

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2008



Henderson District Public Libraries  
Henderson, Nevada

HENDERSON DISTRICT PUBLIC LIBRARIES, NEVADA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2008

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Report Prepared By:  
Debra M. Englund  
Chief Financial Officer  
Henderson District Public Libraries  
280 South Green Valley Parkway  
Henderson, Nevada 89012

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HENDERSON DISTRICT PUBLIC LIBRARIES, NEVADA  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
FISCAL YEAR ENDED JUNE 30, 2008

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# Introductory Section



*A young library patron excitedly receives the first copy of "Harry Potter and the Deathly Hallows" at the Harry Potter Midnight Release Party at the Paseo Verde Library on July 20, 2007.*



November 7, 2008

To the Board of Trustees and the Citizens of the Henderson District Public Libraries:

We are pleased to present Henderson District Public Libraries' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2008. This report contains the financial statements and other financial information and statistical data that provide complete and full disclosure of all material aspects of the Henderson District Public Libraries (HDPL). The financial statements in this CAFR conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. We believe the information as presented is accurate in all material respects, and presents fairly the financial position and results of operations of the governmental funds of HDPL. This belief is based upon a comprehensive framework of internal controls that has been established for this purpose. We believe that all disclosures necessary to enable the reader to gain an understanding of HDPL's fiscal accountability have been included. The responsibility for the accuracy and completeness of the data presented and the fairness of the presentation rests with the management of HDPL.

Nevada Revised Statute 354.624 requires an annual audit by independent certified public accountants. The accounting firm of Kafoury, Armstrong & Co. was selected to perform the fiscal year 2008 audit and has issued an unqualified ("clean") opinion on the Henderson District Public Libraries' financial statements for the year ended June 30, 2008. The independent auditor's report is located in the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. HDPL's MD&A can be found immediately following the report of the independent auditors.

## **Profile of Henderson District Public Libraries**

### Mission

Henderson District Public Libraries seeks to cultivate a literate community by providing every citizen free access to books and information resources as well as state of the art technology that supports work, school and recreational activities.

### Background

HDPL's history begins in 1943 when a petition was formed to create the Henderson School Public Library. The petition was approved by the Board of County Commissioners, Clark County, Nevada on January 22, 1944, with a rate of ten cents for ad valorem taxes per annum fixed for the expenses.



After residing in a small storage building located on Atlantic Avenue for three years, the first real library opened on August 1, 1946, at 55 Water Street in downtown Henderson.

In an attempt to overhaul educational laws, the Henderson School Public Library became a county library district in 1956 during a special session of the Nevada Legislature. At that time, statutes providing for public libraries based on school district boundaries were replaced and county library districts were automatically established with identical boundaries.

Library district boundaries were reestablished in 1985 prior to a bond election for the Las Vegas-Clark County Library District. HDPL boundaries were not contiguous with the City of Henderson boundaries, encompassing county property to the south, east and center and excluding parts of Green Valley. Due to passage of AB44 in 2001, the area commonly known as Anthem was added to HDPL's boundaries during fiscal year 2002. In April 2005, HDPL's boundaries were adjusted again to make them contiguous with the City of Henderson boundaries. This adjustment was made possible by an interlocal agreement with the Las Vegas-Clark County Library District (LV-CCLD).

The library at 55 Water Street outgrew its facility and, in March 1989, the James I. Gibson Library opened at 280 South Water Street, adjacent to the City of Henderson government offices. This library was built with funds authorized from a statewide bond issue. It was remodeled and expanded in 1997 to encompass 16,850 square feet and today offers over 138,000 volumes.

The Pittman Library is located off Boulder Highway in Wells Park. This library opened in 1988 when the Pittman Women's Club deeded its 1,200 square foot building to the City of Henderson, which in turn leased it to the Library District. In 1996 the old building was replaced with the current facility, the Artie Cannon Building. The Library shares this building with the Boys and Girls Club and the Henderson Parks and Recreation Department in a cooperative relationship that supports special programs for children and youth. The current Pittman Library has a collection of over 4,500 items selected primarily to serve children.

In August 1995, to cope with the tremendous population growth of over 19% per year, HDPL leased a storefront library in Green Valley named Lydia Malcolm Library, in honor of the longest serving library director. In February 2005, this library was relocated and expanded to better serve our constituents. The 6,030 square foot building, to which the library was relocated, was purchased in January 2005 with a \$1.74 million general obligation note. This library emphasizes popular books and now offers over 30,000 volumes.

The Paseo Verde Library opened in August 2002. The 43,313 square foot library was built with funds saved over a six-year period and a \$1.5 million general obligation bond. This library is equipped with all the latest technological advancements and offers a collection of over 180,000 volumes.

To supplement the four physical libraries, the District purchased a bookmobile in December 2005. The bookmobile travels between 8 locations within the city and offers a rotating collection of over 2,200 items. In addition to the bookmobile, outreach services also manages 18 deposit collections in 7 senior centers and 11 day care centers and offers home delivery for homebound patrons.

### Reporting Entity

HDPL was established and operates as an independent governmental unit under authority of Nevada Revised Statutes (NRS) 379. Prior to January 2001, HDPL was governed by a five-member Board of Trustees appointed to four-year terms by the Board of County Commissioners of Clark County, Nevada. In January 2001, the City of Henderson Council appointed two additional members to three-year terms as authorized by a new interlocal agreement per NRS 379.022 subsection 6. The Board of Trustees is responsible for establishing policy and for the overall operations of HDPL maintained within the District's boundaries. HDPL currently operates four libraries – the James I. Gibson Public Library, the Lydia Malcolm Library, the Pittman Library and the Paseo Verde Library, which is the district headquarters.

HDPL is not considered a component unit of any other governmental unit under criteria established by Governmental Accounting Standards Board Statement No. 14, "*The Financial Reporting Entity.*"

### Budget

HDPL is required to adopt a final budget on or before June 1<sup>st</sup> of each year. This annual budget serves as the foundation for HDPL's financial planning and control. The budget is prepared by fund and function but management is authorized to transfer resources between functions or funds if the amounts do not exceed total appropriations for the year and the Board of Trustees is notified at the next regular meeting.

### Collection and Services

HDPL purchased and processed over 74,000 items worth \$1,633,498 in fiscal year 2008. In addition to purchased materials, HDPL continued to receive and process a large number of donated materials, including books, videos, music CD's and DVD's. The total cost of donations, if purchased, exceeded \$177,236. These donations were distributed to all of the HDPL libraries. These donations allowed HDPL to place an additional 10,444 items into the collection.

HDPL's total collection of over 400,000 volumes in books, recordings, documents, maps, videotapes, CDs, DVDs, CD-ROMs, audio books, and e-books is available to patrons in all four HDPL branches. HDPL makes an effort to collect the most current media available for the broadest scope of public access. The board has allocated an average of almost 15 percent of the annual operating budget for collection development over the last five years.

HDPL's usage continues to increase. Circulation increased from 1,068,511 in fiscal year 2007 to 1,186,113 in fiscal year 2008. New library cards issued during the fiscal year increased from 20,682 in 2007 to 21,736 in 2008. As well as serving HDPL's own citizens, HDPL serves over 4,500 patrons from other area libraries through the countywide policy of open reciprocal borrowing and library use for all patrons.

HDPL is dedicated to interlibrary cooperation and resource sharing for the benefit of all residents of Clark County and the State of Nevada. HDPL maintains memberships in nationwide resource sharing groups that deliver materials to users across the country.

## Major Initiatives

- HDPL's participation in the APPLE Partnership (All People Promoting Literacy Efforts), along with the City of Henderson and the Clark County School District, continued throughout this year. Once again children participated in the APPLE CORE program, in which they record their reading minutes during the school year to compete for an award for the school with the most reading time. This year for the first time children were able to count their attendance at library programs as part of their reading records, emphasizing the importance of library use.
- Patron self-service check-outs and renewals of materials accounted for 45% of total circulation for the year.
- A new partnership with Nevada State College in its Community Based Learning program brought approximately 125 college student volunteers to the library to complete almost 2,000 hours of work as part of their course requirements. They have also conducted a usability study of the library's web site which has resulted in important improvements.
- Henderson Libraries initiated their One Book Henderson event in the fall of 2007 with *The Five People You Meet in Heaven* by Mitch Albom. This program encourages everyone in the community to read the same book and participate in a series of related programs to unite everyone in sharing common interests. Throughout October and November book discussions, movies, panel discussions and exhibits were held related to issues raised in this book. Author visits by Deepak Chopra and Mitch Albom were major events attended by large audiences. Partially funded by an LSTA grant, along with partnerships with the city and other local entities, this program will be continued with a new book in subsequent years.
- Our first annual 5k Run (and One-Mile Walk) fundraiser took place in February of 2008. Managed by the Las Vegas Running Club, this event was held at the Gibson Library and surrounding neighborhood in downtown Henderson. Hundreds of people turned out to participate, visit vendor booths, and win sponsored prizes. This popular event resulted in over \$8,000 for consumer health materials for our public collections. Plans are already underway for another 5k run in the future.
- Customer service priorities remain high in the face of increasing usage along with limited financial resources. In February 2008, Sunday hours were eliminated, reducing costs for utilities and janitorial services, while providing increased staffing depth through the rest of the week. Circulation and general traffic seems unaffected by this decision, while staff are better able to help patrons and work on a wide variety of programs and events in the library.
- The Bright Beginnings early literacy initiative was implemented by our Outreach Department funded by an LSTA Innovation grant for \$100,000. This program ensures that all adults involved with children understand the important role they play in helping young children develop the skills needed to be successful in school, and that they have the support and information they need to fulfill this role. The initiative includes Bright Beginnings Book collections housed at partnering locations throughout Henderson, "Learn And Play" programs for parents and 0-3's, "Ready For School" programs for parents and 3-5's, workshops, and special programs all based on Nevada Pre-Kindergarten Standards. Bright Beginnings web pages point to literacy information for all ages, both locally and nationally.

## The Future

HDPL continues to work with the City of Henderson to provide library services to all areas of the City and to newly annexed areas as they are developed. In FY09, the district will develop its Strategic Priorities for the next five years. Continued strain on revenue, due to poor national and local economic conditions, places greater priority on efficiency and program evaluation. As Henderson's population continues to increase, HDPL is making a strategic shift from large fixed buildings to a warehouse/outlet model. This shift in approach will allow HDPL to be more flexible in providing library services closer to our resident populations. The next phase of this strategic shift is evident with the hybrid Heritage Senior Center Library and the proposed Galleria mall branch, each of which has been developed with a retail look and feel. The Outreach Department, through the use of the bookmobile and other programs such as Bright Beginnings, allows HDPL to take the library into the community and offer a wide array of services. HDPL has implemented Self Pickup of requested material and has also implement patron Self Check services. Additionally, HDPL seeks a transition to Automated Material Handling (AMH). This technology will allow automated check in of library materials district wide. This automation will ultimately save the district numerous staff hours and allow more productive use of staff time.

## **Economic Growth**

### Local Economy

Henderson's growth rate is testimony to the desirability of living within the City of Henderson. According to the U.S. Census Bureau, the City of Henderson was the eighth fastest growing incorporated place of 100,000 or more, with a population increase of 37.2% in the past 6 years. Henderson is known throughout the nation for premier master planned communities, outstanding parks and recreational centers, cultural activities and a rapidly growing business community.

Despite this, the local economy has taken a hard hit in 2008. The bursting of the housing bubble and high default rates on subprime mortgages has had major effects on the local economy. Nevada has one of the highest foreclosure rates in the nation, unemployment rates are up, and consumer spending is down. It is important to note that not all aspects of the economy have had negative results; commercial markets within the City of Henderson all reported strong levels of development activity and the resort and tourism industry estimates opening 40,000 hotel rooms over the next five to seven years.

### Long-term Financial Planning

- The Board of Trustees and the Department of Taxation have approved a medium term obligation issuance not to exceed \$2,075,000. The District anticipates proceeding with the issuance in January 2009. Proceeds will be used to remodel the Green Valley Library and build the relocated Gibson Library. Further details are below.
- In January 2009, HDPL will take possession of the Green Valley Library, which is located in Henderson but operated by the Las Vegas-Clark County Library District. HDPL is anticipating remodeling and equipping expenditures of approximately \$950,000, opening day collection expenditures of approximately \$1.8 million, and annual operating expenditures of approximately \$1.25 million to staff, operate, and maintain this facility. Remodeling and equipping expenditures will be paid for with bond proceeds mentioned above. The opening day collection will be paid for with existing funds.

- The Board of Trustees has approved the sale of the existing Gibson Library building to the City of Henderson for \$4 million. Proceeds from the sale will be used, along with aforementioned bond proceeds, to purchase land and build a building in a prime commercial retail outlet. The building will be larger than the existing library, will have updated technology, and will feature a drive through window for patron convenience.

Opening these facilities during the current economic downturn will be a challenge. The District has projected revenues and expenditures out for multiple years and is confident it will be able to manage through the downturn.

## **Awards and Acknowledgements**

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to HDPL for its comprehensive annual financial report for the fiscal year ended June 30, 2007. This was the eighth consecutive year that HDPL has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### Acknowledgements

The report preparation of the Comprehensive Annual Financial Report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire management staff, Finance Department staff and the staff of the independent auditors for HDPL, Kafoury, Armstrong & Co.

Thank you, the Board of Trustees, for your continued interest and support in planning and conducting the financial operations of the Henderson District Public Libraries in a responsible and progressive manner.

Cordially,



Thomas F. Fay  
Executive Director



Debra M. Englund  
Chief Financial Officer

# HENDERSON DISTRICT PUBLIC LIBRARIES

## Library Officials

### **Board of Trustees**

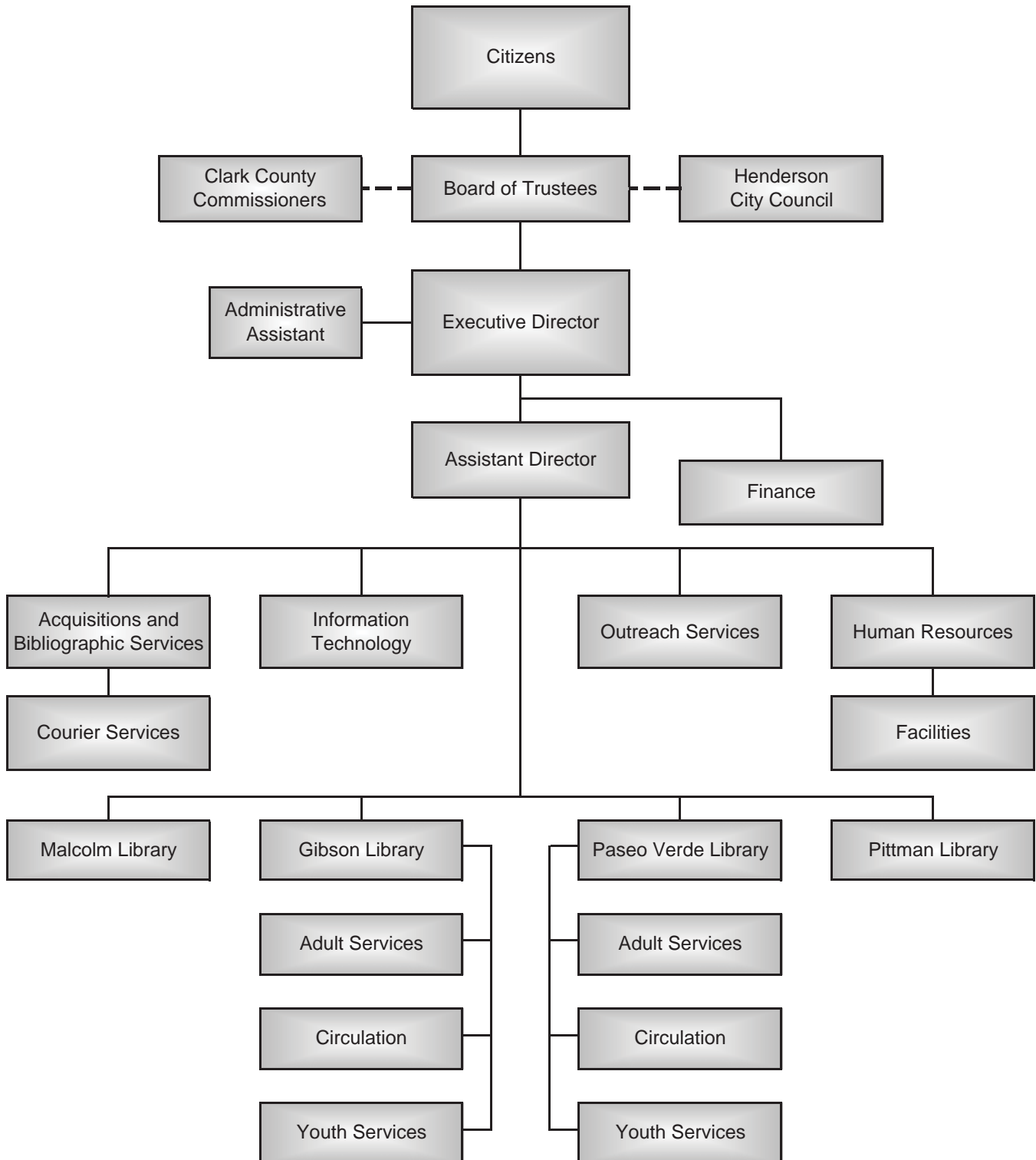
Colleen Bell	Chairman
Herb Hunter	Vice-Chairman
John Simmons	Secretary
Robyn Carr	Trustee
Richard Derrick	Trustee
Todd Hauge	Trustee

### **Administrative Staff**

Thomas F. Fay	Executive Director
Gayle M. Hornaday	Assistant Director
Debra M. Englund	Finance/Human Resources
Sean M. Hill	Information Technology
Michelle L. Mazzanti	Acquisitions & Bibliographic Services

# HENDERSON DISTRICT PUBLIC LIBRARIES

## Organizational Chart As of June 30, 2008



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Henderson District  
Public Libraries, Nevada

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2007

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



*Charles S. Cox*

President

*Jeffrey R. Emer*

Executive Director



# Financial Section



*Author Mitch Albom appeared as part of  
Henderson Libraries'  
One Book Henderson 2007  
October 14, 2007*



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

### **Independent Auditor's Report**

To the Board of Trustees of Henderson District Public Libraries  
Henderson, Nevada

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Henderson District Public Libraries as of and for the year ended June 30, 2008, which collectively comprise Henderson District Public Libraries' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Henderson District Public Libraries. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for Henderson District Public Libraries as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Contributions and Grants Special Revenue Fund, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

*Kafoury, Armstrong & Co.*

Reno, Nevada  
November 7, 2008

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

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

**Financial Highlights**

- The assets of HDPL exceeded its liabilities at June 30, 2008 by \$12,520,529 (net assets). Of this amount, \$1,954,882 (unrestricted net assets) may be used to meet HDPL's ongoing obligations to patrons and creditors.
- HDPL's total net assets increased by \$1,338,973. See the section on Government-Wide Financial Analysis for details.
- At the end of fiscal year 2008, HDPL's governmental funds had combined fund balances of \$2,562,998, an increase of \$162,721 from the previous year. This increase is due, in part, to a large bequest from a former patron. Approximately 97.2% of ending fund balances, or \$2,491,848, is available for spending at HDPL's discretion (unreserved fund balance).
- As of June 30, 2008 unreserved fund balance in the General Fund was \$848,007 or 12.2% of General Fund expenditures.

**Overview of the Financial Statements**

HDPL's basic financial statements are comprised of government-wide financial statements, fund financial statements and notes to the financial statements.

Government-Wide Financial Statements

The Statement of Net Assets combines and consolidates all of HDPL's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting. The end result is net assets that are segregated into two components: invested in capital assets, net of related debt and unrestricted net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of HDPL is improving or deteriorating.

The Statement of Activities presents information showing how HDPL's net assets changed during the most recent fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Fund Financial Statements

A fund is a self-balancing set of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. HDPL uses fund accounting to demonstrate legal compliance and to aid in financial management. HDPL uses only the governmental fund category.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

HDPL maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheets and the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, the Contributions and Grants Fund, and the Capital Construction Fund, all of which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining and individual statements and schedules elsewhere in the report.

HDPL adopts an annual appropriated budget for all its governmental funds. Budgetary comparisons for all funds have been provided to demonstrate compliance with these budgets.

Notes to the Financial Statements

The notes to the financial statements complement the financial statements by describing qualifying factors and changes throughout the fiscal year. The notes can be found on pages 11-26 of this report.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of HDPL, assets exceed liabilities by \$12,520,529 at June 30, 2008.

**HDPL's Net Assets**

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Assets:		
Current and other assets	\$ 6,944,786	\$ 2,979,346
Capital assets	<u>12,082,647</u>	<u>11,134,393</u>
Total assets	<u>19,027,433</u>	<u>14,113,739</u>
Liabilities:		
Current liabilities	4,381,788	577,554
Long-term liabilities	<u>2,125,116</u>	<u>2,354,629</u>
Total liabilities	<u>6,506,904</u>	<u>2,932,183</u>
Net assets:		
Invested in capital assets, net of related debt	10,565,647	9,319,993
Unrestricted	<u>1,954,882</u>	<u>1,861,563</u>
Total net assets	<u>\$ 12,520,529</u>	<u>\$ 11,181,556</u>

The largest portion of HDPL's net assets (84.4%) reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. Capital assets consist of land, buildings, equipment, computer equipment, furniture, leasehold improvements, vehicles and books. These assets are used to provide services to the patrons of HDPL and are not available for future spending.

The remaining portion of HDPL's net assets (15.6%) reflects unrestricted net assets that may be used to meet HDPL's ongoing obligations to patrons and creditors.

As of June 30, 2008, HDPL is able to report positive balances in both categories of net assets. The same held true for the previous fiscal year.

There was an increase of \$1,245,654 in net assets invested in capital assets net of related debt. This increase was primarily due to purchasing part of the opening day collection for the Green Valley Library. See discussion on Capital Assets below for further explanations.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

There were substantial increases in both current assets and current liabilities. This was due to receipt of \$3 million from the City of Henderson as earnest money in the sale of the Gibson Library building. The earnest money will be considered a liability until such time as the transfer of the building occurs. See Note 10 of the financial statements for more information.

**HDPL's Changes in Net Assets**

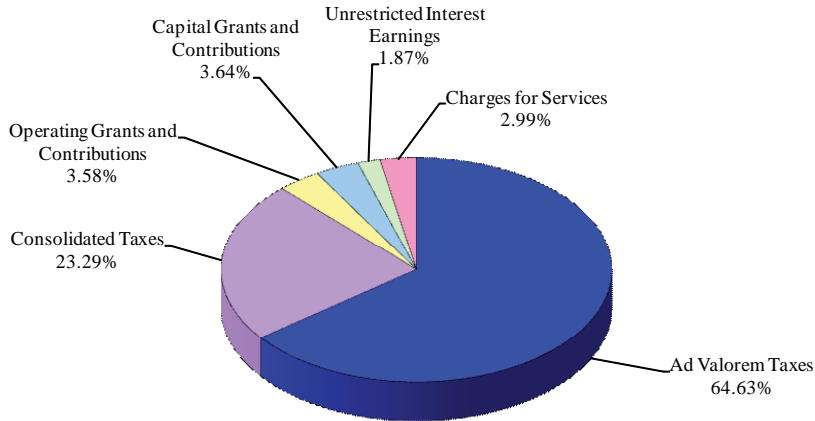
	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Revenues:		
Program Revenues		
Charges for services	\$ 276,533	\$ 287,630
Operating grants and contributions	330,608	128,155
Capital grants and contributions	336,513	276,323
General Revenues		
Ad valorem taxes	5,972,802	5,336,280
Consolidated taxes	2,151,661	2,280,042
Unrestricted investment earnings	172,362	144,842
Total revenues	<u>9,240,479</u>	<u>8,453,272</u>
Expenses:		
Culture and recreation	7,840,936	7,170,483
Interest	60,570	70,127
Total expenses	<u>7,901,506</u>	<u>7,240,610</u>
Increase in net assets	1,338,973	1,212,662
Net assets, beginning of year	<u>11,181,556</u>	<u>9,968,894</u>
Net assets, end of year	<u>\$ 12,520,529</u>	<u>\$ 11,181,556</u>

HDPL's net assets increased by \$1,338,973 during the current fiscal year. Key elements of this increase are as follows:

- Ad valorem taxes increased by \$636,522, or 11.9%, due to growth in assessed value.
- Consolidated taxes decreased by \$128,381, or 5.6%, due to a downturn in the economy.
- Interest income increased by \$27,520, or 19.0%, due to higher investment balances.
- Capital grants and contributions increased by \$60,190, or 21.8%, due in large part to a LSTA grant called Bright Beginnings. This grant was used to purchase additional library materials and a vehicle for promoting the program.
- Operating grants and contributions increased by \$202,453, or 158.0%, due to higher federal grant revenues and a large bequest from a former patron.
- Culture and recreation expenses increased by \$670,453, or 9.4%, over the last fiscal year. A portion of this increase, \$369,100, is due to increased staffing costs. The remaining portion of this increase, \$301,353, is due in large part to increased technology costs associated with the District's replacement schedule and a new telephone system and an increase in consulting fees due to outsourcing the District's marketing program.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Revenues by Source - Governmental Activities**



**Fund Financial Analysis**

As of the end of the current fiscal year, HDPL's governmental funds reported combined ending fund balances of \$2,562,998, an increase of \$162,721 from fiscal year 2007. Of the 2008 ending fund balances, \$2,491,848, or 97.2%, constitutes unreserved fund balance and is available for spending at HDPL's discretion. The remainder of fund balances is reserved for prepaid expenditures.

General Fund

The General Fund is the chief operating fund of HDPL. At the end of fiscal year 2008, the General Fund had an ending fund balance of \$872,606, of which \$848,007 was unreserved.

The General Fund's fund balance decreased by \$423,104 during the current fiscal year. Key factors for this decrease are as follows:

- Ad valorem taxes increased by \$636,522, or 11.9%, due in part to new construction.
- Consolidated taxes decreased by \$128,381, or 5.6%, due to the recent economic downturn.
- Investment income decreased by \$18,058 due to lower investment balances.
- General Fund expenditures increased by \$299,560. Of this, an increase of \$361,084 is attributed to staffing costs, an increase of \$107,965 is attributed primarily to contract services for janitorial services, marketing, and the operation of the Green Valley Library, and a decrease of \$169,489 is attributed to decreased capital asset and library material outlays.
- An increase in the transfer to the Capital Construction Fund of \$472,607. These funds are being set aside for the remodel and opening day collection of the Green Valley Library.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Contributions and Grants Fund

The Contributions and Grants Fund has a fund balance of \$302,343 at the end of fiscal year 2008. This is an increase of \$200,249 over the previous fiscal year.

Capital Construction Fund

The Capital Construction Fund has a fund balance of \$1,273,657 at the end of fiscal year 2008, an increase of \$399,855 over the previous fiscal year. These funds are being set aside for the remodel and opening day collection for the Green Valley Library, which HDPL will receive from the Las Vegas-Clark County Library District in January 2009.

General Fund Budgetary Highlights

The original fiscal year 2008 budget was approved May 17, 2007. State regulations require budget controls to be exercised at the function level. Although function-level control is what is required, HDPL management exercises control at the object level.

Pursuant to NRS 354.598005, HDPL may transfer appropriations between funds, if such a transfer does not increase the total appropriation for any fiscal year. HDPL did not do such an amendment in fiscal year 2008; therefore, the original budget is also the final budget.

The final budget projected ad valorem taxes and consolidated tax, which account for 97.9% of the District's total revenue, to be \$6,548,638 and \$2,399,889 respectively. Due to the recent economic downturn that severely affected the local housing market, actual tax revenues were much lower than projected. Ad valorem tax revenue came in at \$5,972,802, a decrease of \$575,836 or 8.8%. Consolidated tax revenues came in at \$2,151,661, a decrease of \$248,228 or 10.3%.

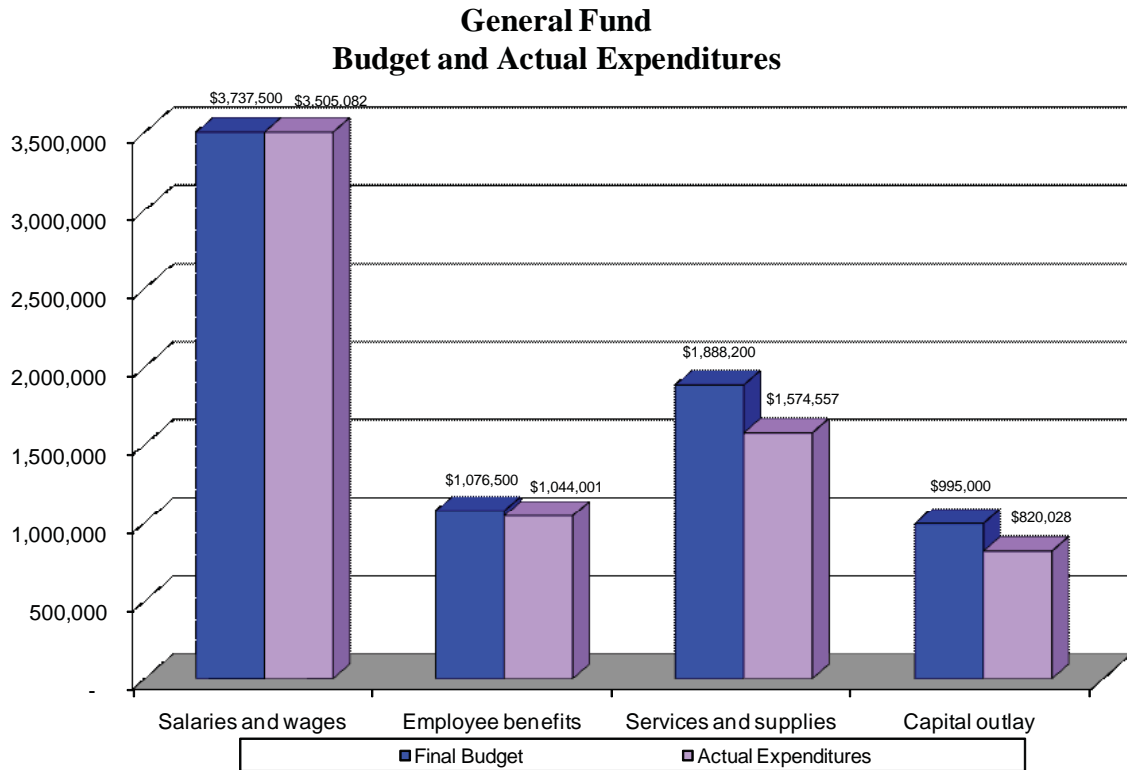
The District responded to the decrease in revenues by reducing expenditures. Actual expenditures were 90.2% of appropriations, or \$753,532 lower than the final budget. The main areas of savings are summarized below:

- Salaries and wages were \$232,418 below the final budget. This is due primarily to vacancy savings which were generated by implementing a 45-day freeze on vacant positions before filling.
- Employee benefits were \$32,499 below the final budget. This is also due primarily to vacancy savings.
- Services and supplies were \$333,643 below the final budget. This is primarily due to data communications savings, a reduction in advertising, printing, and postage, and a reduction in travel and training costs.
- Capital outlay was \$174,972 below the final budget. This was due to Management's decision to delay equipment purchases and reduce library material purchases due to budget constraints.



**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The following table illustrates the total differences between the final budget and actual expenditures.



**Capital Assets**

At June 30, 2008, HDPL had \$12,082,647 invested in capital assets (net of accumulated depreciation). This investment in capital assets includes land, buildings, books, computer equipment, equipment, furniture, leasehold improvements and vehicles. This amount represents a net increase of \$948,254, or 8.5%, from last year. The following table reflects capital assets of HDPL at June 30, 2008 and 2007.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**HDPL's Capital Assets  
(net of depreciation)**

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Buildings	\$ 6,465,941	\$ 6,773,384
Books	4,762,793	3,548,006
Computer equipment	89,263	58,811
Equipment	58,153	44,759
Furniture	77,168	88,915
Land	461,308	461,308
Leasehold improvements	7,076	7,475
Vehicles	<u>160,945</u>	<u>151,735</u>
Total capital assets, net of depreciation	<u>\$ 12,082,647</u>	<u>\$ 11,134,393</u>

Major capital asset events during the current fiscal year include the following:

- Books increased by \$1,214,878. This is due to HDPL's commitment to continually increase the availability and selection of library books and materials for its patrons and increased purchasing for the opening day collection of the Green Valley Library.
- Computer Equipment increased by \$30,452 due primarily to the replacement of network hardware and the installation of a new wireless network.
- Equipment increased by \$13,394 due primarily to the purchase of electronic book lockers as part of a LSTA grant, and a new air conditioner for the Gibson Library.
- Vehicles increased by \$9,210. This is due to the purchase of a SUV purchased for outreach services but is offset by depreciation on existing vehicles.
- Buildings, furniture and leasehold improvements decreased by \$307,443, \$11,747, and \$399, respectively. This is due to continued depreciation on existing capital assets.

Additional information on HDPL's capital assets can be found in Note 4 to the financial statements.

**Long-term Debt**

At the end of the current fiscal year, HDPL had \$2,125,116 in outstanding debt, \$576,000 of which was for a medium term general obligation refunding bond issued in 2003, \$941,000 of which was for a medium term general obligation note issued in 2004, and \$608,116 of which was for compensated absences.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Per NRS 379.0225, the debt limitation for HDPL is equal to 10 percent of the total assessed value of all taxable property. The debt limitation currently applicable to June 30, 2008 is \$1,662,014,737. HDPL's net general obligation bonded debt subject to the legal debt margin of \$1,517,000 was well below this legal limit.

Additional information on HDPL's long-term debt can be found in Note 5 to the financial statements.

**Currently Known Facts**

In April 2005, HDPL reached a joint resolution with the LV-CCLD that changed HDPL's boundaries to be coterminous with the City of Henderson's boundaries and adopted and approved an interlocal agreement between the two districts that would transfer ownership of the Green Valley Library to HDPL.

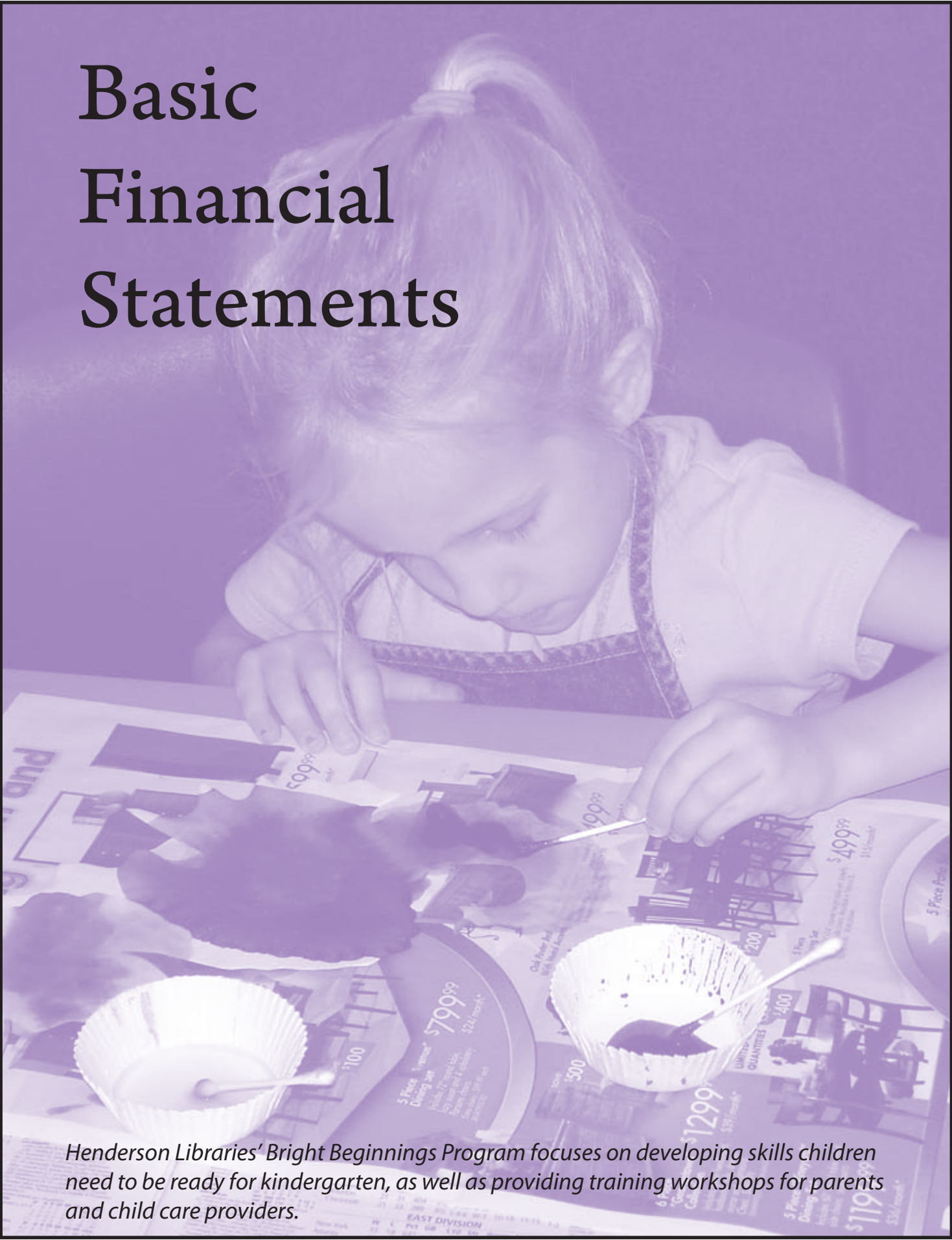
The Green Valley Library is located in Henderson but owned and operated by LV-CCLD. The interlocal agreement would transfer ownership of the building to HDPL in January 2009. Staff, materials, and personal property currently in the building will remain with LV-CCLD. As consideration for LV-CCLD operating, supplying and staffing the Green Valley Library from July 2005 through January 2009, HDPL agreed to pay LV-CCLD an amount equal to the ad valorem revenues collected from the affected taxing districts for the period stated above. Actual revenues for FY08 equaled \$568,403.

**Requests for Information**

This financial report is designed to provide its users with a general overview of HDPL's finances and to show HDPL's accountability for the money it receives. Any questions, comments or requests for additional financial information should be addressed to:

Henderson District Public Libraries  
Finance Department  
280 South Green Valley Parkway  
Henderson, Nevada 89012

# Basic Financial Statements



*Henderson Libraries' Bright Beginnings Program focuses on developing skills children need to be ready for kindergarten, as well as providing training workshops for parents and child care providers.*

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**STATEMENT OF NET ASSETS**

**JUNE 30, 2008**

	<b>Governmental <u>Activities</u></b>
<b>ASSETS</b>	
Cash and investments	\$ 6,428,033
Accounts receivable	45,489
Interest receivable	31,066
Due from other governments	369,048
Prepays	71,150
Capital assets (net of accumulated depreciation, where applicable):	
Land	461,308
Property and equipment	6,858,546
Library books and materials	4,762,793
<b>TOTAL ASSETS</b>	<b>19,027,433</b>
<b>LIABILITIES</b>	
Accounts payable	1,212,762
Accrued payroll	169,026
Earnest money held	3,000,000
Long-term liabilities:	
Portion due or payable within one year:	
General obligation bonds	306,800
Compensated absences	509,546
Portion due or payable after one year:	
General obligation bonds	1,210,200
Compensated absences	98,570
<b>TOTAL LIABILITIES</b>	<b>6,506,904</b>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	10,565,647
Unrestricted	1,954,882
<b>TOTAL NET ASSETS</b>	<b>\$ 12,520,529</b>

See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>FUNCTIONS/PROGRAMS</b>					
Governmental activities:					
Culture and recreation	\$ 7,840,936	\$ 276,533	\$ 330,608	\$ 336,513	\$ (6,897,282)
Debt service:					
Interest on bonds	60,570	-	-	-	(60,570)
Total governmental activities	<u>\$ 7,901,506</u>	<u>\$ 276,533</u>	<u>\$ 330,608</u>	<u>\$ 336,513</u>	<u>(6,957,852)</u>
General revenues:					
Taxes:					
Ad valorem taxes					5,972,802
Consolidated taxes					2,151,661
Unrestricted investment earnings					172,362
Total general revenues					<u>8,296,825</u>
CHANGE IN NET ASSETS					<u>1,338,973</u>
NET ASSETS, BEGINNING OF YEAR					<u>11,181,556</u>
NET ASSETS, END OF YEAR					<u>\$ 12,520,529</u>

See notes to financial statements.

HENDERSON DISTRICT PUBLIC LIBRARIES

GOVERNMENTAL FUNDS

BALANCE SHEET  
JUNE 30, 2008

	General Fund	Contributions and Grants Fund	Capital Construction Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 1,010,504	\$ 249,388	\$ 4,961,213	\$ 206,928	\$ 6,428,033
Accounts receivable	240	45,249	-	-	45,489
Interest receivable	31,066	-	-	-	31,066
Due from other governments	369,048	-	-	-	369,048
Prepays	24,599	39,167	-	7,384	71,150
<b>TOTAL ASSETS</b>	<b>\$ 1,435,457</b>	<b>\$ 333,804</b>	<b>\$ 4,961,213</b>	<b>\$ 214,312</b>	<b>\$ 6,944,786</b>

**LIABILITIES AND FUND BALANCES**

Liabilities:					
Accounts payable	\$ 393,825	\$ 31,461	\$ 687,556	\$ 99,920	\$ 1,212,762
Accrued payroll	169,026	-	-	-	169,026
Earnest money held	-	-	3,000,000	-	3,000,000
Total liabilities	562,851	31,461	3,687,556	99,920	4,381,788
Fund balances:					
Reserved:					
Reserved for prepaids	24,599	39,167	-	7,384	71,150
Unreserved, reported in:					
General Fund	848,007	-	-	-	848,007
Special Revenue Funds	-	263,176	-	57,917	321,093
Capital Projects Funds	-	-	1,273,657	49,091	1,322,748
Total fund balances	872,606	302,343	1,273,657	114,392	2,562,998
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,435,457</b>	<b>\$ 333,804</b>	<b>\$ 4,961,213</b>	<b>\$ 214,312</b>	<b>\$ 6,944,786</b>

See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**GOVERNMENTAL FUNDS**

**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2008**

Fund Balances - Governmental Funds	\$	2,562,998	
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			
Governmental capital assets	\$	19,582,612	
Less: Accumulated depreciation		<u>(7,499,965)</u>	
			12,082,647
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
Bonds payable and notes payable		(1,517,000)	
Compensated absences		<u>(608,116)</u>	
			<u>(2,125,116)</u>
Net Assets - Governmental Activities	\$	<u><u>12,520,529</u></u>	

See notes to financial statements.



**HENDERSON DISTRICT PUBLIC LIBRARIES**

**GOVERNMENTAL FUNDS**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>General Fund</u>	<u>Contributions and Grants Fund</u>	<u>Capital Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Taxes:					
Ad valorem	\$ 5,972,802	\$ -	\$ -	\$ -	\$ 5,972,802
Intergovernmental:					
Consolidated tax	2,151,661	-	-	-	2,151,661
Grants, federal and state	-	242,902	-	-	242,902
Grants, local	-	9,315	-	-	9,315
Miscellaneous:					
Fines and forfeits	112,860	-	-	-	112,860
Contributions from private sources	-	215,183	-	-	215,183
Investment income	58,959	5,270	89,387	18,746	172,362
Other	32,417	131,256	-	-	163,673
Total revenues	<u>8,328,699</u>	<u>603,926</u>	<u>89,387</u>	<u>18,746</u>	<u>9,040,758</u>
<b>EXPENDITURES:</b>					
Current:					
Culture and recreation:					
Salaries and wages	3,505,082	-	-	-	3,505,082
Employee benefits	1,044,001	-	-	-	1,044,001
Services and supplies	1,574,557	231,561	-	396,098	2,202,216
Capital outlay	820,028	172,116	704,397	71,927	1,768,468
Debt service:					
Principal	-	-	-	297,400	297,400
Interest on bonds	-	-	-	60,570	60,570
Administrative and other costs	-	-	-	300	300
Total expenditures	<u>6,943,668</u>	<u>403,677</u>	<u>704,397</u>	<u>826,295</u>	<u>8,878,037</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,385,031</u>	<u>200,249</u>	<u>(615,010)</u>	<u>(807,549)</u>	<u>162,721</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	1,014,865	793,270	1,808,135
Transfers out	(1,808,135)	-	-	-	(1,808,135)
Total other financing sources (uses)	<u>(1,808,135)</u>	<u>-</u>	<u>1,014,865</u>	<u>793,270</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(423,104)	200,249	399,855	(14,279)	162,721
<b>FUND BALANCES, BEGINNING OF YEAR</b>	1,295,710	102,094	873,802	128,671	2,400,277
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 872,606</u>	<u>\$ 302,343</u>	<u>\$ 1,273,657</u>	<u>\$ 114,392</u>	<u>\$ 2,562,998</u>

See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**GOVERNMENTAL FUNDS**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

Net change in Fund Balances - Government Funds \$ 162,721

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

Governmental funds report capital outlays as expenditures and the proceeds  
from the sale of assets as other financing sources. However, in the statement  
of activities, the cost of those assets is depreciated over their estimate useful  
lives and only the gain or loss is recorded when assets are sold.

Expenditures for capital assets	\$ 1,768,468	
Less: Current year depreciation	<u>(1,021,450)</u>	
		747,018

Revenues in the statement of activities that do not provide current financial  
resources are not reported as revenues in governmental funds.

Change in deferred revenue	(1,515)	
Donated capital assets	<u>201,236</u>	
		199,721

The issuance of long-term debt provides current financial resources to the  
governmental funds, while the repayment of the principal of long term debt  
consumes the current financial resources of the governmental fund. Neither  
transaction, however, has any effect on net assets. This amount is the net  
effect of these differences in the treatment of long-term debt and related items.

Repayment of bond principal	<u>297,400</u>	
		297,400

Expenses reported in the statement of activities that do not require the use of  
current financial resources are not reported as expenditures in the  
governmental funds.

Change in long-term compensated absences	<u>(67,887)</u>	
		(67,887)

Change in Net Assets - Governmental Activities		<u><u>\$ 1,338,973</u></u>
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See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes:				
Ad valorem	\$ 6,548,638	\$ 6,548,638	\$ 5,972,802	\$ (575,836)
Intergovernmental:				
Consolidated tax	2,399,889	2,399,889	2,151,661	(248,228)
Miscellaneous:				
Fines and forfeits	100,000	100,000	112,860	12,860
Investment income	64,000	64,000	58,959	(5,041)
Other	25,000	25,000	32,417	7,417
Total revenues	<u>9,137,527</u>	<u>9,137,527</u>	<u>8,328,699</u>	<u>(808,828)</u>
EXPENDITURES:				
Current:				
Culture and recreation:				
Salaries and wages	3,737,500	3,737,500	3,505,082	232,418
Employee benefits	1,076,500	1,076,500	1,044,001	32,499
Services and supplies	1,888,200	1,888,200	1,574,557	313,643
Capital outlay	995,000	995,000	820,028	174,972
Total expenditures	<u>7,697,200</u>	<u>7,697,200</u>	<u>6,943,668</u>	<u>753,532</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,440,327</u>	<u>1,440,327</u>	<u>1,385,031</u>	<u>(55,296)</u>
OTHER FINANCING USES:				
Transfers out	(1,808,136)	(1,808,136)	(1,808,135)	1
NET CHANGE IN FUND BALANCE	(367,809)	(367,809)	(423,104)	(55,295)
FUND BALANCE, BEGINNING OF YEAR	1,167,809	1,167,809	1,295,710	127,901
FUND BALANCE, END OF YEAR	<u>\$ 800,000</u>	<u>\$ 800,000</u>	<u>\$ 872,606</u>	<u>\$ 72,606</u>

See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**SPECIAL REVENUE FUND - CONTRIBUTIONS AND GRANTS FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental:				
Grants, federal and state	\$ 237,000	\$ 260,620	\$ 242,902	\$ (17,718)
Grants, local	-	1,515	9,315	7,800
Miscellaneous:				
Contributions from private sources	47,000	197,670	215,183	17,513
Investment income	6,400	6,400	5,270	(1,130)
Other	30,000	111,225	131,256	20,031
Total revenues	<u>320,400</u>	<u>577,430</u>	<u>603,926</u>	<u>26,496</u>
EXPENDITURES:				
Current:				
Culture and recreation:				
Services and supplies	199,077	278,617	231,561	47,056
Capital outlay	162,100	181,470	172,116	9,354
Total expenditures	<u>361,177</u>	<u>460,087</u>	<u>403,677</u>	<u>56,410</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(40,777)</u>	<u>117,343</u>	<u>200,249</u>	<u>82,906</u>
NET CHANGE IN FUND BALANCE	(40,777)	117,343	200,249	82,906
FUND BALANCE, BEGINNING OF YEAR	<u>72,501</u>	<u>72,501</u>	<u>102,094</u>	<u>29,593</u>
FUND BALANCE, END OF YEAR	<u>\$ 31,724</u>	<u>\$ 189,844</u>	<u>\$ 302,343</u>	<u>\$ 112,499</u>

See notes to financial statements.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Henderson District Public Libraries (HDPL) was established and operates as an independent governmental unit under authority of Nevada Revised Statutes (NRS) Chapter 379. It is governed by a seven member Board of Trustees. Five of the Board members are appointed to four-year terms by the Board of County Commissioners of Clark County, Nevada. The other two Board members are appointed to three-year terms by the City of Henderson Council. The Board of Trustees is responsible for establishing policy and overall operations of HDPL maintained within the District's boundaries. HDPL currently operates four libraries – the James I. Gibson Public Library, the Lydia Malcolm Library, the Paseo Verde Library and the Pittman Library.

HDPL is not considered a component unit of any other governmental unit under criteria established by Governmental Accounting Standards Board Statement No. 14, "*The Financial Reporting Entity*" and does not engage in any business-type activities.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements report information on all of the activities of HDPL. Eliminations have been made to minimize the double-counting of internal activities. Services provided by the General Fund to other funds are reported as expenditures in the funds receiving the services and as reductions of expenditures in the General Fund. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a function. Program revenues include 1) fees, fines, and charges paid by recipients of goods or services offered by a given program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about HDPL's funds. Funds are classified into three categories: governmental, proprietary and fiduciary. During fiscal year 2008, HDPL used only the governmental fund category. The emphasis of fund financial statements is on the major governmental funds, which are each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *measurable* when the amount of the transaction can be determined and *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, HDPL considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when the related liabilities are incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due (or when payment is made).

Property taxes, consolidated tax revenue (sales taxes, cigarette taxes, motor vehicle privilege taxes and liquor taxes), interest associated with the current fiscal period, and federal, state and local grants are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Charges for services, fines and contributions are not susceptible to accrual because generally they are not measurable until received in cash.

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

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies (continued)**

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

HDPL reports three major governmental funds:

The **General Fund** is HDPL's primary operating fund. It accounts for all financial resources and costs associated with the general government, except those that are required to be accounted for in other funds.

The **Contributions and Grants Fund** is used to account for donations, grants, and other non-tax related resources and expenditures separate from the tax based revenues and general operating expenditures.

The **Capital Construction Fund** is used to account for the cost of construction, purchases, modernization, or furnishing of libraries, buildings, or sites.

**D. Assets, Liabilities, and Equity**

**1. Cash and Investments**

HDPL maintains three checking accounts, a sweep account and invests resources with an investment firm. HDPL pools cash resources of its various funds in order to facilitate the management of cash and maximize investment earning potential. Cash applicable to a particular fund is readily identifiable.

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

As more fully described in Note 3, state statutes authorize HDPL to invest in obligations of the U.S. Treasury, certain farm loan bonds, certain securities issued by Nevada local governments, repurchase agreements, banker's acceptances, commercial paper, negotiable certificates of deposit and money market mutual funds. All investments are stated at fair value.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies (continued)**

**2. Property Taxes**

Taxes on real property are levied based on the assessed valuations as of January 1<sup>st</sup> of each year. A lien is placed on the property on July 1<sup>st</sup> of each year, and the taxes are due on the third Monday in August. The taxes can be paid in four installments on or before the third Monday in August and the first Mondays in October, January and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of deed, the County Treasurer may sell the property to satisfy the tax lien.

**3. Capital Assets**

Capital assets are defined as those assets with an initial cost of \$2,500 or more and an estimated useful life of more than one year. Library books and materials purchased throughout the fiscal year are combined together as one item and considered a capital asset. All purchased or constructed capital assets are reported at cost or estimated historical cost. Donated assets are recorded at their estimated fair value at the date of donation. Book deletions are computed using the average cost per book, as determined from the purchases over a period of years. Depreciation is calculated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	30 years
Books	5 years
Computer equipment	3 years
Equipment	5 years
Furniture	7 years
Leasehold improvement	20 years
Vehicles	5 years



**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies (continued)**

**4. Compensated Absences**

It is HDPL's policy to permit employees to accumulate earned but unused vacation, sick and compensatory time benefits, subject to cap limits. All vacation, sick and compensatory time leave is accrued when incurred in the government-wide financial statements. In governmental funds, the current portion of compensated absences, vacation leave, sick leave and compensatory time actually paid or accrued as a result of employees who have terminated, is recorded as a payroll expenditure.

**5. Long-Term Debt**

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, if material. For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized, if material, as a component of interest expense using the straight-line method. Issuance costs, if material, are reported as deferred charges and amortized over the term of the related bond.

In governmental funds, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of bonds issued is reported as other financing sources, as are bond premiums. Bond discounts are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**6. Equity Classifications**

In the government-wide financial statements, equity is classified as net assets and displayed in two components:

- a. Invested in Capital Assets, Net of Related Debt – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bond, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 1 – Summary of Significant Accounting Policies (continued)**

- b. Unrestricted Net Assets – Consists of net assets that do not meet the definition of “invested in capital assets, net of related debt”.

In fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified into reserved and unreserved. Reservations of fund balance consist of amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designation of fund balance represents tentative management plans that are subject to change.

**NOTE 2 – Compliance and Accountability**

**A. Budgetary Information**

HDPL adheres to the Local Government Budget and Finance Act, incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data that is reflected in these financial statements:

1. On or before April 15, the Library Board of Trustees files a tentative budget with the Nevada Department of Taxation.
2. Public hearings on the tentative budget are held during the third week in May.
3. Prior to June 1, at a public hearing, the Board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of a majority of the members of the Board.
4. Formal budgetary integration in the financial records is employed to enhance management control during the year.
5. Budgets for all funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) and appropriations lapse at year end.
6. Statutory regulations require budget controls to be exercised at the function level. Management is authorized to transfer budget amounts between functions or funds if amounts do not exceed total appropriations and the Board of Trustees is notified at the next regular meeting.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 2 – Compliance and Accountability (continued)**

7. Budget augmentations in excess of original budgetary amounts may not be made without prior approval of the Board of Trustees following a public hearing. Such augmentations become effective upon receipt of such resolution by the Nevada Department of Taxation. Various supplemental appropriations were approved during the year to reflect necessary changes in spending and the corresponding additional resources available.
8. In accordance with Statute, actual expenditures may not exceed appropriations in the various functions of the General Fund, Special Revenue Funds, and the Capital Projects Funds.

**B. Compliance with Nevada Revised Statutes**

Henderson District Public Libraries conformed to all significant statutory constraints on its financial administration during this year.

**NOTE 3 – Cash and Investments**

The following summarizes HDPL’s cash and investment balances at of June 30, 2008:

Cash and investments:	
Petty Cash	\$ 2,600
Cash in financial institutions	555,585
Investments	<u>5,869,848</u>
Total cash and investments	<u>\$ 6,428,033</u>

State statutes govern HDPL’s deposit options. HDPL monies must be deposited in insured banks, credit unions, or savings and loan associations. HDPL is authorized to use demand accounts, time accounts and certificates of deposit.

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2008, the recorded amount of HDPL’s deposits was \$555,585 and the bank balances were \$863,748. Of the bank statement balances, \$100,000 was covered by federal depository insurance, \$763,351 was covered by collateral held by HDPL’s agent in HDPL’s name, and \$397 was uninsured and uncollateralized.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 3 – Cash and Investments (continued)**

HDPL invests through pooling of monies. The pooling of monies is theoretically invested on the whole and not as a combination of monies from each fund belonging to the pool. In this manner, HDPL’s Chief Financial Officer is able to invest the monies at a higher interest rate for a longer period of time. Interest revenue is apportioned annually to each fund in the pool based on the average cash balance of the fund for each month. HDPL’s investment pool is not registered with the Securities and Exchange Commission as an investment company. Investments made by the Chief Financial Officer are regulated by Nevada Revised Statutes (NRS 355.170).

NRS 355.170 sets forth acceptable investments for Nevada local governments. HDPL has not adopted a formal investment policy that would limit its investment choices nor limit its exposure to certain risks beyond that set forth in the statutes.

The following table identifies the investment types and minimum credit ratings authorized for HDPL by NRS 355.170:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>	<u>Minimum Ratings</u>	
				<u>S &amp; P</u>	<u>Moody</u>
Banker’s Acceptances	180	20%	5%	A-1	P-1
Commercial Paper	270 days	20%	None	A-1	P-1
Money Market Mutual Funds	None	None	None	AAA	Aaa
Negotiable Certificates of Deposit	None	None	None	n/a	n/a
Collateralized Nonnegotiable Certificates of Deposit	None	None	None	n/a	n/a
Negotiable notes/medium-term obligations of local government of the State of Nevada	5 years	None	None	n/a	n/a
Repurchase Agreements	90 days	None	10%	n/a	n/a
U.S. Treasury Obligations	10 years	None	None	n/a	n/a
U.S. Agency Securities:					
Federal National Mortgage	10 years	None	None	n/a	n/a
Federal Agricultural Mortgage Corporation	10 years	None	None	n/a	n/a
Federal Farm Credit Bank	10 years	None	None	n/a	n/a
Federal Home Loan Bank	10 years	None	None	n/a	n/a
Federal Home Loan Mortgage Corporation	10 years	None	None	n/a	n/a
Government National Mortgage Association	10 years	None	None	n/a	n/a
Local Government Investment Pool	None	None	None	n/a	n/a

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 3 – Cash and Investments (continued)**

As of June 30, 2008, HDPL had the following investments and maturities:

	Interest Rates	Par	Cost	Fair Value	Weighted Average Maturity (Years)
<b>Pooled Investments:</b>					
BNY Mellon Money Market Fund	2.5%	\$ 595,294	\$ 595,294	\$ 595,294	--
Federal Home Loan Bank Disc Note	2.3%	1,000,000	998,575	998,700	0.06
Federal Home Loan Mortgage	2.2% - 2.7%	2,000,000	1,984,807	1,985,200	0.30
Federal Home Loan Bank	5.1%	500,000	500,518	501,250	0.11
Federal National Mortgage	0.9% - 5.0%	1,800,000	1,799,887	1,789,404	0.42
<b>Total Pooled Investments</b>			<u>\$ 5,879,081</u>	<u>\$ 5,869,848</u>	<u>0.17</u>

**Interest Rate Risk:** Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. HDPL does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates beyond those specified in the statutes.

**Concentration of Credit Risk:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality rating of investments. State statutes require governmental agencies to invest in instruments that inherently have low credit risk, as evidenced by the table on page 18. HDPL has no formal investment policy that further limits investments in a single issuer.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of the pool:

Investments	S & P	Moody's	% of Portfolio
BNY Mellon Money Market Fund	n/a	n/a	10.14%
Federal Home Loan Bank Discount Note	n/a	n/a	17.01%
Federal Home Loan Mortgage Disc Note	n/a	n/a	33.83%
Federal Home Loan Bank	AAA	Aaa	8.54%
Federal National Mortgage Disc Note	n/a	n/a	16.77%
Federal National Mortgage	AAA	Aaa	13.71%
Total Investments			<u>100.00%</u>

**Custodial Credit Risk:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, HDPL will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, HDPL's investment pool and specific investments had no securities exposed to custodial credit risk.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 4 – Capital Assets**

The following schedule summarizes the changes in capital assets for the year ended June 30, 2008:

**Governmental Activities:**

	Balance <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2008</u>
Capital assets, not being depreciated:				
Land	\$ 461,308	\$ -	\$ -	\$ 461,308
Total capital assets, not being depreciated:	<u>461,308</u>	<u>-</u>	<u>-</u>	<u>461,308</u>
Capital assets, being depreciated:				
Buildings	9,208,396	-	-	9,208,396
Books	7,206,587	1,810,734	(333,803)	8,683,518
Computer equipment	703,641	69,183	(326,141)	446,683
Equipment	57,539	28,130	-	85,669
Furniture	439,082	24,000	(11,680)	451,402
Leasehold improvements	7,973	-	-	7,973
Vehicles	200,006	37,657	-	237,663
Total capital assets, being depreciated	<u>17,823,224</u>	<u>1,969,704</u>	<u>(671,624)</u>	<u>19,121,304</u>
Less accumulated depreciation for:				
Buildings	(2,435,012)	(307,443)	-	(2,742,455)
Books	(3,658,581)	(595,947)	333,803	(3,920,725)
Computer equipment	(644,830)	(38,731)	326,141	(357,420)
Equipment	(12,780)	(14,736)	-	(27,516)
Furniture	(350,166)	(35,747)	11,680	(374,233)
Leasehold improvements	(499)	(399)	-	(898)
Vehicles	(48,271)	(28,447)	-	(76,718)
Total accumulated depreciation	<u>(7,150,139)</u>	<u>(1,021,450)</u>	<u>671,624</u>	<u>(7,499,965)</u>
Total capital assets, being depreciated, net	<u>10,673,085</u>	<u>948,254</u>	<u>-</u>	<u>11,621,339</u>
Governmental activities capital assets, net	<u>\$11,134,393</u>	<u>\$ 948,254</u>	<u>\$ -</u>	<u>\$12,082,647</u>

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

**Governmental Activities:**

Culture and recreation	<u>\$ 1,021,450</u>
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**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 – Long-Term Debt**

**A. Changes to Long-Term Debt**

Long-term debt, other than compensated absences, is used to construct, maintain, and equip library facilities. The following schedule summarizes the changes in long-term debt:

	Balance <u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2008</u>	Due in <u>2008-2009</u>
General Obligation Bond: Series 2003, Medium term refunding bond - \$1,431,000, due in annual installments beginning 2004 through July 1, 2011; interest at 3.05%.	\$ 758,000	\$ -	\$ (182,000)	\$ 576,000	\$ 187,000
General Obligation Note: 2004, Medium term note - \$1,274,500, due in annual installments beginning 2005 through November 1, 2014; interest at 3.75%.	1,056,400	-	(115,400)	941,000	119,800
Compensated absences	<u>540,229</u>	<u>380,908</u>	<u>(313,021)</u>	<u>608,116</u>	<u>509,546</u>
<b>Total Long-Term Debt</b>	<b><u>\$ 2,354,629</u></b>	<b><u>\$ 380,908</u></b>	<b><u>\$ (610,421)</u></b>	<b><u>\$ 2,125,116</u></b>	<b><u>\$ 816,346</u></b>

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 5 – Long-Term Debt (continued)**

**B. Payment Requirements for Debt Service**

The liability of the general obligation bond and note will be liquidated by the Debt Service Fund and the liability of compensated absences will be liquidated by the General Fund. The annual requirements to pay principal and interest on the bond and note outstanding at June 30, 2008 are as follows:

Fiscal Year			
Ending	Principal	Interest	Total
2009	\$ 306,800	\$ 50,609	\$ 357,409
2010	316,400	40,327	356,727
2011	326,100	29,717	355,817
2012	134,000	18,776	152,776
2013	139,200	13,654	152,854
2014-2015	294,500	11,148	305,648
Totals	<u>\$ 1,517,000</u>	<u>\$ 164,231</u>	<u>\$ 1,681,231</u>

**NOTE 6 – Interfund Activity**

Interfund transfers for the year ended June 30, 2008 consisted of the following:

	Transfers in		Total
	Capital Construction Fund	Nonmajor Governmental Funds	
Transfers out:			
General Fund	<u>\$ 1,014,865</u>	<u>\$ 793,270</u>	<u>\$ 1,808,135</u>
Total	<u>\$ 1,014,865</u>	<u>\$ 793,270</u>	<u>\$ 1,808,135</u>

Transfers are made to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 7 – Defined Benefit Plan**

Plan Description: All HDPL employees who work at least half-time are covered by the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple-employer, defined benefit plan administered by the PERS. All full-time employees are mandated by state law to participate in PERS. HDPL employees have a choice as to whether to be enrolled under a non-contributory plan where no benefits are payable unless they reach the vesting period of five years or a contributory plan where employee contributions are refunded to the employee if they do not reach their vesting period. PERS provides retirement benefits, disability benefits and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. PERS issues a publicly available financial report, which includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Funding Policy: Plan members electing the non-contributory plan are funded under a plan whereby HDPL is required to contribute all amounts due under the plan. Plan members electing the contributory plan are funded under a plan whereby HDPL is required to contribute one-half the amounts due under the plan and the employee contributes the other half due. The contribution requirements are established by Chapter 286 of the Nevada Revised Statutes, which requires adjustments on each odd numbered year based on the actuarially determined contribution rate indicated in the biennial actuarial valuation. HDPL’s contribution rates and the amounts contributed (equal to the required contributions) for the last three years are as follows:

<u>Fiscal Year</u>	<u>Non-Contributory Plan</u>		<u>Contributory Plan</u>		<u>Total Contribution</u>
	<u>Regular Member</u>	<u>Contribution</u>	<u>Regular Member</u>	<u>Contribution</u>	
2007-08	20.50%	\$521,109	10.50%	\$52,939	\$574,048
2006-07	19.75%	428,798	10.50%	63,277	492,075
2005-06	19.75%	374,387	10.50%	60,459	434,846

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 8 – Post-Employment Benefits**

In accordance with Nevada Revised Statutes 287.023, HDPL adopted the Retiree Health Insurance Program. Employees are eligible for payment by HDPL of a portion of their health benefit premiums upon retirement, based upon years of service to a maximum of 100% after 20 years of service. Retirees are offered medical, prescription, vision, and life insurance benefits for themselves and their dependents. Retirees must pay the full premium for their dependents. During the current fiscal year, HDPL paid \$4,649 for five eligible participants. Currently, HDPL finances the plan on a pay-as-you-go basis.

**NOTE 9 – Risk Management**

HDPL is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions. HDPL participates in Clark County, Nevada's insurance program to provide health insurance coverage for its employees. HDPL carries insurance policies for liability, fire, theft, auto, inland marine, workers compensation and Directors and Officers coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 10 – Contracts**

HDPL continued the interlocal agreement with the City of Henderson (the City) whereby the City provides landscape and building maintenance for the James I. Gibson Public Library. These services are to be provided to HDPL at cost, as determined on a monthly basis. This agreement also provides for assistance in the updating or revising the HDPL master plan. These services are to be provided at no cost to HDPL. In addition, this agreement provides for the appointment of two members of the Board of Trustees by the Henderson City Council. The original term of the interlocal agreement was six years, ending on June 30, 2007. On June 21, 2007, this agreement was renegotiated for another six years and will terminate on June 30, 2013 unless renewed for an additional six years by mutual agreement of both parties.

HDPL continued the following leases with the City of Henderson:

- HDPL leased space for a neighborhood library, located at 1608 Moser Street, from the City for a period of thirty months, commencing September 1, 1997. The leased premises were provided to HDPL at no cost in exchange for other considerations, such as the payment of all utilities and janitorial services. Although the initial lease term has expired, this lease automatically renews for up to five (5) additional thirty-month periods unless cancelled by either party.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 10 – Contracts (continued)**

- HDPL leased 4.36 acres of the land on which the Paseo Verde Library is located for a period of 50 years, commencing May 16, 2000. The leased land is provided to HDPL at the nominal sum of \$1 per year in exchange for other considerations, such as payment of all utilities and janitorial services. This lease is renewable for an additional period of 48 years, unless cancelled by HDPL.
  
- HDPL leased 4.06 acres of land on which the James I. Gibson Library is located for a period of 99 years, commencing April 22, 1986. On December 18, 2007, the Board of Trustees entered into an agreement with the City of Henderson to cancel this lease and sell the existing building to the City. Per the agreement, the lease will remain in effect until the District transfers possession of the building to the City. The transfer will occur upon completion of a new building in which the Gibson library services will be relocated. Construction is anticipated to be complete by March 2010. In consideration, the District is receiving \$2,000,000 for the early termination and \$2,000,000 for the purchase of the building. Earnest money of \$3,000,000 was received in April 2008. The remaining amount will be distributed to the District during fiscal year 2010.

Per a joint resolution with the Las Vegas-Clark County Library District (LV-CCLD), HDPL is continuing to pay LV-CCLD the ad valorem revenues collected from certain taxing districts as consideration for their operating, supplying, and staffing the Green Valley Library. This library is located in Henderson but owned and operated by LV-CCLD. These payments will continue until January 2009, at which time, ownership of the Green Valley Library will transfer to HDPL.

HDPL continued the second year of a two-year sponsorship agreement with EMBARQ. This agreement provides HDPL financial support for online tutoring and 24/7 reference services for our patron base. In return for the financial support, HDPL will promote the services and feature the EMBARQ logo on all such promotions.

**HENDERSON DISTRICT PUBLIC LIBRARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**NOTE 11 – Subsequent Events**

At the July 17, 2008 board meeting, the Board of Trustees approved a purchase agreement for land located at the corner of Lake Mead and Water Street. The purchase price was \$1,405,000 and had an appraised value of \$1,470,000. Earnest money in the amount of \$10,000 was paid on August 13, 2008 with the remaining amount to be paid upon close of escrow, December 26, 2008. The Gibson Library will be relocated to this location. Planning for the construction and operation of the new building is currently underway.

Also at the July 17<sup>th</sup> meeting, the Board adopted a resolution authorizing the District to issue medium-term obligations not to exceed \$2,075,000. Proceeds from the obligation will be used to build the relocated Gibson Library and remodel the Green Valley Library. The Department of Taxation approved the issuance on August 11, 2008. The District currently anticipates proceeding with the issuance in January 2009.

# Governmental Funds

## NONMAJOR SPECIAL REVENUE FUND

Extraordinary Maintenance Fund - To account for the costs of capital projects undertaken not more frequently than once every five years to maintain library facilities and equipment in fit operating condition.

## NONMAJOR DEBT SERVICE FUND

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

## MAJOR CAPITAL PROJECTS FUND

Capital Construction Fund - To account for the cost of construction, purchases, modernization or furnishing of library buildings or sites.

## NONMAJOR CAPITAL PROJECTS FUND

Capital Technology Fund - To account for the costs of technological equipment and improvements.

*Since opening in August of 2002, the Paseo Verde Library has hosted a variety of community events, including a visit from former President Jimmy Carter, a townhall meeting for Presidential hopeful Mitt Romney and various Meet the Candidate events.*

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING BALANCE SHEET  
JUNE 30, 2008**

	<b>Special Revenue Fund - Extraordinary Maintenance Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund - Capital Technology Fund</b>	<b>Total Nonmajor Funds</b>
<b>ASSETS</b>				
Cash and investments	\$ 57,917	\$ -	\$ 149,011	\$ 206,928
Prepays	-	-	7,384	7,384
<b>TOTAL ASSETS</b>	<b><u>\$ 57,917</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 156,395</u></b>	<b><u>\$ 214,312</u></b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,920</u>	<u>\$ 99,920</u>
Fund balances				
Reserved:				
Reserved for prepaids	-	-	7,384	7,384
Unreserved:				
Designated for extraordinary maintenance	57,917	-	-	57,917
Designated for capital technology	-	-	49,091	49,091
<b>Total fund balances</b>	<b><u>57,917</u></b>	<b><u>-</u></b>	<b><u>56,475</u></b>	<b><u>114,392</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 57,917</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 156,395</u></b>	<b><u>\$ 214,312</u></b>

HENDERSON DISTRICT PUBLIC LIBRARIES

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Special Revenue Fund - Extraordinary Maintenance <u>Fund</u>	Debt Service Fund <u>Fund</u>	Capital Projects Fund - Capital Technology Fund <u>Fund</u>	Total Nonmajor Funds <u>Funds</u>
REVENUES:				
Miscellaneous:				
Investment income	\$ 3,263	\$ -	\$ 15,483	\$ 18,746
EXPENDITURES:				
Current:				
Culture and recreation:				
Services and supplies	7,499	-	388,599	396,098
Capital outlay	5,700	-	66,227	71,927
Debt service:				
Principal	-	297,400	-	297,400
Interest on bonds	-	60,570	-	60,570
Administrative and other charges	-	300	-	300
Total expenditures	13,199	358,270	454,826	826,295
(DEFICIENCY) OF REVENUES				
(UNDER) EXPENDITURES	(9,936)	(358,270)	(439,343)	(807,549)
OTHER FINANCING SOURCES:				
Transfers in	10,000	358,270	425,000	793,270
NET CHANGE IN FUND BALANCES	64	-	(14,343)	(14,279)
FUND BALANCES, BEGINNING OF YEAR	57,853	-	70,818	128,671
FUND BALANCES, END OF YEAR	\$ 57,917	\$ -	\$ 56,475	\$ 114,392

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**SPECIAL REVENUE FUND - EXTRAORDINARY MAINTENANCE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES:			
Miscellaneous:			
Investment income	\$ 4,800	\$ 3,263	\$ (1,537)
EXPENDITURES:			
Current:			
Culture and recreation:			
Services and supplies	23,800	7,499	16,301
Capital outlay	24,000	5,700	18,300
Total expenditures	<u>47,800</u>	<u>13,199</u>	<u>34,601</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	<u>(43,000)</u>	<u>(9,936)</u>	<u>33,064</u>
OTHER FINANCING SOURCES:			
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(33,000)	64	33,064
FUND BALANCE, BEGINNING OF YEAR	<u>61,019</u>	<u>57,853</u>	<u>(3,166)</u>
FUND BALANCE, END OF YEAR	<u>\$ 28,019</u>	<u>\$ 57,917</u>	<u>\$ 29,898</u>



**HENDERSON DISTRICT PUBLIC LIBRARIES**

**DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Debt Service:			
Principal	\$ 297,400	\$ 297,400	\$ -
Interest on bonds	60,571	60,570	1
Fiscal agent charges	300	300	-
Total expenditures	358,271	358,270	1
 (DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	 (358,271)	 (358,270)	 1
 OTHER FINANCING SOURCES:			
Transfers in	358,271	358,270	(1)
 NET CHANGE IN FUND BALANCE	 -	 -	 -
FUND BALANCE, BEGINNING OF YEAR	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**CAPITAL PROJECTS FUND - CAPITAL CONSTRUCTION FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<u><b>Final Budget</b></u>	<u><b>Actual Amounts</b></u>	<u><b>Variance with Final Budget</b></u>
REVENUES:			
Miscellaneous:			
Investment income	<u>\$ 68,800</u>	<u>\$ 89,387</u>	<u>\$ 20,587</u>
EXPENDITURES:			
Capital outlay	<u>925,000</u>	<u>704,397</u>	<u>220,603</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	<u>(856,200)</u>	<u>(615,010)</u>	<u>241,190</u>
OTHER FINANCING SOURCES:			
Transfers in	<u>1,014,865</u>	<u>1,014,865</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	158,665	399,855	241,190
FUND BALANCE, BEGINNING OF YEAR	<u>862,969</u>	<u>873,802</u>	<u>10,833</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 1,021,634</u></u>	<u><u>\$ 1,273,657</u></u>	<u><u>\$ 252,023</u></u>

HENDERSON DISTRICT PUBLIC LIBRARIES

CAPITAL PROJECTS FUND - CAPITAL TECHNOLOGY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET (GAAP BASIS) AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES:				
Miscellaneous:				
Investment income	\$ 16,000	\$ 16,000	\$ 15,483	\$ (517)
EXPENDITURES:				
Current:				
Culture and recreation:				
Services and supplies	335,100	400,100	388,599	11,501
Capital outlay	142,000	77,000	66,227	10,773
Total expenditures	<u>477,100</u>	<u>477,100</u>	<u>454,826</u>	<u>22,274</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	<u>(461,100)</u>	<u>(461,100)</u>	<u>(439,343)</u>	<u>21,757</u>
OTHER FINANCING SOURCES:				
Transfers in	<u>425,000</u>	<u>425,000</u>	<u>425,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(36,100)	(36,100)	(14,343)	21,757
FUND BALANCE, BEGINNING OF YEAR	<u>63,643</u>	<u>63,643</u>	<u>70,818</u>	<u>7,175</u>
FUND BALANCE, END OF YEAR	<u>\$ 27,543</u>	<u>\$ 27,543</u>	<u>\$ 56,475</u>	<u>\$ 28,932</u>

# Statistical Section

This part of HDPL's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about HDPL's overall financial health.

## CONTENTS

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### FINANCIAL TRENDS

33-36

These schedules contain trend information to help the reader understand how HDPL's financial performance and well-being have changed over time.

### REVENUE CAPACITY

37-40

These schedules contain information to help the reader assess the factors affecting HDPL's ability to generate its property taxes.

### DEBT CAPACITY

41-43

These schedules contain information to help the reader assess the affordability of HDPL's current levels of outstanding debt and HDPL's ability to issue additional debt in the future.

### DEMOGRAPHIC AND ECONOMIC INFORMATION

44-45

These schedules offer demographic and economic indicators to help the reader understand the environments within which HDPL's financial activities take place and to help make comparisons over time and with other governments.

### OPERATING INFORMATION

46-50

These schedules contain information about HDPL's operations and resources to help the reader understand how HDPL's financial information relates to the services HDPL provides and the activities it performs.

**SOURCES:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. HDPL implemented Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning that fiscal year.

*Friends of Henderson Libraries hosts Library Tree Lane, an annual fundraising event featuring exquisitely decorated trees, wreaths, and over a hundred gift baskets that are offered for silent auction. Père Noel poses with a young library patron and a therapy dog from Henderson Libraries' Reading with Rover Program.*

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 HENDERSON DISTRICT PUBLIC LIBRARIES

**Government-wide Net Assets by Components**  
**Last Six Fiscal Years**  
*(accrual basis of accounting)*

**Governmental activities**

Fiscal Year	Invested in capital assets, net of related debt	Unrestricted	Total
2003	\$ 7,864,247	\$ 558,230	\$ 8,422,477
2004	8,054,047	535,057	8,589,104
2005	8,220,245	784,908	9,005,153
2006	8,574,248	1,394,646	9,968,894
2007	9,319,993	1,861,563	11,181,556
2008	10,565,647	1,954,882	12,520,529

Note: In 2003, the district implemented GASB Statement 34 and began the annual process of calculating government-wide data.

## HENDERSON DISTRICT PUBLIC LIBRARIES

**Changes in Net Assets, Last Six Fiscal Years**  
(*accrual basis of accounting*)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
<b>Expenses</b>						
Governmental activities:						
Culture and recreation	\$ 4,885,988	\$ 5,110,324	\$ 5,655,168	\$ 6,453,879	\$ 7,170,483	\$ 7,840,936
Debt service:						
Interest on long-term debt	70,778	50,314	62,632	79,471	70,127	60,570
Administrative and other costs	17,924	-	-	-	-	-
Total governmental activities expenses	<u>\$ 4,974,690</u>	<u>\$ 5,160,638</u>	<u>\$ 5,717,800</u>	<u>\$ 6,533,350</u>	<u>\$ 7,240,610</u>	<u>\$ 7,901,506</u>
<b>Program Revenues</b>						
Governmental activities:						
Charges for services	\$ 85,603	\$ 107,585	\$ 198,628	\$ 236,238	\$ 287,630	\$ 276,533
Operating grants and contributions	227,558	136,963	96,118	108,809	128,155	330,608
Capital grants and contributions	-	111,642	137,017	171,110	276,323	336,513
Total governmental activities program revenues	<u>\$ 313,161</u>	<u>\$ 356,190</u>	<u>\$ 431,763</u>	<u>\$ 516,157</u>	<u>\$ 692,108</u>	<u>\$ 943,654</u>
<b>Net (Expense)/Revenue, governmental activities</b>	<u>\$ (4,661,529)</u>	<u>\$ (4,804,448)</u>	<u>\$ (5,286,037)</u>	<u>\$ (6,017,193)</u>	<u>\$ (6,548,502)</u>	<u>\$ (6,957,852)</u>
<b>General Revenue and Other Changes in Net Assets</b>						
Governmental activities:						
Taxes						
Property taxes	\$ 2,905,118	\$ 3,293,633	\$ 3,771,189	\$ 4,655,583	\$ 5,336,280	\$ 5,972,802
Consolidated taxes	1,464,332	1,670,242	1,894,157	2,247,532	2,280,042	2,151,661
Investment earnings	16,805	7,200	36,740	77,819	144,842	172,362
Total governmental activities	<u>\$ 4,386,255</u>	<u>\$ 4,971,075</u>	<u>\$ 5,702,086</u>	<u>\$ 6,980,934</u>	<u>\$ 7,761,164</u>	<u>\$ 8,296,825</u>
<b>Changes in Net Assets, governmental activities</b>	<u>\$ (275,274)</u>	<u>\$ 166,627</u>	<u>\$ 416,049</u>	<u>\$ 963,741</u>	<u>\$ 1,212,662</u>	<u>\$ 1,338,973</u>

Note: In 2003, the district implemented GASB State 34 and began the annual process of calculating government-wide data.

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HENDERSON DISTRICT PUBLIC LIBRARIES

**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*
**General Fund**

Fiscal Year	Reserved	Unreserved	Total
1999	\$ -	\$ 4,251,727	\$ 4,251,727
2000	81,108	939,244 <sup>1</sup>	1,020,352
2001	35,092	574,244	609,336
2002	29,447	526,523	555,970
2003	15,519	761,825	777,344
2004	23,288	669,046	692,334
2005	13,615	943,578	957,193
2006	13,234	1,396,830	1,410,064
2007	5,214	1,290,496	1,295,710
2008	24,599	848,007 <sup>3</sup>	872,606

**Other Governmental Funds**

Fiscal Year	Reserved	Unreserved, reported in			Total
		Special Revenue Funds	Capital Project Funds	Debt Service Fund	
1999	\$ -	\$ -	\$ -	\$ -	\$ -
2000	-	-	4,127,124 <sup>1</sup>	-	4,127,124
2001	-	25,000	6,480,113	-	6,505,113
2002	11,508	-	1,136,219 <sup>2</sup>	(161,550)	986,177
2003	20,891	-	45,838 <sup>2</sup>	-	66,729
2004	-	30,420	163,063	-	193,483
2005	4,357	55,388	184,575	-	244,320
2006	7,711	152,349	302,938	-	462,998
2007	440	159,947	944,180	-	1,104,567
2008	46,551	321,093	1,322,748 <sup>3</sup>	-	1,690,392

## Notes:

<sup>1</sup> The substantial decrease in the unreserved fund balance of the General Fund and the increase in the Capital Project Fund's unreserved fund balance is due to a transfer between the funds in preparation of the building of the Paseo Verde Library.

<sup>2</sup> The substantial decreases in unreserved fund balance for the Capital Project Funds in 2002 and 2003 were due to the construction of the Paseo Verde Library.

<sup>3</sup> The decrease in the unreserved fund balance of the General Fund and the increase in the Capital Project Fund's unreserved fund balance is due to a transfer between the funds which will be used to purchase the Green Valley Library opening day collection.

Table 4

## HENDERSON DISTRICT PUBLIC LIBRARIES

### Changes in Fund Balances, Governmental Funds Last Ten Fiscal Years

*(modified accrual basis of accounting)*

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Revenues</b>										
Property Taxes	\$ 1,490,531	\$ 1,669,637	\$ 1,909,674	\$ 2,345,304	\$ 2,905,118	\$ 3,293,633	\$ 3,771,189	\$ 4,655,583	\$ 5,336,280	\$ 5,972,802
Consolidated Taxes	1,196,944	1,276,983	1,347,777	1,364,450	1,464,332	1,670,242	1,894,157	2,247,532	2,280,042	2,151,661
Grants	83,585	70,467	38,698	199,876	129,358	134,474	129,726	110,334	123,059	252,217
Fines and forfeits	22,461	35,768	31,372	25,156	52,796	67,152	79,991	88,690	109,767	112,860
Contributions	1,375	50,965	1,458	1,120	58,575	13,549	44,248	72,930	67,311	215,183
Investment income	175,812	305,952	400,665	156,817	16,805	7,200	36,740	77,819	144,842	172,362
Other income	19,833	11,917	12,161	15,439	32,807	40,433	116,277	149,908	177,863	163,673
Total revenues	2,990,541	3,421,689	3,741,805	4,108,162	4,659,791	5,226,683	6,072,328	7,402,796	8,239,164	9,040,758
<b>Expenditures</b>										
Culture and recreation:										
Salaries and wages	693,343	958,455	1,165,379	1,456,951	2,048,297	2,333,571	2,548,833	2,845,551	3,259,515	3,505,082
Employee benefits	211,725	257,784	311,237	404,396	574,551	707,463	771,980	825,509	928,484	1,044,001
Services and supplies	393,491	623,595	675,140	890,137	1,148,956	955,340	1,167,490	1,697,349	1,974,483	2,202,216
Capital outlay	587,001	686,106	1,123,076	6,734,234	1,551,359	977,251	2,313,597	1,006,067	1,191,940	1,768,468
Debt Service:										
Interest	-	-	-	71,746	35,389	50,314	62,632	79,471	70,127	60,570
Principal	-	-	-	1,623,000	-	161,000	166,000	277,000	287,100	297,400
Administrative and other costs	-	-	-	-	17,924	-	300	300	300	300
Total expenditures	1,885,560	2,525,940	3,274,832	11,180,464	5,376,476	5,184,939	7,030,832	6,731,247	7,711,949	8,878,037
Excess (deficiency) of revenues over (under) expenditures	1,104,981	895,749	466,973	(7,072,302)	(716,685)	41,744	(958,504)	671,549	527,215	162,721
<b>Other Financing Sources (Uses)</b>										
Proceeds from borrowing	-	-	1,500,000	1,500,000	-	-	1,274,500	-	-	-
Proceeds from refunding	-	-	-	-	1,431,000	-	-	-	-	-
Payment to escrow agent	-	-	-	-	(1,412,389)	-	-	-	-	-
Total other financing sources (uses)	-	-	1,500,000	1,500,000	18,611	-	1,274,500	-	-	-
Net change in fund balances	\$ 1,104,981	\$ 895,749	\$ 1,966,973	\$ (5,572,302)	\$ (698,074)	\$ 41,744	\$ 315,996	\$ 671,549	\$ 527,215	\$ 162,721
Debt Service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	38.1%	1.4%	5.0%	4.9%	6.2%	5.5%	5.0%



Table 5

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year	Real Property		Personal Property		Total		Percentage of Taxable Assessed Value to Estimated Actual Taxable Value		Total Direct Tax Rate
	Assessed Value	Estimated Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1998-1999	\$ 3,089,688,469	\$ 8,827,681,340	\$ 401,393,092	\$ 1,146,837,406	\$ 3,491,081,561	\$ 9,974,518,746	35%	\$	0.0500
1999-2000	2,964,174,450	8,469,069,857	333,963,140	954,180,400	3,298,137,590	9,423,250,257	35%		0.0500
2000-2001	3,330,800,880	9,516,573,943	392,340,610	1,120,973,171	3,723,141,490	10,637,547,114	35%		0.0502
2001-2002	4,115,403,345	11,758,295,271	521,985,090	1,491,385,971	4,637,388,435	13,249,681,243	35%		0.0507
2002-2003	4,913,407,352	14,038,306,720	559,208,170	1,597,737,629	5,472,615,522	15,636,044,349	35%		0.0531
2003-2004	5,650,278,349	16,143,652,426	526,698,452	1,504,852,720	6,176,976,801	17,648,505,146	35%		0.0533
2004-2005	6,551,394,060	18,718,268,743	567,766,392	1,622,189,691	7,119,160,452	20,340,458,434	35%		0.0533
2005-2006	9,866,711,823	28,190,605,209	617,491,635	1,764,261,814	10,484,203,458	29,954,867,023	35%		0.0533
2006-2007	14,049,539,660	40,141,541,886	730,579,401	2,087,369,717	14,780,119,061	42,228,911,603	35%		0.0533
2007-2008	15,920,800,412	45,488,001,177	699,346,954	1,998,134,154	16,620,147,366	47,486,135,331	35%		0.0582

Source: Clark County Assessor's Office

Note: Property is reassessed each year. The county assesses property at 35 percent of actual value. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value.

HENDERSON DISTRICT PUBLIC LIBRARIES

Property Tax Rates <sup>1</sup> - Direct and Overlapping Governments  
Last Ten Fiscal Years

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
<b>Direct</b>										
Henderson District Public Libraries	0.0500	0.0500	0.0502	0.0507	0.0531	0.0535	0.0533	0.0533	0.0533	0.0582
<b>Overlapping Governments</b>										
State Wide:										
State of Nevada	0.1500	0.1500	0.1500	0.1500	0.1500	0.1700	0.1700	0.1700	0.1700	0.1700
County Wide:										
County Funds	0.6503	0.6579	0.6527	0.6352	0.6352	0.6502	0.6652	0.6575	0.6566	0.6541
School District	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034
Cities:										
Henderson	0.7081	0.7040	0.7108	0.7108	0.7108	0.7108	0.7108	0.7108	0.7108	0.7108
Other Governments:										
Las Vegas Artesian Basin	0.0031	0.0026	0.0024	0.0022	0.0020	0.0018	0.0016	0.0013	0.0009	0.0008

Source: State of Nevada Department of Taxation's "Local Government Finance Redbook"

Note: <sup>1</sup> Per \$100 of assessed value, constitutional limit is generally \$3.64 on any one area's combined tax rate.

Table 7

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2008		Fiscal Year 1999	
		Assessed Valuation	Percentage of Total Assessed Valuation	Assessed Valuation	Percentage of Total Assessed Valuation
Focus Property Group	Real Estate	\$ 345,155,766	2.08%	---	---
Basic Management Incorporated	Real Estate	242,350,578	1.46%	12,029,540	0.34%
Lake at Las Vegas Ventures	Real Estate	183,864,768	1.11%	37,475,730	1.07%
Greenspun Companies	Real Estate	174,298,089	1.05%	---	---
Pulte Homes	Real Estate	143,119,060	0.86%	---	---
Station Casinos Incorporated	Hotel/Casino	129,107,852	0.78%	39,368,510	1.13%
Green Valley Ranch Gaming LLC	Hotel/Casino	111,273,271	0.67%	---	---
W.L. Nevada Incorporated	Real Estate	84,000,000	0.51%	---	---
Rhodes Homes	Real Estate	70,723,497	0.43%	---	---
Pardee Homes	Real Estate	67,231,087	0.40%	---	---
Silver Springs Incorporated	Real Estate	---	---	40,512,880	1.16%
Oasis Residential Incorporated	Real Estate	---	---	29,466,610	0.84%
Ranch Center Associates Limited Partnership	Real Estate	---	---	24,888,610	0.71%
Del Webb Communities Incorporated	Real Estate	---	---	22,384,290	0.64%
Silver Canyon Partnership	Real Estate	---	---	21,363,520	0.61%
Levi Strauss & Company	Warehousing	---	---	18,292,540	0.52%
Pacific Partnership	Real Estate	---	---	12,275,580	0.35%
<b>Total Top Ten Principal Taxpayers</b>		<b>\$ 1,551,123,968</b>	<b>9.35%</b>	<b>\$ 258,057,810</b>	<b>7.37%</b>
<b>Total Assessed Valuation</b>		<b>\$ 16,620,147,366</b>	<b>100.00%</b>	<b>\$ 3,491,081,561</b>	<b>100.00%</b>

Source: Clark County Assessor's Office

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Collected within the Levy Year			Collections in Subsequent Years		Total Collections to Date	
	Levy	Amount	Percentage of the Levy	Years	Amount	Current Levy <sup>1</sup>	
1999	\$ 22,038,032	\$ 21,786,842	98.9%	\$ 212,908	\$ 21,999,750	99.8%	
2000	25,322,606	25,029,900	98.8%	292,706	25,322,606	100.0%	
2001	28,965,448	28,637,652	98.9%	327,796	28,965,448	100.0%	
2002	34,106,224	33,664,830	98.7%	441,394	34,106,224	100.0%	
2003 <sup>2</sup>	42,300,099	41,781,856	98.8%	518,243	42,300,099	100.0%	
2004 <sup>2</sup>	47,178,698	46,916,703	99.4%	261,995	47,178,698	100.0%	
2005 <sup>2</sup>	54,277,802	54,065,416	99.6%	209,767	54,275,183	100.0%	
2006 <sup>3</sup>	67,178,725	66,848,690	99.5%	317,421	67,166,111	100.0%	
2007 <sup>3</sup>	84,140,325	83,261,571	99.0%	598,243	83,859,814	99.7%	
2008 <sup>3</sup>	94,840,681	93,022,209	98.1%	-	93,022,209	98.1%	

## Notes:

<sup>1</sup> Figured on collections to net levy (actual levy less stricken taxes).

<sup>2</sup> Includes tax levy and collections for Henderson Redevelopment Agency.

<sup>3</sup> Includes tax levy and collections for Henderson Redevelopment Agency and Henderson District Public Libraries.

Source: Clark County Comptroller's Office

## HENDERSON DISTRICT PUBLIC LIBRARIES

Ratios of Outstanding Debt  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds		Population <sup>1</sup>	Debt per Capita	Personal Income <sup>2</sup>	Debt as a Percentage of Personal Income	Estimated Actual Value of Taxable Property <sup>3</sup>	Debt as a Percentage of Estimated Actual Value of Taxable Property
	\$	-						
1999	\$ -	-	176,670	\$ -	*	*	\$ 9,974,518,746	0.00%
2000	-	-	190,512	-	*	*	9,423,250,257	0.00%
2001	-	-	199,695	-	*	*	10,637,547,114	0.00%
2002	1,377,000	-	210,850	6.53	*	*	13,249,681,243	0.01%
2003	1,431,000	-	223,070	6.42	*	*	15,636,044,349	0.01%
2004	1,270,000	-	235,292	5.40	*	*	17,648,505,146	0.01%
2005	2,378,500	-	243,897	9.75	*	*	20,340,458,434	0.01%
2006	2,101,500	-	257,838	8.15	8,836,009,011	0.02%	29,954,867,023	0.01%
2007	1,814,400	-	265,589	6.83	9,331,499,855	0.02%	42,228,911,603	0.00%
2008	1,517,000	-	269,245	5.63	9,606,345,252	0.02%	47,486,135,331	0.00%

\*Information not readily available

## Sources:

<sup>1</sup>City of Henderson Community Development Department<sup>2</sup>Applied Analysis, Las Vegas, NV<sup>3</sup>Clark County Assessor's Office

Note: Prior to Fiscal Year 2002, the District did not have any outstanding debt.

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HENDERSON DISTRICT PUBLIC LIBRARIES

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2008**

	Governmental Activities Debt	Percentage Applicable to Henderson District Public Libraries	Amount Applicable to Henderson District Public Libraries
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Direct			
Henderson District Public Libraries	\$ 1,517,000	100.00%	\$ 1,517,000
Overlapping			
Clark County <sup>1</sup>	589,035,000	15.30%	90,122,355
Clark County School District <sup>2</sup>	5,006,995,500	15.30%	766,070,312
City of Henderson <sup>3</sup>	374,069,292	100.00%	374,069,292
Las Vegas Artesian Basin <sup>1</sup>	-	0.00%	-
Total	<u>\$ 5,971,616,792</u>		<u>\$ 1,231,778,959</u>

## Sources:

<sup>1</sup> Clark County Assessor's Office<sup>2</sup> Clark County School District Finance Department<sup>3</sup> City of Henderson Finance Department

Table 11

HENDERSON DISTRICT PUBLIC LIBRARIES

Debt Limit Information  
Last Ten Fiscal Years

	Fiscal Year									
	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Assessed valuation	\$ 3,491,081,561	\$ 3,298,137,590	\$ 3,723,141,490	\$ 4,637,388,435	\$ 5,472,615,522	\$ 6,176,976,801	\$ 7,119,160,452	\$ 10,484,203,458	\$ 14,780,119,061	\$ 16,620,147,366
Debt limit - 10% of assessed value	349,108,156	329,813,759	372,314,149	463,738,844	547,261,552	617,697,680	711,916,045	1,048,420,346	1,478,011,906	1,662,014,737
Debt outstanding applicable to the limit	-	-	-	1,377,000	1,431,000	1,270,000	2,378,500	2,101,500	1,814,400	1,517,000
Legal debt margin	\$ 349,108,156	\$ 329,813,759	\$ 372,314,149	\$ 462,361,844	\$ 545,830,552	\$ 616,427,680	\$ 709,537,545	\$ 1,046,318,846	\$ 1,476,197,506	\$ 1,660,497,737
Legal debt margin as a percentage of debt limit	100.00%	100.00%	100.00%	99.70%	99.74%	99.79%	99.67%	99.80%	99.88%	99.91%

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 HENDERSON DISTRICT PUBLIC LIBRARIES

**Demographic and Economic Information  
Last Ten Fiscal Years**

Fiscal Year	City of Henderson Population <sup>1</sup>	Personal Income <sup>2</sup>	Per Capita Personal Income	Clark County Unemployment Rate <sup>3</sup>	Clark County School Enrollment <sup>4</sup>
1998-1999	176,670	\$ *	*	4.70%	203,777
1999-2000	190,512	*	*	3.50%	217,139
2000-2001	199,695	*	*	4.40%	231,125
2001-2002	210,850	*	*	6.60%	244,684
2002-2003	223,070	*	*	5.60%	255,328
2003-2004	235,292	*	*	4.40%	268,357
2004-2005	243,897	*	*	4.00%	280,834
2005-2006	257,838	8,836,009,011	34,270	4.30%	291,510
2006-2007	265,589	9,331,499,855	35,135	4.70%	302,763
2007-2008	269,245	9,606,345,252	35,679	6.50%	314,403

\*Information not readily available

Sources:

<sup>1</sup>City of Henderson Community Development Department

<sup>2</sup>Applied Analysis, Las Vegas, NV

<sup>3</sup>Nevada Department of Employment Security

<sup>4</sup>Clark County School District (4th Week) - Public School Enrollment Only



**HENDERSON DISTRICT PUBLIC LIBRARIES**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	Fiscal Year 2008			Fiscal Year 1999		
	Employees <sup>1</sup>	Rank	Percentage of Total City Employment	Employees <sup>2</sup>	Rank	Percentage of Total City Employment
City of Henderson	2,500-2,999	1	1.80%-2.16%	1,710	2	*
Green Valley Ranch Gaming LLC	2,000-2,499	2	1.44%-1.80%			----
St. Rose Dominican - Siena	1,500-1,999	3	1.08%-1.44%			----
Sunset Station Hotel & Casino	1,500-1,999	4	1.08%-1.44%	1,800	1	*
St. Rose Dominican Hospital	900-999	5	.65%-.72%	750	4	*
Fiesta Lake Mead Station	900-999	6	.65%-.72%			----
Medco Health LLC	600-699	7	.43%-.50%			----
Titanium Metals Corporation	500-599	8	.36%-.43%			----
Wal-Mart Supercenter	500-599	9	.36%-.43%			----
Ford Motor Credit Co.	500-599	10	.36%-.43%			----
The Reserve			----	1,200	3	*
Good Humor - Breyers			----	475	5	*
Levi-Strauss & Co.			----	330	6	*
Joker's Wild			----	320	7	*
Eldorado, Inc.			----	315	8	*
Railroad Pass			----	300	9	*
Ethel M			----	246	10	*
<b>Total</b>	<b>11,400-13,990</b>		<b>8.21%-10.07%</b>	<b>7,446</b>		<b>*</b>
<b>Total City Employment<sup>1</sup></b>	<b>138,740</b>			<b>*</b>		

\* Information not readily available

Sources:

<sup>1</sup> Applied Analysis, Las Vegas, Nevada

<sup>2</sup> City of Henderson Finance Department

## HENDERSON DISTRICT PUBLIC LIBRARIES

**Full-Time Equivalent Employees by Function**  
**Last Nine Fiscal Years<sup>1</sup>**

	Full-time Equivalent Employees as of June 30								
	2000	2001	2002	2003 <sup>2</sup>	2004	2005	2006	2007	2008
Library Services									
Reference	5.0	5.0	6.0	9.0	10.0	10.5	11.0	11.5	11.5
Circulation	11.5	13.5	14.5	22.5	23.0	24.5	26.0	24.0	24.0
Outreach <sup>3</sup>	----	----	----	----	----	----	3.0	4.5	4.5
Youth Services	5.0	6.0	6.5	10.5	11.5	12.5	11.0	13.0	12.5
Acquisitions & Bibliographic Services	3.0	3.0	6.0	5.0	6.0	6.0	6.5	7.0	8.0
Administration	6.5	6.0	7.5	10.5	10.5	11.0	12.5	11.0	8.5
Information Technology	1.0	2.5	4.0	4.0	4.0	4.5	4.5	5.5	5.5
Total	<u>32.0</u>	<u>36.0</u>	<u>44.5</u>	<u>61.5</u>	<u>65.0</u>	<u>69.0</u>	<u>74.5</u>	<u>76.5</u>	<u>74.5</u>

## Notes:

<sup>1</sup>Prior to fiscal year 2000, HDPL did not prepare a Comprehensive Annual Financial Report, therefore, this information is not readily available.

<sup>2</sup>The Paseo Verde Library was completed and opened at the beginning of fiscal year 2003.

<sup>3</sup>The Outreach Department was established in fiscal year 2006 with the purchase of a bookmobile.

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**Library Materials and Circulation Summary  
Last Ten Fiscal Years**

Fiscal Year	Items Owned	Cost of Total Collection	Cost of New Acquisitions	Cost of Disposed Items	Net Book Value of Collections <sup>1</sup>	Number of Items Circulated	Turnover Rate <sup>2</sup>
1998-1999	170,607	2,641,135	535,835	(205,557)	*	410,841	2.41%
1999-2000	182,776	2,971,413	550,018	(300,011)	*	452,322	2.47%
2000-2001	197,605	3,221,420	557,373	(104,319)	*	513,131	2.60%
2001-2002	235,407	3,674,474	748,504	(88,193)	*	533,516	2.27%
2002-2003	261,191	4,334,785	724,960	(175,624)	1,691,100	685,356	2.62%
2003-2004	288,983	4,884,121	849,746	(227,272)	2,092,249	855,713	2.96%
2004-2005	306,332	5,506,595	866,858	(89,186)	2,452,070	907,082	2.96%
2005-2006	333,482	6,284,267	1,011,146	(902,713)	2,850,647	956,974	2.87%
2006-2007	361,158	6,392,700	1,241,004	(427,117)	3,548,006	1,068,511	2.96%
2007-2008	400,698	7,206,587	1,810,734	(333,803)	4,762,793	1,186,113	2.96%

\* Information not readily available

Notes:

<sup>1</sup>GASB Statement 34, implemented in 2003, requires that capital assets be depreciated. HDPL's collection of books and materials is considered a capital asset. Net book value represents total acquisition cost of circulating materials less depreciation to date.

<sup>2</sup>Turnover rate is the number of times an item is checked out. This is an average of publicly circulating items in the total collection.

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HENDERSON DISTRICT PUBLIC LIBRARIES

**Circulation by Location  
Last Ten Fiscal Years**

Fiscal Year	James I. Gibson Library	Lydia Malcolm Library	Paseo Verde Library <sup>1</sup>	Pittman Library	Remote Services <sup>2</sup>	Total
1998-1999	*	*	----	*	----	410,841
1999-2000	*	*	----	*	----	452,322
2000-2001	348,497	159,723	----	4,911	----	513,131
2001-2002	372,104	155,648	----	5,764	----	533,516
2002-2003	314,636	49,753	315,597	5,379	----	685,365
2003-2004	334,824	39,589	475,171	6,129	----	855,713
2004-2005	353,951	40,285	501,877	9,763	1,206	907,082
2005-2006	330,610	80,003	536,341	8,251	1,769	956,974
2006-2007	340,764	104,532	606,145	8,322	8,748	1,068,511
2007-2008	370,250	116,684	680,128	6,686	12,365	1,186,113

\*Information not readily available

Notes:

<sup>1</sup>The Paseo Verde Library opened in the beginning of fiscal year 2003.

<sup>2</sup>Remote Services includes e-books, remote deposit collections, downloadable materials, and the bookmobile. E-books became available in fiscal year 2005, the remote deposit collections and the bookmobile began operations at the end of fiscal year 2006, and downloadable materials became available in fiscal year 2007.

## HENDERSON DISTRICT PUBLIC LIBRARIES

	Current Address	Current Status	Service Location Information Last Ten Fiscal Years																	
			1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08								
<b>LIBRARIES</b>																				
James I Gibson Library	280 S Water St Henderson, NV 89015	O	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850	16,850
Lydia Malcolm Library	80 N Pecos, Suite H Henderson, NV 89074	L	6,409	6,409	6,409	4,669 <sup>1</sup>	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669	4,669
	2960 Sunridge Heights Pkwy Henderson, NV 89074	O	-----	-----	-----	-----	-----	-----	-----	-----	4,030 <sup>2</sup>	4,030	4,030	4,030	4,030	4,030	4,030	4,030	4,030	6,030 <sup>3</sup>
Paseo Verde Library	280 S Green Valley Pkwy Henderson, NV 89012	O	-----	-----	-----	-----	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313	43,313
Pitman Library	1680 Moser Henderson, NV 89015	L	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
<b>SUPPORT SERVICES</b>																				
Administrative/Acquisitions & Bibliographic Services	115 S Water Street Henderson, NV 89015	L	4	1,500 <sup>5</sup>	1,500	1,500	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
	280 S Green Valley Pkwy Henderson, NV 89012	O	-----	-----	-----	-----	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Information Technology Services	280 S Green Valley Pkwy Henderson, NV 89012	O	4	4	4	4	6	6	6	6	6	6	6	6	6	6	6	6	6	6
O=Owned, L=Leased																				

## Notes:

- <sup>1</sup>The reduction in square footage is due to a portion of the facility being subleased to the State of Nevada's Talking Books Program. The remaining square footage was retained for library use.
- <sup>2</sup>The District purchased a 6,030 square foot building in which the Malcolm Library was relocated. Of the 6,030 square feet, 2,000 square feet was allocated to the Talking Books program, leaving the indicated square footage for library services.
- <sup>3</sup>The Talking Books program moved out of the Malcolm Library at the beginning of this fiscal year thereby increasing the square footage used for library services to 6,030 square feet.
- <sup>4</sup>Square footage for this location is included in the James I. Gibson Library.
- <sup>5</sup>The District temporarily leased a location for the Administrative Services and Acquisitions & Bibliographic Services.
- <sup>6</sup>Square footage for this location is included in the Paseo Verde Library.

Table 18

**HENDERSON DISTRICT PUBLIC LIBRARIES**

**Percentage of General Fund Operating Expenditures Spent on Library Books and Materials  
Last Ten Fiscal Years**

	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005 <sup>1</sup>	2005-2006	2006-2007	2007-2008
Total General Fund Expenditures	\$ 1,885,560	\$ 2,525,940	\$ 2,788,421	\$ 3,362,853	\$ 4,263,748	\$ 4,722,017	\$ 4,957,007	\$ 5,861,872	\$ 6,644,108	\$ 6,943,668
Less Capital Outlay Other Than Books	(26,610)	(136,088)	(97,924)	(54,435)	(94,924)	(100,025)	(6,472)	(45,565)	(69,479)	(2,956)
Less Other Grant Expenditures:										
Library Books and Materials	-	-	-	-	(10,920)	(10,932)	-	-	-	-
Other Noncapital Expenditures	-	-	-	-	(15,132)	-	-	-	-	-
Less State Grant Expenditures:										
Library Books and Materials	(83,585)	(40,535)	(37,535)	(75,943)	-	(1,060)	-	-	-	-
Other Noncapital Expenditures	-	-	-	-	-	(4,979)	-	-	-	-
Less Federal Grant Expenditures:										
Library Books and Materials	-	-	-	(92,946)	(9,131)	(20,357)	(419)	-	-	-
Other Noncapital Expenditures	-	(5,000)	(1,163)	(12,626)	(61,787)	(14,106)	(1,790)	-	-	-
Total General Fund Operating Expenditures	\$ 1,775,365	\$ 2,344,317	\$ 2,651,799	\$ 3,126,903	\$ 4,071,854	\$ 4,570,558	\$ 4,948,326	\$ 5,816,307	\$ 6,574,629	\$ 6,940,712
Total Library Books and Materials	\$ 560,391	\$ 550,018	\$ 557,373	\$ 748,503	\$ 630,956	\$ 750,429	\$ 787,602	\$ 831,321	\$ 920,038	\$ 817,072
Less Other Grant Book Expenditures	-	-	-	-	(10,920)	(10,932)	-	-	-	-
Less State Grant Book Expenditures	(83,585)	(40,535)	(37,535)	(75,943)	-	(1,060)	-	-	-	-
Less Federal Grant Book Expenditures	-	-	-	(92,946)	(9,131)	(20,357)	(419)	-	-	-
Total Operating Library Books and Materials	\$ 476,806	\$ 509,483	\$ 519,838	\$ 579,614	\$ 610,905	\$ 718,080	\$ 787,183	\$ 831,321	\$ 920,038	\$ 817,072
Percentage of Total General Fund Operating Expenditures	26.86%	21.73%	19.60%	18.54%	15.00%	15.71%	15.91%	14.29%	13.99%	11.77%

Notes:

<sup>1</sup>The Contributions and Grants Fund was created in fiscal year 2005. Grants awarded after fiscal year 2004 are recorded in this new fund and are therefore not recorded on this schedule.

*Award winning child development specialist, musician and author Jim Gill was enthusiastically received by school children at the Paseo Verde Library on May 14, 2008. His unique approach of combining word play and movement into songs entertained children, parents and librarians alike.*



# Independent Accountant's Report



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

### **Independent Accountant's Report**

To the Board of Trustees of Henderson District Public Libraries  
Henderson, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2008 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2008,
- The net assets and fund balances of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of the Henderson District Public Libraries.

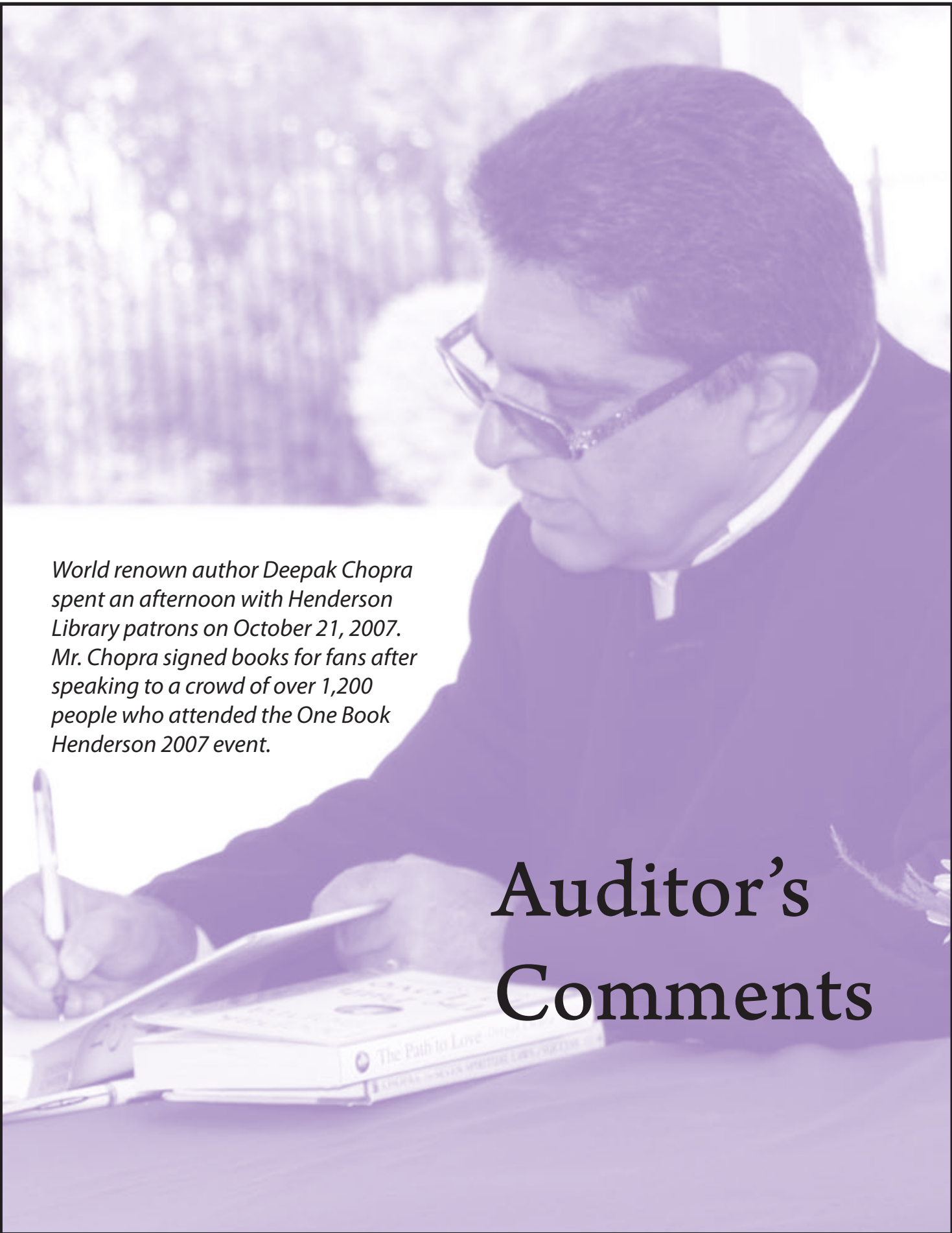
Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management, referred to above, is not fairly stated in all material respects.

*Kafoury, Armstrong & Co.*

Reno, Nevada  
November 7, 2008





*World renown author Deepak Chopra spent an afternoon with Henderson Library patrons on October 21, 2007. Mr. Chopra signed books for fans after speaking to a crowd of over 1,200 people who attended the One Book Henderson 2007 event.*

# Auditor's Comments

**HENDERSON DISTRICT PUBLIC LIBRARIES  
AUDITOR'S COMMENTS  
JUNE 30, 2008**

**STATUTE COMPLIANCE**

The required disclosure on compliance with the Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

**PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE**

HDPL conformed to all significant statutory constraints on its financial administration during the year ended June 30, 2007.

**PRIOR YEAR RECOMMENDATIONS**

There were no specific recommendations made in the audit report for the year ended June 30, 2007.

**CURRENT YEAR RECOMMENDATIONS**

We did not find any financial weaknesses of a magnitude to justify inclusion within our audit report, however we did issue a separate letter to management.