52,543	1,570,082	1,725,425
-0-	-0-	1,332	6,963	-0-	33,522	135,850
1,814,924	105,658	454	40,869	39,703	3,010,821	5,932,858
-0-	-0-	23,027	154,574	25,056	504,319	356,581
85,305	421,222	71,220	740,975	211,977	2,234,829	2,129,722
1,914,003	623,508	5,614,048	3,252,995	441,827	29,413,096	31,505,855
-0-	-0-	334,159	746,900	210,903	3,552,251	3,803,902
-0-	-0-	-0-	-0-	-0-	-0-	3,669
-0-	-0-	-0-	-0-	-0-	28,767	30,978
-0-	-0-	-0-	2,812,079	-0-	2,812,079	1,643,679
-0-	-0-	334,159	3,558,979	210,903	6,393,097	5,482,228
1,914,003	623,508	5,948,207	6,811,974	652,730	35,806,193	36,988,083
-0-	-0-	1,128,661	275,153	599,461	4,763,646	4,763,646
166,596	795,372	1,193,633	2,715,806	792,544	32,376,503	31,367,768
166,596	795,372	2,322,294	2,990,959	1,392,005	37,140,149	36,131,414
\$ 2,080,599	\$ 1,418,880	\$ 8,270,501	\$ 9,802,933	\$ 2,044,735	\$ 72,946,342	\$ 73,119,497

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	Self- Insurance	Buildings and Grounds	Motor Pool	Communications	Insurance Premiums
Operating Revenues					
Net premium income	\$ 81,901,413	\$ -0-	\$ -0-	\$ -0-	\$ 8,404,099
Sales	-0-	-0-	97,288	-0-	-0-
Charges for services	-0-	824,978	-0-	4,187,241	-0-
Rental income	-0-	7,200,730	1,961,881	-0-	-0-
Other	460,404	6,198	73,455	222	29,432
Total operating revenues	82,361,817	8,031,906	2,132,624	4,187,463	8,433,531
Operating Expenses					
Salaries and benefits	755,571	3,237,784	474,780	460,021	193,387
Operating	438,018	5,066,281	635,697	3,770,364	130,085
Claims expense	53,830,647	-0-	-0-	-0-	2,662,357
Materials or supplies used	-0-	-0-	389,111	-0-	-0-
Depreciation	193,302	151,073	576,025	13,762	13,753
Insurance premiums	24,475,703	-0-	-0-	-0-	8,788,117
Total operating expenses	79,693,241	8,455,138	2,075,613	4,244,147	11,787,699
Operating income (loss)	2,668,576	(423,232)	57,011	(56,684)	(3,354,168)
Nonoperating Revenues (Expenses)					
Interest income	1,600,328	-0-	-0-	-0-	-0-
Interest expense	-0-	-0-	-0-	-0-	-0-
Loss on disposal of assets	-0-	-0-	9,172	-0-	-0-
Total nonoperating revenues (expenses)	1,600,328	-0-	9,172	-0-	-0-
Income (loss) before operating transfers	4,268,904	(423,232)	66,183	(56,684)	(3,354,168)
Operating Transfers					
Operating transfers in	32,772	-0-	-0-	-0-	-0-
Operating transfers out	(9,808)	(372,234)	(70,715)	(36,509)	(30,731)
Net income (loss)	4,291,868	(795,466)	(4,532)	(93,193)	(3,384,899)
Fund equity, July 1	15,895,442	1,767,467	3,656,699	236,408	7,903,129
Fund equity, June 30	\$ 20,187,310	\$ 972,001	\$ 3,652,167	\$ 143,215	\$ 4,518,230

Exhibit F-2

Administrative Services	Personnel	Purchasing	Information Services	Printing	Total All Funds	
					1996	1995
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 90,305,512	\$ 94,229,782
-0-	77	1,337,536	5,424	3,901,238	5,341,563	5,600,163
771,271	4,926,721	1,586,194	16,026,556	-0-	28,322,961	25,409,351
-0-	-0-	2,215	174,866	-0-	9,339,692	8,276,024
-0-	22,539	181,426	228,946	400	1,003,022	734,969
771,271	4,949,337	3,107,371	16,435,792	3,901,638	134,312,750	134,250,289
642,482	3,238,561	741,259	6,116,659	1,596,892	17,457,396	15,982,005
51,411	1,342,214	345,711	7,662,616	738,407	20,180,804	16,626,752
-0-	-0-	-0-	-0-	-0-	56,493,004	46,257,573
-0-	-0-	1,511,440	-0-	1,106,218	3,006,769	3,268,543
6,593	48,831	45,407	2,360,136	123,730	3,532,612	3,506,307
-0-	-0-	-0-	-0-	-0-	33,263,820	29,191,521
700,486	4,629,606	2,643,817	16,139,411	3,565,247	133,934,405	114,832,701
70,785	319,731	463,554	296,381	336,391	378,345	19,417,588
-0-	-0-	-0-	-0-	-0-	1,600,328	1,074,655
-0-	-0-	(14,966)	(245,642)	(7,611)	(268,219)	(247,175)
-0-	-0-	52,108	(7,668)	480	54,092	(14,740)
-0-	-0-	37,142	(253,310)	(7,131)	1,386,201	812,740
70,785	319,731	500,696	43,071	329,260	1,764,546	20,230,328
-0-	-0-	-0-	461,550	-0-	494,322	1,807,577
(57,062)	(71,154)	(387,367)	(116,847)	(97,706)	(1,250,133)	(1,146,310)
13,723	248,577	113,329	387,774	231,554	1,008,735	20,891,595
152,873	546,795	2,208,965	2,603,185	1,160,451	36,131,414	15,239,819
\$ 166,596	\$ 795,372	\$ 2,322,294	\$ 2,990,959	\$ 1,392,005	\$ 37,140,149	\$ 36,131,414

STATE OF NEVADA

Combining Statement of Cash Flows Internal Service Funds

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

	Self- Insurance	Buildings and Grounds	Motor Pool	Communications	Insurance Premiums
Cash flows from operating activities					
Cash received from customers	\$ 8,951,599	\$ 83,094	\$ 12,785	\$ 9,678	\$ -0-
Cash received from other funds	53,450,373	8,164,513	1,946,525	4,592,110	7,425,949
Cash received from component units	19,428,741	-0-	77,597	254	557,142
Cash paid to suppliers, and other governments	(78,233,864)	(4,472,656)	(482,412)	(3,279,453)	(4,633,889)
Cash paid to employees for services	(743,330)	(3,108,141)	(463,386)	(442,922)	(187,528)
Cash paid to other funds	(353,138)	(529,935)	(506,627)	(806,453)	(3,794,871)
Cash paid to component units	-0-	-0-	(1,945)	(6,207)	-0-
Net cash provided by (used for) operating activities	2,500,381	136,875	582,537	67,007	(633,197)
Cash flows from noncapital financing activities					
Grants, transfers, advances received	1,500	-0-	983,368	-0-	-0-
Operating/equity transfers out	(9,808)	(284,110)	(53,705)	(209,307)	(49,380)
Net cash provided by (used for) noncapital financing activities	(8,308)	(284,110)	929,663	(209,307)	(49,380)
Cash flows from capital financing activities					
Acquisition of property, plant, and equipment	(19,046)	(7,423)	(675,218)	(28,489)	(2,214)
Interest paid on obligations	-0-	-0-	-0-	-0-	-0-
Reduction in advances/capital leases	-0-	-0-	-0-	-0-	-0-
Proceeds from sale of assets	-0-	-0-	-0-	-0-	-0-
Net cash used for capital financing activities	(19,046)	(7,423)	(675,218)	(28,489)	(2,214)
Cash flows from investing activities					
Interest/dividends on investments	1,504,122	-0-	-0-	-0-	-0-
Net cash provided by investing activities	1,504,122	-0-	-0-	-0-	-0-
Net increase (decrease) in cash	3,977,149	(154,658)	836,982	(170,789)	(684,791)
Cash and cash equivalents, July 1	24,279,067	1,326,137	1,110,429	178,514	10,634,162
Cash and cash equivalents, June 30	\$ 28,256,216	\$ 1,171,479	\$ 1,947,411	\$ 7,725	\$ 9,949,371
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities					
Operating income (loss)	\$ 2,668,576	\$ (423,232)	\$ 57,011	\$ (56,684)	\$ (3,354,168)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities					
Depreciation	193,302	151,073	576,025	13,762	13,753
Decrease (increase) in accrued receivables	(531,104)	215,701	(95,717)	335,771	6,559,194
Decrease (increase) in inventory and prepaid expenses	-0-	(10,797)	-0-	80,634	-0-
Increase (decrease) in accounts payable, accruals and other liabilities	169,607	152,022	45,218	(385,284)	(3,851,976)
Other adjustments	-0-	52,108	-0-	78,808	-0-
Total adjustments	(168,195)	560,107	525,526	123,691	2,720,971
Net cash provided by (used for) operating activities	\$ 2,500,381	\$ 136,875	\$ 582,537	\$ 67,007	\$ (633,197)
Noncash investing, capital and financing activities					
Property leased, accrued or acquired	\$ -0-	\$ (563,273)	\$ -0-	\$ -0-	\$ -0-
Interest/dividends on investments accrued	-0-	-0-	-0-	-0-	-0-
Construction completed or in progress	-0-	-0-	-0-	-0-	-0-
Adjustment to advance	-0-	607,958	-0-	-0-	-0-
Loss on disposal of assets	-0-	-0-	-0-	-0-	-0-

Exhibit F-3

Administrative Services	Personnel	Purchasing	Information Services	State Printing	Total All Funds	
					1996	1995
\$ -0-	\$ 32,889	\$ 402,944	\$ 24,272	\$ 49,065	\$ 9,566,326	\$ 16,546,335
813,089	4,541,457	3,224,920	14,767,793	4,037,569	102,964,298	97,668,113
-0-	381,760	50,810	-0-	43,895	20,540,199	19,036,554
(15,289)	(308,565)	(1,751,720)	(6,876,785)	(794,443)	(100,849,076)	(83,088,522)
(647,564)	(3,202,074)	(725,808)	(6,071,325)	(1,653,825)	(17,245,903)	(15,947,062)
(48,396)	(1,004,895)	(257,613)	(778,682)	(1,148,466)	(9,229,076)	(17,213,819)
-0-	-0-	-0-	-0-	-0-	(8,152)	(75)
101,840	440,572	943,533	1,065,273	533,795	5,738,616	17,001,524
1,984,936	-0-	-0-	461,550	-0-	3,431,354	599,857
-0-	(71,154)	(406,367)	(116,847)	(123,283)	(1,323,961)	(1,963,667)
1,984,936	(71,154)	(406,367)	344,703	(123,283)	2,107,393	(1,363,810)
(52,748)	(20,794)	(10,725)	(309,090)	(114,400)	(1,240,147)	(907,618)
-0-	-0-	-0-	(245,642)	(7,611)	(253,253)	(262,592)
-0-	-0-	-0-	(2,393,376)	(104,411)	(2,497,787)	(2,440,958)
-0-	-0-	-0-	7,017	900	7,917	147,711
(52,748)	(20,794)	(10,725)	(2,941,091)	(225,522)	(3,983,270)	(3,463,457)
-0-	-0-	-0-	-0-	-0-	1,504,122	905,010
-0-	-0-	-0-	-0-	-0-	1,504,122	905,010
2,034,028	348,624	526,441	(1,531,115)	184,990	5,366,861	13,079,267
416	991,052	1,029,749	1,911,321	413,764	41,874,611	28,795,344
\$ 2,034,444	\$ 1,339,676	\$ 1,556,190	\$ 380,206	\$ 598,754	\$ 47,241,472	\$ 41,874,611
\$ 70,785	\$ 319,731	\$ 463,554	\$ 296,381	\$ 336,391	\$ 378,345	\$ 19,417,588
6,593	48,831	45,407	2,360,136	123,730	3,532,612	3,506,307
41,818	6,769	571,303	(1,643,727)	228,891	5,688,899	(997,787)
-0-	-0-	350,942	(12,912)	(30,919)	376,948	(44,113)
(17,356)	65,241	(487,673)	65,395	(124,298)	(4,369,104)	(4,907,691)
-0-	-0-	-0-	-0-	-0-	130,916	27,220
31,055	120,841	479,979	768,892	197,404	5,360,271	(2,416,064)
\$ 101,840	\$ 440,572	\$ 943,533	\$ 1,065,273	\$ 533,795	\$ 5,738,616	\$ 17,001,524
\$ -0-	\$ -0-	\$ -0-	\$ 3,401,051	\$ -0-	\$ 2,837,778	\$ 2,058,092
-0-	-0-	-0-	-0-	-0-	-0-	905,010
-0-	-0-	-0-	-0-	-0-	-0-	88,124
-0-	-0-	-0-	-0-	-0-	607,958	-0-
-0-	-0-	-0-	-0-	-0-	-0-	14,740



Scholarships and Grants-in-Aid

The hotel and restaurant industries provide a special level of financial support for deserving students. The Harrah College of Hotel Administration awards these grants to high achievers, with faculty looking for academic excellence, a strong professional vita, and history of campus/community service. Applicants are not required to demonstrate financial need because these awards are based on performance. Students with special financial needs should also direct applications to the student financial services office.

Friends of the College Scholarships

AH & MA Scholarships
 Stuart Alman Memorial Award
 William Campbell Memorial Award
 Robert Cannon Memorial Award
 John Goodwill Memorial Award
 Nat Hart Endowed Scholarship

Hotel Sales and Marketing Association
 (HSMA, Las Vegas Chapter)
 Nevada Beverage/International Food Service
 Executives Association
 (Las Vegas Chapter: Endowment)
 Las Vegas Strip Endowed Scholarships
 Ruth Minor Loan Fund
 Carl and Bonnie Schreiber Scholarship
 Shelby Williams Memorial Award
 Southern Wines and Spirits of Nevada,
 Inc.
 Swerdlow Family Scholarship
 University of Nevada, Board of Regents
 William Weinberger Endowed Scholarship
 Helen G. and Aaron Weisberg Memorial
 Award

Direct Support

The College also refers and administers scholarship applications from national and state associations and from professional organizations. Some of the Scholarships are:

American Hotel Foundation, Inc.

Trust and Agency Funds

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



California Restaurant Association
Colorado/Wyoming Hotel and Motel Association
GES Exposition Services Scholarships
International Association of Hospitality Accountants
Educational Foundation of the National Restaurant Association
New Mexico Restaurant Association
Ohio Hotel and Motel Association
SKAL (Las Vegas Chapter)
Statler Scholarships
Rose Schwartz Tradeshow Scholarship



The Hospitality Research & Development Center

The HRDC provides comprehensive technical and training assistance to the hotel, restaurant and convention industry. The Center provides services such as market research, facility layout and design, tourism development, catering management seminars as well as the development of needs assessment surveys for industry professionals. International outreach by the Center has included contracts with the Dominican Republic, Fiesta Americana Hotels, Mexico, South Korea, Suez Canal University, Egypt, The University D'Angers, France; and the Kenyan Betting Commission.

TRUST AND AGENCY FUNDS

Expendable Trust

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

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

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

Custodial Accounts for estates escheated to the State in absence of legal heirs and used for educational purposes (NRS 154.140); administration of abandoned property (NRS 120A.370); survivor benefits held in trust for children receiving welfare services (NRS 422.250); personal property held in trust for prisoners pending their release (NRS 209.241) and revenue collected to benefit destitute offenders (NRS 209.383); and the residual activity, including repayments from local governments, of emergency distribution of SCCRT (Supplemental City-County Relief Tax) (NRS 354.5988, repealed by Chapter 491, Statutes of Nevada 1991, at page 1452).

Nonexpendable Trust

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

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

Pension Trust

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

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

Agency

Deferred Compensation Accounts for the activity of the deferred compensation plan for State employees adopted under the provisions of Section 457 of the Internal Revenue Code (NRS 287.330).

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

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

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

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

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

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

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

STATE OF NEVADA

Combining Balance Sheet Trust and Agency Funds

June 30, 1996 with comparative totals for 1995

	Expendable Trust Funds				Nonex- pendable
	Unemployment Compensation	Museums and History	Gift Funds	Custodial Funds	Henry Wood Christmas
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ -0-	\$ -0-	\$ 1,324,306	\$ 9,824,252	\$ 54,601
Cash in custody of other officials	315,804,818	223,800	-0-	65,594	-0-
Investments	-0-	1,013,488	-0-	1,045,421	-0-
<i>Receivables:</i>					
Accounts receivable	49,757,741	15,106	993	-0-	-0-
Accrued interest and dividends	-0-	-0-	-0-	-0-	2,992
Trades pending settlement	-0-	-0-	-0-	-0-	-0-
Intergovernmental receivables	-0-	-0-	-0-	193,231	-0-
Notes receivable	-0-	-0-	-0-	-0-	-0-
Other receivables	-0-	-0-	1,500	52,284	-0-
Due from other funds	-0-	-0-	20,200	42,880	-0-
Inventory	-0-	283,658	-0-	-0-	-0-
Other assets	-0-	596	-0-	-0-	-0-
Land	-0-	-0-	-0-	-0-	-0-
Furniture and equipment	-0-	-0-	-0-	-0-	-0-
Accumulated depreciation	-0-	-0-	-0-	-0-	-0-
Total assets	\$ 365,562,559	\$ 1,536,648	\$ 1,346,999	\$ 11,223,662	\$ 57,593
Liabilities And Fund Balances					
Liabilities:					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ 5,521,885	\$ 124,923	\$ 5,030	\$ 208,717	\$ -0-
Accrued payroll and related liabilities	-0-	-0-	836	-0-	-0-
Intergovernmental payables	-0-	-0-	13,916	2,603	-0-
Trades pending settlement	-0-	-0-	-0-	-0-	-0-
Due to other funds	-0-	285	1,575	6,145,389	6,413
Deferred revenue	-0-	79,707	-0-	-0-	-0-
Notes payable	-0-	-0-	-0-	-0-	-0-
Lease obligations	-0-	-0-	-0-	-0-	-0-
<i>Other liabilities:</i>					
Deposits	-0-	-0-	-0-	-0-	-0-
Other liabilities	-0-	-0-	-0-	3,471,897	-0-
Total liabilities	5,521,885	204,915	21,357	9,828,606	6,413
Fund balances:					
<i>Reserved:</i>					
Encumbrances and contracts	-0-	-0-	-0-	-0-	-0-
Inventory	-0-	283,658	-0-	-0-	-0-
<i>Other:</i>					
Employees' retirement system	-0-	-0-	-0-	-0-	-0-
Principal of non-expendable trust funds	-0-	-0-	-0-	-0-	30,000
Other	-0-	39,865	-0-	578,500	-0-
<i>Unreserved:</i>					
<i>Designated:</i>					
Principal preservation	-0-	-0-	900,000	-0-	-0-
Museum projects	-0-	173,788	-0-	-0-	-0-
Undesignated	360,040,674	834,422	425,642	816,556	21,180
Total fund balances	360,040,674	1,331,733	1,325,642	1,395,056	51,180
Total liabilities and fund balances	\$ 365,562,559	\$ 1,536,648	\$ 1,346,999	\$ 11,223,662	\$ 57,593

Nonex- pendable	Pension Trust Funds			Agency Funds			
	Public Employees' Retirement	Legislators' Retirement	Deferred Compensation	Inter- governmental	State Agency Fund for Bonds	Motor Vehicle	Restitution Trust
\$ 2,743,621	\$ -0-	\$ -0-	\$ -0-	\$ 8,292,340	\$ 11,615,230	\$ 37,522,992	\$ 478,753
-0-	2,234,024	599	108,732	-0-	35,891,175	2,749,590	-0-
53,748,655	6,563,704,516	2,720,409	115,647,613	-0-	31,738,588	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
771,045	45,769,291	15	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
247,125	30,801,849	-0-	-0-	-0-	-0-	-0-	-0-
120	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	735	54,523	-0-	-0-	614,561	-0-
269,543	6,192,703	-0-	-0-	183,007,876	-0-	1,181	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	449,954	-0-	-0-	-0-	-0-	-0-	-0-
2,977	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	912,275	-0-	-0-	-0-	-0-	-0-	-0-
-0-	(595,150)	-0-	-0-	-0-	-0-	-0-	-0-
\$ 57,783,086	\$ 6,649,469,462	\$ 2,721,758	\$ 115,810,868	\$ 191,300,216	\$ 79,244,993	\$ 40,888,324	\$ 478,753
\$ -0-	\$ 4,046,900	\$ 126	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	189,143,741	-0-	16,197,729	-0-
-0-	54,001,763	-0-	-0-	-0-	-0-	-0-	-0-
852,300	77,501	-0-	-0-	2,104,020	54,081	20,859,971	7,632
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	9,481,872	-0-	-0-	-0-	-0-	-0-	-0-
-0-	129,469	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	79,174,388	3,586,777	-0-
-0-	4,032,841	-0-	115,810,868	52,455	16,524	243,847	471,121
852,300	71,770,346	126	115,810,868	191,300,216	79,244,993	40,888,324	478,753
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	6,577,699,116	2,721,632	-0-	-0-	-0-	-0-	-0-
56,930,786	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
56,930,786	6,577,699,116	2,721,632	-0-	-0-	-0-	-0-	-0-
\$ 57,783,086	\$ 6,649,469,462	\$ 2,721,758	\$ 115,810,868	\$ 191,300,216	\$ 79,244,993	\$ 40,888,324	\$ 478,753

STATE OF NEVADA

Combining Balance Sheet Trust and Agency Funds

Exhibit G-1

June 30, 1996 with comparative totals for 1995

Page 2 of 2

	Agency Funds			Total all Funds	
	Veterans Custodial	Local Gov't Pooled Investment	State Payroll	1996	1995 (Restated)
Assets					
<i>Cash and pooled investments:</i>					
Cash with treasurer	\$ 689,901	\$ 408	\$ 6,072,441	\$ 78,618,845	\$ 69,129,026
Cash in custody of other officials	-0-	-0-	-0-	357,078,332	313,906,169
Investments	-0-	404,923,526	-0-	7,174,542,216	6,284,823,418
<i>Receivables:</i>					
Accounts receivable	-0-	-0-	-0-	49,773,840	43,012,083
Accrued interest and dividends	-0-	3,454,084	-0-	49,997,427	44,676,230
Trades pending settlement	-0-	-0-	-0-	-0-	17,723,510
Intergovernmental receivables	-0-	-0-	-0-	31,242,205	24,820,205
Notes receivable	-0-	-0-	-0-	120	120
Other receivables	-0-	-0-	-0-	723,603	458,113
Due from other funds	6,380	-0-	20,833	189,561,596	173,936,633
Inventory	-0-	-0-	-0-	283,658	256,712
Other assets	-0-	-0-	-0-	450,550	348,054
Land	-0-	-0-	-0-	2,977	2,977
Furniture and equipment	-0-	-0-	-0-	912,275	872,487
Accumulated depreciation	-0-	-0-	-0-	(595,150)	(495,733)
	<u>\$ 696,281</u>	<u>\$ 408,378,018</u>	<u>\$ 6,093,274</u>	<u>\$ 7,932,592,494</u>	<u>\$ 6,973,470,004</u>
Liabilities And Fund Balances					
<i>Liabilities:</i>					
<i>Accounts payable and accruals:</i>					
Accounts payable	\$ -0-	\$ -0-	\$ -0-	\$ 9,907,581	\$ 7,548,388
Accrued payroll and related liabilities	-0-	-0-	11,694	12,530	22,406
Intergovernmental payables	-0-	408,357,038	4,427	613,719,454	558,055,485
Trades pending settlement	-0-	-0-	-0-	54,001,763	-0-
Due to other funds	-0-	20,980	6,072,374	36,202,521	31,590,222
Deferred revenue	-0-	-0-	-0-	79,707	93,416
Notes payable	-0-	-0-	-0-	9,481,872	16,311,508
Lease obligations	-0-	-0-	-0-	129,469	226,575
<i>Other liabilities:</i>					
Deposits	-0-	-0-	-0-	82,761,165	79,041,238
Other liabilities	696,281	-0-	4,779	124,800,613	104,208,845
Total liabilities	<u>696,281</u>	<u>408,378,018</u>	<u>6,093,274</u>	<u>931,096,675</u>	<u>797,098,083</u>
<i>Fund balances:</i>					
<i>Reserved:</i>					
Encumbrances and contracts	-0-	-0-	-0-	-0-	69,028
Inventory	-0-	-0-	-0-	283,658	256,712
<i>Other:</i>					
Employees' retirement system	-0-	-0-	-0-	6,580,420,748	5,805,139,658
Principal of non-expendable trust funds	-0-	-0-	-0-	56,960,786	53,321,342
Other	-0-	-0-	-0-	618,365	648,882
<i>Unreserved:</i>					
<i>Designated:</i>					
Principal preservation	-0-	-0-	-0-	900,000	900,000
Museum projects	-0-	-0-	-0-	173,788	184,942
Undesignated	-0-	-0-	-0-	362,138,474	315,851,357
Total fund balances	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,001,495,819</u>	<u>6,176,371,921</u>
Total liabilities and fund balances	<u>\$ 696,281</u>	<u>\$ 408,378,018</u>	<u>\$ 6,093,274</u>	<u>\$ 7,932,592,494</u>	<u>\$ 6,973,470,004</u>

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit G-2

	Unemployment Compensation	Museums and History	Gift Funds	Custodial Funds	Total All Funds	
					1996	1995 (Restated)
Revenues						
Intergovernmental	\$ 6,502,898	\$ -0-	\$ -0-	\$ -0-	\$ 6,502,898	\$ 6,134,326
Taxes	173,410,195	-0-	-0-	-0-	173,410,195	155,026,589
Sales and charges for services	-0-	557,580	-0-	-0-	557,580	558,646
Interest, investment gain	20,854,799	248,767	80,582	205,839	21,389,987	17,931,036
Other:						
Donations	-0-	891,535	101,905	-0-	993,440	581,434
Other	-0-	-0-	250	6,648,287	6,648,537	6,459,758
Total revenues	200,767,892	1,697,882	182,737	6,854,126	209,502,637	186,691,789
Expenditures						
Current:						
Health and social services	147,624,534	-0-	-0-	1,215,474	148,840,008	138,379,272
Education and support services	-0-	1,610,188	3,639	-0-	1,613,827	1,209,109
Law, justice and public safety	-0-	-0-	-0-	169,316	169,316	131,714
Regulation of business	-0-	-0-	-0-	145,574	145,574	-0-
Recreation and resource development	-0-	-0-	160,878	-0-	160,878	112,738
Intergovernmental:						
Other	6,805,743	-0-	-0-	60,537	6,866,280	6,421,190
Total expenditures	154,430,277	1,610,188	164,517	1,590,901	157,795,883	146,254,023
Excess of revenues over expenditures	46,337,615	87,694	18,220	5,263,225	51,706,754	40,437,766
Other Financing Sources (Uses)						
Operating transfers in	-0-	-0-	-0-	-0-	-0-	387,290
Operating transfers out	-0-	-0-	(2,626)	(5,497,343)	(5,499,969)	(5,478,437)
Total other financing sources (uses)	-0-	-0-	(2,626)	(5,497,343)	(5,499,969)	(5,091,147)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	46,337,615	87,694	15,594	(234,118)	46,206,785	35,346,619
Fund balances, July 1	313,703,059	1,244,039	1,310,048	1,629,174	317,886,320	282,539,701
Fund balances, June 30	\$ 360,040,674	\$ 1,331,733	\$ 1,325,642	\$ 1,395,056	\$ 364,093,105	\$ 317,886,320

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit G-3

	Henry Wood Christmas	Permanent School	Total Both Funds	
			1996	1995 (Restated)
Operating Revenues				
Interest, dividends	\$ 2,992	\$ 3,728,804	\$ 3,731,796	\$ 3,492,134
Other:				
Fines	-0-	3,115,155	3,115,155	2,953,611
Land sales/miscellaneous	-0-	377,177	377,177	156,639
Total operating revenues	<u>2,992</u>	<u>7,221,136</u>	<u>7,224,128</u>	<u>6,602,384</u>
Operating Transfers				
Operating transfer in	-0-	147,112	147,112	30,027
Operating transfer out	(6,413)	(3,728,804)	(3,735,217)	(3,490,103)
Net operating transfers	<u>(6,413)</u>	<u>(3,581,692)</u>	<u>(3,588,105)</u>	<u>(3,460,076)</u>
Net income (loss)	(3,421)	3,639,444	3,636,023	3,142,308
Fund balances, July 1	54,601	53,291,342	53,345,943	50,203,635
Fund balances, June 30	<u>\$ 51,180</u>	<u>\$ 56,930,786</u>	<u>\$ 56,981,966</u>	<u>\$ 53,345,943</u>

STATE OF NEVADA

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

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit G-4

	Public Employees' Retirement	Legislators' Retirement	Total Both Funds	
			1996	1995
Operating Revenues				
Retirement contributions	\$ 471,706,813	\$ -0-	\$ 471,706,813	\$ 416,469,355
Interest, dividends	402,629,426	138,890	402,768,316	341,929,809
Investment gains	189,092,552	214,096	189,306,648	45,119,315
Other	1,775,451	14,173	1,789,624	1,893,584
Total operating revenues	1,065,204,242	367,159	1,065,571,401	805,412,063
Operating Expenses				
Benefit payments	267,548,673	300,837	267,849,510	242,245,551
Investment expense	10,621,680	-0-	10,621,680	10,074,324
Depreciation	99,419	-0-	99,419	81,691
Refunds	8,872,453	2,340	8,874,793	8,851,042
Administrative expense	2,798,853	1,715	2,800,568	2,551,736
Investment losses	-0-	-0-	-0-	5,710
Total operating expenses	289,941,078	304,892	290,245,970	263,810,054
Income before operating transfers	775,263,164	62,267	775,325,431	541,602,009
Operating Transfers				
Operating transfers out	(44,341)	-0-	(44,341)	-0-
Net income	775,218,823	62,267	775,281,090	541,602,009
Fund balances, July 1	5,802,480,293	2,659,365	5,805,139,658	5,263,537,649
Fund balances, June 30	\$ 6,577,699,116	\$ 2,721,632	\$ 6,580,420,748	\$ 5,805,139,658

STATE OF NEVADA

Combining Statement of Cash Flows Nonexpendable Trust Funds

For the Fiscal Year Ended June 30, 1996 with comparative totals for 1995

Exhibit G-5

	Henry Wood Christmas	Permanent School	Total Both Funds	
			1996	1995 (Restated)
Cash flows from operating activities				
Cash received from other governments	\$ -0-	\$ 3,477,789	\$ 3,477,789	\$ 3,166,425
Net cash provided by operating activities	-0-	3,477,789	3,477,789	3,166,425
Cash flows from noncapital financing activities				
Operating transfers in	-0-	76,797	76,797	96,291
Operating transfers out	-0-	(3,703,573)	(3,703,573)	(3,409,974)
Net cash used for noncapital financing activities	-0-	(3,626,776)	(3,626,776)	(3,313,683)
Cash flows from investing activities				
Proceeds from sale of investments	-0-	8,500,000	8,500,000	-0-
Purchase of investments	-0-	(13,299,730)	(13,299,730)	(3,500,000)
Interest/dividends on investments	2,031	3,771,443	3,773,474	3,420,355
Net cash provided by (used for) investing activities	2,031	(1,028,287)	(1,026,256)	(79,645)
Net increase (decrease) in cash	2,031	(1,177,274)	(1,175,243)	(226,903)
Cash and cash equivalents, July 1	52,570	3,920,895	3,973,465	4,200,368
Cash and cash equivalents, June 30	\$ 54,601	\$ 2,743,621	\$ 2,798,222	\$ 3,973,465
Reconciliation of operating income to net cash provided by operating activities				
Operating income	\$ 2,992	\$ 7,221,136	\$ 7,224,128	\$ 6,602,384
Adjustments to reconcile operating income to net cash provided by operating activities				
(Increase) decrease in accrued receivables	-0-	(14,543)	(14,543)	56,175
Operating interest	(2,992)	(3,728,804)	(3,731,796)	(3,492,134)
Total adjustments	(2,992)	(3,743,347)	(3,746,339)	(3,435,959)
Net cash provided by operating activities	\$ -0-	\$ 3,477,789	\$ 3,477,789	\$ 3,166,425

STATE OF NEVADA

Combining Statement of Changes in Assets and Liabilities Agency Funds

For the Fiscal Year Ended June 30, 1996

Exhibit G-6

Page 1 of 2

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Deferred Compensation				
Assets				
Cash in custody of other officials	\$ 137,599	\$ 3,781	\$ 32,648	\$ 108,732
Investments	95,495,256	24,992,433	4,840,076	115,647,613
Other receivables	13,958	54,523	13,958	54,523
Total assets	\$ 95,646,813	\$ 25,050,737	\$ 4,886,682	\$ 115,810,868
Liabilities				
Other liabilities	\$ 95,646,813	\$ 25,050,737	\$ 4,886,682	\$ 115,810,868
Intergovernmental				
Assets				
Cash with treasurer	\$ 7,795,202	\$ 1,099,494,248	\$ 1,098,997,110	\$ 8,292,340
Due from other funds	164,883,842	183,007,876	164,883,842	183,007,876
Total assets	\$ 172,679,044	\$ 1,282,502,124	\$ 1,263,880,952	\$ 191,300,216
Liabilities				
Intergovernmental payables	\$ 168,519,493	\$ 1,173,195,503	\$ 1,152,571,254	\$ 189,143,742
Due to other funds	4,112,783	43,844,156	45,852,920	2,104,019
Other liabilities	46,768	453,618	447,931	52,455
Total liabilities	\$ 172,679,044	\$ 1,217,493,277	\$ 1,198,872,105	\$ 191,300,216
State Agency Fund for Bonds				
Assets				
Cash with treasurer	\$ 13,534,817	\$ 2,228,656	\$ 4,148,243	\$ 11,615,230
Cash in custody of other officials	33,042,147	17,415,691	14,566,663	35,891,175
Investments	29,228,000	7,795,002	5,284,414	31,738,588
Total assets	\$ 75,804,964	\$ 27,439,349	\$ 23,999,320	\$ 79,244,993
Liabilities				
Due to other funds	\$ 71,509	\$ 54,081	\$ 71,509	\$ 54,081
Deposits	75,718,397	26,520,034	23,064,043	79,174,388
Other liabilities	15,058	2,726	1,260	16,524
Total liabilities	\$ 75,804,964	\$ 26,576,841	\$ 23,136,812	\$ 79,244,993
Motor Vehicle				
Assets				
Cash with treasurer	\$ 26,534,544	\$ 335,256,161	\$ 324,267,713	\$ 37,522,992
Cash in custody of other officials	2,451,215	516,200	217,825	2,749,590
Other receivables	437,072	2,257,395	2,079,906	614,561
Due from other funds	8,689	1,181	8,689	1,181
Total assets	\$ 29,431,520	\$ 338,030,937	\$ 326,574,133	\$ 40,888,324
Liabilities				
Intergovernmental payables	\$ 14,055,556	\$ 128,337,838	\$ 126,195,665	\$ 16,197,729
Due to other funds	12,006,306	199,142,398	190,288,733	20,859,971
Deposits	3,322,841	679,802	415,866	3,586,777
Other liabilities	46,817	5,617,074	5,420,044	243,847
Total liabilities	\$ 29,431,520	\$ 333,777,112	\$ 322,320,308	\$ 40,888,324
Restitution Trust				
Assets				
Cash with treasurer	\$ 585,981	\$ 815,106	\$ 922,334	\$ 478,753
Liabilities				
Due to other funds	\$ 2,611	\$ 114,217	\$ 109,196	\$ 7,632
Other liabilities	583,370	660,932	773,181	471,121
Total liabilities	\$ 585,981	\$ 775,149	\$ 882,377	\$ 478,753

STATE OF NEVADA

Combining Statement of Changes in Assets and Liabilities Agency Funds

Exhibit G-6

Page 2 of 2

For the Fiscal Year Ended June 30, 1996

	Balance July 1, 1995	Additions	Deletions	Balance June 30, 1996
Veterans Custodial				
Assets				
Cash with treasurer	\$ -0-	\$ 867,906	\$ 178,005	\$ 689,901
Due from other funds	-0-	6,380	-0-	6,380
Total assets	\$ -0-	\$ 874,286	\$ 178,005	\$ 696,281
Liabilities				
Other liabilities	-0-	863,215	166,934	696,281
Total liabilities	\$ -0-	\$ 863,215	\$ 166,934	\$ 696,281
Local Government Pooled Investment				
Assets				
Cash with treasurer	\$ 48,830	\$ 9,344,266,525	\$ 9,344,314,947	\$ 408
Investments	372,732,928	8,743,560,852	8,711,370,254	404,923,526
Accrued interest	2,717,959	3,454,084	2,717,959	3,454,084
Total assets	\$ 375,499,717	\$ 18,091,281,461	\$ 18,058,403,160	\$ 408,378,018
Liabilities				
Intergovernmental payables	\$ 375,480,436	\$ 629,112,883	\$ 596,236,281	\$ 408,357,038
Due to other funds	19,281	20,980	19,281	20,980
Total liabilities	\$ 375,499,717	\$ 629,133,863	\$ 596,255,562	\$ 408,378,018
State Payroll				
Assets				
Cash with treasurer	\$ 7,652,272	\$ 509,493,010	\$ 511,072,841	\$ 6,072,441
Intergovernmental receivables	41,962	-0-	41,962	-0-
Other receivables	-0-	2,022	2,022	-0-
Due from other funds	13,273	479,897,733	479,890,173	20,833
Total assets	\$ 7,707,507	\$ 989,392,765	\$ 991,006,998	\$ 6,093,274
Liabilities				
Accrued payroll and related liabilities	\$ 21,593	\$ 319,878,590	\$ 319,888,489	\$ 11,694
Intergovernmental payable	-0-	4,427	-0-	4,427
Due to other funds	7,671,394	122,047,939	123,646,959	6,072,374
Other liabilities	14,520	66,904,606	66,914,347	4,779
Total liabilities	\$ 7,707,507	\$ 508,835,562	\$ 510,449,795	\$ 6,093,274
Totals - All Agency Funds				
Assets				
Cash with treasurer	\$ 56,151,646	\$ 11,292,421,612	\$ 11,283,901,193	\$ 64,672,065
Cash in custody of other officials	35,630,961	17,935,672	14,817,136	38,749,497
Investments	497,456,184	8,776,348,287	8,721,494,744	552,309,727
Accrued interest	2,717,959	3,454,084	2,717,959	3,454,084
Intergovernmental receivables	41,962	-0-	41,962	-0-
Other receivables	451,030	2,313,940	2,095,886	669,084
Due from other funds	164,905,804	662,913,170	644,782,704	183,036,270
Total assets	\$ 757,355,546	\$ 20,755,386,765	\$ 20,669,851,584	\$ 842,890,727
Liabilities				
Accrued payroll	\$ 21,593	\$ 319,878,590	\$ 319,888,489	\$ 11,694
Intergovernmental payables	558,055,485	1,930,650,651	1,875,003,200	613,702,936
Due to other funds	23,883,884	365,223,771	359,988,598	29,119,057
Deposits	79,041,238	27,199,836	23,479,909	82,761,165
Other liabilities	96,353,346	99,552,908	78,610,379	117,295,875
Total liabilities	\$ 757,355,546	\$ 2,742,505,756	\$ 2,656,970,575	\$ 842,890,727

General Fixed Assets Account Group

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



Hospitality Technology Laboratory

The Hospitality Technology Laboratory is a computer technology classroom designed to introduce hotel students to the technology and software applications necessary to become successful practitioners. The lab is accessible to all students of the College of Hotel Administration free of charge and provides them with access to the World Wide Web. In addition to numerous industry specific computer programs, the lab has applications for spreadsheets, personnel scheduling, floor plan design, and operations planning.

STATE OF NEVADA

Schedule of General Fixed Assets - By Source

June 30, 1996

Exhibit H-1

General Fixed Assets

Land	\$ 81,862,979
Buildings	347,032,056
Improvements other than buildings	46,139,286
Furniture and equipment	205,141,194
Construction in progress	225,498,880
Total general fixed assets	\$ 905,674,395

Investments in General Fixed Assets From

General obligation bonds	\$ 339,592,022
Federal grants	70,135,557
General fund revenues	311,389,242
Special revenue fund revenues	168,681,838
Gifts	15,875,736
Total investment in general fixed assets	\$ 905,674,395

Schedule of General Fixed Assets - By Function

June 30, 1996

Exhibit H-2

	Land	Buildings	Improvements Other Than Buildings	Equipment	Total
General government	\$ 12,069,313	\$ 46,306,284	\$ 584,485	\$ 8,758,714	\$ 67,718,796
Education, support services	963,059	8,623,057	16,398	2,804,889	12,407,403
Health, social services	2,453,691	50,304,978	2,747,788	51,634,591	107,141,048
Law, justice, public safety	1,354,654	198,227,096	9,735,996	37,694,979	247,012,725
Recreation, resource development	64,613,377	9,736,680	31,611,211	21,738,682	127,699,950
Transportation	393,885	33,833,961	1,443,408	77,351,317	113,022,571
Regulation of business	15,000	-0-	-0-	5,158,022	5,173,022
Total general fixed assets allocated to function	\$ 81,862,979	\$ 347,032,056	\$ 46,139,286	\$ 205,141,194	680,175,515
Construction in progress					225,498,880
Total general fixed assets					\$ 905,674,395

STATE OF NEVADA

Schedule of Changes in General Fixed Assets - By Function

For the Fiscal Year Ended June 30, 1996

Exhibit H-3

	General Fixed Assets June 30, 1995	Additions	Deletions	General Fixed Assets June 30, 1996
General government	\$ 64,501,365	\$ 3,385,316	\$ 167,885	\$ 67,718,796
Education, support services	13,189,536	266,804	1,048,937	12,407,403
Health, social services	90,970,931	18,300,820	2,130,703	107,141,048
Law, justice, public safety	245,262,672	7,320,525	5,570,472	247,012,725
Recreation, resource development	124,809,682	3,305,989	415,721	127,699,950
Transportation	103,356,262	15,909,594	6,243,285	113,022,571
Regulation of business	4,780,275	587,478	194,731	5,173,022
Construction in progress	209,672,182	31,387,238	15,560,540	225,498,880
Total general fixed assets	\$ 856,542,905	\$ 80,463,764	\$ 31,332,274	\$ 905,674,395



Tourism and Convention Department

Entertainment Specialization

Entertainment is a central force in our lives. It shapes our beliefs, attitudes, judgments and actions. Entertainment shapes us as individuals, as groups, and as a society. It is pervasive. Entertainment is big business, a business of creating-involving images and experiences. As these images and experiences proliferate and intensify, their impact grows even more.

The tourism industry can be divided into four segments or cornerstones: transportation, food, lodging and entertainment. From such diverse sources as the Mall of America to Disneyland and the themed resort hotels of Las Vegas, entertainment has been woven into virtually every aspect of the Tourism Industry. Resort properties refer to employees as "cast

members", emphasizing the whole of the property is now considered a stage. Entertainment is no longer compartmentalized; it is a part of the whole.

Until now, there has been no Hospitality program in our Universities and Colleges to address the entertainment portion of the Tourism Industry. However, the Department of Tourism and Convention at the William F. Harrah College of Hotel Administration, under the direction of its chair, Patti Shock, has created an entertainment concentration which is exciting to students and industry alike. The consensus in the Entertainment Industry regarding the Entertainment Administration concentration has been positive and has been met with a great spirit of cooperation and enthusiasm. Included among the many recognizable names in the industry that have contributed time to the Entertainment Concentration are : Cirque Du Soleil, Treasure Island Hotel, Debbie Reynolds Hotel, Bally's Hotel, Scenic Technologies, Inc., Dan Nelson Produc-

Budgetary Schedules

These Budgetary Schedules demonstrate compliance with the legally adopted budget (Non-GAAP basis).

tions, Fremont Street Experience, PR Plus and the Flamingo Hilton.

The Entertainment Administration Concentration now offers twelve courses and cross references other courses through the College of Fine Arts. Running the gamut from Entertainment On The Road to Stage Craft and Entertainment Law, the student has access to just about every facet of the Entertainment Business. The relationship between industry leaders and the William F. Harrah College of Administration has rendered internships, mentoring programs, guest lecturers and exciting back stage tours and field trips which benefit our students.

BUDGETARY TERMS

Balances Forwarded represent the financial resources carried over from the prior fiscal year.

Balances Forwarded to New Year represent financial resources carried over to the next fiscal year.

Appropriations represent the authorization to spend revenues of the General Fund or Highway Fund that are not otherwise restricted to expenditure from a particular budget account. Appropriations to other funds are shown as transfers.

Other Authorizations represent the budgeted amount of revenues that are restricted to expenditures from a particular budget account.

Total Authority represents the sum of planned resources. In the operating budget accounts, it is also the limit on expenditures.

Expenditures and Transfers represent the actual amount of expenditures and transfers which occurred during the fiscal year.

Unrealized Authority represents the difference between the budgeted and actual restricted revenues.

Lapsed Spending Authority represents amounts that are either reverted to the fund of origin or become available for re-appropriation within the fund where the budget account is reported.

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

Page 1 of 8

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
GENERAL FUND UNRESTRICTED CONSTITUTIONAL AGENCIES	\$ 102,940	\$(1,257,314)	\$ 1,154,374	\$ -0-	\$ 1,959	\$ (136,845)	\$ (24,890)	\$ 159,776
Executive Branch								
Attorney General Admin Acct	225	6,950	5,456	12,631	11,414	275	878	64
Attorney General Medicaid Fraud	8	90	843	941	849	-0-	73	19
Consumer Protection Fraud	-0-	592	6	598	574	-0-	24	-0-
Controller	47	1,919	-0-	1,966	1,886	-0-	66	14
Council on Holocaust Prevention	-0-	60	-0-	60	11	-0-	-0-	49
Crime Prevention	-0-	206	3	209	199	3	7	-0-
Domestic Violence Programs	20	-0-	426	446	111	320	6	9
Ethics Commission	-0-	106	3	109	96	-0-	13	-0-
Extradition Clerk	-0-	782	81	863	833	-0-	30	-0-
Governor's Mansion	-0-	344	-0-	344	337	-0-	-0-	7
Governor's Office	-0-	1,311	67	1,378	1,348	-0-	4	26
High Level Nuclear Waste	134	35	7,659	7,828	3,445	4,375	-0-	8
Investigations & Enforcements	565	-0-	1,000	1,565	314	723	-0-	528
Lieutenant Governor	-0-	263	-0-	263	230	-0-	33	-0-
Secretary of State	-0-	1,690	1,728	3,418	3,229	-0-	93	96
Securities Division	-0-	1,183	-0-	1,183	1,152	-0-	31	-0-
SIIS Fraud	-0-	-0-	2,166	2,166	1,895	-0-	175	96
Silicosis & Disabled Pensions	3,619	-0-	230	3,849	237	3	-0-	3,609
Special Fund	-0-	96	104	200	103	91	-0-	6
Special Services-Sec of State	3,240	-0-	2,002	5,242	1,728	210	-0-	3,304
State Treasurer	19	685	641	1,345	1,036	-0-	291	18
Technology Advisor	50	-0-	163	213	94	49	-0-	70
Washington Office	-0-	-0-	230	230	230	-0-	-0-	-0-
Judicial Branch								
Admin Office of the Courts	128	-0-	769	897	691	-0-	-0-	206
Commission on Racial & Econ. Bias	-0-	111	-0-	111	111	-0-	-0-	-0-
Dist Judges'/Widows' Pensions	-0-	679	28	707	706	-0-	1	-0-
District Judges Salaries	-0-	4,792	(28)	4,764	4,402	-0-	362	-0-
District Judges Travel	101	-0-	127	228	69	-0-	-0-	159
Division of Planning & Analysis	-0-	96	81	177	115	44	18	-0-
Judicial Discipline	-0-	318	-0-	318	266	-0-	52	-0-
Judicial Education	497	-0-	371	868	307	-0-	-0-	561
Judicial Records	339	-0-	369	708	679	-0-	-0-	29
Judicial Selection	-0-	7	-0-	7	4	-0-	3	-0-
Justices'/Widows' Pensions	-0-	261	-0-	261	212	-0-	49	-0-
Law Library	-0-	827	31	858	852	3	3	-0-
Law Library Gift Fund	7	-0-	10	17	1	8	-0-	8
Retired Justice Duty	210	-0-	144	354	61	-0-	-0-	293
Supreme Court	1	1,551	2,553	4,105	3,992	7	105	1
Legislative Branch								
Legislators' Retirement	-0-	14	-0-	14	14	-0-	-0-	-0-
Total Constitutional Agencies	9,210	24,968	27,263	61,441	43,833	6,111	2,317	9,180
FINANCE & ADMINISTRATION								
Administration								
Budget Division	440	1,274	170	1,884	1,475	4	91	314
Clear Creek Youth Center	-0-	118	197	315	269	29	17	-0-
Commission for Women	19	-0-	-0-	19	1	-0-	-0-	18
Commodity Food Program	541	200	2,456	3,197	2,309	426	-0-	462
Controlled Substance Grants	85	-0-	35	120	13	24	-0-	83
Deferred Compensation	-0-	-0-	8	8	3	5	-0-	-0-
Emergency Fund	388	-0-	-0-	388	14	-0-	-0-	374
General Fund Salary Adjustment	-0-	16,090	(9,587)	6,503	-0-	-0-	-0-	6,503
Graffiti Award Fund	-0-	-0-	3	3	-0-	-0-	-0-	3
Hearings Division	-0-	-0-	2,260	2,260	2,192	1	66	1
Insurance & Loss Prevention	1,003	-0-	1,577	2,580	1,451	61	-0-	1,068
Internal Audit	-0-	481	-0-	481	429	-0-	52	-0-
Local Cultural Activities	-0-	150	-0-	150	58	-0-	-0-	92
Merit Award Board	3	5	-0-	8	5	-0-	2	1
Public Works Board	-0-	556	-0-	556	532	-0-	23	1
Retired Emp Group Insurance	270	-0-	5,083	5,353	5,215	-0-	-0-	138
Roof Maintenance Reserve	305	-0-	75	380	5	58	-0-	317
School Plan Checking	11	-0-	150	161	57	95	-0-	9
State Claims	885	-0-	-0-	885	657	-0-	-0-	228

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Page 2 of 8

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Statutory Contingency	\$ 1,110	\$ -0-	\$ 1,062	\$ 2,172	\$ 2,170	\$ -0-	\$ -0-	\$ 2
Surplus Property	96	-0-	163	259	133	7	-0-	119
Workmans Comp Hearing Reserve	-0-	-0-	320	320	9	292	19	-0-
Taxation								
Department of Taxation	632	8,784	2,142	11,558	10,964	162	198	234
Estate Tax Credits	2,346	-0-	-0-	2,346	2,346	-0-	-0-	-0-
Sr Citizen Property Tax Rebates	239	2,779	-0-	3,018	2,779	-0-	-0-	239
Personnel								
Unemployment Compensation Fund	436	-0-	464	900	518	127	-0-	255
Total Finance and Administration	8,809	30,437	6,578	45,824	33,604	1,291	468	10,461

EDUCATION

Education								
Adult Basic Education	1	227	2,049	2,277	2,044	224	-0-	9
AIDS Education	-0-	-0-	265	265	255	9	-0-	1
Care of Handicapped	64	1,530	1,349	2,943	1,619	658	-0-	666
Discretionary Grants	34	-0-	1,453	1,487	1,097	321	-0-	69
Distributive School Fund	-0-	362,673	90,708	453,381	424,569	1,807	-0-	27,005
Drug Abuse Education	2	-0-	1,789	1,791	1,679	111	-0-	1
ECIA - Chapter 1	5	-0-	20,884	20,889	19,715	1,153	-0-	21
ECIA - Chapter 2	1	-0-	3,364	3,365	2,701	635	-0-	29
Education State Programs	-0-	1,263	54	1,317	1,315	-0-	2	-0-
Education Support Services	151	-0-	944	1,095	818	-0-	-0-	277
Educ for Handicapped Act	4	-0-	11,721	11,725	11,275	448	-0-	2
Education Technology Trust	-0-	-0-	25	25	-0-	17	-0-	8
Other State Education Programs	320	134	7	461	442	6	-0-	13
PGM Enhancements	7,504	36,995	1,541	46,040	32,411	497	9	13,123
Post Secondary Educ Comm	17	175	76	268	257	4	6	1
Professional Standards	252	206	394	852	619	63	-0-	170
Proficiency Testing	674	637	2	1,313	526	1	5	781
School Lunch	8	191	31,813	32,012	27,692	4,272	-0-	48
Student Incentive Grants	1	-0-	428	429	398	25	-0-	6
Student Indemnification Account	-0-	-0-	89	89	-0-	-0-	-0-	89
Teacher Training - ESL	1	-0-	103	104	104	-0-	-0-	-0-
Vocational Education	5	366	5,611	5,982	5,673	255	20	34
University and Community College System								
Ag Extension Service	-0-	4,110	1,716	5,826	5,621	205	-0-	-0-
Agri Experiment Station	-0-	4,671	1,490	6,161	6,152	-0-	-0-	9
Athletics - UNLV	-0-	1,225	6	1,231	1,231	-0-	-0-	-0-
Athletics - UNR	-0-	1,167	7	1,174	1,174	-0-	-0-	-0-
Business Center North	-0-	1,335	40	1,375	1,375	-0-	-0-	-0-
Business Center South	-0-	1,141	27	1,168	1,165	-0-	3	-0-
Collegiate License Plate Acct	1	-0-	70	71	43	10	-0-	18
Computing Center	-0-	8,047	78	8,125	8,125	-0-	-0-	-0-
Desert Research Institute	-0-	2,063	647	2,710	2,710	-0-	-0-	-0-
Education for Dependent Children	-0-	20	-0-	20	2	-0-	-0-	18
No Nevada Community College	129	5,354	865	6,348	6,282	-0-	2	64
Radiation Safety Board - North	-0-	-0-	255	255	255	-0-	-0-	-0-
Radiation Safety Board - South	-0-	-0-	131	131	131	-0-	-0-	-0-
School of Medical Sciences	-0-	12,684	1,905	14,589	14,553	36	-0-	-0-
So Nevada Community College	871	24,856	8,116	33,843	33,330	11	67	435
Statewide Program - UNLV	-0-	509	3	512	512	-0-	-0-	-0-
Statewide Program - UNR	-0-	3,999	38	4,037	4,037	-0-	-0-	-0-
Student Loans	-0-	74	-0-	74	74	-0-	-0-	-0-
Truckee Meadows Comm College	408	14,477	3,435	18,320	17,907	57	152	204
University Improvements	-0-	-0-	2,371	2,371	-0-	2,371	-0-	-0-
University of Nevada-Las Vegas	2,947	61,611	27,303	91,861	89,633	754	-0-	1,474
University of Nevada-Reno	2,420	56,999	22,995	82,414	79,919	1,285	-0-	1,210
University Press	-0-	517	4	521	521	-0-	-0-	-0-
University Salary	-0-	5,903	-0-	5,903	5,903	-0-	-0-	-0-
University Supplementary	20,200	167	-0-	20,367	7,796	-0-	-0-	12,571
University System Admin	5,500	2,006	85	7,591	3,602	-0-	-0-	3,989
UNS - Special Projects	-0-	192	2,150	2,342	2,342	-0-	-0-	-0-
Western NV Community College	224	8,783	1,671	10,678	10,514	52	-0-	112
W.I.C.H.E. Administration								
Wiche Administration	-0-	186	5	191	188	-0-	2	1

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

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For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Museums, Library and Arts								
Art in Public Works	\$ 30	\$ -0-	\$ -0-	\$ 30	\$ 22	\$ -0-	\$ -0-	\$ 8
Comstock Historic District	1	62	13	76	68	6	2	-0-
Comstock Historic District Gifts	1	-0-	-0-	1	-0-	-0-	-0-	1
Cultural Resource Program	1,329	-0-	71	1,400	443	-0-	-0-	957
Fourth Ward School Restoration	1	-0-	-0-	1	-0-	-0-	-0-	1
Historic Preservation	-0-	151	485	636	534	99	2	1
Lost City Museum	-0-	186	81	267	253	14	-0-	-0-
Museum Library & Arts Admin	214	115	72	401	332	44	-0-	25
Museums and History	2	2,686	179	2,867	387	-0-	5	2,475
Nevada Historical Society	280	438	92	810	657	31	9	113
Railroad Depot - East Ely	-0-	-0-	58	58	57	-0-	1	-0-
Records Mgmt/Micrographics	26	-0-	328	354	268	2	-0-	84
State Archives	-0-	348	46	394	357	32	5	-0-
State Arts Council	7	639	693	1,339	1,298	-0-	3	38
State Library	304	2,214	1,002	3,520	2,987	300	26	207
State Library - CLAN	37	-0-	432	469	362	105	-0-	2
State Library - Literacy	1	84	45	130	124	4	2	-0-
State Museum, Carson City	7	761	495	1,263	1,143	78	6	36
State Museum, Las Vegas	13	584	64	661	653	7	-0-	1
V & T Railroad Museum	-0-	197	288	485	464	7	14	-0-
Total Education	43,997	634,958	254,526	933,481	850,715	16,016	343	66,407
HUMAN SERVICES								
Human Resources								
Health Resources Cost Review	-0-	-0-	135	135	36	91	8	-0-
Hospital Tax Account	68,244	-0-	57,696	125,940	58,266	76	-0-	67,598
Human Resources-Director's Office	679	1,414	7,024	9,117	7,305	122	41	1,649
Nevada Commission on Sports	14	-0-	-0-	14	-0-	-0-	-0-	14
Purchase of Social Services	-0-	-0-	17,252	17,252	14,126	2,617	-0-	509
Health Division								
Aid to Counties	-0-	649	72	721	720	-0-	-0-	1
Cancer Control Registry	16	21	273	310	163	118	13	16
Child Health Services	-0-	1,978	2,502	4,480	4,068	312	-0-	100
Communicable Disease Control	-0-	823	607	1,430	1,246	147	37	-0-
Community Health Services	70	158	1,476	1,704	1,521	143	25	15
Consumer Protection	-0-	602	1,963	2,565	2,451	35	79	-0-
Emergency Medical Services	-0-	625	6	631	537	-0-	94	-0-
Family Planning Project	40	-0-	508	548	472	36	-0-	40
Health Facilities	385	-0-	2,944	3,329	2,366	3	-0-	960
Health Facilities - Admin Penalty	27	-0-	20	47	2	5	-0-	40
Health Officer	45	287	945	1,277	1,200	65	10	2
Immunization Program	119	1,001	2,544	3,664	2,939	705	-0-	20
Laboratory & Research	1,223	942	989	3,154	2,030	36	48	1,040
Radiological Health	23	154	730	907	750	127	30	-0-
Sexually Trans Disease Control	1	181	4,780	4,962	4,230	694	38	-0-
Special Children's Clinic	-0-	3,208	704	3,912	3,755	47	111	(1)
Vital Statistics	-0-	448	339	787	730	21	36	-0-
WIC Food Supplement	46	-0-	22,663	22,709	22,116	544	-0-	49
Aging Services								
Aging Services	24	1,522	6,121	7,667	6,936	601	50	80
Senior Services Program	41	362	4,639	5,042	4,185	361	1	495
Mental Hygiene/Mental Retardation								
Community Training Center	-0-	1,506	1,376	2,882	2,866	16	-0-	-0-
Desert Developmental Center	26	7,501	8,215	15,742	14,087	444	1,197	14
Facility for Mental Offender	28	2,970	255	3,253	3,119	56	75	3
Mental Health Institute	74	9,550	2,843	12,467	11,779	290	356	42
Mental Retardation Home Care	-0-	374	-0-	374	371	-0-	3	-0-
MH/MR Regional Training	-0-	49	-0-	49	44	-0-	6	(1)
Mntl Hygiene-Mntl Retardation	394	1,196	270	1,860	1,684	56	25	95
Residential Placement	-0-	853	645	1,498	1,202	150	146	-0-
Rural Clinics	23	3,392	1,736	5,151	4,815	80	254	2
So Nev Adult Mental Health Svc	122	14,858	2,624	17,604	16,332	372	901	(1)
Southern MH/MR Food Service	-0-	-0-	926	926	869	57	-0-	-0-
Sierra Developmental Center	48	5,336	6,392	11,776	10,322	234	1,219	1

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

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Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Welfare								
Aid to Dependent Children	\$ -0-	\$ 28,388	\$ 26,943	\$ 55,331	\$ 49,959	\$ 2,769	\$ -0-	\$ 2,603
Assistance to Aged and Blind	-0-	4,610	-0-	4,610	4,419	-0-	191	-0-
Child Support Enforcement Prog	555	-0-	30,469	31,024	28,864	2,119	-0-	41
Community Services Block Grant	9	-0-	2,946	2,955	2,338	615	-0-	2
Employment and Training	2	2,406	3,755	6,163	5,449	474	202	38
Energy Assistance - Welfare	1	-0-	3,000	3,001	2,324	672	-0-	5
Homeless Grants	-0-	-0-	469	469	302	166	-0-	1
Homemaking Services	-0-	-0-	1,581	1,581	1,564	17	-0-	-0-
Nevada Medicaid	15,485	142,736	370,324	528,545	458,306	50,803	6,011	13,425
Safety Seat Program	13	-0-	107	120	88	16	-0-	16
Weatherization - Welfare	11	-0-	783	794	650	133	-0-	11
Welfare Administration	638	21,329	24,376	46,343	40,454	2,750	473	2,666
Child and Family Services								
Alternative Placement	-0-	1,216	556	1,772	1,639	-0-	134	(1)
Caliente Youth Center	-0-	3,454	421	3,875	3,860	2	13	-0-
Chapter 1 - Special Education	9	646	3,025	3,680	2,735	935	6	4
Chapter I & II Education Program	20	-0-	122	142	130	-0-	-0-	12
Child Abuse & Neglect	6	-0-	416	422	245	171	-0-	6
Child & Family One-Shots	2,528	-0-	681	3,209	1,335	114	98	1,662
Child Care Services	7	192	471	670	640	4	25	1
Children's Trust Account	537	-0-	547	1,084	454	12	-0-	618
Children, Youth & Family Admin	141	3,001	12,260	15,402	14,553	568	212	69
Domestic Violence	355	-0-	1,750	2,105	1,836	-0-	-0-	269
Farm Acct - Youth Training Ctr	17	-0-	10	27	14	4	-0-	9
No NV Child & Adolescent Svcs	-0-	1,476	2,359	3,835	3,602	8	226	(1)
Probation Subsidies	5	-0-	449	454	420	34	-0-	-0-
So Nev Child & Adoles Svc	-0-	4,295	2,621	6,916	6,765	62	89	-0-
Youth Community Services	257	14,995	37,080	52,332	49,399	1,712	679	542
Youth Corrections Services	9	1,548	636	2,193	1,927	248	12	6
Youth Training Center	-0-	4,696	583	5,279	5,085	182	12	-0-
Other Human Resources								
Indian Commission	-0-	94	4	98	96	-0-	1	1
Public Defender	10	523	1,304	1,837	1,685	51	48	53
Employment, Training and Rehabilitation								
Comm for Nat'l & Comm Svcs	-0-	-0-	464	464	258	202	-0-	4
D.E.T.R. Admin Services	-0-	-0-	1,825	1,825	1,742	69	-0-	14
D.E.T.R. Director's Office	7	-0-	1,009	1,016	947	50	-0-	19
Drug Commission	2	17	49	68	64	1	1	2
E, T & R Administration	-0-	-0-	1,764	1,764	535	1,225	-0-	4
Equal Rights Commission	-0-	632	744	1,376	1,137	103	6	130
Occ Information Coordinator	249	-0-	5,620	5,869	5,088	482	-0-	299
State Job Training Office	140	-0-	18,406	18,546	15,514	2,729	-0-	303
Rehabilitation								
Alcoholism & Drug Rehab	339	3,071	7,936	11,346	9,748	1,191	-0-	407
Attendant Care	-0-	738	-0-	738	738	-0-	-0-	-0-
Blind Business Enterprise	2,495	-0-	1,593	4,088	851	240	-0-	2,997
Community Based Services	-0-	139	993	1,132	999	105	28	-0-
Developmental Disabilities	232	18	416	666	450	88	-0-	128
Disability Adjudication	3	-0-	5,306	5,309	4,951	356	-0-	2
Hearing Devices Program	506	-0-	925	1,431	903	196	-0-	332
Services to the Blind	15	431	2,087	2,533	2,440	65	2	26
Social Security Admin/Voc Rehab	2	47	357	406	383	11	9	3
Traumatic Head Injury Program	-0-	301	-0-	301	301	-0-	-0-	-0-
Vocational Rehabilitation	266	1,733	8,050	10,049	8,788	634	48	579
Total Human Services	96,583	304,692	749,806	1,151,081	956,614	81,049	13,329	100,089
COMMERCE AND INDUSTRY								
Business and Industry								
Agri Registration/Enforcement	242	-0-	634	876	664	17	-0-	195
Agricultural Product	104	-0-	256	360	183	72	-0-	105
Alfalfa Seed Research	23	-0-	27	50	16	9	-0-	25
Apiary Inspection	15	-0-	23	38	16	6	-0-	16
Athletic Commission	23	237	57	317	290	4	13	10
Attorney for Injured Workers	-0-	-0-	1,963	1,963	1,524	82	354	3
B & I Industrial Development Bonds	-0-	-0-	277	277	53	41	-0-	183

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

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Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Beef Council	\$ 58	\$ -0-	\$ 216	\$ 274	\$ 174	\$ -0-	\$ -0-	\$ 100
Bond Reclamation	392	-0-	683	1,075	4	413	-0-	658
Business & Industry Admin	550	360	525	1,435	752	16	117	550
Consumer Affairs	-0-	796	-0-	796	742	-0-	54	-0-
Consumer Affairs Restitution	215	-0-	200	415	130	186	-0-	99
Employee Mgmt Relations Board	1	110	7	118	105	-0-	13	-0-
Energy Conservation	232	-0-	614	846	477	164	-0-	205
Fin Institutions Investigation	252	-0-	197	449	88	-0-	-0-	361
Financial Institutions	-0-	1,098	12	1,110	935	-0-	175	-0-
Financial Institutions Audit	3	-0-	63	66	59	-0-	-0-	7
Gas Pollution Standards	52	-0-	406	458	308	-0-	-0-	150
Gov Comm Employ Pple W/Disability	-0-	211	50	261	225	26	10	-0-
Grazing Board Contributors	13	-0-	20	33	13	20	-0-	-0-
High School Rodeo Association	-0-	17	-0-	17	17	-0-	-0-	-0-
Hospital Patients Commission	80	-0-	112	192	112	-0-	-0-	80
Insect Abatement	43	-0-	13	56	10	1	-0-	45
Insurance Cost Stabilization	47	-0-	146	193	121	-0-	-0-	72
Insurance Education & Research	388	-0-	147	535	128	-0-	-0-	407
Insurance Fraud	114	-0-	586	700	527	20	-0-	153
Insurance Recovery	40	-0-	-0-	40	-0-	-0-	-0-	40
Insurance Division	17	1,632	780	2,429	2,315	112	2	-0-
Labor Commissioner	105	850	2	957	783	-0-	98	76
Livestock Inspection	106	-0-	876	982	772	7	-0-	203
Low Income Housing Trust Fund	5,739	-0-	3,394	9,133	2,474	948	-0-	5,711
Mentally Ill Advocacy	30	63	-0-	93	93	-0-	-0-	-0-
Minerals	68	-0-	869	937	689	114	-0-	134
NAIC Fees	39	-0-	21	60	24	-0-	-0-	36
Nevada Jr. Livestock Show Board	-0-	30	-0-	30	30	-0-	-0-	-0-
Petroleum Overcharge Rebate	9	-0-	575	584	8	4	-0-	572
Plant Industry	200	1,211	608	2,019	1,897	42	32	48
Predatory Animal/Rodent Control	14	502	41	557	526	-0-	31	-0-
Real Estate Administration	32	1,249	247	1,528	1,478	7	27	16
Real Estate Investigation	7	-0-	5	12	4	5	-0-	3
Rural Housing Authority	34	-0-	5,549	5,583	307	5,275	-0-	1
Sheep Commission	9	-0-	10	19	7	-0-	-0-	12
Unclaimed Property	-0-	107	366	473	434	38	-0-	1
Veterinary Medical Services	54	601	29	684	646	-0-	34	4
Woolgrower Predatory Animal	49	-0-	19	68	26	1	-0-	41
Gaming Control								
Gaming Control Board	441	17,451	3,718	21,610	20,986	47	416	161
Gaming Control-Forfeiture Act	45	-0-	250	295	19	248	-0-	28
Economic Development and Tourism								
Comm on Economic Development	39	2,297	179	2,515	2,313	81	105	16
Film Division	-0-	-0-	513	513	487	22	-0-	4
Rural Community Development	109	46	3,088	3,243	2,317	766	6	154
Small Bus Revital & Fed Procure	50	103	316	469	396	32	-0-	41
Total Commerce and Industry	10,083	28,971	28,689	67,743	46,704	8,826	1,487	10,726

PUBLIC SAFETY

Prisons

Carlin Conservation Camp	-0-	776	59	835	807	3	24	-0-
Ely Conservation Camp	-0-	798	56	854	823	3	29	(1)
Ely State Prison	-0-	15,533	(531)	15,002	14,834	21	147	-0-
Humboldt Conservation Camp	-0-	759	57	816	797	2	18	(1)
Indian Springs Conservation Camp	-0-	1,307	165	1,472	1,420	1	51	-0-
Jean Conservation Camp	-0-	588	53	641	606	1	34	-0-
Lovelock Correctional Center	-0-	8,607	(747)	7,860	7,707	1	152	-0-
Medical Care	-0-	24,074	1,583	25,657	24,621	409	628	(1)
Nevada State Prison	-0-	10,261	1,011	11,272	11,119	7	145	1
Nevada Women's Correctional Ctr	-0-	2,958	111	3,069	2,975	-0-	94	-0-
No Nevada Correctional Center	-0-	11,397	1,149	12,546	12,309	7	230	-0-
Pioche Conservation Camp	-0-	1,037	53	1,090	992	20	78	-0-
Prison Administration	567	5,899	591	7,057	6,534	137	106	280
Prison One-Shot Appro 85 Legis	4,492	-0-	-0-	4,492	2,912	-0-	262	1,318
Prison Warehouse	-0-	-0-	6,279	6,279	5,883	356	40	-0-
Restitution Center - North	-0-	194	546	740	682	6	52	-0-

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

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Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Restitution Center - South	\$ -0-	\$ 321	\$ 374	\$ 695	\$ 612	\$ 11	\$ 73	\$ (1)
Silver Springs Conservation Camp	-0-	684	76	760	732	1	27	-0-
So Desert Correctional Center	-0-	12,696	877	13,573	13,075	15	483	-0-
So Nevada Correctional Center	-0-	7,305	531	7,836	7,623	2	211	-0-
Stewart Conservation Camp	-0-	979	30	1,009	937	-0-	72	-0-
Tonopah Conservation Camp	-0-	827	14	841	770	4	68	(1)
Wells Conservation Camp	-0-	793	51	844	800	3	41	-0-
Motor Vehicles and Public Safety								
Criminal History Repository	333	-0-	5,185	5,518	4,237	1,193	81	7
Emergency Management	44	220	531	795	546	146	59	44
Emergency Mgmt Assistance	144	-0-	956	1,100	920	123	-0-	57
Emergency Mgmt-Federal Grants	-0-	-0-	1,059	1,059	765	175	-0-	119
Emergency Response Commission	298	-0-	536	834	526	102	-0-	206
Fire Marshall	-0-	286	872	1,158	706	258	194	-0-
Forfeitures	559	-0-	1,302	1,861	973	535	-0-	353
Haz Mat Training Center	362	-0-	704	1,066	739	76	-0-	251
Highway Safety Plan & Admin	-0-	79	839	918	645	244	8	21
Investigations	700	3,689	10	4,399	4,307	4	88	-0-
Justice Assistance Act	-0-	-0-	4,308	4,308	2,275	2,033	-0-	-0-
Motor Vehicle Pollution Control	4,764	-0-	5,523	10,287	5,001	221	-0-	5,065
Narcotics Control	41	-0-	1,480	1,521	1,327	182	-0-	12
Parole & Probation	771	18,200	2,368	21,339	18,984	471	1,383	501
Parole Board	-0-	729	-0-	729	685	-0-	44	-0-
Parolee Loan Account	5	-0-	9	14	1	3	4	6
POST	-0-	174	1,157	1,331	754	159	418	-0-
Salvage/Wreckers/Body Shops	112	-0-	125	237	138	16	-0-	83
Traffic Safety	-0-	-0-	2,340	2,340	1,135	1,196	-0-	9
Veteran's Affairs	337	536	417	1,290	910	49	33	298
Veterans Home Account	5	-0-	50	55	-0-	39	-0-	16
Total Public Safety	13,534	131,706	42,159	187,399	165,144	8,235	5,377	8,642

INFRASTRUCTURE

Conservation and Natural Resources

Adjudication Emergency	3	-0-	3	6	-0-	3	-0-	3
Air Quality	132	-0-	1,997	2,129	1,475	148	-0-	506
Air Quality Management	680	-0-	1,405	2,085	932	-0-	-0-	1,153
Antelope Middle Reese Reserve	11	-0-	3	14	7	-0-	-0-	7
Baker & Lehman	1	-0-	-0-	1	-0-	-0-	-0-	1
Boulder Flat Groundwater	4	-0-	10	14	3	1	-0-	10
Carico Creek	1	-0-	-0-	1	-0-	-0-	-0-	1
Carson Valley Groundwater	4	-0-	16	20	10	-0-	-0-	10
Channel Clearance	241	-0-	-0-	241	25	-0-	-0-	216
Chemical Hazard Prevention	75	-0-	321	396	177	134	-0-	85
Clovers Area Groundwater	-0-	-0-	5	5	1	-0-	-0-	4
Cold Springs Valley	-0-	-0-	3	3	1	1	-0-	1
Colorado River Valley	24	-0-	4	28	1	-0-	-0-	27
Conservation & Nat Res Admin	-0-	718	-0-	718	662	-0-	56	-0-
Conservation Districts	7	193	2	202	199	-0-	2	1
Crescent Water Groundwater	1	-0-	2	3	1	-0-	-0-	2
Currant Creek	6	-0-	-0-	6	-0-	-0-	-0-	6
Diamond Valley Ground Water	7	-0-	4	11	4	-0-	-0-	7
Duckwater Creek	19	-0-	8	27	8	1	-0-	18
Eagle Valley	23	-0-	111	134	128	-0-	-0-	6
Environmental Commission	-0-	1	43	44	33	11	-0-	-0-
Environmental Protection Admin	133	-0-	1,631	1,764	1,319	197	-0-	248
Fish Lake Valley Artesian	41	-0-	5	46	3	-0-	-0-	43
Flood Control Rev Fund	247	-0-	3	250	-0-	1	-0-	249
Flood Repairs & Disaster Rel	50	-0-	-0-	50	-0-	-0-	-0-	50
Forest Fire Suppression	-0-	450	5,332	5,782	2,220	3,560	-0-	2
Forestry Admin	2,376	1,877	943	5,196	4,453	166	49	528
Forestry Honor Camps	-0-	5,151	993	6,144	5,454	121	569	-0-
Forestry Inter-Gov Agreements	120	-0-	5,319	5,439	3,478	1,688	-0-	273
Groundwater Recharge Projects	114	-0-	31	145	47	2	-0-	96
Habitat Mitigation	529	-0-	346	875	59	268	-0-	548
Hazardous Waste - Beatty Site	1,345	-0-	1,650	2,995	145	1,112	-0-	1,738
Hazardous Waste Management	8,875	-0-	5,000	13,875	1,315	1,251	-0-	11,309
Honey Lake Valley	12	-0-	5	17	4	2	-0-	11

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

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Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Humboldt Water District	\$ 111	\$ -0-	\$ 195	\$ 306	\$ 147	\$ 35	\$ -0-	\$ 124
Imlay Groundwater	-0-	-0-	5	5	-0-	2	-0-	3
Kelly Creek Groundwater	-0-	-0-	7	7	2	5	-0-	-0-
Kingston Creek	3	-0-	-0-	3	-0-	-0-	-0-	3
Las Vegas Basin Water Dist	457	-0-	1,070	1,527	491	-0-	-0-	1,036
Lemon Valley	16	-0-	8	24	12	-0-	-0-	12
Little Humboldt River	-0-	-0-	20	20	-0-	-0-	-0-	20
Lower Reese River Valley	-0-	-0-	11	11	1	1	-0-	9
Maggie Creek	-0-	-0-	12	12	1	1	-0-	10
Mason Valley Ground Water	18	-0-	7	25	11	2	-0-	12
Mining Cooperative Fund	43	-0-	100	143	113	-0-	-0-	30
Muddy River	23	-0-	9	32	10	-0-	-0-	22
Muddy River Springs	16	-0-	2	18	4	-0-	-0-	14
Natural Heritage	101	37	306	444	249	128	16	51
Nevada Tahoe Regional Planning	1	2	10	13	5	7	1	-0-
North Fork Ground Water	-0-	-0-	1	1	-0-	1	-0-	-0-
Pahrnatagat Lake	24	-0-	21	45	24	-0-	-0-	21
Pahrump Artesian Basin	24	-0-	15	39	15	-0-	-0-	24
Paradise Valley Groundwater	8	-0-	3	11	3	-0-	-0-	8
Pleasant Valley	-0-	-0-	2	2	1	-0-	-0-	1
Pumpnickel Valley	1	-0-	-0-	1	-0-	-0-	-0-	1
Quinn River Distribution	-0-	-0-	4	4	-0-	1	-0-	3
Smith Valley Artesian Basin	19	-0-	5	24	11	-0-	-0-	13
State Lands	24	545	81	650	624	21	5	-0-
State Parks	1,418	3,026	3,039	7,483	6,154	283	37	1,009
Steptoe Valley Water Basin	30	-0-	4	34	2	-0-	-0-	32
Storage Tank Management	293	-0-	500	793	-0-	499	-0-	294
Tahoe Bond Sale	2,451	-0-	230	2,681	75	18	-0-	2,588
Tahoe Mitigation	981	-0-	300	1,281	29	241	-0-	1,011
Tahoe Regional Planning Agency	-0-	898	169	1,067	1,068	-0-	-0-	(1)
Tahoe Water System	25	-0-	402	427	119	59	-0-	249
Truckee Meadows/Sun Valley	-0-	-0-	15	15	3	8	-0-	4
Upper White River	14	-0-	3	17	-0-	-0-	-0-	17
USGS Co-op	295	-0-	1,506	1,801	742	705	-0-	354
Warm Springs Ground Water	14	-0-	3	17	1	1	-0-	15
Warm Springs/Winnemucca Creek	52	-0-	-0-	52	1	-0-	-0-	51
Water and Mining	705	327	5,944	6,976	4,199	1,858	-0-	919
Water Dist Rev Fund	28	-0-	2	30	1	-0-	-0-	29
Waste Mgt & Fed Facilities	1,407	-0-	8,057	9,464	6,106	2,978	-0-	380
Water Planning	97	307	41	445	351	9	16	69
Water Planning - Cap Improvement	96	-0-	274	370	64	136	53	117
Water Resources	63	3,165	713	3,941	3,721	55	14	151
Water Resources Legal Costs	282	-0-	50	332	46	-0-	-0-	286
Water Rights Surveyors	46	-0-	10	56	16	1	-0-	39
Well Driller's License	29	-0-	36	65	46	1	-0-	18
Whirlwind Valley	-0-	-0-	2	2	1	1	-0-	-0-
Wildlife	837	639	14,420	15,896	13,536	1,126	-0-	1,234
Wildlife-Boating Program	1,585	-0-	3,682	5,267	3,231	162	-0-	1,874
Wildlife-Heritage	-0-	-0-	638	638	-0-	334	-0-	304
Wildlife-Obligated Reserve	1,621	-0-	310	1,931	239	68	-0-	1,624
Wildlife-Trout Management	437	-0-	461	898	447	-0-	-0-	451
Total Infrastructure	28,776	17,336	67,900	114,012	64,086	17,414	818	31,694
SPECIAL PURPOSE AGENCIES								
Military								
Adjutant General Construction	38	-0-	1,070	1,108	390	624	-0-	94
Military	44	1,272	2,760	4,076	3,418	191	265	202
National Guard Benefits	-0-	73	-0-	73	73	-0-	-0-	-0-
Civil Air Patrol	-0-	-0-	85	85	78	-0-	-0-	7
Total Special Purpose Agencies	82	1,345	3,915	5,342	3,959	815	265	303
APPROPRIATED TRANSFERS OUT								
Class Size Reduction	-0-	27,726	-0-	27,726	27,726	-0-	-0-	-0-
General Services	-0-	9,741	-0-	9,741	6,291	-0-	-0-	3,450
Highway Fund - Administration	-0-	1,500	-0-	1,500	1,500	-0-	-0-	-0-
Highway Fund - Admin Svcs	-0-	43	-0-	43	43	-0-	-0-	-0-

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All General Fund Budgets

Exhibit I-1

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

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Department	Balances Forwarded	Appro- priations	Other Author- izations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Highway Fund - Director's Office	\$ -0-	\$ 53	\$ -0-	\$ 53	\$ 53	\$ -0-	\$ -0-	\$ -0-
Highway Fund - Drivers License	-0-	32	-0-	32	32	-0-	-0-	-0-
Highway Patrol	-0-	421	-0-	421	421	-0-	-0-	-0-
Information Services	-0-	56	-0-	56	56	-0-	-0-	-0-
Interim Finance Committee	-0-	8,225	-0-	8,225	8,225	-0-	-0-	-0-
Legislative Counsel Bureau	-0-	11,740	-0-	11,740	11,740	-0-	-0-	-0-
Legislative Interim	-0-	250	-0-	250	250	-0-	-0-	-0-
Museums & History	-0-	300	-0-	300	300	-0-	-0-	-0-
Stabilization of Budget	-0-	23,392	-0-	23,392	23,392	-0-	-0-	-0-
WICHE Loan & Stipend	-0-	308	-0-	308	308	-0-	-0-	-0-
Total Appropriated Transfers Out	-0-	83,787	-0-	83,787	80,337	-0-	-0-	3,450
TOTAL GENERAL FUND	\$ 314,014	\$ 886	\$ 2,335,210	\$ 2,650,110	\$ 2,246,955	\$ 2,912	\$ (486)	\$ 400,728

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

Exhibit I-2

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Page 1 of 3

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
State Highway								
<i>Finance and Administration</i>								
Unrestricted	\$ 73,212	\$ (414,726)	\$ 341,514	\$ -0-	\$ -0-	\$ (42,107)	\$ (46,851)	\$ 88,958
Prior year adj	-0-	-0-	-0-	-0-	(7,639)	-0-	7,639	-0-
Unbudgeted activity	-0-	-0-	-0-	-0-	183	(250)	68	(1)
Appropriations to other funds	11,947	2,018	-0-	13,965	3,518	-0-	-0-	10,447
Salary Adjustment	-0-	3,342	(3,233)	109	-0-	-0-	-0-	109
Sub-total	85,159	(409,366)	338,281	14,074	(3,938)	(42,357)	(39,144)	99,513
Public Safety								
Administrative Services	595	6,920	128	7,643	7,397	3	200	43
Automation	-0-	2,863	281	3,144	2,738	74	332	-0-
Bicycle Safety Program	43	-0-	288	331	176	18	-0-	137
Director's Office - DMV/PS	-0-	1,572	49	1,621	1,605	-0-	15	1
DMV Hwy Safety Grants Acct	7	-0-	1,132	1,139	717	342	-0-	80
Drivers License	-0-	7,301	864	8,165	7,746	92	327	-0-
Hazardous Materials	-0-	939	71	1,010	986	12	12	-0-
Hearings-DMV & PS	-0-	523	25	548	543	5	-0-	-0-
Highway Patrol	76	28,542	3,688	32,306	31,467	118	721	-0-
Motor Carrier	-0-	2,034	332	2,366	2,130	-0-	234	2
Motorcycle Safety Program	329	-0-	231	560	186	77	-0-	297
Records Search	50	-0-	4,543	4,593	619	206	3,717	51
Registration	-0-	3,273	8,661	11,934	10,555	133	1,248	(2)
Verification of Insurance	500	-0-	3,050	3,550	971	1,833	246	500
Sub-total	1,600	53,967	23,343	78,910	67,836	2,913	7,052	1,109
Infrastructure								
Bond Construction	34,829	-0-	-0-	34,829	34,829	-0-	-0-	-0-
Sound Barrier	-0-	620	-0-	620	-0-	-0-	-0-	620
Transportation Administration	137	356,828	1,174	358,139	325,057	2	32,067	1,013
Sub-total	34,966	357,448	1,174	393,588	359,886	2	32,067	1,633
Debt Service Transfers								
Debt Service	-0-	-0-	34,842	34,842	34,842	-0-	-0-	-0-
Total State Highway	121,725	2,049	397,640	521,414	458,626	(39,442)	(25)	102,255
Class Size Reduction								
<i>Education</i>								
Class Size Reduction	8,540	27,726	18,876	55,142	43,577	-0-	-0-	11,565
Total	8,540	27,726	18,876	55,142	43,577	-0-	-0-	11,565
Employment Security								
<i>Human Services</i>								
Claimant Employment Program	3,407	-0-	7,083	10,490	3,974	591	-0-	5,925
Employment Security	14	-0-	28,084	28,098	26,472	1,609	-0-	17
Emp. Sec. Special Fund	6,162	-0-	1,198	7,360	144	72	-0-	7,144
Total	9,583	-0-	36,365	45,948	30,590	2,272	-0-	13,086
Workers' Compensation & Safety								
<i>Commerce and Industry</i>								
Unrestricted	10,638	(8,256)	19,336	21,718	10,940	(205)	(876)	11,859
Enforcement - Industrial Safety	-0-	2,283	1,049	3,332	3,115	38	179	-0-
Industrial Relations	-0-	3,560	-0-	3,560	3,241	-0-	319	-0-
Insurance Insolvency Fund	3,121	-0-	552	3,673	7	7	-0-	3,659
Mine Inspection	11	578	93	682	651	12	19	-0-
Preventative Safety	-0-	1,568	272	1,840	1,504	-0-	336	-0-
Self-Insured Insolvency	-0-	-0-	75	75	-0-	53	-0-	22
Self-Insured Workers Comp	-0-	267	48	315	291	1	23	-0-
Total	13,770	-0-	21,425	35,195	19,749	(94)	-0-	15,540
Cleaning Up Petroleum Discharges								
<i>Infrastructure</i>								
Petroleum Clean-Up Trust Fund	972	-0-	9,685	10,657	9,700	414	-0-	543
Total	972	-0-	9,685	10,657	9,700	414	-0-	543

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

Exhibit I-2

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Page 2 of 3

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Hospital Care to Indigent Persons								
<i>Finance and Administration</i>								
Indigent Accident Account	\$ 3,084	\$ -0-	\$ 5,320	\$ 8,404	\$ 5,033	\$ -0-	\$ -0-	\$ 3,371
Supplemental Fund-Indigents	130	-0-	3,080	3,210	2,988	50	-0-	172
Total	3,214	-0-	8,400	11,614	8,021	50	-0-	3,543
Tourism Promotion								
<i>Commerce and Industry</i>								
Commission on Tourism	2,410	-0-	7,529	9,939	6,692	17	-0-	3,230
Total	2,410	-0-	7,529	9,939	6,692	17	-0-	3,230
Offenders' Store								
<i>Public Safety</i>								
Offenders' Store Fund	572	-0-	8,002	8,574	5,830	1,076	-0-	1,668
Total	572	-0-	8,002	8,574	5,830	1,076	-0-	1,668
Colorado River Commission								
<i>Infrastructure</i>								
Colorado River Commission	701	-0-	952	1,653	549	414	-0-	690
CRC Research & Development	397	-0-	322	719	258	219	-0-	242
Fort Mojave Development Fd	4,161	-0-	15,145	19,306	1,128	14,858	-0-	3,320
Total	5,259	-0-	16,419	21,678	1,935	15,491	-0-	4,252
Legislative								
<i>Constitutional Agencies</i>								
Audit Contingency Account	33	-0-	104	137	104	-0-	-0-	33
Legislative Counsel Bureau	4,805	11,740	1,449	17,994	14,435	41	-0-	3,518
Legislative Counsel Expansion	16,029	-0-	-0-	16,029	2,981	-0-	-0-	13,048
Nevada Legislative Interim	-0-	250	-0-	250	246	-0-	-0-	4
Total	20,867	11,990	1,553	34,410	17,766	41	-0-	16,603
Higher Educ. Capital Construction								
<i>Finance and Administration</i>								
Higher Education Capital Construction	-0-	-0-	5,000	5,000	5,000	-0-	-0-	-0-
Higher Education Special Construction	12,145	-0-	10,151	22,296	10,384	217	-0-	11,695
Total	12,145	-0-	15,151	27,296	15,384	217	-0-	11,695
Municipal Bond Bank								
<i>Constitutional Agencies</i>								
Municipal Bond Bank Revenue	49	-0-	32,829	32,878	32,318	-0-	-0-	560
Sub-total	49	-0-	32,829	32,878	32,318	-0-	-0-	560
<i>Commerce and Industry</i>								
Water Projects, Int/Redemp	7	-0-	557	564	557	-0-	-0-	7
Sub-total	7	-0-	557	564	557	-0-	-0-	7
<i>Infrastructure</i>								
Grants to Water Purveyors	7,288	-0-	11,489	18,777	4,265	-0-	-0-	14,512
State Revolving Fund	4,760	-0-	28,185	32,945	17,251	3,927	-0-	11,767
Sub-total	12,048	-0-	39,674	51,722	21,516	3,927	-0-	26,279
Total Municipal Bond Bank	12,104	-0-	73,060	85,164	54,391	3,927	-0-	26,846
Contingency								
<i>Constitutional Agencies</i>								
Interim Finance Committee	9,770	8,225	126	18,121	2,974	5	-0-	15,142
Total	9,770	8,225	126	18,121	2,974	5	-0-	15,142
Care of Sites-Radioact. Waste Disp.								
<i>Human Services</i>								
Radioactive Material Disposal	7,986	-0-	1,202	9,188	256	341	-0-	8,591
Total	7,986	-0-	1,202	9,188	256	341	-0-	8,591

STATE OF NEVADA

Schedule of Departmental Resources and Uses, Non-GAAP Budgetary Basis All Special Revenue Fund Budgets

Exhibit I-2

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

Page 3 of 3

Department	Balances Forwarded	Appropriations	Other Authorizations	Total Spending Authority	Expenditures and Transfers	Unrealized Spending Authority	Lapsed Spending Authority	Balances Forward to New Year
Regulatory								
<i>Commerce and Industry</i>								
Administrative Fees	\$ 6	\$ -0-	\$ 41	\$ 47	\$ 8	\$ 36	\$ -0-	\$ 3
Dairy Commission	309	-0-	982	1,291	1,055	1	-0-	235
Gaming Investigation Revolving	2	-0-	5,108	5,110	4,070	160	878	2
Insurance Examiners	685	-0-	3,364	4,049	3,067	6	306	670
Manufactured Housing	212	-0-	738	950	571	3	-0-	376
Mfg Housing - Educ/Recovery	687	-0-	102	789	48	-0-	-0-	743
Mobile Home Parks	2	-0-	156	158	127	4	-0-	27
Real Estate Educ & Research	796	-0-	-0-	796	336	-0-	-0-	460
Real Estate Recovery Account	50	-0-	378	428	29	42	-0-	357
Regulatory Fund	1,063	1,038	7,317	9,418	8,280	208	-0-	930
Taxicab Authority	1,622	-0-	3,139	4,761	3,018	-0-	-0-	1,743
Total	5,434	1,038	21,325	27,797	20,607	460	1,184	5,546
Stabilization								
<i>Constitutional Agencies</i>								
Stabilization of State Government	-0-	100,000	-0-	100,000	-0-	-0-	-0-	100,000
Total	-0-	100,000	-0-	100,000	-0-	-0-	-0-	100,000
Miscellaneous Special Revenue								
<i>Constitutional Agencies</i>								
Consumer Advocate	419	-0-	1,379	1,798	1,314	94	-0-	390
Judicial College	3,750	-0-	237	3,987	237	-0-	-0-	3,750
Juvenile and Family Law College	1,250	-0-	79	1,329	79	-0-	-0-	1,250
Private Investigators Licensing Bd	143	-0-	234	377	248	-0-	-0-	129
Racketeering-Prosecution Acct	5	-0-	-0-	5	-0-	-0-	-0-	5
Unfair Trade Practices	29	-0-	50	79	4	48	-0-	27
Sub-total	5,596	-0-	1,979	7,575	1,882	142	-0-	5,551
<i>Finance and Administration</i>								
Public Works Inspection	16	-0-	2,426	2,442	2,210	211	-0-	21
Victims of Crime	2,699	-0-	1,813	4,512	2,300	191	-0-	2,021
Sub-total	2,715	-0-	4,239	6,954	4,510	402	-0-	2,042
<i>Education</i>								
Museums & History	-0-	300	-0-	300	-0-	-0-	-0-	300
W.I.C.H.E. Loan & Stipend	380	308	459	1,147	767	6	86	288
Sub-total	380	608	459	1,447	767	6	86	588
<i>Commerce and Industry</i>								
Lot Rent Trust Subsidy	341	-0-	376	717	360	3	-0-	354
Rural Rehabilitation Trust	76	-0-	61	137	52	16	-0-	69
Sub-total	417	-0-	437	854	412	19	-0-	423
<i>Human Services</i>								
Alcohol Tax Program	84	-0-	646	730	674	-0-	-0-	56
Blind Gift Fund	74	-0-	40	114	35	32	-0-	47
CBS Washoe Gift Fund	6	-0-	7	13	5	-0-	-0-	8
Children's Home Gift Fund	439	-0-	45	484	25	24	-0-	435
CYC Gift Fund	3	-0-	3	6	2	1	-0-	3
Handicapped Comm Gift Fund	15	-0-	31	46	23	-0-	-0-	23
Health Division Gifts	28	-0-	13	41	10	10	-0-	21
Henry Woods Christmas Fund	-0-	-0-	6	6	-0-	-0-	-0-	6
Hospital Gift Fund	205	-0-	22	227	6	9	-0-	212
NNMRS Gift Fund	8	-0-	2	10	1	1	-0-	8
Rehabilitation Gift Fund	1	-0-	4	5	-0-	4	-0-	1
SNMRS Gift Fund	3	-0-	10	13	-0-	9	-0-	4
Substance Abuse Ed, Prv, Enf, Trt	27	-0-	-0-	27	6	-0-	-0-	21
Welfare Gift Fund	11	-0-	-0-	11	3	-0-	-0-	8
Youth Training Center Gift Fund	11	-0-	5	16	1	4	-0-	11
Sub-total	915	-0-	834	1,749	791	94	-0-	864
Total Misc Special Revenue	10,023	608	7,948	18,579	8,362	663	86	9,468
Total Special Revenue Funds	\$ 244,374	\$ 151,636	\$ 644,706	\$ 1,040,716	\$ 704,460	\$ (14,562)	\$ 1,245	\$ 349,573

STATE OF NEVADA

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

Exhibit I-3

Page 1 of 2

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	State Highway			Class-size Reduction		
Fund balances, July 1	\$ 121,802	\$ 121,802	\$ -0-	\$ 8,540	\$ 8,540	\$ -0-
Revenues:						
Federal	139,242	120,390	(18,852)	-0-	-0-	-0-
Other taxes	183,633	192,432	8,799	-0-	-0-	-0-
Sales, charges for services	12,633	9,854	(2,779)	-0-	-0-	-0-
Licenses, fees and permits	80,668	97,375	16,707	-0-	-0-	-0-
Interest	8,565	9,147	582	1,170	1,170	-0-
Other	9,012	7,807	(1,205)	-0-	-0-	-0-
Other financing sources:						
Transfer from other funds	2,049	2,049	-0-	45,432	45,432	-0-
Reversions from other funds	-0-	90	90	-0-	-0-	-0-
Total sources	\$ 557,604	\$ 560,946	\$ 3,342	\$ 55,142	\$ 55,142	\$ -0-
	Employment Security			Regulatory		
Fund balances, July 1	\$ 9,583	\$ 9,583	\$ -0-	\$ 5,432	\$ 5,432	\$ -0-
Revenues:						
Gaming taxes, fees, licenses	-0-	-0-	-0-	5,108	4,940	(168)
Federal	27,853	25,981	(1,872)	127	133	6
Other taxes	6,521	6,307	(214)	6,637	6,481	(156)
Sales, charges for services	-0-	425	425	16	17	1
Licenses, fees and permits	-0-	-0-	-0-	7,749	7,696	(53)
Interest	478	388	(90)	122	128	6
Other	808	808	-0-	1,420	1,378	(42)
Other financing sources:						
Transfer from other funds	705	184	(521)	1,183	1,130	(53)
Total sources	\$ 45,948	\$ 43,676	\$ (2,272)	\$ 27,794	\$ 27,335	\$ (459)
	Legislative			Municipal Bond Bank		
Fund balances, July 1	\$ 20,867	\$ 20,867	\$ -0-	\$ 12,033	\$ 12,033	\$ -0-
Revenues:						
Federal	-0-	-0-	-0-	7,836	4,094	(3,742)
Sales, charges for services	810	823	13	-0-	-0-	-0-
Interest	-0-	-0-	-0-	36,010	35,973	(37)
Other	370	357	(13)	2,658	2,586	(72)
Other financing sources:						
Proceeds from sales of bonds	-0-	-0-	-0-	26,626	26,550	(76)
Transfer from other funds	12,363	12,322	(41)	-0-	-0-	-0-
Total sources	\$ 34,410	\$ 34,369	\$ (41)	\$ 85,163	\$ 81,236	\$ (3,927)
	Workers' Compensation and Safety			Higher Education Capital Construction		
Fund balances, July 1	\$ 13,770	\$ 13,770	\$ -0-	\$ 12,146	\$ 12,146	\$ -0-
Revenues:						
Gaming taxes, fees, licenses	-0-	-0-	-0-	15,150	14,934	(216)
Federal	1,250	1,208	(42)	-0-	-0-	-0-
Other taxes	19,106	17,112	(1,994)	-0-	-0-	-0-
Sales, charges for services	-0-	3	3	-0-	-0-	-0-
Licenses, fees and permits	199	191	(8)	-0-	-0-	-0-
Interest	427	1,107	680	-0-	-0-	-0-
Other	443	1,283	840	-0-	-0-	-0-
Other financing sources:						
Reversion from other funds	-0-	615	615	-0-	-0-	-0-
Total sources	\$ 35,195	\$ 35,289	\$ 94	\$ 27,296	\$ 27,080	\$ (216)

STATE OF NEVADA

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

Exhibit I-3

Page 2 of 2

For the Fiscal Year Ended June 30, 1996 (Expressed in Thousands)

	Final Budget	Actual	Variance	Final Budget	Actual	Variance
	Cleaning Up Petroleum Discharges			Hospital Care to Indigent Persons		
Fund balances, July 1	\$ 972	\$ 972	\$ -0-	\$ 3,214	\$ 3,214	\$ -0-
Revenues:						
Other taxes	9,000	8,937	(63)	7,823	7,721	(102)
Licenses, fees and permits	235	224	(11)	-0-	-0-	-0-
Interest	350	96	(254)	238	290	52
Other	100	14	(86)	339	339	-0-
Total sources	\$ 10,657	\$ 10,243	\$ (414)	\$ 11,614	\$ 11,564	\$ (50)
	Tourism Promotion			Offenders' Store		
Fund balances, July 1	\$ 2,408	\$ 2,408	\$ -0-	\$ 572	\$ 572	\$ -0-
Revenues:						
Other taxes	7,427	7,411	(16)	-0-	-0-	-0-
Sales, charges for services	5	4	(1)	7,968	6,728	(1,240)
Licenses, fees and permits	73	73	-0-	-0-	-0-	-0-
Interest	-0-	-0-	-0-	26	68	42
Other	1	1	-0-	9	130	121
Other financing sources:						
Transfer from other funds	24	24	-0-	-0-	-0-	-0-
Total sources	\$ 9,938	\$ 9,921	\$ (17)	\$ 8,575	\$ 7,498	\$ (1,077)
	Colorado River Commission			Contingency		
Fund balances, July 1	\$ 5,259	\$ 5,259	\$ -0-	\$ 9,770	\$ 9,770	\$ -0-
Revenues:						
Sales, charges for services	1,241	569	(672)	-0-	-0-	-0-
Interest	152	334	182	-0-	-0-	-0-
Other	15,026	25	(15,001)	-0-	-0-	-0-
Other financing sources:						
Transfer from other funds	-0-	-0-	-0-	8,276	8,276	-0-
Reversion from other funds	-0-	-0-	-0-	75	71	(4)
Total sources	\$ 21,678	\$ 6,187	\$ (15,491)	\$ 18,121	\$ 18,117	\$ (4)
	Care of Sites for Radioactive Waste Disposal			Stabilize the Operations of State Government		
Fund balances, July 1	\$ 7,986	\$ 7,986	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Revenues:						
Licenses, fees and permits	676	348	(328)	-0-	-0-	-0-
Interest	525	512	(13)	-0-	-0-	-0-
Other	-0-	-0-	-0-	-0-	100,000	100,000
Total sources	\$ 9,187	\$ 8,846	\$ (341)	\$ -0-	\$ 100,000	\$ 100,000
	Miscellaneous			Total Special Revenue		
Fund balances, July 1	\$ 10,020	\$ 10,020	\$ -0-	\$ 244,374	\$ 244,374	\$ -0-
Revenues:						
Gaming taxes, fees, licenses	-0-	-0-	-0-	20,258	19,875	(383)
Federal	-0-	-0-	-0-	176,308	151,806	(24,502)
Other taxes	646	646	-0-	240,793	247,048	6,255
Sales, charges for services	-0-	-0-	-0-	22,674	18,424	(4,250)
Licenses, fees and permits	4,321	3,843	(478)	93,922	109,750	15,828
Interest	383	684	301	48,447	49,898	1,451
Other	742	643	(99)	30,926	115,373	84,447
Other financing sources:						
Proceeds from sale of bonds	-0-	-0-	-0-	26,626	26,550	(76)
Transfer from other funds	2,148	1,991	(157)	72,179	71,408	(771)
Reversions from other funds	-0-	-0-	-0-	75	775	700
Total sources	\$ 18,260	\$ 17,827	\$ (433)	\$ 976,582	\$ 1,055,281	\$ 78,699



Faculty Development

Monies gifted to the college by hospitality corporations are used each year to enable College faculty to travel to attend professional conferences and meetings. The ability to provide financial support so that College faculty can keep in touch with their counterparts in industry is key to the College's success as a leader in hospitality education.



Alumni

Approximately 3,500 students have graduated from the College during the past 29 years. These alumni hold a variety of impressive industry positions not only in Las Vegas, but worldwide. The College keeps in close contact with its alumni through bimonthly newsletters. The College also hosts alumni receptions at the International Hotel, Motel, Restaurant Show held in New York City and the National Restaurant Show held in Chicago.



The UNLV International Gaming Institute

The UNLV International Gaming Institute utilizes the expertise of College faculty to assist the gaming industry with research and educational seminars. Specifically, The International Gaming Institute provides managerial training programs, seminars and research for the casino entertainment and gaming industries, gaming regulators, gaming educators, undergraduate and graduate students.

STATE OF NEVADA

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

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

General Governmental Expenditures and Other Uses by Function

Table I

Fiscal Year Ended June 30

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Expenditures:										
General government	\$ 69,328	\$ 63,117	\$ 57,746	\$ 53,925	\$ 58,806	\$ 59,379	\$ 64,123	\$ 64,525	\$ 75,742	\$ 75,770
Health, social services	338,130	383,366	384,666	463,583	594,066	863,110	909,041	864,576	994,633	1,061,930
Education and support	235,506	302,606	22,570	18,766	19,226	20,762	22,356	23,009	24,633	28,482
Law, justice, and public safety	98,930	114,847	122,121	151,654	170,611	192,550	199,261	211,015	224,281	256,015
Regulation of business	34,509	37,608	39,597	43,262	48,890	58,000	59,673	54,664	58,925	58,819
Transportation	204,030	180,055	213,566	252,439	216,554	240,888	263,996	347,064	368,040	344,183
Recreation, resource development	58,752	48,542	66,117	60,788	62,122	69,545	68,603	72,635	77,273	80,713
Intergovernmental	-	-	317,675	395,050	471,575	503,543	474,193	495,287	482,910	608,781
Capital improvements	20,304	53,177	35,225	48,719	50,249	48,645	60,887	49,871	40,548	27,932
Debt service	40,591	49,645	57,457	67,333	74,142	73,638	224,377	76,739	107,225	138,791
Other Uses:										
University	108,142	118,691	128,786	222,644	168,613	276,773	196,155	218,237	257,676	266,381
Total expenditures and other uses	\$1,208,222	\$1,351,654	\$1,445,526	\$1,778,163	\$1,934,854	\$2,406,833	\$2,542,665	\$2,477,622	\$2,711,886	\$2,947,797

General Governmental Revenues and Other Resources by Source

Table II

Fiscal Year Ended June 30

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Revenues:										
Gaming taxes	\$ 250,565	\$ 306,236	\$ 332,074	\$ 377,194	\$ 416,546	\$ 426,621	\$ 453,084	\$ 490,166	\$ 517,524	\$ 566,834
Sales taxes	191,310	216,296	246,064	297,578	307,945	310,770	343,604	402,548	446,504	502,960
Intergovernmental	294,288	288,739	320,218	365,340	421,001	562,120	645,228	709,128	836,557	877,735
Other taxes	242,118	303,289	312,918	385,815	412,159	574,685	661,839	648,390	694,031	729,808
Licenses, fees and permits	81,056	96,570	112,243	121,422	116,532	148,567	164,741	166,094	175,139	185,375
Charges for service and sales	35,852	20,796	21,734	25,004	25,564	28,440	29,579	39,657	39,751	41,458
Interest income	55,188	59,593	73,532	79,865	79,763	64,100	56,959	45,572	68,387	91,595
Other	46,624	59,185	35,738	35,439	30,652	44,601	60,125	48,797	43,159	42,699
Other Resources:										
Net proceeds from debt financing	99,824	66,137	80,126	114,702	100,293	180,216	32,006	218,632	90,093	239,531
Net operating transfers	1,062	5,267	7,624	12,742	12,338	3,740	3,816	4,153	3,274	4,829
Other	-	-	-	-	213	67	56	149	162	357
Total revenues and other resources	\$1,297,887	\$1,422,108	\$1,542,271	\$1,815,101	\$1,923,006	\$2,343,927	\$2,451,037	\$2,773,286	\$2,914,581	\$3,283,181

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

STATE OF NEVADA

State Collected Gaming Taxes and Sales Taxes Ten Largest Taxable Property Owners

(Expressed in Thousands) (Unaudited)

Table III

For the Last Ten Fiscal Years

Fiscal Year Ended June 30	GAMING TAXES			SALES TAXES			
	Gross Taxable Gaming Revenues	State Collections Gaming Taxes	State Share Gaming Taxes	Gross Taxable Sales	Gross Sales Tax Revenues	State General Fund Revenues	Sales Taxes Collected for Local Governments
1987	\$ 3,709,273	\$ 271,404	\$ 269,449	\$ 9,583,447	\$ 556,238	\$ 191,310	\$ 364,928
1988	4,073,283	308,589	306,236	10,806,016	637,992	226,983	411,009
1989	4,433,770	334,369	332,074	12,334,591	725,453	260,517	464,936
1990	4,911,178	379,561	377,194	14,091,551	832,912	297,578	535,334
1991	5,411,475	418,912	416,545	14,514,119	858,093	307,945	550,148
1992	5,570,752	428,934	426,621	14,437,144	942,850	310,770	632,080
1993	5,871,840	455,182	453,084	15,665,903	1,071,886	343,604	728,282
1994	6,397,278	498,709	490,166	18,215,224	1,245,720	402,548	842,788
1995	6,821,022	522,848	517,524	20,075,579	1,374,636	446,504	928,132
1996	7,240,837	565,921	563,198	22,222,771	1,541,703	458,336	1,083,367

Sources: Nevada Gaming Control Board
State Department of Taxation

Ten Largest Taxable Property Owners

Table IV

	Assessed Valuation	Percentage of Total Assessed Valuation	
Nevada Power Company	\$ 508,307	1.46	%
Mirage Resorts Inc. (Las Vegas)	427,301	1.23	
Sierra Pacific Power Company	421,665	1.21	
Circus Circus Properties (Reno, Las Vegas)	406,722	1.17	
Hilton Hotel Corporation - (Reno, Las Vegas)	323,419	0.93	
MGM Grand Hotel Inc. (Las Vegas)	287,089	0.83	
Howard Hughes Properties L.P. (Las Vegas)	183,557	0.53	
Caesars Palace Realty Corp. (Lake Tahoe, Las Vegas)	179,074	0.52	
Harrah's (Reno, Lake Tahoe, Las Vegas)	172,782	0.50	
Oasis Residential Inc. (Las Vegas)	169,565	0.49	
Totals	\$ 3,079,481	8.87	%

Source: Department of Taxation

STATE OF NEVADA

Average Combined Tax Rates and State Levy Assessed Value of Taxable Property

For the Last Ten Fiscal Years (Unaudited)

Average Combined Tax Rates and State Levy

Table V

Fiscal Year Ended June 30	Tax Rates Per \$100 of Assessed Value					Tax Levy State Gov't
	Clark County	Washoe County	15 Other Counties	Average Rate in State	State Gov't	
1988	2.4699	2.3284	2.0361	2.3433	0.0470	\$ 7,309,550
1989	2.5081	2.5672	2.0033	2.4140	0.0646	10,853,517
1990	2.6668	2.7704	2.2145	2.5888	0.1010	18,771,251
1991	2.6836	2.9142	2.3701	2.6634	0.1180	24,226,913
1992	2.7438	3.1609	2.4962	2.7770	0.1370	30,904,428
1993	2.7719	3.2389	2.5884	2.8277	0.1440	34,979,018
1994	2.8043	3.2863	2.5919	2.8550	0.1500	39,199,474
1995	2.8111	3.3265	2.5942	2.8661	0.1500	42,442,059
1996	2.7813	3.4140	(1) 2.5355	2.8505	0.1500	46,653,503
1997	2.7881	3.3545	2.5926	2.8580	0.1500	51,138,611

Source: Department of Taxation

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

(1) Revised

Assessed Value of Taxable Property

(Expressed in Thousands)

Table VI

Fiscal Year Ended June 30	Assessed Value (2)				Market Value
	Clark County	Washoe County	15 Other Counties	Total State	Total State
1988	8,361,685	3,934,200	3,256,351	15,552,236	44,434,960
1989	9,085,929	4,103,366	3,611,815	16,801,110	40,003,171
1990	9,980,576	4,391,118	4,213,702	18,585,396	53,101,131
1991	11,294,875	4,558,300	4,678,107	20,531,282	58,660,805
1992	12,964,606	4,700,274	4,893,097	22,557,977	64,451,362
1993	14,267,549	4,908,661	5,114,774	24,290,984	69,402,811
1994	15,574,486	5,179,851	5,378,646	26,132,983	74,665,666
1995	17,107,695	5,440,391	5,746,620	28,294,706	80,842,017
1996	18,909,831	5,863,539	6,328,966	31,102,336	88,863,817
1997	21,023,607	6,482,287	6,586,513	34,092,407	97,406,877

Source: Department of Taxation

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

STATE OF NEVADA

General Fund Expenditures and Unreserved Fund Balance Constitutional Debt Limit

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

General Fund Expenditures and Unreserved Fund Balance

Table VII

Fiscal Year Ended June 30	General Fund Expenditures	Unreserved Fund Fund Balance	"Rainy" Day (1) Fund Balance
1987	\$ 609,668	\$ 55,517	\$ -
1988	731,940	87,088	-
1989	813,089	56,618	-
1990	959,327	82,831	-
1991	1,136,595	43,393	-
1992	1,382,077	583	-
1993	1,386,788	32,732	-
1994	1,418,582	39,616	18,057
1995	1,578,382	(26,809)	100,000
1996	1,792,460	10,107	123,392

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

Constitutional Debt Limit

Table VIII

Fiscal Year Ended June 30	1 % or 2% Assessed Valuation	Obligation Payable Subject to Limit	Unused Debt Limit
1987	\$ 158,627	\$ 90,870	\$ 67,757
1988	171,357	99,605	71,752
1989	378,528	100,820	277,708
1990	418,444	204,368	214,076
1991	459,570	226,955	232,615
1992	494,964	415,050	79,914
1993	531,426	404,005	127,421
1994	574,717	423,278	151,439
1995	632,795	426,613	206,182
1996	694,581	451,567	243,014

Computation of Legal Debt Margin at June 30, 1996:

Assessed value of taxable property at June 30, 1996 (2)

\$ 34,729,065

Debt limitation (2% of assessed value)

694,581

Total general and special obligation bonded debt

\$ 1,294,536

Leases

3,287

Less obligation exempt from debt margin:

Municipal bond bank bonds

343,275

Special obligation bonds

59,820

Protection of natural resources bonds

442,661

Preservation of property bonds

500

Debt subject to debt limitation

451,567

Legal debt margin at June 30, 1996

\$ 243,014

(2) Assessed value includes redevelopment assessed value of \$636,657

STATE OF NEVADA

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

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

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

Table IX

Year Ended June 30	Principal	Interest, Fiscal Charges (1)	Total Debt Service (2)	Total General Expenditures (3)	Ratio of General to Debt Service Expenditures
1987	\$ 6,885	\$ 18,500	\$ 25,385	\$ 1,208,222	2.10
1988	9,460	23,295	32,755	1,351,654	2.42
1989	11,720	24,877	36,597	1,445,526	2.53
1990	16,425	30,585	47,010	1,778,163	2.64
1991	18,373	36,661	55,034	1,934,854	2.84
1992	19,991	35,075	55,066	2,406,833	2.29
1993	19,630	43,827	63,457	2,542,665	2.50
1994	26,195	33,159	59,354	2,477,622	2.40
1995	28,260	41,887	70,147	2,711,886	2.59
1996	47,015	55,128	102,143	2,947,797	3.47

(1) Excludes advance refunding escrow expenditures.

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

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

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

Table X

Year Ended June 30	Population	Assessed Value (1)	Gross Bonded Debt (2)	Less Debt Service Fund	Debt Payable From Fees and Enterprise Fund Revenues (3)	Net Bonded Debt	Net Bonded Debt to Assessed Value %	Net Bonded Debt Per Capita
1987	1,035	\$ 15,552,236	\$ 464,245	\$ 471	\$ 376,635	\$ 87,139	0.56	\$ 84
1988	1,096	16,801,110	464,000	1,705	360,895	101,400	0.60	93
1989	1,162	18,585,396	534,855	2,624	415,413	116,818	0.63	101
1990	1,237	20,531,282	633,783	4,693	402,540	226,550	1.10	183
1991	1,298	22,557,977	684,460	7,972	442,380	234,108	1.04	180
1992	1,344	24,290,984	826,230	14,202	387,351	424,677	1.75	316
1993	1,399	26,132,983	703,450	19,349	278,820	405,281	1.55	290
1994	1,493	28,294,706	820,906	20,331	353,256	447,319	1.58	300
1995	1,582	31,102,336	1,026,766	22,420	560,375	443,971	1.43	281
1996	1,638	34,092,407	1,234,716	26,279	716,970	491,467	1.44	300

(1) Excludes redevelopment agency valuations.

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

(3) Includes University General Obligation Bonds paid from gaming taxes; Muni Bond Bank Bonds paid by local governments; and Colorado River General Obligation Bonds paid by user fees.

STATE OF NEVADA

Revenue Bond Coverage

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

Fiscal Year Ended June 30	Gross Resources	Uses	Net Resources Available for Debt Service	Debt Service Requirements (1)			Coverage
				Principal	Interest	Total	
Highway Improvement Revenue (Motor Vehicle Fuel Tax) Bonds Coverage							Table XI
1987	\$ 268,687 (2)	\$ 229,004 (3)	\$ 39,683	\$ 12,000	\$ 2,155	\$ 14,155	2.80
1988	236,504	211,536	24,968	12,260	2,620	14,880	1.68
1989	269,592	249,901	19,691	15,760	3,349	19,109	1.03
1990	314,587	295,820	18,767	15,760	2,587	18,347	1.02
1991	282,078	264,388	17,690	15,760	1,684	17,444	1.01
1992	314,156	296,363	17,793	14,760	2,145	16,905	1.05
1993	332,174	319,761	12,413	16,220	3,115	19,335	0.64
1994	425,828	409,671	16,157	12,720	2,327	15,047	1.07
1995	499,343	440,711	58,632	30,420	5,440	35,860	1.64
1996	463,447	413,941	49,506	30,420	4,929	35,349	1.40

Mortgage Revenue Bond Coverage (Housing Division Revenues)							Table XII
1987	\$ 97,007 (4)	\$ 3,655 (3)	\$ 93,352	\$ 38,566	\$ 55,805	\$ 94,371	0.99
1988	85,970	5,050	80,920	39,371	52,283	91,654	0.88
1989	93,934	3,987	89,947	38,227	50,720	88,947	1.01
1990	94,259	4,014	90,245	50,372	52,166	102,538	0.88
1991	103,442	4,372	99,070	79,950	58,221	138,171	0.72
1992	161,282	5,448	155,834	114,858	57,556	172,414	0.90
1993	168,152	8,597	159,555	87,617	51,135	138,752	1.15
1994	213,621	7,512	206,109	178,892	38,327	217,219	0.95
1995	(6) 84,281	7,511	76,770	56,462	37,327	93,789	0.82
1996	112,896	8,280	104,616	82,256	43,156	125,412	0.83

Colorado River Commission General Obligation/Revenue Bonded Debt Coverage							Table XIII
1987	\$ 9,209 (5)	\$ 3,023 (3)	\$ 6,186	\$ 1,670	\$ 4,285	\$ 5,955	1.04
1988	9,472	3,235	6,237	1,700	4,583	6,283	0.99
1989	9,944	3,657	6,287	1,805	4,462	6,267	1.00
1990	9,996	3,713	6,283	1,925	4,353	6,278	1.00
1991	10,886	4,290	6,596	2,183	4,385	6,568	1.00
1992	10,986	4,388	6,598	2,170	4,302	6,472	1.02
1993	11,915	4,411	7,504	3,020	4,514	7,534	1.00
1994	12,273	5,551	6,722	3,028	3,951	6,979	0.96
1995	14,947	7,021	7,926	3,367	5,068	8,435	0.94
1996	19,030	10,591	8,439	3,120	6,707	9,827	0.86

(1) Principal requirements represent principal outlays.

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

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

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

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

(6) Revised in 1996

STATE OF NEVADA

Disposable Per Capita Income Population

(Unaudited)

Disposable Per Capita Income

Table XIV

Calendar Year	United States	California	Nevada	Nevada's Per Capita as % of U.S. Per Capita	Nevada's Per Capita Rank
1970	\$ 3,484	\$ 4,131	\$ 4,425	127%	5
1980	8,424	9,876	9,714	115	5
1986	12,489	14,384	13,179	106	12
1987	13,143	15,138	13,896	106	11
1988	14,457	16,131	15,533	107	11
1989 *	15,722	17,250	16,508	105	9
1990 *	16,642	18,313	17,443	105	15
1991 *	17,161	18,615	17,941	105	13
1992 *	18,034	19,390	18,866	105	14
1993 *	18,551	19,571	19,386	105	8
1994 *	19,241	19,929	20,350	106	8
1995	20,189	20,970	21,065	104	10

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

* Revised in 1996

Population

Table XV

Year	Clark County	Washoe County	15 Other Counties	Total State
1970	273,288	121,068	94,382	488,738
1980	463,087	193,623	143,798	800,508
1987	616,650	238,360	179,980	1,034,990
1988	661,690	244,890	189,420	1,096,000
1989	708,750	251,580	202,010	1,162,340
1990	770,280	257,120	209,500	1,236,900
1991	820,840	262,260	214,810	1,297,910
1992	856,350	265,660	221,930	1,343,940
1993	898,020	271,770	228,970	1,398,760
1994	971,680	282,630	238,690	1,493,000
1995	1,038,180	294,290	249,810	1,582,280
1996	1,082,667	298,356	256,992	1,638,015

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

STATE OF NEVADA

Public School Enrollment University and Community College Enrollment

Last Ten Fiscal Years (Unaudited)

Public School Enrollment

Table XVI

	Fall Enrollment						
	Grades			Counties			
	Primary (K - 6)	Secondary (7 - 12)	Total	Clark	Washoe	All Others	Total
1987	94,241	74,112	168,353	100,027	34,538	33,788	168,353
1988	101,476	74,998	176,474	105,151	35,183	36,140	176,474
1989	110,301	76,533	186,834	111,460	36,662	38,712	186,834
1990	119,952	81,364	201,316	121,984	38,486	40,846	201,316
1991	126,555	85,255	211,810	129,233	40,028	42,549	211,810
1992	131,469	91,377	222,846	136,188	42,061	44,597	222,846
1993	138,829	96,971	235,800	145,327	43,715	46,758	235,800
1994	146,949	103,798	250,747	156,348	45,752	48,647	250,747
1995	155,492	109,549	265,041	166,788	47,572	50,681	265,041
1996	164,654	117,477	282,131	179,106	49,671	53,354	282,131

Source: Nevada Department of Education

University and Community College Enrollment

Table XVII

	Full Time Equivalent Students at Fall Enrollment								
	Universities			Community Colleges (CC)					Total
	Reno	Las Vegas	Subtotal	Southern Nevada	Great Basin	Truckee Meadows	Western Nevada	Subtotal	
1987	7,497	8,593	16,090	4,179	474	2,627	1,162	8,442	24,532
1988	7,743	9,624	17,367	4,492	538	2,883	1,372	9,285	26,652
1989	7,772	10,835	18,607	5,024	590	3,036	1,478	10,128	28,735
1990	8,299	12,141	20,440	5,402	800	3,283	1,646	11,131	31,571
1991	8,821	13,108	21,929	6,253	828	3,515	1,726	12,322	34,251
1992	9,212	12,944	22,156	7,426	933	3,718	1,765	13,842	35,998
1993	9,155	12,885	22,040	7,137	906	3,726	1,810	13,579	35,619
1994	9,392	13,211	22,603	7,111	933	3,594	1,847	13,485	36,088
1995	9,161	13,166	22,327	8,599	878	3,451	1,682	14,610	36,937
1996	9,383	13,661	23,044	10,245	1,010	3,848	1,869	16,972	40,016

Source: University and Community College System of Nevada

STATE OF NEVADA

Average Annual Employment

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

Table XVIII

Average Annual Employment

Fiscal Year Ended June 30	Labor Force Statistics				Industrial Base Statistics (2)		
	Total Nevada Labor Force	Unemployment	Unemployment Rate	U.S. Average Unemployment Rate	Total Non- Agriculture	Goods Producing	Services Producing
1987	557.0	35.0	6.3	6.2	500.2	61.5	438.7
1988	586.0	30.0	5.2	5.5	537.8	72.3	465.5
1989	602.0	30.0	5.0	5.3	581.2	84.0	497.2
1990	667.0	33.0	4.9	5.5	620.9	87.3	533.6
1991	693.0	38.0	5.5	6.7	628.7	79.0	549.7
1992	715.0	47.0	6.6	7.4	638.7	78.2	560.5
1993	746.0	54.0	7.2	6.8	670.0	88.0	582.0
1994	779.0	48.0	6.2	6.1	736.7	100.9	635.8
1995 (3)	800.9	43.2	5.4	5.6	789.1	111.8	677.3
1996 (1)	835.7	42.7	5.1	5.5	835.2	123.7	711.5

Source: Nevada Department of Employment, Training and Rehabilitation

(1) Average through August 1996.

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

(3) Revised in 1996

Our thanks and appreciation to the following for their help, cooperation and use of visual materials for the report, dividers and cover:

University of Nevada, Las Vegas

William F. Harrah College of Hotel Administration

Publications/Reprographics

Studio West Photography

Additional copies of this report may be obtained from the Nevada State Controller, Capitol Complex, Carson City, NV 89710

Prepared by: The Office of Nevada State Controller

Printing: Nevada State Printing Division

