

# DOUGLAS COUNTY NEVADA



## *Comprehensive Annual Financial Report*

*Fiscal Year Ended June 30, 2017*



**Douglas County, Nevada**

**Comprehensive Annual  
Financial Report**

**For the Year Ended  
June 30, 2017**

**Prepared By  
Finance Division**

**Vicki Moore  
Chief Financial Officer**



**Cover Photo Taken By  
Kathy Kaiser, Finance Division**



# Douglas County

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# **INTRODUCTORY SECTION**





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## BOARD OF COMMISSIONERS

1594 Esmeralda Avenue, Minden, Nevada 89423

Lawrence A. Werner  
COUNTY MANAGER  
775-782-9821

**COMMISSIONERS:**  
Barry Penzel, CHAIRMAN  
Steven Thaler, VICE-CHAIRMAN  
Larry Walsh  
Nancy McDermid  
Dave Nelson

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December 15, 2017

To the County Commission and Citizens of the Douglas County:

Nevada Revised Statutes (NRS) 354.624 require Douglas County (the County) to submit a “complete set” of financial statements presented in accordance with accounting principles generally accepted in the United States and audited by a firm of independent certified public accountants in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, the Comprehensive Annual Financial Report (CAFR) for the County as of and for the year ended June 30, 2017, is hereby submitted.

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

The County's basic financial statements were audited by Piercy Bowler Taylor & Kern, Certified Public Accountants & Business Advisors. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County as of and for the year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's basic financial statements as of and for the year ended June 30, 2017, are fairly presented in all material respects in conformity with accounting principles generally accepted in the United States. The Independent Auditors' Report on Financial Statements and Supplementary Information is presented as the first component of the financial section of this report. In addition, the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* is presented as the last component of the financial section of this report.

Accounting principles generally accepted in the United States require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in a specified form called Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the Independent Auditors' Report on Financial Statements and Supplementary Information.

## Profile of the Government

Douglas County, named after Stephen A. Douglas, a former United States Senator, is a political subdivision of the State of Nevada (the State), operating under provisions of Title 20 of Nevada Revised Statutes (NRS). On November 25, 1861, the County became one of the first counties established by the first Territorial Legislature, and was retained when the territory became a state on October 31, 1864. Broad and green, nourished by the Carson River and its tributaries, the County appeared as an oasis for early western settlers drawn by the California Gold Rush. Historically, many small communities were scattered along the base of the Sierra Nevada Mountain Range, remnants of some of the first towns in the State, many of which were established in the 1850's as trading posts and centers of ranching and farming. Settled in 1851, Genoa, originally known as Mormon Station, is the oldest of these. After severe fire damage and a decline in population, the State Legislature changed the location of the County seat, during the 1915 session, from the Town of Genoa to the Town of Minden.

The County covers an approximate area of 750 square miles, and is located in the western portion of the State bordering the largest alpine lake in North America, Lake Tahoe with all its summer and winter activities. The County is recognized as the gem of Northern Nevada - a hidden jewel, where you can still find miles of open space, expansive ranches and farms, many historical sites and displays, along with a wealth of outdoor recreation activities. The County borders the State of California to the south and west, Lyon County to the east, and the State's capital, Carson City, to the north. Included within the County's boundaries are portions of the Sierra Nevada Mountain Range, Pinenut Mountains, Lake Tahoe, Topaz Lake, and the Carson and Walker Rivers. Elevations within the County vary from a low of 4,625 feet on the valley floor to a high of 9,500 feet at East Peak. The proximity of the Carson Valley to the Sierra Nevada Mountains creates one of the most comfortable daily temperature ranges in the continental United States. Generally, the climate is arid, with warm summers, moderate winters, and cool evening temperatures year around.

County residents elect officials to provide community leadership and administration. The County operates under a commission-manager form of government. The Board of Commissioners, the governing body of the County, is comprised of five members who are elected at-large by district to serve four-year, overlapping terms. The County Commissioners also serve as the governing body for the Douglas County Redevelopment Agency and several other component units of the County. Other elected offices of the County include Assessor, Clerk/Treasurer, Constable, District Attorney, Justices of the Peace, Recorder, Sheriff and Public Administrator. The County provides a wide range of community services, including airport, animal care, building safety, cooperative extension, code enforcement, community development services, district and justice courts, economic development, general administrative services, juvenile care, law enforcement, library, parks and recreation, senior services, social services, street construction and maintenance, water and sewer services, weed control, and zoning. Fire protection and paramedic services are provided by the East Fork Fire Protection District. The unincorporated towns of Gardnerville, Genoa, and Minden are also component units of the County.

## Factors Affecting Financial Condition

### Local Economy

With its proximity to the State of California, and its favorable tax laws, the County experienced significant growth in residential housing and commercial development prior to the economic downturn, which stagnated in the years after the Great Recession. Current data from the County Assessor's offices indicates that residential property sales and prices have stabilized and are continuing to trend upward. Residential building permits have also been trending higher over the last few years. The County's unemployment rate, which increased from 4.1% in September 2004 to 14.0% by September 2010 during the economic downturn, has dropped to 4.6% as of October 2017.

Major industries in the County include tourism, research and manufacturing, government and services. The County offers the facilities and amenities of a metropolitan area, yet remains pleasantly rural with easy access to services, and has one of the best school districts in the State with scores well above the national standard. Major County employers include leaders in the fields of technology, manufacturing and research. Several dozen technology entrepreneurs and advanced manufacturers are located in the Carson Valley. This sector includes Bently Nevada, a world leader in its field, and a product line of General Electric. Other major employers include a Starbucks Roasting Facility, North Sails (maker of America's Cup sails), Harrah's, Harvey's, Montbleu and the Hard Rock Casinos/Hotels at Lake Tahoe, Heavenly Valley LTD (ski resort), Douglas County School District, Walmart and the Carson Valley Medical Center.

## Long-term Financial Planning

The County continues to build upon its strong record of long-range planning and financial stability. The County uses a five-year financial forecast process for the general fund, and other major funds, to focus on correcting structural budget imbalances over the long range. Over the years, the County has worked collaboratively with other special taxing districts to restructure property tax rates, and with other regional entities to provide for various shared services that serve our community in the most cost effective way. The County was among the first in the United States to implement Priority Based Budgeting, a leading practice as recognized by the Alliance for Innovation in Local Government and the International City/County Management Association.

Priority Based Budgeting is more than a budgeting tool, it is a long-term organizational change used to achieve and sustain fiscal health and wellness by aligning an organization's financial resources with its highest priority programs and services. Priority Based Budgeting involves a comprehensive annual review of the entire organization, identifying every program offered and its cost, and evaluating the relevance of every program in terms of its contribution in meeting the priority results the County strives to achieve for the community as identified in the strategic planning process.

## Relevant Financial Policies

The County maintains a comprehensive set of financial management policies designed to ensure financial stability through sound financial management practices and the provision of timely and accurate financial information so that the County Commissioners' policy decisions are made proactively and not dictated by financial problems or emergencies. These policies also provide for operational principles that minimize the cost of government and financial risk, provide essential public facilities and maintenance of the County's infrastructure, protect and enhance the County's credit rating, and ensure the legal use of all County funding sources through a sound system of internal controls. These policies can be viewed in full on the County's website [www.douglascountynv.gov](http://www.douglascountynv.gov), under the link provided on the Finance Division's home page.

The County maintains an accounting system and financial reporting practices that conform to Accounting Principles Generally Accepted in the United States (GAAP) and with the requirements of the Governmental Accounting Standards Board (GASB). The County provides for an annual independent audit of its financial statements by a qualified certified public accounting firm. The County publishes its audited financial statements and presents them in a public meeting together with the auditor's report no later than December 30 each year in compliance with the NRS.

It is the County's policy to maintain a structurally balanced budget, where only recurring revenues reasonably expected to continue from year to year are utilized to fund ongoing operating expenditures. The County uses one-time revenues to fund one-time expenditures such as the acquisition of capital assets or for capital improvements. The County maintains reserves at desired policy levels. Using reserves to balance the budget is only considered within the context of a time specific plan to return to a structurally balanced budget. The County budgets and strives to maintain a fund balance of at least 8.3% of estimated annual operating expenditures, and an appropriated contingency of between 1.5% and 3.0% in its general fund and special revenue funds. The County maintains a five-year Capital Improvement Plan, which is updated annually in the development of the annual Capital Improvement Program Budget.

In 2014, Standard & Poor's (S&P) upgraded the County's general obligation bond rating to AA from A+, with a stable outlook. The rating agency cited The County's management conditions as very strong with strong financial practices that are well embedded and likely sustainable. In terms of the stable outlook, S&P's opinion was that the County will continue to manage general fund operations prudently, making the budget adjustments necessary to maintain stable financial operations and reserves.

## Major Initiatives

The County's new Community and Senior Center opened to the public in December of 2014, and has quickly become a hub of the community. This 85,000 square-foot multi-generational facility includes a gymnasium, fitness facilities, multi-purpose rooms, senior center with dining facilities, community health service facility, classrooms and meeting rooms. Child care and adult day club facilities are now open at the center.

The Minden-Tahoe Airport originally built in 1942 as a military training base, serves diverse aviation uses, such as sport aviation, emergency services and corporate flying, and is home to a number of businesses. The East-side Utilities project began in 2015, and includes the construction of electric, water and sewer utilities to serve the currently undeveloped

eastern section of the Airport. Constructing the basic utilities will allow for the migration of soaring activity and overall development in this area, which includes an estimated 300 acres. The Airport has completed several planned runway and taxiway rehabilitation projects funded with grants from the Federal Aviation Administration. In the coming year, the Airport has several rehabilitation projects relating to the glider staging area and airfield lighting system as well as updating the Airport Master Plan.

Infrastructure continues to be a top priority and focus in the County. In 2017, the County began several major projects to rebuild and upgrade existing connector roads within the County. This was accomplished through the issuance of Highway Revenue Bonds that took place in November, 2016. The County also continues to evaluate funding alternatives for needed storm water flood control measures and facility space needs.

The Douglas County Economic Vitality Plan continues to achieve remarkable results. Key strategic areas of focus of the plan include developing distinctive downtowns, capitalizing on outdoor recreation and lifestyle, and developing a thriving climate for business and learning. The Valley Vision and South Shore (Lake Tahoe) Vision Plans, include the development of partnerships between public and private sector entities to provide for vibrant and more pedestrian friendly downtown areas and transportation improvements.

#### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Douglas County for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This is the third year in a row that the County has received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR meets the GFOA's Certificate of Achievement Program requirements and are submitting it to the GFOA.

Preparation of this CAFR could not have been accomplished without the efforts and dedication of the staff of the Finance Division. A special thanks to the firm of Piercy Bowler Taylor & Kern, Certified Public Accountants & Business Advisors, for its timely and professional service to the County as its independent auditors.

We wish to commend the members of the County Commission for their continued interest in conducting the financial operations of the County in a responsible and prudent manner.

Respectfully submitted,



Vicki Moore  
Chief Financial Officer

# **DOUGLAS COUNTY**

**COUNTY COMMISSIONERS, OTHER ELECTED OFFICIALS AND APPOINTED OFFICIALS**

**FOR THE YEAR ENDED JUNE 30, 2017**

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## **County Commissioners**

**Dave Nelson, District 1**  
**Steve Thaler, District 2, Vice Chairman**  
**Larry Walsh, District 3**  
**Nancy McDermid, District 4**  
**William B. Penzel, District 5, Chairman**



**William B Penzel, Larry Walsh, Nancy McDermid, Dave Nelson and Steve Thaler**

## **Other Elected Officials**

**Tod Young, District Judge, District Court I**  
**Thomas W. Gregory, District Judge, District Court II**  
**Thomas Perkins, Justice Judge, East Fork Township**  
**Richard Glasson, Justice Judge, Tahoe Township**  
**Paul Gilbert, Constable**  
**Doug Sonnemann, County Assessor**  
**Mark B. Jackson, District Attorney**  
**Ron Pierini, Sheriff**  
**Kathy Lewis, County Clerk/Treasurer**  
**Karen Ellison, County Recorder**  
**Claudette Springmeyer, Public Administrator**

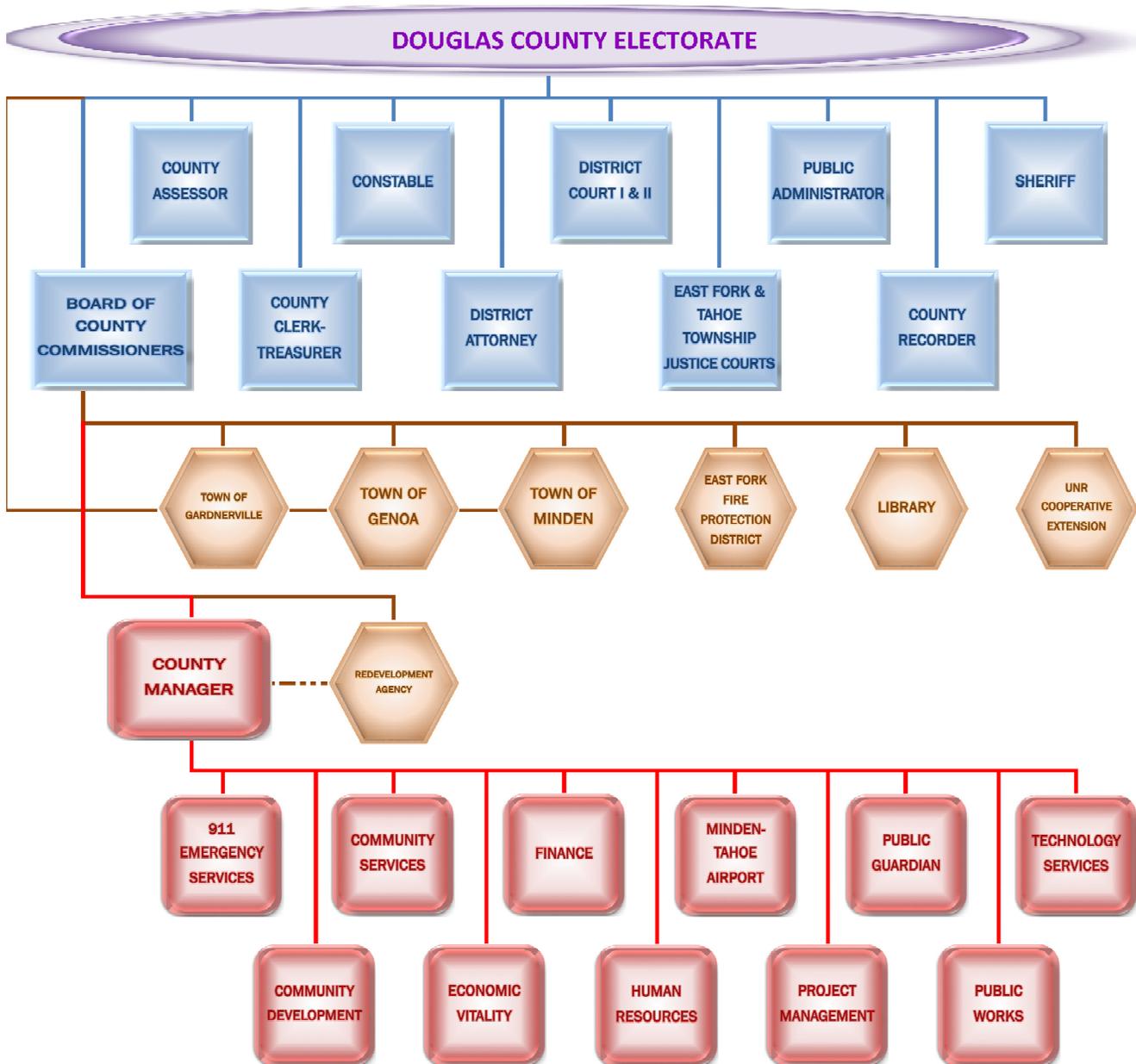
## **Appointed Officials**

**Lawrence A. Werner, County Manager**  
**Vicki Moore, Chief Financial Officer**  
**Bobbi Thompson, Minden-Tahoe Airport Manager**  
**Amy Dodson, Library Director**  
**Carl Ruschmeyer, Public Works Director**  
**Mimi Moss, Community Development Director**  
**Scott Morgan, Community Services Director**  
**Ron Sagen, 911 Emergency Services Manager**  
**Sherri McGee, Chief Technology Officer**

# DOUGLAS COUNTY

## ORGANIZATION CHART

FOR THE YEAR ENDED JUNE 30, 2017





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Douglas County  
Nevada**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

*Christopher P. Morill*

Executive Director/CEO



# **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Members of the County Commission  
Douglas County, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Douglas County (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

An audit performed in accordance with applicable professional standards is a process designed to obtain reasonable assurance about whether the County's basic financial statements are free from material misstatement. This process involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the basic financial statements to enable the design of audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the basic financial statements.

**Management's Responsibility for the Financial Statements.** Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility.** Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion.** In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters.** Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, postemployment benefits other than pensions, schedule of funding progress, proportionate share of the collective net pension liability information, proportionate share of statutorily

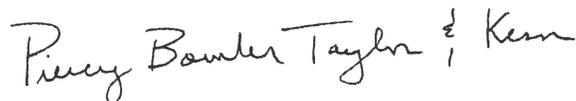
required pension contribution information and budgetary comparison information on pages 11-24 and 85-104 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Information.** Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the County's basic financial statements. The introductory section, other supplementary information, as listed in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards*.** In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Las Vegas, Nevada  
December 15, 2017

**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**



# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED June 30, 2017

The following section provides an overview of the financial activity and overall financial position of Douglas County (the County) for the fiscal year ended June 30, 2017. It includes condensed financial data followed by the County's independently audited basic financial statements, along with notes to the financial statements and supplemental information. We encourage the reader to consider the information presented here in conjunction with the additional information provided in our letter of transmittal.

### Financial Highlights

#### Summary of Selected Financial Information

	Total Primary Government			
	2017	2016	Change	
Cash, cash equivalents and investments	\$ 95,059,587	\$ 79,028,342	\$ 16,031,245	20.29 %
Capital assets, net	216,823,762	224,145,022	(7,321,260)	(3.27)%
Deferred outflows of resources	16,184,765	12,060,418	4,124,347	34.20 %
Postemployment benefits other than pensions	7,392,639	7,102,765	289,874	4.08 %
Net pension liability	65,783,821	71,742,188	(5,958,367)	(8.31)%
Bonds and notes payable, net of unamortized premiums and discounts	41,327,233	31,951,680	9,375,553	29.34 %
Deferred inflows of resources	6,140,828	9,435,075	(3,294,247)	(34.91)%
Total net position	198,745,932	190,534,436	8,211,496	4.31 %
Charges for services	25,959,578	26,382,213	(422,635)	(1.60)%
Property taxes	36,439,138	37,989,647	(1,550,509)	(4.08)%
Total expenses	101,706,623	100,042,500	1,664,123	1.66 %
Change in net position	8,211,496	7,149,386	1,062,110	14.86 %

### Financial Statement Overview

#### Government-wide Financial Statements

The government wide financial statements provide readers with a broad overview of the County's finances that is similar to a private sector business.

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

Statement of Activities - Presents information showing how the County's net position changed during the fiscal year. The County reports changes in net position when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses in this statement are for some items that will only result in cash flows for future fiscal periods.

The amounts in the government wide financial statements distinguish the operating functions of the County as follows.

Governmental Activities - Reports activities that are principally supported by taxes and intergovernmental revenues, including federal and state grants and other shared revenues and include general government, judicial, public safety, public works, community development, culture and recreation, health and sanitation, and welfare.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2017

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Business-type Activities - Functions that recover all or a significant portion of their costs through user fees and charges. The business-type activities of the County include water, sewer, and refuse service operations; and debt service.

The government wide financial statements can be found in the "Basic Financial Statements" section of this report.

### Fund Financial Statements

A fund is a legal and accounting entity with a self-balancing set of accounts used to maintain accounting control over resources segregated to record specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds fall into one of three categories: governmental funds, proprietary funds, and fiduciary funds.

### Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on the balances of expendable resources available at the end of the fiscal year.

This report includes separately presented information in the balance sheet, and the statement of revenues, expenditures, and changes in fund balances for each of the major funds as defined by Governmental Accounting Standards Board (GASB) Statement No. 34, as amended. Data from the remaining non-major funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining and individual fund statements and schedules included elsewhere in this report.

Governmental funds include four types:

General Fund – Accounts for all financial resources not accounted for in other funds.

Special Revenue Funds - Account for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Debt Service Funds - Account for the accumulation of financial resources that are restricted, committed or assigned to the repayment of debt principal and interest.

Capital Project Funds - Account for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

The governmental fund financial statements can be found in the "Basic Financial Statements" section of this report.

### Proprietary Funds

The County maintains two types of proprietary funds:

Enterprise Funds – Account for activities for which a user fee is charged for the provision of goods or services. The County uses enterprise funds to account for its water, sewer and refuse service operations.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2017

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Internal Service Funds - Account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis. The County uses internal service funds to account for risk management, employee dental programs, and fleet services. Because these services predominantly benefit governmental, rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide separate information for each major proprietary fund. Data from the remaining non-major enterprise funds are combined into a single aggregated presentation. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual and combining fund data for the non-major enterprise and internal service funds is provided in the other supplementary information section of this report.

The proprietary fund financial statements can be found in the "Basic Financial Statements" section of this report.

### Fiduciary Funds

Fiduciary Funds - Account for the County's activities that are custodial in nature (assets equal liabilities) and do not involve measurement of operational results. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds do not arise from County operational activities and are not available to support the County's own programs. The accounting method used for fiduciary funds is much like the method used for the proprietary funds.

The fiduciary fund financial statement can be found in the "Basic Financial Statements" section of this report.

### Notes to Basic Financial Statements

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

The notes to the basic financial statements can be found immediately following the "Basic Financial Statements" section of this report.

### Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, including budget comparison data for the general and major special revenue funds. Other supplementary information for the non-major funds includes budget comparison data and combining and individual fund statements and schedules.

The required and other supplementary information can be found immediately following the notes to the basic financial statements in this report.

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2017

### Government-wide financial analysis

#### Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Assets</b>						
Current, restricted and other	\$ 79,654,278	\$ 66,050,179	\$ 26,501,962	\$ 25,111,242	\$ 106,156,240	\$ 91,161,421
Capital	<u>114,900,813</u>	<u>121,795,208</u>	<u>101,922,949</u>	<u>102,349,814</u>	<u>216,823,762</u>	<u>224,145,022</u>
Total assets	<u>194,555,091</u>	<u>187,845,387</u>	<u>128,424,911</u>	<u>127,461,056</u>	<u>322,980,002</u>	<u>315,306,443</u>
Deferred outflows of resources	<u>15,067,176</u>	<u>11,262,302</u>	<u>1,117,589</u>	<u>798,116</u>	<u>16,184,765</u>	<u>12,060,418</u>
<b>Liabilities</b>						
Current	13,256,166	9,416,812	2,984,735	2,811,064	16,240,901	12,227,876
Long-term	<u>99,954,439</u>	<u>96,417,732</u>	<u>18,082,667</u>	<u>18,751,742</u>	<u>118,037,106</u>	<u>115,169,474</u>
Total liabilities	<u>113,210,605</u>	<u>105,834,544</u>	<u>21,067,402</u>	<u>21,562,806</u>	<u>134,278,007</u>	<u>127,397,350</u>
Deferred inflows of resources	<u>5,801,299</u>	<u>9,014,023</u>	<u>339,529</u>	<u>421,052</u>	<u>6,140,828</u>	<u>9,435,075</u>
<b>Net position</b>						
Net investment in capital assets	87,418,048	104,928,853	88,316,914	87,557,422	175,734,962	192,486,275
Restricted	53,591,671	40,482,940	1,009,199	686,457	54,600,870	41,169,397
Unrestricted	<u>(50,399,356)</u>	<u>(61,152,671)</u>	<u>18,809,456</u>	<u>18,031,435</u>	<u>(31,589,900)</u>	<u>(43,121,236)</u>
Total net position	<u>\$ 90,610,363</u>	<u>\$ 84,259,122</u>	<u>\$ 108,135,569</u>	<u>\$ 106,275,314</u>	<u>\$ 198,745,932</u>	<u>\$ 190,534,436</u>

Current assets increased \$14,994,819 from the prior year, primarily due to increases in cash as a result of issuance of \$11,635,000 in highway revenue bonds for transportation improvement projects and the balance of a cash security deposit for the Clear Creek Development.

Capital assets, comprised of the County's investment in land, buildings and building improvements, machinery and equipment, vehicles, and infrastructure, net of depreciation, decreased \$7,321,260 from the prior year, primarily due to East Fork Fire Protection District no longer being a component unit of Douglas County.

Current liabilities increased \$4,013,025 from the prior year, primarily due to increases in accounts payable as a result of a one-time payable in the amount of \$1,809,161 for transportation improvement projects and a one-time payable relating to the balance of a cash security deposit for the Clear Creek Development, which were accrued in fiscal year 2017 and paid in fiscal year 2018 or slated to be paid in fiscal year 2018.

Long-term liabilities, comprised of long-term debt obligations, compensated absences, pension and other postemployment benefit obligations, increased \$2,867,632 from the prior year, primarily due to an increase in long-term bonds payable of \$11,635,000 relating to the issuance of the highway revenue bonds. The increase is offset by payments of existing long-term bonds and notes payable of \$2,501,998 and a decrease in the net pension liability of \$5,958,367, primarily as a result of East Fork Fire Protection District's departure from the County's umbrella.

At June 30, 2017, the County's total net position was \$198,745,932 representing an increase of \$8,211,496 over the prior year.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

By far, the largest portion of the County's net position is its investment in capital assets (land, buildings and building improvements, machinery and equipment, vehicles, and infrastructure), less any related debt used to acquire these assets, which are used to provide services to citizens; consequently, these assets are not available for future expenditures. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues						
Charges for services	\$ 13,399,534	\$ 14,842,089	\$ 12,560,044	\$ 11,540,124	\$ 25,959,578	\$ 26,382,213
Operating grants and contributions	7,078,397	7,087,302			7,078,397	7,087,302
Capital grants and contributions	4,076,938	2,302,348	1,089,015	952,688	5,165,953	3,255,036
General revenues						
Property taxes	36,439,138	37,989,647			36,439,138	37,989,647
Room taxes	7,811,600	6,963,281			7,811,600	6,963,281
Construction taxes	857,726	869,609			857,726	869,609
Intergovernmental shared revenues, unrestricted	23,595,365	23,244,880			23,595,365	23,244,880
Investment income	166,180	536,417	35,702	162,340	201,882	698,757
Gain on disposal of capital assets	27,154	35,552	36		27,190	35,552
Miscellaneous	400,616	486,637	129,341	178,972	529,957	665,609
Total revenues	<u>93,852,648</u>	<u>94,357,762</u>	<u>13,814,138</u>	<u>12,834,124</u>	<u>107,666,786</u>	<u>107,191,886</u>
Expenses						
General government	14,028,845	13,389,748			14,028,845	13,389,748
Judicial	14,636,162	14,151,629			14,636,162	14,151,629
Public safety	26,014,523	29,668,223			26,014,523	29,668,223
Public works	8,528,908	8,153,262			8,528,908	8,153,262
Community development	5,297,405	4,365,400			5,297,405	4,365,400
Culture and recreation	16,337,228	15,421,278			16,337,228	15,421,278
Health and sanitation	628,968	585,814			628,968	585,814
Welfare	3,195,637	2,669,742			3,195,637	2,669,742
Interest expense and fiscal charges	974,718	463,933			974,718	463,933
Water			8,410,628	7,791,526	8,410,628	7,791,526
Sewer			2,027,437	1,951,823	2,027,437	1,951,823
Trash			1,626,164	1,430,122	1,626,164	1,430,122
Total expenses	<u>89,642,394</u>	<u>88,869,029</u>	<u>12,064,229</u>	<u>11,173,471</u>	<u>101,706,623</u>	<u>100,042,500</u>
Transfers	<u>(110,346)</u>	<u>(2,112,500)</u>	<u>110,346</u>	<u>2,112,500</u>		

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Special and extraordinary items						
Transfer of operations to East Fork Fire Protection District	\$ 2,251,333	\$ _____	\$ _____	\$ _____	\$ 2,251,333	\$ _____
Change in net position	6,351,241	3,376,233	1,860,255	3,773,153	8,211,496	7,149,386
Net position, beginning of year	84,259,122	80,882,890	106,275,314	102,502,161	190,534,436	183,385,051
Net position, end of year	\$ 90,610,363	\$ 84,259,122	\$ 108,135,569	\$ 106,275,314	\$ 198,745,932	\$ 190,534,436

Governmental activities net position increased \$6,351,241 from the prior year. This increase was primarily due to:

Increases in property taxes primarily due to growth in assessed property values net of property tax abatements that limit tax increases in residential property to 3% and for all other property to 8% and increased consumer spending (tourist and local).

Increases in capital grants relating to projects at the Minden-Tahoe Airport of \$1,671,313.

Increases in Room Taxes, which were partially offset by increases in expenses as a result of the pass-through to other entities.

Increases from activity related to East Fork Fire Protection District. Effective January 2017, East Fork Fire Protection District became a separate entity. The transfer of operations resulted in an increase of \$2,251,333.

Business-type activities net position increased \$1,860,255 from the prior year. This increase was primarily due to:

Increases in charges for services, which were offset by increases in expenses as a result of normal fluctuations in day to day operations.

### Fund Financial Analysis

#### Governmental Funds

The County's governmental fund financial statements provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

Governmental Funds  
Summary Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2017

	Special Revenue Funds		Capital Projects Funds		Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed			
Total revenues	\$ 44,071,088	\$ 13,532,613	\$ 65,245	\$ 38,728,657	\$ 96,397,603	
Total expenditures	<u>40,201,427</u>	<u>13,109,735</u>	<u>2,099,202</u>	<u>39,251,034</u>	<u>94,661,398</u>	
Excess (deficiency) of revenues over (under) expenditures	3,869,661	422,878	(2,033,957)	(522,377)	1,736,205	
Total other financing sources (uses)	(2,903,744)	529,232	12,483,707	2,824,462	12,933,657	
Total special and extraordinary items	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>(4,487,275)</u>	<u>(4,487,275)</u>	
Change in fund balance	965,917	952,110	10,449,750	(2,185,190)	10,182,587	
Fund balance, beginning of year	<u>11,291,223</u>	<u>2,324,080</u>	<u>1,041,974</u>	<u>35,594,004</u>	<u>50,251,281</u>	
Fund balance, end of year	<u>\$ 12,257,140</u>	<u>\$ 3,276,190</u>	<u>\$ 11,491,724</u>	<u>\$ 33,408,814</u>	<u>\$ 60,433,868</u>	

Governmental Funds  
Fund Balance  
June 30, 2017

	Special Revenue Funds		Capital Projects Funds		Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed			
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid items	\$ 776,948	\$ 33,425		\$ 156,466	\$ 966,839	
Deposits	13,795			7,656	21,451	
Restricted for						
Debt service				1,649,383	1,649,383	
Capital improvement projects			11,491,724	18,096,890	29,588,614	
General, town and district redevelopment programs				3,782,440	3,782,440	
Youth and other judicial programs	1,810,308			1,926,481	3,736,789	
Fire, police and other public safety programs				920,401	920,401	
Streets and other public works programs	2,644,275			2,678,223	5,322,498	
Cultural and community development programs				3,739,641	3,739,641	
Committed to						
Assigned to						
Cultural and community development programs		3,242,765		451,233	3,693,998	
Stabilization programs	365,700				365,700	
Unassigned	<u>6,646,114</u>				<u>6,646,114</u>	
Total fund balances	<u>\$ 12,257,140</u>	<u>\$ 3,276,190</u>	<u>\$ 11,491,724</u>	<u>\$ 33,408,814</u>	<u>\$ 60,433,868</u>	

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

Governmental funds combined fund balance increased \$10,182,587 (20.3%) from the prior year. Approximately 11% of the governmental funds combined fund balance (\$6,646,114) constitutes unassigned fund balance, which is available to meet the County's ongoing obligations.

The general fund is the chief operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned fund balance (\$6,646,114), which may be used to meet the County's ongoing obligations, represents 16.53% of general fund expenditures.

Fund balance in the general fund increased \$965,917 from the prior year. This increase was primarily due to vacant positions within the General Government and Public Safety functions.

Fund balance in the room tax fund increased \$952,110 from the prior year. This increase was primarily due to:

Increases in room tax revenues of \$966,773 as a result of continued recovery in the local tourism industry, which was offset by increases in the promotional room tax expense of \$583,309 paid to local visitors authorities and agencies.

Increases in charges for services of \$147,139 as a result of the increase in enrollment in the preschool programs, annual memberships for the Douglas County Community and Senior Center and other recreational programs offered by Douglas County's Community Services.

Fund balance in the debt financed funds increased \$10,449,750 from the prior year. This increase was primarily due to the issuance of highway revenue bonds for capital improvement projects that are slate for completion in fiscal years 2018-2020.

Fund balance in the non major governmental funds decreased \$2,185,190 from the prior year. This decrease was primarily due to transfer of operations to East Fork Fire Protection District of \$2,788,733.

### General Fund Budget

General Fund  
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2017

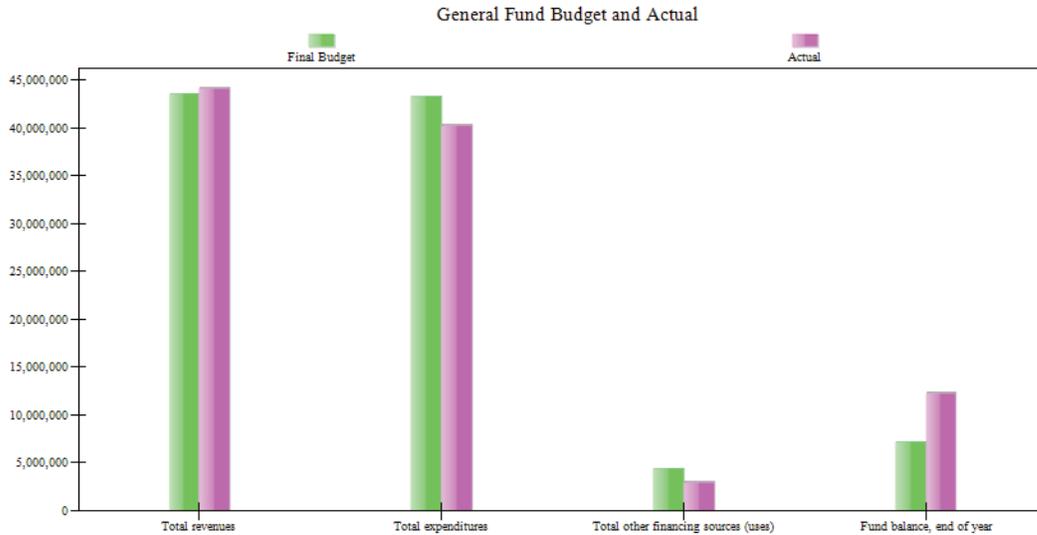
	Original Budget	Final Budget	Actual	Variance
Total revenues	\$ 42,788,862	\$ 43,503,166	\$ 44,071,088	\$ 567,922
Total expenditures	40,446,922	43,325,913	40,201,427	3,124,486
Excess of revenues over expenditures	2,341,940	177,253	3,869,661	3,692,408
Total other financing sources (uses)	(3,564,749)	(4,326,622)	(2,903,744)	1,422,878
CHANGE IN FUND BALANCE	(1,222,809)	(4,149,369)	965,917	5,115,286
FUND BALANCE, BEGINNING OF YEAR	8,686,946	11,291,222	11,291,223	1
FUND BALANCE, END OF YEAR	\$ 7,464,137	\$ 7,141,853	\$ 12,257,140	\$ 5,115,287

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2017



At June 30, 2017, fund balance exceeded the final budget by \$5,115,287.

General fund revenues exceeded the final budget by \$567,922 primarily due to building permits, payments in lieu of taxes, intergovernmental consolidated taxes, county gaming licenses, and cable television and gas franchise fees and donations all surpassing budgeted estimates.

General fund expenditures were less than the final budget by \$3,124,486 primarily due to budget augmentations related to the general government, judicial and public safety functions, which were not spent during the year.

During the year the original general fund budget was augmented as a result of changes in economic conditions and identification of additional revenue sources, which were used to provide additional services.

The detailed general fund budget comparison schedule can be found in the required supplementary information immediately following the notes to the basic financial statements in this report.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

### Proprietary Funds

Proprietary Funds  
Summary Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2017

	Business-type Activities				
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility
	Total operating revenues	\$ 1,284,392	\$ 2,133,349	\$ 2,998,506	\$ 1,742,702
Total operating expenses	<u>1,630,436</u>	<u>1,932,440</u>	<u>2,583,696</u>	<u>1,597,170</u>	<u>1,248,273</u>
Operating income (loss)	(346,044)	200,909	414,810	145,532	23,831
Total nonoperating revenues (expenses)	<u>3,113</u>	<u>(82,349)</u>	<u>158,006</u>	<u>(89,845)</u>	<u>7,947</u>
Income (loss) before capital contributions and transfers	(342,931)	118,560	572,816	55,687	31,778
Total capital contributions	125,000	264,640	257,570	21,250	
Total transfers	<u>(125,000)</u>	<u></u>	<u>160,346</u>	<u>75,000</u>	<u></u>
CHANGE IN NET POSITION	(342,931)	383,200	990,732	151,937	31,778
NET POSITION, BEGINNING OF YEAR	<u>15,713,269</u>	<u>24,785,188</u>	<u>24,585,153</u>	<u>13,541,366</u>	<u>13,903,987</u>
NET POSITION, END OF YEAR	<u>\$ 15,370,338</u>	<u>\$ 25,168,388</u>	<u>\$ 25,575,885</u>	<u>\$ 13,693,303</u>	<u>\$ 13,935,765</u>

	Business-type Activities			Governmental Activities
	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Total operating revenues	\$ 1,034,676	\$ 1,763,938	\$ 12,229,667
Total operating expenses	<u>956,695</u>	<u>1,626,043</u>	<u>11,574,753</u>	<u>4,221,098</u>
Operating income (loss)	77,981	137,895	654,914	(12,283)
Total nonoperating revenues (expenses)	<u>7,372</u>	<u>2,055</u>	<u>6,299</u>	<u>251,009</u>
Income (loss) before capital contributions and transfers	85,353	139,950	661,213	238,726
Total capital contributions	420,555		1,089,015	
Total transfers	<u></u>	<u></u>	<u>110,346</u>	<u>25,000</u>
CHANGE IN NET POSITION	505,908	139,950	1,860,574	263,726
NET POSITION, BEGINNING OF YEAR	<u>12,032,077</u>	<u>1,764,891</u>	<u>106,325,931</u>	<u>4,986,802</u>
NET POSITION, END OF YEAR	<u>\$ 12,537,985</u>	<u>\$ 1,904,841</u>	<u>\$ 108,186,505</u>	<u>\$ 5,250,528</u>

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

Proprietary Funds  
Net Position  
June 30, 2017

	Business-type Activities				
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility
	NET POSITION				
Net investment in capital assets	\$ 14,780,522	\$ 19,486,343	\$ 20,653,671	\$ 10,752,019	\$ 12,705,651
Restricted					
Debt service		349,126	319,029	87,692	
Capital improvement projects			214,075	39,277	
Insurance liabilities					
Unrestricted	<u>589,816</u>	<u>5,332,919</u>	<u>4,389,110</u>	<u>2,814,315</u>	<u>1,230,114</u>
Total net position	<u>\$ 15,370,338</u>	<u>\$ 25,168,388</u>	<u>\$ 25,575,885</u>	<u>\$ 13,693,303</u>	<u>\$ 13,935,765</u>

	Business-type Activities			Governmental Activities
	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	NET POSITION			
Net investment in capital assets		\$ 8,645,980	\$ 1,292,728	\$ 88,316,914
Restricted				427,850
Debt service				755,847
Capital improvement projects				253,352
Insurance liabilities				4,851,905
Unrestricted	<u>3,892,005</u>	<u>612,113</u>	<u>18,860,392</u>	<u>(29,227)</u>
Total net position	<u>\$ 12,537,985</u>	<u>\$ 1,904,841</u>	<u>\$ 108,186,505</u>	<u>\$ 5,250,528</u>

Net position in the regional water utility enterprise fund decreased \$342,931 from the prior year. This decrease was primarily due to normal fluctuations in day to day operations.

Net position in the sewer enterprise fund increased \$383,200 from the prior year. This increase was primarily due to collection of sewer capacity revenue for future infrastructure expansion.

Net position in the Carson Valley water utility enterprise fund increased \$990,732 from the prior year. This increase was primarily due to connection fees for future infrastructure expansion, grant revenue for infrastructure improvements and water right revenue for capacity in the water system as well as normal fluctuations in day to day operations.

Net position in the Lake Tahoe water utility enterprise fund increased \$151,937 from the prior year. This increase was primarily due to connection fees for future infrastructure expansion and normal fluctuations in day to day operations.

Net position in the Town of Minden wholesale water utility enterprise fund increased \$31,778 from the prior year. This increase was primarily due to normal fluctuations in day to day operations.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2017**

Net position in the Town of Minden water utility enterprise fund increased \$505,908 from the prior year. This increase was primarily due to connection fee revenue for future infrastructure expansion and normal fluctuations in day to day operations.

Net position in the non major enterprise funds increased \$139,950 from the prior year. This increase was primarily due to normal fluctuations in day to day operations.

Net position in the internal service funds increased \$263,726 from the prior year. This increase was primarily due to normal fluctuations in day to day operations.

### Capital Assets

Capital Assets, Net of Accumulated Depreciation and Amortization

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Land	\$ 17,135,358	\$ 17,503,756	\$ 2,831,609	\$ 2,831,609	\$ 19,966,967	\$ 20,335,365
Construction in progress	8,511,841	3,935,763	4,126,039	2,634,302	12,637,880	6,570,065
Water rights			5,772,013	5,772,013	5,772,013	5,772,013
Buildings and building improvements	46,026,996	55,612,414	1,918,401	1,990,905	47,945,397	57,603,319
Machinery, equipment and software	6,603,938	6,887,527	967,358	535,678	7,571,296	7,423,205
Infrastructure	36,622,680	37,855,748			36,622,680	37,855,748
Water and sewer systems			86,307,529	88,585,307	86,307,529	88,585,307
	<u>\$ 114,900,813</u>	<u>\$ 121,795,208</u>	<u>\$ 101,922,949</u>	<u>\$ 102,349,814</u>	<u>\$ 216,823,762</u>	<u>\$ 224,145,022</u>

Major capital asset events during the current fiscal year included, but were not limited to, the following:

Completion and capitalization of construction projects totaling \$4,847,927 including, but not limited to completion of Johnson Lane Park improvements, Buckeye Road rehabilitation and Heybourne Well project.

Purchased machinery and equipment totaling \$2,172,683.

Capital contributions were received totaling \$119,860.

Transfer of net assets to East Fork Fire Protection District totaling \$10,057,706.

Depreciation expense for the fiscal year was \$11,099,760.

Additional detailed information regarding capital assets is included in notes 1 and 3 to the basic financial statements.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2017

### Long-term Liabilities

Summary of Long-term Liabilities Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Bonds and notes payable, net of unamortized premiums and discounts	\$ 27,486,158	\$ 16,871,042	\$ 13,841,075	\$ 15,080,638	\$ 41,327,233	\$ 31,951,680
Net pension liability	62,128,837	68,535,507	3,654,984	3,206,316	65,783,821	71,741,823
Compensated absences	3,244,238	4,117,149	243,013	209,530	3,487,251	4,326,679
Postemployment benefits other than pensions	7,049,044	6,847,507	343,595	255,258	7,392,639	7,102,765
	<u>\$ 99,908,277</u>	<u>\$ 96,371,205</u>	<u>\$ 18,082,667</u>	<u>\$ 18,751,742</u>	<u>\$ 117,990,944</u>	<u>\$ 115,122,947</u>

Long term liabilities increased \$2,867,997 from the prior year. This increase was primarily due to:

Increases in bonds and notes payable, net of unamortized premiums and discounts as a result of issuance for highway revenue bonds in fiscal year 2017, offset by scheduled payments.

Decreases in the net pension liability as a result of transfer of operations to East Fork Fire Protection District offset by an increased required contribution rates and changes in the pension plans actuarial valuations.

Decrease in compensated absences primarily as a result of transfer of operations to East Fork Fire Protection District.

Additional detailed information regarding debt is included in Notes 1 and 3 to the basic financial statements.

### Economic Factors

The County reviews a variety of economic factors in the development and of its operating and capital budgets. Throughout the year, the County monitors changes in economic trends and events. The five year Capital Improvement Plan includes assumptions reviewed by the Board of County Commissioners and associated committees. Below are highlights of current economic indicators and assumptions used in developing the fiscal year 2017 budget.

Overall, economic conditions are improving in the County, with the County's unemployment rate continuing to trend lower. The June 2017 rate was 4.4%, as compared to 5.6% in June of 2016. As of October 2017, the County's unemployment rate had decreased to 4.6%.

Residential building permits, which are a leading indicator of economic activity, have trended higher over the last several years; however, in fiscal year 2017, building permits leveled out and reported a 2.0% decrease in permits issued from the prior year.

For the twelve month period ended September 2017, the sales price of residential homes in the County is 13.67% higher than last year, with the median sales price at \$347,750.

Total assessed property value within the County was valued at \$2,961,293,733, a 5.24% increase over the prior year.

(Continued)

## **DOUGLAS COUNTY**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**FOR THE YEAR ENDED June 30, 2017**

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Inflationary trends in the County are comparable to the United States national indices.

All of these factors were considered in preparing the County's budget for the 2017 fiscal year.

#### **Requests for Information**

This financial report provides a general overview of the County's finances for those interested. For questions regarding the information provided in this report or requests for additional financial information contact the Chief Financial Officer, by writing to P.O. Box 218, Minden, Nevada, 89423.

# **BASIC FINANCIAL STATEMENTS**



**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**



**DOUGLAS COUNTY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments, unrestricted	\$ 59,565,833	\$ 22,369,523	\$ 81,935,356
Cash, cash equivalents and investments, restricted	12,368,383	755,848	13,124,231
Accounts receivable, net	2,097,512	1,638,703	3,736,215
Notes receivable, net		1,562,500	1,562,500
Taxes and penalties receivable	573,886		573,886
Interest receivable	124,232	34,806	159,038
Due from other governments	3,673,551		3,673,551
Special assessments receivable		6,049	6,049
Inventories	199,872	71,684	271,556
Prepaid items	977,263	62,849	1,040,112
Other assets	21,451		21,451
Internal balances *	52,295		
Capital assets, net of accumulated depreciation and amortization			
Land	17,135,358	2,831,609	19,966,967
Construction in progress	8,511,841	4,126,039	12,637,880
Water rights		5,772,013	5,772,013
Buildings and building improvements	46,026,996	1,918,401	47,945,397
Machinery, equipment and software	6,603,938	967,358	7,571,296
Infrastructure	36,622,680		36,622,680
Water and sewer systems		86,307,529	86,307,529
Total assets	<u>194,555,091</u>	<u>128,424,911</u>	<u>322,927,707</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized deferred refunding charges	3,393	235,040	238,433
Unamortized amounts related to pensions	15,063,783	882,549	15,946,332
Total deferred outflows of resources	<u>15,067,176</u>	<u>1,117,589</u>	<u>16,184,765</u>
<b>LIABILITIES</b>			
Accounts payable	5,476,831	805,995	6,282,826
Accrued salaries, wages and benefits	1,852,183	142,031	1,994,214
Unearned revenue	1,218,711	1,794,938	3,013,649
Contract retentions payable		11,847	11,847
Deposits	2,784,138	57,266	2,841,404
Amounts held for others	1,544,930		1,544,930
Due to other governments	156,513		156,513
Interest payable	222,860	120,363	343,223
Internal balances *		52,295	
Long-term liabilities, due within one year			
Claims and judgments, estimated	46,162		46,162
Compensated absences	2,857,740	243,013	3,100,753
Bonds and notes payable	1,795,573	1,787,798	3,583,371
Long-term liabilities, due in more than one year			
Compensated absences	386,498		386,498
Postemployment benefits other than pensions	7,049,044	343,595	7,392,639
Net pension liability	62,128,837	3,654,984	65,783,821
Bonds and notes payable, net of unamortized premiums and discounts	25,690,585	12,053,277	37,743,862
Total liabilities	<u>113,210,605</u>	<u>21,067,402</u>	<u>134,225,712</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unamortized amounts related to pensions	5,801,299	339,529	6,140,828

(Continued)

See notes to basic financial statements.

# DOUGLAS COUNTY

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 87,418,048	\$ 88,316,914	\$ 175,734,962
Restricted for			
Debt service	1,649,383	755,847	2,405,230
Capital improvement projects	29,588,614	253,352	29,841,966
General, town and district redevelopment programs	3,782,440		3,782,440
Youth and other judicial programs	3,736,789		3,736,789
Fire, police and other public safety programs	920,401		920,401
Streets and other public works programs	5,322,498		5,322,498
Cultural and community development programs	3,739,641		3,739,641
Insurance liabilities	4,851,905		4,851,905
Unrestricted	(50,399,356)	18,809,456	(31,589,900)
Total net position	\$ 90,610,363	\$ 108,135,569	\$ 198,745,932

\* Internal balances are eliminated in consolidation. Accordingly, the amounts reported in the total column have been adjusted to remove internal balances.

# DOUGLAS COUNTY

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2017

FUNCTION/PROGRAM	Program Revenues				Net (Expenses) Revenues and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 14,028,845	\$ 5,014,684	\$ 235,454	\$ 271,539	\$ (8,507,168)		\$ (8,507,168)
Judicial	14,636,162	1,812,180	4,662,460		(8,161,522)		(8,161,522)
Public safety	26,014,523	2,383,602	909,799		(22,721,122)		(22,721,122)
Public works	8,528,908	469,708	17,501	11,718	(8,029,981)		(8,029,981)
Community development	5,297,405	10,619	993,617	360,526	(3,932,643)		(3,932,643)
Culture and recreation	16,337,228	2,892,147	111,361	3,433,155	(9,900,565)		(9,900,565)
Health and sanitation	628,968	608,529			(20,439)		(20,439)
Welfare	3,195,637	208,065	148,205		(2,839,367)		(2,839,367)
Debt service							
Interest expense and fiscal charges	974,718				(974,718)		(974,718)
Total governmental activities	<u>89,642,394</u>	<u>13,399,534</u>	<u>7,078,397</u>	<u>4,076,938</u>	<u>(65,087,525)</u>		<u>(65,087,525)</u>
Business-type activities							
Water	8,410,628	8,662,757		824,375		1,076,504	1,076,504
Sewer	2,027,437	2,133,349		264,640		370,552	370,552
Trash	1,626,164	1,763,938				137,774	137,774
Total business-type activities	<u>12,064,229</u>	<u>12,560,044</u>		<u>1,089,015</u>		<u>1,584,830</u>	<u>1,584,830</u>
Total function/program	<u>\$ 101,706,623</u>	<u>\$ 25,959,578</u>	<u>\$ 7,078,397</u>	<u>\$ 5,165,953</u>	<u>(65,087,525)</u>	<u>1,584,830</u>	<u>(63,502,695)</u>

(Continued)

See notes to basic financial statements.

# DOUGLAS COUNTY

## STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

	Program Revenues			Net (Expenses) Revenues and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>GENERAL REVENUES</b>							
Property taxes					36,439,138		36,439,138
Room taxes					7,811,600		7,811,600
Construction taxes					857,726		857,726
Intergovernmental shared revenues, unrestricted					23,595,365		23,595,365
Investment income					166,180	35,702	201,882
Gain on disposal of capital assets					27,154	36	27,190
Miscellaneous					400,616	129,341	529,957
Total general revenues					69,297,779	165,079	69,462,858
Transfers					(110,346)	110,346	
<b>SPECIAL AND EXTRAORDINARY ITEMS</b>							
Transfer of operations to East Fork Fire Protection District					2,251,333		2,251,333
<b>CHANGE IN NET POSITION</b>							
					6,351,241	1,860,255	8,211,496
<b>NET POSITION, BEGINNING OF YEAR</b>							
					84,259,122	106,275,314	190,534,436
<b>NET POSITION, END OF YEAR</b>							
					\$ 90,610,363	\$ 108,135,569	\$ 198,745,932

See notes to basic financial statements.

# **FUND FINANCIAL STATEMENTS**



# DOUGLAS COUNTY

## GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2017

	Special Revenue Funds		Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed		
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 15,016,535	\$ 3,353,837	\$ 1,027,289	\$ 34,466,416	\$ 53,864,077
Cash, cash equivalents and investments, restricted	105,769		12,262,614		12,368,383
Accounts receivable, net	642,789	1,194,807		242,459	2,080,055
Taxes receivable	464,961			106,722	571,683
Interest receivable	24,373	4,324	10,982	71,214	110,893
Due from other governments	2,289,791	307,814		1,075,946	3,673,551
Due from other funds	154,962	2,012		95,164	252,138
Prepaid items	776,948	33,425		156,466	966,839
Advances to other funds	325,000				325,000
Other assets	13,795			7,656	21,451
<b>Total assets</b>	<b><u>\$ 19,814,923</u></b>	<b><u>\$ 4,896,219</u></b>	<b><u>\$ 13,300,885</u></b>	<b><u>\$ 36,222,043</u></b>	<b><u>\$ 74,234,070</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,676,788	\$ 1,382,191	\$ 1,809,161	\$ 568,880	\$ 5,437,020
Due to others	1,544,930				1,544,930
Accrued salaries, wages and benefits	902,049	180,534		474,070	1,556,653
Due to other funds	154,838	5,487		67,381	227,706
Unearned revenue, current	166,635	7,106		1,044,970	1,218,711
Deposits	2,650,057	44,711		89,370	2,784,138
Due to other governments	52,249			104,210	156,459
Advances from other funds				325,000	325,000
<b>Total liabilities</b>	<b><u>7,147,546</u></b>	<b><u>1,620,029</u></b>	<b><u>1,809,161</u></b>	<b><u>2,673,881</u></b>	<b><u>13,250,617</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties	395,715			85,712	481,427
Unavailable revenue, special assessments				378	378
Unavailable revenue, grants	14,522			53,258	67,780
<b>Total deferred inflows of resources</b>	<b><u>410,237</u></b>			<b><u>139,348</u></b>	<b><u>549,585</u></b>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>7,557,783</u></b>	<b><u>1,620,029</u></b>	<b><u>1,809,161</u></b>	<b><u>2,813,229</u></b>	<b><u>13,800,202</u></b>

(Continued)

See notes to basic financial statements.

**DOUGLAS COUNTY**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2017**

	Special Revenue Funds		Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed		
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	\$ 776,948	\$ 33,425		\$ 156,466	\$ 966,839
Deposits	13,795			7,656	21,451
Restricted for					
Debt service				1,649,383	1,649,383
Capital improvement projects			11,491,724	18,096,890	29,588,614
General, town and district redevelopment programs				3,782,440	3,782,440
Youth and other judicial programs	1,810,308			1,926,481	3,736,789
Fire, police and other public safety programs				920,401	920,401
Streets and other public works programs	2,644,275			2,678,223	5,322,498
Cultural and community development programs				3,739,641	3,739,641
Assigned to					
Cultural and community development programs		3,242,765		451,233	3,693,998
Stabilization programs	365,700				365,700
Unassigned	<u>6,646,114</u>				<u>6,646,114</u>
Total fund balances	<u>12,257,140</u>	<u>3,276,190</u>	<u>11,491,724</u>	<u>33,408,814</u>	<u>60,433,868</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,814,923</u>	<u>\$ 4,896,219</u>	<u>\$ 13,300,885</u>	<u>\$ 36,222,043</u>	<u>\$ 74,234,070</u>

See notes to basic financial statements.

# DOUGLAS COUNTY

## RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES JUNE 30, 2017

FUND BALANCES, GOVERNMENTAL FUNDS		\$ 60,433,868
Amounts reported in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds:		
Capital assets	\$ 360,910,261	
Less accumulated depreciation	<u>(246,437,298)</u>	
		114,472,963
Long-term liabilities, including bonds payable are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Bonds and notes payable	(26,590,561)	
Unamortized premiums and discounts	(895,597)	
Unamortized deferred refunding charges	3,393	
Compensated absences payable	(3,213,831)	
Postemployment benefits other than pensions	(7,033,636)	
Net pension liability	(61,339,663)	
Deferred outflows related to pensions	14,873,226	
Deferred inflows related to pensions	<u>(5,727,988)</u>	
		(89,924,657)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Interest payable	<u>(222,860)</u>	
		(222,860)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds:		
Unavailable revenue, taxes and penalties	481,427	
Unavailable revenue, special assessments	378	
Unavailable revenue, grants	<u>67,780</u>	
		549,585
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund assets and liabilities included in governmental activities in the statement of net position	5,250,528	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	50,617	
Internal service fund balance receivable from business-type activities from current year activity	<u>319</u>	
		<u>5,301,464</u>
NET POSITION, GOVERNMENTAL ACTIVITIES		<u>\$ 90,610,363</u>

See notes to basic financial statements.

# DOUGLAS COUNTY

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds		Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed		
<b>REVENUES</b>					
Taxes	\$ 19,228,239	\$ 6,969,396	\$	\$ 17,995,119	\$ 44,192,754
Licenses, permits, franchise and other fees	4,128,468	2,785,758		829,231	7,743,457
Intergovernmental shared revenues	13,770,880	1,755,284		13,757,786	29,283,950
Charges for services	4,683,313	1,828,441		2,779,489	9,291,243
Fines and forfeitures	1,179,517			198,529	1,378,046
Miscellaneous	1,080,671	193,734	65,245	3,168,503	4,508,153
<b>Total revenues</b>	<b>44,071,088</b>	<b>13,532,613</b>	<b>65,245</b>	<b>38,728,657</b>	<b>96,397,603</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government	10,563,270			2,046,587	12,609,857
Judicial	9,198,540			5,222,662	14,421,202
Public safety	16,024,591			8,404,862	24,429,453
Public works	906,576			4,686,594	5,593,170
Community development	2,258,315			2,502,898	4,761,213
Culture and recreation		12,809,002		1,354,558	14,163,560
Health and sanitation	785,127			317,785	1,102,912
Welfare				3,365,906	3,365,906
<b>Total current</b>	<b>39,736,419</b>	<b>12,809,002</b>		<b>27,901,852</b>	<b>80,447,273</b>
<b>Capital outlay</b>					
General government	12,194		1,826,622	1,340,226	3,179,042
Judicial	159,447			21,826	181,273
Public safety	293,367			775,893	1,069,260
Public works				2,439,437	2,439,437
Culture and recreation		300,733		4,237,949	4,538,682
<b>Total capital outlay</b>	<b>465,008</b>	<b>300,733</b>	<b>1,826,622</b>	<b>8,815,331</b>	<b>11,407,694</b>
<b>Debt service</b>					
Principal payments				1,892,482	1,892,482
Interest expense				625,714	625,714
Debt issuance costs			272,580	15,155	287,735
Fiscal charges				500	500
<b>Total debt service</b>			<b>272,580</b>	<b>2,533,851</b>	<b>2,806,431</b>
<b>Total expenditures</b>	<b>40,201,427</b>	<b>13,109,735</b>	<b>2,099,202</b>	<b>39,251,034</b>	<b>94,661,398</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,869,661</b>	<b>422,878</b>	<b>(2,033,957)</b>	<b>(522,377)</b>	<b>1,736,205</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal	10,343			3,530	13,873
Issuance of debt			11,635,000	571,423	12,206,423
Debt issuance premiums			848,707		848,707
Transfers in	403,373	945,232		10,559,642	11,908,247
Transfers out	(3,317,460)	(416,000)		(8,310,133)	(12,043,593)
<b>Total other financing sources (uses)</b>	<b>(2,903,744)</b>	<b>529,232</b>	<b>12,483,707</b>	<b>2,824,462</b>	<b>12,933,657</b>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>					
Transfer of operations to East Fork Fire Protection District				(4,487,275)	(4,487,275)

(Continued)

See notes to basic financial statements.

# DOUGLAS COUNTY

## GOVERNMENTAL FUNDS

### STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

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	Special Revenue Funds		Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Room Tax	Debt Financed		
CHANGE IN FUND BALANCE	\$ 965,917	\$ 952,110	\$ 10,449,750	\$ (2,185,190)	\$ 10,182,587
FUND BALANCE, BEGINNING OF YEAR	<u>11,291,223</u>	<u>2,324,080</u>	<u>1,041,974</u>	<u>35,594,004</u>	<u>50,251,281</u>
FUND BALANCE, END OF YEAR	<u>\$ 12,257,140</u>	<u>\$ 3,276,190</u>	<u>\$ 11,491,724</u>	<u>\$ 33,408,814</u>	<u>\$ 60,433,868</u>

## DOUGLAS COUNTY

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2017

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS		\$ 10,182,587
Amounts reported in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives:		
Expenditures for capital assets	\$ 11,407,694	
Less current year depreciation	(7,269,298)	
Transfer of capital assets to East Fork Fire Protection District	(9,616,700)	
Disposition of capital assets	<u>(1,231,575)</u>	(6,709,879)
Revenues in the statement of activities, which do not provide current financial resources are not reported as revenues in governmental funds. Some revenues reported in the governmental funds result from interfund transactions; and therefore, are not reported in the statement of activities:		
Change in unavailable revenue	(769,800)	
Revenues from interfund transactions	<u>(2,020,037)</u>	(2,789,837)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which repayments exceeded debt issued		
Debt issuance proceeds	(11,785,000)	
Debt premiums and discounts	(848,707)	
Transfer of debt obligation to East Fork Fire Protection District	533,000	
Capital lease obligations incurred	(410,000)	
Debt principal repayments	<u>1,892,482</u>	(10,618,225)
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds:		
Change in postemployment benefits other than pensions	(1,109,999)	
Change in compensated absences payable	(132,335)	
Transfer of postemployment benefits other than pensions obligation to East Fork Fire Protection District	897,669	
Transfer of compensated absences obligation to East Fork Fire Protection District	993,964	
Transfer of net pension liability and related deferred outflows and inflows of resources to East Fork Fire Protection District	13,930,675	
Change in net pension liability and related deferred outflows and inflows of resources	(505,269)	
Amortization of debt premiums and discounts	3,109	
Amortization of deferred refunding charges	(1,294)	
Change in interest payable	<u>(74,007)</u>	14,002,513
Some expenditures reported in governmental funds benefit a future period or result from interfund transactions; and therefore, are not reported in the statement of activities:		
Expenditures from interfund transactions	<u>2,020,037</u>	2,020,037
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund change in net position included in governmental activities in the statement of activities	263,726	
The internal service funds change in net position related to business-type activities	<u>319</u>	<u>264,045</u>
CHANGE IN NET POSITION, GOVERNMENTAL ACTIVITIES		<u>\$ 6,351,241</u>

See notes to basic financial statements.

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
<b>ASSETS</b>									
Current assets									
Cash, cash equivalents and investments \$	569,077	\$ 6,022,968	\$ 5,157,073	\$ 3,585,541	\$ 1,356,655	\$ 4,274,920	\$ 1,403,289	\$ 22,369,523	\$ 5,701,756
Accounts receivable, net	331,419	221,364	426,830	35,496	281,289	172,430	169,875	1,638,703	17,457
Notes receivable	125,000							125,000	
Taxes receivable									2,203
Interest receivable	898	9,580	9,442	6,049	1,851	10,106	2,929	40,855	13,339
Due from other funds		800	1,152				15	1,967	90,160
Inventories					26,000	45,684		71,684	199,872
Prepaid items		5,135	201	17	12,275	16,949	28,272	62,849	10,424
Restricted assets									
Cash, cash equivalents and investments		349,126	319,030	87,692				755,848	
<b>Total current assets</b>	<b>1,026,394</b>	<b>6,608,973</b>	<b>5,913,728</b>	<b>3,714,795</b>	<b>1,678,070</b>	<b>4,520,089</b>	<b>1,604,380</b>	<b>25,066,429</b>	<b>6,035,211</b>
Noncurrent assets									
Capital assets, net of accumulated depreciation and amortization									
Land		1,005,900	697,567	563,191	222,504	107,456	234,991	2,831,609	
Construction in progress		1,016,203	1,177,074	338,762		1,552,803	41,197	4,126,039	
Water rights			5,154,594	117,419		500,000		5,772,013	
Buildings and building improvements		182,475	67,435	586,175	847,752		234,564	1,918,401	976
Machinery, equipment and software		65,512	3,808	18,993	9,302	87,767	781,976	967,358	426,874
Water and sewer systems	14,780,522	20,035,464	20,019,487	13,448,009	11,626,093	6,397,954		86,307,529	
<b>Total capital assets, net of accumulated depreciation and amortization</b>	<b>14,780,522</b>	<b>22,305,554</b>	<b>27,119,965</b>	<b>15,072,549</b>	<b>12,705,651</b>	<b>8,645,980</b>	<b>1,292,728</b>	<b>101,922,949</b>	<b>427,850</b>

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Internal Service	
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	
Other assets									
Notes receivable	\$ 1,437,500	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 1,437,500	\$ _____	
Total noncurrent assets	<u>16,218,022</u>	<u>22,305,554</u>	<u>27,119,965</u>	<u>15,072,549</u>	<u>12,705,651</u>	<u>8,645,980</u>	<u>1,292,728</u>	<u>103,360,449</u>	<u>427,850</u>
Total assets	<u>17,244,416</u>	<u>28,914,527</u>	<u>33,033,693</u>	<u>18,787,344</u>	<u>14,383,721</u>	<u>13,166,069</u>	<u>2,897,108</u>	<u>128,426,878</u>	<u>6,463,061</u>
DEFERRED OUTFLOWS OF RESOURCES									
Unamortized deferred refunding charges		76,208	135,159	23,673			235,040		
Unamortized amounts related to pensions	<u>5,143</u>	<u>151,928</u>	<u>209,348</u>	<u>140,037</u>	<u>93,553</u>	<u>66,629</u>	<u>215,911</u>	<u>882,549</u>	<u>190,557</u>
Total deferred outflows of resources	<u>5,143</u>	<u>228,136</u>	<u>344,507</u>	<u>163,710</u>	<u>93,553</u>	<u>66,629</u>	<u>215,911</u>	<u>1,117,589</u>	<u>190,557</u>
LIABILITIES									
Current liabilities									
Accounts payable	285,172	142,709	49,332	51,262	54,196	154,331	68,993	805,995	39,811
Accrued salaries, wages and benefits	1,146	27,996	26,745	21,084	18,124	13,940	32,996	142,031	295,530
Due to other funds	27	575	661	540	399	308	816	3,326	113,233
Unearned revenue, current	125,000	118,448	23,005	74,786		3,576	12,623	357,438	
Contract retentions payable						11,847		11,847	
Deposits			3,550	1,250		52,466		57,266	
Due to other governments									54
Interest payable		19,840	41,243	59,280				120,363	
Claims and judgments									46,162
Compensated absences	4,500	45,595	69,054	46,243	17,460	16,561	43,600	243,013	30,407
Bonds and notes payable		<u>458,000</u>	<u>630,972</u>	<u>698,826</u>				<u>1,787,798</u>	
Total current liabilities	<u>415,845</u>	<u>813,163</u>	<u>844,562</u>	<u>953,271</u>	<u>90,179</u>	<u>253,029</u>	<u>159,028</u>	<u>3,529,077</u>	<u>525,197</u>

(Continued)

See notes to basic financial statements.

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2017**

	Business-type Activities							Governmental Activities		
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds		Total Enterprise Funds	Internal Service Funds
	Noncurrent liabilities									
Unearned revenue, long-term	\$ 1,437,500							\$ 1,437,500		
Postemployment benefits other than pensions	2,594	36,057	39,738	25,278	27,900	140,114	71,914	343,595	15,408	
Net pension liability	21,303	629,188	866,995	579,949	387,439	275,937	894,173	3,654,984	789,174	
Bonds and notes payable, net of unamortized premiums and discounts		<u>2,437,419</u>	<u>5,970,481</u>	<u>3,645,377</u>				<u>12,053,277</u>		
Total noncurrent liabilities	<u>1,461,397</u>	<u>3,102,664</u>	<u>6,877,214</u>	<u>4,250,604</u>	<u>415,339</u>	<u>416,051</u>	<u>966,087</u>	<u>17,489,356</u>	<u>804,582</u>	
Total liabilities	<u>1,877,242</u>	<u>3,915,827</u>	<u>7,721,776</u>	<u>5,203,875</u>	<u>505,518</u>	<u>669,080</u>	<u>1,125,115</u>	<u>21,018,433</u>	<u>1,329,779</u>	
DEFERRED INFLOWS OF RESOURCES										
Unamortized amounts related to pensions	<u>1,979</u>	<u>58,448</u>	<u>80,539</u>	<u>53,876</u>	<u>35,991</u>	<u>25,633</u>	<u>83,063</u>	<u>339,529</u>	<u>73,311</u>	

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Enterprise	Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
NET POSITION									
Net investment in capital assets	\$ 14,780,522	\$ 19,486,343	\$ 20,653,671	\$ 10,752,019	\$ 12,705,651	\$ 8,645,980	\$ 1,292,728	\$ 88,316,914	\$ 427,850
Restricted									
Debt service		349,126	319,029	87,692				755,847	
Capital improvement projects			214,075	39,277				253,352	
Insurance liabilities									4,851,905
Unrestricted	<u>589,816</u>	<u>5,332,919</u>	<u>4,389,110</u>	<u>2,814,315</u>	<u>1,230,114</u>	<u>3,892,005</u>	<u>612,113</u>	<u>18,860,392</u>	<u>(29,227)</u>
Total net position	<u>\$ 15,370,338</u>	<u>\$ 25,168,388</u>	<u>\$ 25,575,885</u>	<u>\$ 13,693,303</u>	<u>\$ 13,935,765</u>	<u>\$ 12,537,985</u>	<u>\$ 1,904,841</u>	108,186,505	<u>\$ 5,250,528</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time								<u>(50,936)</u>	
Net position of business-type activities								<u>\$ 108,135,569</u>	

# DOUGLAS COUNTY

## PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2017

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
<b>OPERATING REVENUES</b>									
Charges for services	\$ 1,284,392	\$ 2,133,349	\$ 2,998,506	\$ 1,742,702	\$ 1,272,104	\$ 1,034,676	\$ 1,763,938	\$ 12,229,667	\$ 4,208,815
<b>OPERATING EXPENSES</b>									
Salaries and wages	24,512	344,808	431,294	313,070	216,320	171,700	490,384	1,992,088	408,992
Employee benefits	13,041	148,724	196,638	139,593	103,410	105,446	237,684	944,536	170,387
Services and supplies	1,111,556	569,283	1,167,071	471,495	494,811	388,882	789,082	4,992,180	3,457,203
Depreciation	481,327	869,625	788,693	673,012	433,732	290,667	108,893	3,645,949	184,516
Total operating expenses	<u>1,630,436</u>	<u>1,932,440</u>	<u>2,583,696</u>	<u>1,597,170</u>	<u>1,248,273</u>	<u>956,695</u>	<u>1,626,043</u>	<u>11,574,753</u>	<u>4,221,098</u>
Operating income (loss)	<u>(346,044)</u>	<u>200,909</u>	<u>414,810</u>	<u>145,532</u>	<u>23,831</u>	<u>77,981</u>	<u>137,895</u>	<u>654,914</u>	<u>(12,283)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Investment income	2,811	10,321	6,117	4,547	2,639	7,172	2,095	35,702	4,623
Interest and fiscal charges		(94,956)	(262,108)	(132,064)			(65)	(489,193)	
Property taxes									184,016
Intergovernmental shared revenues			345,217					345,217	
Lease revenues				36,720		200		36,920	
Gain (loss) on capital asset disposition		36	36					72	13,281
Miscellaneous	302	2,250	68,744	952	5,308		25	77,581	49,089
Total nonoperating revenues (expenses)	<u>3,113</u>	<u>(82,349)</u>	<u>158,006</u>	<u>(89,845)</u>	<u>7,947</u>	<u>7,372</u>	<u>2,055</u>	<u>6,299</u>	<u>251,009</u>
Income (loss) before capital contributions and transfers	<u>(342,931)</u>	<u>118,560</u>	<u>572,816</u>	<u>55,687</u>	<u>31,778</u>	<u>85,353</u>	<u>139,950</u>	<u>661,213</u>	<u>238,726</u>
<b>CAPITAL CONTRIBUTIONS</b>									
Capital contributions			119,860					119,860	
Connection charges		264,640	137,710	21,250		420,555		844,155	
Water capacity fees	125,000							125,000	
Total capital contributions	<u>125,000</u>	<u>264,640</u>	<u>257,570</u>	<u>21,250</u>		<u>420,555</u>		<u>1,089,015</u>	

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
TRANSFERS									
Transfers in	\$	\$	\$ 160,346	\$ 75,000	\$	\$	\$	\$ 235,346	\$ 25,000
Transfers out	<u>(125,000)</u>							<u>(125,000)</u>	
Total transfers	<u>(125,000)</u>		<u>160,346</u>	<u>75,000</u>				<u>110,346</u>	<u>25,000</u>
CHANGE IN NET POSITION	(342,931)	383,200	990,732	151,937	31,778	505,908	139,950	1,860,574	263,726
NET POSITION, BEGINNING OF YEAR	<u>15,713,269</u>	<u>24,785,188</u>	<u>24,585,153</u>	<u>13,541,366</u>	<u>13,903,987</u>	<u>12,032,077</u>	<u>1,764,891</u>		<u>4,986,802</u>
NET POSITION, END OF YEAR	<u>\$ 15,370,338</u>	<u>\$ 25,168,388</u>	<u>\$ 25,575,885</u>	<u>\$ 13,693,303</u>	<u>\$ 13,935,765</u>	<u>\$ 12,537,985</u>	<u>\$ 1,904,841</u>		<u>\$ 5,250,528</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds								<u>(319)</u>	
CHANGES IN NET POSITION, BUSINESS-TYPE ACTIVITIES								<u>\$ 1,860,255</u>	

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>									
Cash received from customers	\$ 1,265,100	\$ 2,130,438	\$ 3,086,798	\$ 1,859,080	\$ 1,131,600	\$ 1,005,690	\$ 1,759,618	\$ 12,238,324	\$
Cash received from interfund services									5,332,910
Cash received from other sources	125,000							125,000	
Cash payments for goods and services	(1,060,350)	(693,975)	(1,164,056)	(431,232)	(506,122)	(320,859)	(778,182)	(4,954,776)	
Cash payments for interfund goods and services									(3,390,042)
Cash payments for employee services and benefits	(34,766)	(460,608)	(600,123)	(432,009)	(301,853)	(250,416)	(671,957)	(2,751,732)	
Cash payments for interfund employee services and benefits									(867,115)
Net cash provided by operating activities	<u>294,984</u>	<u>975,855</u>	<u>1,322,619</u>	<u>995,839</u>	<u>323,625</u>	<u>434,415</u>	<u>309,479</u>	<u>4,656,816</u>	<u>1,075,753</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>									
Transfers in			160,346	75,000				235,346	25,000
Transfers out	(125,000)							(125,000)	
Property taxes									191,087
Intergovernmental shared revenues			345,217					345,217	
Net cash provided by (used in) noncapital financing activities	<u>(125,000)</u>	<u></u>	<u>505,563</u>	<u>75,000</u>	<u></u>	<u></u>	<u></u>	<u>455,563</u>	<u>216,087</u>

(Continued)

**DOUGLAS COUNTY**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>									
Acquisition and construction of capital assets	\$	\$ (723,534)	\$ (649,071)	\$ (73,930)		\$ (1,114,986)	\$ (537,668)	\$ (3,099,189)	
Proceeds received from disposal of capital assets			36				36	13,281	
Proceeds from debt issuance		53,410		124,755			178,165		
Principal payments on debt		(516,259)	(378,184)	(475,663)			(3,120)	(1,373,226)	
Interest payments on debt		(75,965)	(286,050)	(130,757)			(78)	(492,850)	
Connection charges		264,640	137,710	21,250		420,555		844,155	
Net cash provided by (used in) capital financing activities		<u>(997,708)</u>	<u>(1,175,559)</u>	<u>(534,345)</u>		<u>(694,431)</u>	<u>(540,866)</u>	<u>(3,942,909)</u>	<u>13,281</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
Investment income received	<u>2,704</u>	<u>9,118</u>	<u>5,211</u>	<u>3,888</u>	<u>2,363</u>	<u>6,586</u>	<u>1,894</u>	<u>31,764</u>	<u>4,085</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	172,688	(12,735)	657,834	540,382	325,988	(253,430)	(229,493)	1,201,234	1,309,206
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>396,389</u>	<u>6,384,829</u>	<u>4,818,269</u>	<u>3,132,851</u>	<u>1,030,667</u>	<u>4,528,350</u>	<u>1,632,782</u>	<u>21,924,137</u>	<u>4,392,550</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 569,077</u>	<u>\$ 6,372,094</u>	<u>\$ 5,476,103</u>	<u>\$ 3,673,233</u>	<u>\$ 1,356,655</u>	<u>\$ 4,274,920</u>	<u>\$ 1,403,289</u>	<u>\$ 23,125,371</u>	<u>\$ 5,701,756</u>

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2017**

	Business-type Activities							Governmental	
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>									
Operating income (loss)	\$ (346,044)	\$ 200,909	\$ 414,810	\$ 145,532	\$ 23,831	\$ 77,981	\$ 137,895	\$ 654,914	\$ (12,283)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities									
Depreciation and amortization	481,326	869,625	788,693	673,012	433,732	290,667	108,893	3,645,948	184,516
(Increase) decrease in operating assets									
Accounts receivable	(144,292)	(2,081)	76,093	37,344	(169,885)	(8,736)	(5,043)	(216,600)	74,047
Notes receivable	125,000							125,000	
Due from other governments	125,000			41,487	315			166,802	
Due from other funds		(800)	12,360	37,564	30,593		(15)	79,702	303,667
Inventories						(14,249)		(14,249)	115,077
Prepaid expenses		(30)	(161)	(17)	(1,527)	(6,001)	738	(6,998)	631,304
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	176,215	(124,754)	1,627	8,031	(11,521)	86,407	14,123	150,128	(45,240)
Accrued salaries and benefits	(107)	14,791	8,254	8,783	10,437	7,758	15,570	65,486	(265,140)
Due to other funds	(8)	166	188	247	210	(30,429)	(5,014)	(34,640)	112,401
Unearned revenue	(125,000)	(104)	(100)	30,735		198	1,791	(92,480)	
Contract retentions payable						11,847		11,847	
Deposits			1,300	1,250				2,550	
Compensated absences	527	12,931	8,270	4,742	(3,452)	(1,057)	11,522	33,483	(11,282)
Postemployment benefits other than pensions	2,381	5,617	11,858	7,511	11,148	20,211	29,611	88,337	(10,793)
Net pension liability	(14)	(415)	(573)	(382)	(256)	(182)	(592)	(2,414)	(521)
Total adjustments	<u>641,028</u>	<u>774,946</u>	<u>907,809</u>	<u>850,307</u>	<u>299,794</u>	<u>356,434</u>	<u>171,584</u>	<u>4,001,902</u>	<u>1,088,036</u>
Net cash provided by operating activities	<u>\$ 294,984</u>	<u>\$ 975,855</u>	<u>\$ 1,322,619</u>	<u>\$ 995,839</u>	<u>\$ 323,625</u>	<u>\$ 434,415</u>	<u>\$ 309,479</u>	<u>\$ 4,656,816</u>	<u>\$ 1,075,753</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>									
Contribution of capital assets	<u>\$</u>	<u>\$</u>	<u>\$ 119,860</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 119,860</u>	<u>\$</u>

See notes to basic financial statements.

**DOUGLAS COUNTY**  
**FIDUCIARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash, cash equivalents and investments	\$ 2,485,763
Accounts receivable, net	41,152
Taxes receivable	473,083
Interest receivable	447
Due from other governments	77,017
Special assessments receivable	2,481
Inventories	32,557
Prepaid items	200
Total assets	3,112,700
<b>LIABILITIES</b>	
Due to others	3,112,700
<b>NET POSITION</b>	<b>\$</b>

**NOTES TO BASIC  
FINANCIAL STATEMENTS**



# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017

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### Note 1. Summary of Significant Accounting Policies

The financial statements of Douglas County (the County) have been prepared in conformity with accounting principles generally accepted in the United States as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **Reporting Entity**

The County is incorporated as a municipality of the State of Nevada (the State) and is governed by a five member elected Board of County Commissioners (the County Commission). The County's major operations include various tax assessments and collections, judicial functions, law enforcement, certain public health and welfare functions, road maintenance, parks, libraries and various administrative activities.

The reporting entity is defined as the primary government and those component units for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the organization's governing board, and either the ability of the primary government to impose its will on the organization or the possibility that the organization will provide a financial benefit to or impose a financial burden on the primary government. In addition to financial accountability, component units can be other organizations in which the economic resources received or held by that organization are entirely or almost entirely for the direct benefit of the primary government, the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by that organization and the resources to which the primary government is entitled or has the ability to otherwise access are significant to the primary government.

The County has determined that it is financially accountable, as the County Commission (or members thereof in an ex officio capacity) serves as the governing body for; and therefore, has the ability to impose its will on, each of the following entities, which are presented as blended component units due to the significance of the operational and financial relationship between the County and each of the following entities:

East Fork Fire Protection District (Note 2, *Transfer of Operations*)

Douglas County Redevelopment Agency

Town of Gardnerville

Town of Genoa

Town of Minden

For the year ended June 30, 2017, except for East Fork Fire Protection District, none of the County's component units issued stand-alone financial statements. The stand-alone East Fork Fire Protection District financial statements may be obtained by writing the East Fork Fire Protection District at 1694 County Rd, Minden, Nevada 89423.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### **Basic Financial Statements**

The government-wide financial statements include a statement of net position and a statement of activities and present consolidated information for the County's nonfiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user fees and charges for support.

Included in the statement of net position are capital assets and long-term liabilities including general obligation and revenue bonds, notes, compensated absences, obligations for pensions and other postemployment benefits, and claims and judgments. Net position is classified as 1) net investment in capital assets, 2) restricted net position, or 3) unrestricted net position.

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

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

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

#### **Government-Wide Financial Statements**

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the current fiscal year end. The primary revenue sources, which have been treated as susceptible to accrual by the County, are property taxes, interest, intergovernmental consolidated taxes, governmental service taxes, motor vehicle fuel taxes and grants. All other revenue sources are considered to be measurable and available only when cash is received by the County. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, obligations for postemployment benefits other than pensions, and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

General Fund - Accounts for all financial resources not accounted for in other funds.

Room Tax Special Revenue Fund - Accounts for activities related to, and support of, chambers of commerce, visitor authorities, and other specific Douglas County programs, such as parks, recreation and libraries.

Debt Financed Capital Projects Fund - Accounts for the acquisition and construction of capital facilities that are financed in whole or in part by the issuance of debt.

The County reports the following non-major governmental fund types:

Special Revenue Funds - Accounts for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Debt Service Funds - Accounts for the accumulation of financial resources that are restricted, committed or assigned to the repayment of debt principal and interest.

Capital Projects Funds - Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

### Proprietary Fund Financial Statements

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges for services and other user fees. Operating expenses include the cost of goods and services, administrative expenses, and capital asset depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major proprietary funds:

Regional Water Utility Fund - Accounts for the operations of the Regional water system, a separate water system in Douglas County.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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Sewer Utility Fund - Accounts for the operations of the Douglas County sewer system.

Carson Valley Water Fund - Accounts for the operations of the Carson Valley water system, a separate water system in Douglas County.

Lake Tahoe Water Utility Fund - Accounts for the operations of the Zepher, Cave Rock and Skyland water systems, three separate water systems in Douglas County.

Town of Minden Wholesale Water Fund - Accounts for the operations of the Town of Minden wholesale water system.

Town of Minden Water Fund - Accounts for the operations of the Town of Minden water system, a separate water system in Douglas County

The County reports the following non-major proprietary fund types:

Enterprise Funds - Accounts for activities for which a user fee is charged for goods or services.

Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

### Fiduciary Fund Financial Statements

Fiduciary fund financial statements, comprised of a statement of net position, report the County's activities that are custodial in nature (assets equal liabilities) and do not involve measurement of operational results. Fiduciary funds are excluded from the government-wide financial statements.

The County reports the following fiduciary fund type:

Agency Funds - Accounts for assets held as an agent for individuals, private organizations, or other governments.

### Assets and Liabilities

#### Cash, Cash Equivalents and Investments

The County's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All County cash, cash equivalents and investments are pooled for investment purposes. The pooled cash, cash equivalents and investments belonging to proprietary funds are available on demand; accordingly, amounts invested by proprietary funds are considered to be cash equivalents.

Investments are reported at fair value, regardless of the length of time remaining to maturity. Interest earned on investments is allocated to the General Fund and various other funds in accordance with the Nevada Revised Statutes (NRS) and policies established by management.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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#### Receivables, Payables and Unearned Revenues

The assessed valuation of the real property and its improvements and personal property is computed at 35% of taxable value as defined by NRS and is further limited to \$3.66 per hundred dollars of assessed valuation, except in cases of severe financial emergency as defined by NRS 354.705. The NRS also provide for a partial abatement of the property tax levied on qualified property that limits the increase of property taxes based on the previous year's assessed value. All real property in Douglas County is subject to physical reappraisal every five years. Taxes on personal property (primarily, commercial and mobile homes) are based on annual personal property declarations and computed using percentages and tax rates previously discussed.

Upon the certification of the combined tax rate by the State Tax Commission, the County Commission levies the real property tax rate for the fiscal period beginning with the succeeding July 1. Effective upon the tax levy on July 1 each year, a perpetual lien is recorded against the property assessed until the tax and any penalty charges and interest, which may accrue thereon, are paid. Real property taxes are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August and first Mondays in October, January and March. Penalties are assessed if a taxpayer fails to pay an installment within 10 days of the due date. In the event of nonpayment, on the first Monday in June of the subsequent year, a Treasurer's Trustee Certificate is issued conveying the property to the County Treasurer as Trustee, constituting a lien for back taxes and accumulated delinquency charges. 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 and may sell the property to satisfy the tax lien.

Property taxes and other receivables that are not collected within 60 days of year end are classified as unavailable revenue in the fund financial statements rather than current revenue since the asset is not available to satisfy current obligations.

No allowance for uncollectable amounts related to receivables has been established since management does not anticipate any material collection loss in respect to delinquent accounts.

Unearned revenues arise when the County receives resources before it has a legal claim to them, such as when grant funds are received prior to fulfillment of all eligibility requirements or property taxes for the following tax year are received before year end.

During the course of operations, individual funds engage in numerous reimbursable transactions with one another for goods provided or services rendered and any outstanding receivables and payables at year end are reported as due to/from other funds. Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as advances to/from other funds. All such balances within the governmental activities or business-type activities are eliminated in the government-wide statements. Indirect cost allocations for support services, reported as revenues and expenses in the fund financial statements, are eliminated in the government-wide statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide statements as internal balances.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Inventories

Inventories in the governmental funds are valued at cost, which approximates market, using the first-in/first-out method. Inventories in proprietary funds are valued at the lower of cost (first-in/first-out method) or market. In the governmental fund financial statements, inventories are recorded as expenditures when purchased rather than when consumed.

### Prepaid Items

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both the government-wide and fund financial statements. In the governmental fund financial statements, prepaid items are recorded as expenditures when consumed rather than when purchased.

### Restricted Assets

Bond covenants and other legal restrictions require portions of debt proceeds and other resources, be set aside for various purposes. These amounts are reported as restricted cash, cash equivalents and investments.

### Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as those assets with an initial cost of \$5,000 or more, depending on the asset type, and an estimated useful life of more than one year. All purchased capital assets are valued at cost or estimated historical cost, including capitalized interest incurred during the construction phase on debt-financed projects. Donated assets are recorded at their estimated acquisition value on the date donated. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets.

The costs of normal maintenance and repairs that do not significantly increase the functionality of the assets or materially extend the assets' useful lives are not capitalized.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and building improvements	25-50
Machinery, equipment and software	5-25
Infrastructure	20-30
Water and sewer systems	40

### Long-term Liabilities

In the government-wide and proprietary fund statements, long-term obligations are reported as liabilities in the statement of net position. Premiums and discounts are deferred and amortized as a component of interest expense over the life of the bonds using the straight-line method, which approximates the effective interest method. For current and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the defeased debt is deferred and amortized as a component of interest expense using the straight-line method, which also approximates the effective interest method. Debt issuance costs are expensed in the period incurred.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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In the governmental fund financial statements, premiums, discounts and debt issuance costs are recognized in the period they are paid or received. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### Compensated Absences

It is the County's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from County service if not previously taken. Accumulated sick leave benefits are payable to terminated employees who have accumulated a set number of hours up to a specified maximum, depending on the particular employee association. A liability for these obligations is reported in the government-wide and proprietary fund financial statements as incurred. A liability for compensated absences is reported in the governmental fund financial statements only to the extent it is due and payable at year end.

### Postemployment Benefits Other Than Pensions

In accordance with the transition rules of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the County elected to apply its measurement and recognition requirements on a prospective basis and set its beginning net postemployment benefits other than pensions (OPEB) obligation at zero upon adoption. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contribution (ARC) of the County, calculated by using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The net OPEB obligation at year end is determined by adding the annual OPEB cost to the net OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

### **Multiple-Employer Cost-Sharing Defined Benefit Pension Plan**

The County uses the same basis used in the Public Employees' Retirement System of Nevada's (PERS) Comprehensive Annual Financial Report, for reporting its proportionate share of the PERS collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to PERS fiduciary net position and related additions to/deductions. Benefit payments (including refunds of employee contributions) are recognized by PERS when due and payable in accordance with the benefit terms. PERS investments are reported at fair value.

### **Agent Multiple-Employer Defined Benefit Pension Plan**

The County uses the same basis used in the Judicial Retirement System of Nevada's (JRS) Annual Financial Report, for reporting its proportionate share of the JRS net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, including information related to JRS fiduciary net position and related additions to/deductions. Benefit payments (including refunds of employee contributions) are recognized by JRS when due and payable in accordance with the benefit terms. JRS investments are reported at fair value.

### **Deferred Outflows and Inflows of Resources**

Deferred outflows of resources, represents a consumption of net position or fund balance that applies to future periods; and therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred debt refunding charges and amounts related to pensions (Note 4) are reported as deferred outflows of resources.

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenues and amounts related to pensions (Note 4) are reported as deferred inflows of resources.

### **Net Position**

In the government-wide and proprietary fund financial statements, net position is reported as net investment in capital assets, restricted, or unrestricted. Net position is reported as restricted when constraints placed on it are either imposed by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

### **Fund Balance**

Fund balances of the governmental funds are classified in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as follows:

Nonspendable fund balances include items that cannot be spent, such as amounts that are not in a spendable form (for example, inventories and prepaid items) and amounts that are legally or contractually required to remain intact, such as a permanent fund principal balance.

Restricted fund balances have constraints placed upon the use of the resources either by external parties (such as creditors, grantors, contributors or other governments) or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by an ordinance of the County Commission, which is the County's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

Assigned fund balances include amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. Such intent should be expressed by the County Commission or appropriately authorized officials. The Assistant County Manager/Chief Financial Officer has been authorized by the County Commission in the budget approval process to make all fund balance assignments. Constraints imposed on the use of assigned fund balances can be removed or changed without formal County Commission action. For governmental funds, other than the General Fund, this is the classification for residual amounts that are not restricted, committed or nonspendable.

Unassigned fund balance is the classification used by the general fund for residual amounts not included in the four categories described above.

### **Prioritization and Use of Available Resources**

When both restricted resources and other resources (committed, assigned and unassigned) can be used for the same purposes, it is the County's policy to use restricted resources first. Furthermore, when committed, assigned and unassigned resources can be used for the same purpose, it is the County's policy to use committed resources first, assigned second, and unassigned last.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Use of Estimates

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. Accordingly, these estimates may require revision in future periods. Significant estimates include compensated absences, pension and other postemployment benefits, collectability of receivables, fair value of investments and useful lives of capital assets.

### **Note 2. Stewardship and Accountability**

#### Budgetary Information

The County adopts annual budgets for all funds except for agency funds. All budget augmentations made during the year ended June 30, 2017, were as prescribed by law. All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States and used by the County for financial reporting.

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

Prior to April 15, the County submits the tentative budget for the next fiscal year, commencing on July 1, to the State Department of Taxation. The County Commission has the ability to reject the tentative budget prior to its submission to the State.

Public hearings are conducted on the third Monday in May.

After all changes have been noted and the public hearings closed, the County Commission adopts the budget on or before June 1.

Budget amounts within funds, and between funds, may be transferred if amounts do not exceed the original budget. Such transfers must be approved by the Budget Officer and/or the Board of Commissioners, depending on established criteria.

Budget augmentations in excess of original budget amounts may not be made without prior approval from the County Commission.

All annual appropriations lapse at the fiscal year end.

#### Excess of Expenditures over Appropriations

The NRS require that governmental fund budgetary controls be exercised at the function level and that proprietary fund operating and nonoperating expenses not exceed the combined operating and nonoperating expenses budget when the respective fund has a deficit net position.

For the year ended June 30, 2017, total expenditures exceeded appropriations for the following funds and/or functions, which are potential violations of the NRS:

Debt financed, capital projects fund, debt service	\$	700
Technology Services (911) special revenue fund, debt service		15,155

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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These over expenditures were funded by available assets in excess of liabilities as represented by fund balance in the respective funds.

#### Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized, by type of agreement/program and the gross, accrual basis reduction of the County's taxes for the year ended June 30, 2017 aggregated as follows:

Agreement/program description – NRS 361.0687 - Partial abatement of taxes imposed on certain new or expanded businesses  
Amount abated during the year ended June 30, 2017 – \$10,465  
Specific tax being abated – Property taxes

Agreement/program description – NRS 701A - Energy-related tax incentives (NRS 701A.110 Partial abatement of certain property taxes for buildings or structures that meet certain standards under Green Building Rating System, NRS 701A.200 Exemption from certain property taxes for qualified energy systems, NRS 701A.210 Partial abatement of certain property taxes for businesses and facilities using recycled material)  
Amount abated during the year ended June 30, 2017 – \$181,260  
Specific tax being abated – Property taxes and/or sales and use taxes

Agreement/program description – NRS 374.357 - Abatement for eligible machinery or equipment used by certain new or expanded businesses  
Amount abated during the year ended June 30, 2017 – \$25,855  
Specific tax being abated – Sales and use taxes

#### Transfer of Operations

Effective January 1, 2017, the County determined that it no longer was financially accountable for the East Fork Fire Protection District as the County Commission (or members thereof in an ex officio capacity) no longer served as the governing body for the East Fork Fire Protection District.

Therefore, on January 1, 2017, the County transferred the assets and liabilities comprising its fire and service operations (previously account for in a special revenue and debt service fund) to the East Fork Fire Protection District. As a result of the transfer, the County recognized as a special item, related to the disposal of its fire and paramedic service operations, a gain of \$2,251,333 in the entity-wide statement of activities and a loss in the special revenue and debt service funds of \$4,484,95 and \$2,290, respectively.

#### New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective for periods beginning after June 15, 2017. This statement addresses the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB) and the information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. Management has not yet completed its assessment of this statement.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*, effective for periods beginning after December 15, 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. Management has completed its assessment of this statement and determined that it will not have a material effect on the County's financial position or changes therein.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, effective for periods beginning after June 15, 2018. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations that result from a legally enforceable liability associated with the retirement of a tangible capital asset. Management has not yet completed its assessment of this statement.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, effective for periods beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Management has not yet completed its assessment of this statement.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, effective for periods beginning after June 15, 2017. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. Management has not yet completed its assessment of this statement.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, effective for periods beginning after June 15, 2017. The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. Management has not yet completed its assessment of this statement but does not expect it will have a material effect on the City's financial position or changes therein.

In June 2017, the GASB issued Statement No. 87, *Leases*, effective for periods beginning after December 15, 2019. The objective of this Statement is to better meet the information needs of financial statement users by requiring recognition of certain lease assets, liabilities and inflows or outflows of resources for arrangements previously accounted for as operating leases based on the payment provisions of the contract. Management has not yet completed its assessment of this statement.

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Note 3. Detailed Notes on all Funds

#### Cash, Cash Equivalents and Investments

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

At June 30, 2017, the County's carrying amount of deposits was \$13,348,171 and the bank balance was \$14,191,192. The Federal Depository Insurance Corporation (FDIC) covered \$250,000 of the bank balance at fiscal year end and the bank balance was collateralized by the Nevada Collateral Pool.

The County manages its custodial credit risk related to deposits by participating in the Nevada Collateral Pool, which requires depositories to maintain as collateral, acceptable securities having a fair market value of at least 102% of the amount of the uninsured balances of the public money held by the depository. Under NRS, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the Nevada Collateral Pool. However, the County often carries cash and cash equivalents on deposit with financial institutions in excess of federally-insured limits, and the risk of losses related to such concentrations may be increasing as a result of ongoing economic instability.

At June 30, 2017, total cash, cash equivalents and investments (including restricted amounts) were presented in the County's financial statements as follows:

Governmental activities	\$ 71,934,216
Business-type activities	23,125,371
Fiduciary funds	<u>2,485,763</u>
Total cash, cash equivalents and investments	<u>\$ 97,545,350</u>

The County has a formal investment policy that, in the opinion of management, is designed to ensure conformity with the NRS and seeks to limit exposure to investment risks.

All investments are governed by the County Commission's policy of the "prudent person" rule. The prudent person rule is a standard to guide those with responsibility for investing the money of others. Such fiduciaries, must act as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculation.

Allowable County investments are as follows:

United States bonds and debentures maturing within ten (10) years from the date of purchase.

Certain farm loan bonds.

Bills and notes of the United States Treasury and obligations of an agency or instrumentality of the United States or a corporation sponsored by the United States maturing within ten (10) years from the date of purchase.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

Negotiable and non-negotiable certificates of deposit from commercial banks and insured credit unions or savings and loan associations.

Certain securities issued by local governments within the State.

Local Government Investment Pool (an external investment pool administered by the State Treasurer, with oversight provided by the State Board of Finance). The fair value of the County's position in the pool is the same as its proportionate share of the value of the pooled investments.

Other securities expressly provided by other statutes, including repurchase agreements.

Certain bankers acceptances, commercial paper issued by a corporation organized and operating in the United States, and Money Market Mutual Funds.

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

Level 1. Inputs are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2. Inputs are other observable inputs.

Level 3. Inputs are unobservable.

The fair value measurement level within the hierarchy is based on the lowest level of any input that is deemed significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

At year end, the County's Level 1 investments (comprised of U.S. Treasury obligations) were valued based on quoted market prices provided by recognized broker dealers, Level 2 investments (comprised of U.S. Agency securities) were valued, by recognized broker dealers, based on a matrix pricing model that maximizes the use of observable inputs for similar securities, and Level 3 investments (comprised of the County's position in the Local Government Investment Pool) were valued based on the County's proportionate share of the value of the pooled investments.

At June 30, 2017, the County had the following cash equivalents and investments:

	Reported Amount (Fair Value)	Investment Maturities (In Years)	
		Less Than One	One to Five
U.S. Treasury obligations (Level 1)	\$ 28,127,308	\$ 998,400	\$ 27,128,908
U.S. Agency securities (Level 2)			
Federal Home Loan Bank	3,508,963	3,011,283	497,680
Federal Farm Credit Bank	2,014,627		2,014,627
Federal Home Loan Mortgage Corporation	997,995	499,070	498,925
Federal National Mortgage Association	5,712,033		5,712,033
Local Government Investment Pool (Level 3)	<u>41,756,244</u>	<u>41,756,244</u>	
Total investments	82,117,170	<u>\$ 46,264,997</u>	<u>\$ 35,852,173</u>
Total cash and cash equivalents	<u>15,428,180</u>		
Total cash, cash equivalents and investments	<u>\$ 97,545,350</u>		

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the County's investment policy, one of the ways that the County manages its exposure to interest rate risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

At June 30, 2017, the County's cash equivalents and investments were rated by Moody's Investors Service as follows:

	Reported Amount <u>(Fair Value)</u>	<u>Quality Rating *</u>
U.S. Treasury obligations (Level 1)	\$ 28,127,308	*
U.S. Agency securities (Level 2)		
Federal Home Loan Bank	3,508,963	AAA
Federal Farm Credit Bank	2,014,627	AAA
Federal Home Loan Mortgage Corporation	997,995	AAA
Federal National Mortgage Association	5,712,033	AAA
Local Government Investment Pool (Level 3)	<u>41,756,244</u>	Unrated
 Total investments	 <u>\$ 82,117,170</u>	

\* The requirement to disclose credit ratings does not apply to debt securities of the United States government, or obligations of United States government agencies that are explicitly guaranteed by the United States government.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical organization. The County's investment policy allows investments in obligations of the U.S. Treasury and U.S. agencies, agency issued mortgage backed securities, negotiable medium-term obligations issued by local governments of the State of Nevada, corporate bonds rated "AA" or better, commercial paper rated "A-1", "P-1" or better, and repurchase agreements, certificates of deposit, money market mutual funds rated "AAA" by a nationally recognized rating service or other securities in which banking institutions may legally invest.

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer of securities. Investments in any one issuer that represent 5% or more of total investments at June 30, 2017, were as follows:

	<u>Percentage of Portfolio</u>
U.S. Treasury obligations	34.13 %
Federal National Mortgage Association	6.93 %

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

### Capital Assets

For the year ended June 30, 2017, capital asset activity was as follows:

	Balance July 1, 2016	Increases	Decreases	Completed Construction	Balance June 30, 2017
<b>Governmental activities</b>					
Capital assets not being depreciated or amortized					
Land	\$ 17,503,756		\$ (677,201)	\$ 308,803	\$ 17,135,358
Construction in progress	<u>3,935,763</u>	<u>9,616,910</u>	<u>(1,109,688)</u>	<u>(3,931,144)</u>	<u>8,511,841</u>
Total capital assets not being depreciated or amortized	<u>21,439,519</u>	<u>9,616,910</u>	<u>(1,786,889)</u>	<u>(3,622,341)</u>	<u>25,647,199</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	89,342,795	157,000	(12,474,684)	158,281	77,183,392
Machinery, equipment and software	33,978,799	1,633,784	(11,120,238)	586,384	25,078,729
Infrastructure	<u>232,900,960</u>	<u>                    </u>	<u>(923,725)</u>	<u>2,877,676</u>	<u>234,854,911</u>
Total capital assets being depreciated or amortized	<u>356,222,554</u>	<u>1,790,784</u>	<u>(24,518,647)</u>	<u>3,622,341</u>	<u>337,117,032</u>
Accumulated depreciation and amortization					
Buildings and building improvements	(33,730,381)	(2,137,010)	4,710,995		(31,156,396)
Machinery, equipment and software	(27,091,272)	(1,605,630)	10,222,111		(18,474,791)
Infrastructure	<u>(195,045,212)</u>	<u>(3,711,173)</u>	<u>524,154</u>		<u>(198,232,231)</u>
Total accumulated depreciation and amortization	<u>(255,866,865)</u>	<u>(7,453,813)</u>	<u>15,457,260</u>		<u>(247,863,418)</u>
Total capital assets being depreciated or amortized, net	<u>100,355,689</u>	<u>(5,663,029)</u>	<u>(9,061,387)</u>	<u>3,622,341</u>	<u>89,253,614</u>
Total governmental activities	<u>\$ 121,795,208</u>	<u>\$ 3,953,881</u>	<u>\$ (10,848,276)</u>	<u>\$</u>	<u>\$ 114,900,813</u>
<b>Business-type activities</b>					
Capital assets not being depreciated or amortized					
Land	\$ 2,831,609		\$	\$	\$ 2,831,609
Construction in progress	2,634,302	2,866,594	(149,271)	(1,225,586)	4,126,039
Water rights	<u>5,772,013</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>5,772,013</u>
Total capital assets not being depreciated or amortized	<u>11,237,924</u>	<u>2,866,594</u>	<u>(149,271)</u>	<u>(1,225,586)</u>	<u>12,729,661</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	2,787,650				2,787,650
Machinery, equipment and software	2,778,540	501,759		76,749	3,357,048
Water and sewer systems	<u>122,197,017</u>	<u>                    </u>	<u>                    </u>	<u>1,148,837</u>	<u>123,345,854</u>
Total capital assets being depreciated or amortized	<u>127,763,207</u>	<u>501,759</u>	<u>                    </u>	<u>1,225,586</u>	<u>129,490,552</u>

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Increases	Decreases	Completed Construction	Balance June 30, 2017
Accumulated depreciation and amortization					
Buildings and building improvements	\$ (796,745)	\$ (72,504)	\$	\$	\$ (869,249)
Machinery, equipment and software	(2,242,862)	(146,828)			(2,389,690)
Water and sewer systems	<u>(33,611,710)</u>	<u>(3,426,615)</u>			<u>(37,038,325)</u>
Total accumulated depreciation and amortization	<u>(36,651,317)</u>	<u>(3,645,947)</u>			<u>(40,297,264)</u>
Total capital assets being depreciated or amortized, net	<u>91,111,890</u>	<u>(3,144,188)</u>		<u>1,225,586</u>	<u>89,193,288</u>
Total business-type activities	<u>\$ 102,349,814</u>	<u>\$ (277,594)</u>	<u>\$ (149,271)</u>	<u>\$</u>	<u>\$ 101,922,949</u>

For the year ended June 30, 2017, charges, by function, for depreciation expense were as follows:

Governmental activities		
General government	\$ 1,554,618	
Judicial	323,210	
Public safety	838,136	
Public works	2,407,379	
Community development	78,841	
Culture and recreation	2,166,211	
Health and sanitation	83,066	
Welfare	<u>2,352</u>	
Total depreciation expense, governmental activities	<u>\$ 7,453,813</u>	
Business-type activities		
Water	\$ 2,667,430	
Sewer	869,623	
Trash	<u>108,894</u>	
Total depreciation expense, business-type activities	<u>\$ 3,645,947</u>	

Expenditures and transfers in the ad valorem capital projects funds for the year ended June 30, 2017, were as follows:

	Ad Valorem Capital Projects Fund	Town of Gardnerville Ad Valorem Capital Projects Fund	Town of Genoa Construction Reserve Capital Projects Fund	Town of Minden Ad Valorem Capital Projects Fund
Motor vehicles	\$ 330,781	\$ 28,972	\$	\$ 101,466
Transfers out	1,042,500		10,000	

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

### Interfund Balances and Activity

#### Due To and From Other Funds

At June 30, 2017, amounts due to and from other funds resulting from the time lag between the dates that reimbursable transactions occur and payments between funds are made, were as follows:

	Receivable	Payable
General Fund	\$ 154,962	\$ 154,838
Room Tax Special Revenue Fund	2,012	5,487
Non-major Governmental Funds	95,164	67,381
Regional Water Utility Enterprise Fund		27
Sewer Utility Enterprise Fund	800	575
Carson Valley Water Utility Enterprise Fund	1,152	661
Lake Tahoe Water Utility Enterprise Fund		540
Town of Minden Wholesale Water Utility Enterprise Fund		399
Town of Minden Water Company Enterprise Fund		308
Non-major Enterprise Funds	15	816
Internal Service Funds	90,160	113,233
	\$ 344,265	\$ 344,265

#### Advances To and From Other Funds

At June 30, 2017, amounts due to and from other funds resulting from lending or borrowing transactions, were as follows:

	Receivable	Payable
General Fund	\$ 325,000	\$
Non-major Governmental Funds		325,000
	\$ 325,000	\$ 325,000

### Interfund Transfers

Transfers of revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization or legal requirements.

For the year ended June 30, 2017, interfund transfers were as follows:

	Transfers In	Transfers Out
General Fund	\$ 403,373	\$ 3,317,460
Room Tax Special Revenue Fund	945,232	416,000
Non-major Governmental Funds	10,559,642	8,310,133
Regional Water Utility Enterprise Fund		125,000
Carson Valley Water Utility Enterprise Fund	160,346	
Lake Tahoe Water Utility Enterprise Fund	75,000	
Internal Service Funds	25,000	
	\$ 12,168,593	\$ 12,168,593

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

### Long-term Liabilities

Outstanding long-term debt obligations at June 30, 2017, were as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2017</u>
Governmental activities				
General obligation medium term financing bonds and notes				
Community Center Medium Term Bonds, Series 2013	March 2013 - March 2023	2.05%	\$ <u>7,800,000</u>	\$ <u>5,970,000</u>
Total general obligation medium term financing bonds and notes			<u>7,800,000</u>	<u>5,970,000</u>
Revenue bonds				
Highway Revenue Improvement Bonds, Series 2016	November 2016 - November 2036	3.00 - 5.00%	11,635,000	11,635,000
Airport Revenue Bonds, Series 2014	June 2015 - June 2029	2.95%	<u>1,075,000</u>	<u>947,000</u>
Total revenue bonds			<u>12,710,000</u>	<u>12,582,000</u>
General obligation/pledged revenue bonds				
Community Center Bonds, Series 2012	August 2012 - August 2032	3.00 - 3.25%	6,750,000	6,450,000
Transportation Refunding Bonds, Series 2012	July 2012 - May 2020	2.08%	<u>2,009,000</u>	<u>842,000</u>
Total general obligation/pledged revenue bonds			<u>8,759,000</u>	<u>7,292,000</u>
Capital lease				
Vacuum truck lease	October 2014 - October 2020	2.82%	320,000	186,561
Motorola Dispatch Console System	October 2016 - October 2023	2.78%	<u>410,000</u>	<u>410,000</u>
Total capital lease			<u>730,000</u>	<u>596,561</u>
Land note				
Land note	August 2016 - August 2019	3.5%	<u>150,000</u>	<u>150,000</u>
Total governmental activities			<u>30,149,000</u>	<u>26,590,561</u>

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2017
Business-type activities				
General obligation/pledged revenue bonds				
State Revolving Fund Sewer Bonds, Series 2016	May 2016 - May 2036	2.05%	\$ 5,550,000	\$ 53,410
State Revolving Fund Water Bonds, Series 2014	January 2015 - January 2035	2.56%	1,000,000	537,955
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	May 2014 - August 2024	.32% - 3.28%	2,010,000	1,637,000
State Revolving Fund Water Bonds, Series 2012	July 2012 - July 2032	2.49%	1,300,000	961,990
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	March 2012 - November 2024	2.00 - 4.00%	2,485,000	1,825,000
State Revolving Fund Water Bonds, Series 2011	April 2011 - January 2031	3.21%	1,000,000	824,475
State Revolving Fund Water Bonds, Series 2010	February 2010 - January 2030	2.84%	1,150,000	850,895
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	September 2010 - December 2020	2.00 - 4.00%	2,420,000	1,160,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	September 2010 - December 2022	2.00 - 4.50%	3,970,000	1,950,000
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	September 2010 - December 2029	6.00%	1,570,000	1,570,000
State Revolving Fund Water Bonds, Series 2009	March 2009 - January 2029	3.27%	3,500,000	1,817,774
State Revolving Fund Water Bonds, Series 2005	December 2005 - July 2025	2.99%	674,542	379,588
Total general obligation/pledged revenue bonds			26,629,542	13,568,087
Total business-type activities			26,629,542	13,568,087
Total long-term debt obligations			\$ 56,778,542	\$ 40,158,648

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

### General Obligation Bonds and Notes

The County issues general obligation bonds and notes payable for various purposes including, but not limited to, financing the improvement, acquisition or construction of capital assets. These bonds and notes constitute general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

### Revenue Bonds and General Obligation/Pledged Revenue Bonds

The County issues revenue bonds and general obligation/pledged revenue bonds for various purposes including, but not limited to, financing the improvement, acquisition or construction of capital assets and has pledged specific revenues to repay these bonds.

#### Governmental activities

Pledged revenue – Revenues generated from the operations of the Airport system.

Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$	1,138,248
Total revenue bond principal and interest paid during the year ended June 30, 2017		94,854
Total pledged revenue for the year ended June 30, 2017		4,476,076
Maturity of revenue bonds issued and revenue pledge Airport Revenue Bonds, Series 2014 <sup>1</sup>		June 2029

Pledged revenue – Revenues generated from a 1% transient occupancy tax levied in the Tahoe-Douglas Transportation District and revenues generated by projects financed with the bonds.

Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$	872,899
Total revenue bond principal and interest paid during the year ended June 30, 2017		288,684
Total pledged revenue for the year ended June 30, 2017		691,876
Maturity of revenue bond issued and revenue pledge Transportation Refunding Bonds, Series 2012		May 2020

Pledged revenue – Revenues generated from intergovernmental consolidated taxes (liquor taxes, tobacco taxes, real property transfer taxes, basic governmental services tax and basic supplemental sales taxes).

Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$	8,691,878
Total revenue bond principal and interest paid during the year ended June 30, 2017		298,694
Total pledged revenue for the year ended June 30, 2017		1,737,615
Maturity of revenue bond issued and revenue pledge Community Center Bonds, Series 2012		August 2032

Pledged revenue – Revenues generated from motor vehicle fuel taxes (\$0.09 per gallon levied by the County and \$0.0535 per gallon levied by the State)

Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$	17,051,581
Total revenue bond principal and interest paid during the year ended June 30, 2017		209,686
Total pledged revenue for the year ended June 30, 2017		2,862,370
Maturity of revenue bond issued and revenue pledge Highway Revenue Improvement Bonds, Series 2016		November 3036

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

Business-type activities

Pledged revenue – Revenues generated from water utility customer net revenues.	
Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$ 13,149,928
Total revenue bond principal and interest paid during the year ended June 30, 2017	1,564,759
Total pledged revenue for the year ended June 30, 2017	2,757,886
Maturity of revenue bonds issued and revenue pledge	
State Revolving Fund Water Bonds, Series 2014	January 2035
State Revolving Fund Water Bonds, Series 2012	July 2032
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	November 2024
State Revolving Fund Water Bonds, Series 2011	January 2031
State Revolving Fund Water Bonds, Series 2010	January 2030
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	December 2022
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	December 2029
State Revolving Fund Water Bonds, Series 2009	January 2029
State Revolving Fund Water Bonds, Series 2005	July 2025
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005C (Valley)	December 2016
Pledged revenue – Revenues generated from sewer utility customer net revenues.	
Total revenue bond principal and interest remaining to be paid at June 30, 2017	\$ 3,122,486
Total revenue bond principal and interest paid during the year ended June 30, 2017	537,936
Total pledged revenue for the year ended June 30, 2017	1,419,207
Maturity of revenue bonds issued and revenue pledge	
State Revolving Fund Water Bonds, Series 2016	May 2036
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2014	August 2024
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	December 2020

Changes in Long-term Liabilities

Long-term liabilities activity for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017	Due Within One Year
Governmental activities					
General obligation medium term financing bonds and notes					
Community Center Medium Term Bonds, Series 2013	\$ 6,895,000	\$	\$ (925,000)	\$ 5,970,000	\$ 945,000
East Fork Fire Protection District Medium Term Bond	595,000		(595,000)		
Total general obligation medium term financing bonds and notes	7,490,000		(1,520,000)	5,970,000	945,000
Revenue bonds					
Highway Revenue Improvement Bonds, Series 2016		11,635,000		11,635,000	360,000

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017	Due Within One Year
Airport Revenue Bond, Series 2014	\$ 1,012,000	\$	\$ (65,000)	\$ 947,000	\$ 67,000
Highway Revenue Improvement and Refunding Bonds, Series 2003	<u>430,000</u>		<u>(430,000)</u>		
Total revenue bonds	<u>1,442,000</u>	<u>11,635,000</u>	<u>(495,000)</u>	<u>12,582,000</u>	<u>427,000</u>
General obligation/pledged revenue bonds					
Community Center Bonds, Series 2012	6,550,000		(100,000)	6,450,000	
Transportation Refunding Bonds, Series 2012	<u>1,109,000</u>		<u>(267,000)</u>	<u>842,000</u>	<u>275,000</u>
Total general obligation/pledged revenue bonds	<u>7,659,000</u>		<u>(367,000)</u>	<u>7,292,000</u>	<u>275,000</u>
Capital lease					
Vacuum truck lease	230,043		(43,482)	186,561	44,710
Motorola Dispatch Console System		<u>410,000</u>		<u>410,000</u>	<u>53,862</u>
Total capital lease	<u>230,043</u>	<u>410,000</u>	<u>(43,482)</u>	<u>596,561</u>	<u>98,572</u>
Land note					
Land note		<u>150,000</u>		<u>150,000</u>	<u>50,000</u>
Unamortized bond premiums	49,999	848,707	(3,109)	895,597	
Compensated absences	4,117,149	3,035,783	(3,908,694)	3,244,238	3,005,259
Postemployment benefits other than pensions	6,847,507	1,267,389	(1,065,852)	7,049,044	
Net pension liability	<u>68,535,872</u>	<u>3,360,202</u>	<u>(9,767,237)</u>	<u>62,128,837</u>	
Total governmental activities	<u>96,371,570</u>	<u>20,707,081</u>	<u>(17,170,374)</u>	<u>99,908,277</u>	<u>4,800,831</u>
Business-type activities					
General obligation/pledged revenue bonds					
State Revolving Fund Water Bonds, Series 2016	53,410			53,410	
State Revolving Fund Water Bonds, Series 2014	113,930	424,025		537,955	13,203
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	1,826,000		(189,000)	1,637,000	188,000
State Revolving Fund Water Bonds, Series 2012	1,012,293		(50,303)	961,990	51,562

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017	Due Within One Year
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	\$ 2,065,000	\$	\$ (240,000)	\$ 1,825,000	\$ 250,000
State Revolving Fund Water Bonds, Series 2011	870,474		(45,999)	824,475	47,488
State Revolving Fund Water Bonds, Series 2010	904,325		(53,430)	850,895	54,958
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	1,420,000		(260,000)	1,160,000	270,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	2,315,000		(365,000)	1,950,000	380,000
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	1,570,000			1,570,000	
State Revolving Fund Water Bonds, Series 2009	1,939,695		(121,921)	1,817,774	125,940
State Revolving Fund Water Bonds, Series 2005	418,272		(38,684)	379,588	39,850
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005C (Valley)	<u>240,000</u>		<u>(240,000)</u>		
Total general obligation/pledged revenue bonds	<u>14,748,399</u>	<u>424,025</u>	<u>(1,604,337)</u>	<u>13,568,087</u>	<u>1,421,001</u>
Unamortized bond premiums	332,238		(59,249)	272,989	
Compensated absences	209,531	197,281	(163,798)	243,014	127,256
Postemployment benefits other than pensions	255,258	88,337		343,595	
Net pension liability	<u>3,206,316</u>	<u>909,225</u>	<u>(460,557)</u>	<u>3,654,984</u>	
Total business-type activities	<u>18,751,742</u>	<u>1,618,868</u>	<u>(2,287,941)</u>	<u>18,082,669</u>	<u>1,548,257</u>
Total long-term liabilities	<u>\$ 115,123,312</u>	<u>\$ 22,325,949</u>	<u>\$ (19,458,315)</u>	<u>\$ 117,990,946</u>	<u>\$ 6,349,088</u>

Compensated absences, net pension liability and postemployment benefits other than pensions are liquidated by the fund incurring the related salaries and wages.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2017

At June 30, 2017, the annual requirements to pay principal and interest on bonds and notes outstanding were as follows:

For the Year Ended June 30,	General obligation medium term financing bonds and notes		Revenue bonds		General obligation/pledged revenue bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
Governmental activities						
2018	\$ 945,000	\$ 122,385	\$ 427,000	\$ 518,849	\$ 275,000	\$ 213,283
2019	965,000	103,013	449,000	498,373	281,000	207,531
2020	985,000	83,230	471,000	476,837	286,000	201,666
2021	1,005,000	63,038	493,000	454,243		197,194
2022	1,025,000	42,435	515,000	430,589		197,194
2023 - 2027	1,045,000	21,423	2,990,000	1,753,901	2,300,000	850,969
2028 - 2032			3,377,000	1,076,439	3,390,000	392,591
2033 - 2037			3,860,000	398,400	760,000	12,350
	5,970,000	435,524	12,582,000	5,607,631	7,292,000	2,272,778
For the Year Ended June 30,	Capital lease		Land Note		Principal	Interest
	Principal	Interest	Principal	Interest		
2018	98,573	16,673	50,000	5,250		
2019	101,334	13,912	50,000	3,500		
2020	104,172	11,074	50,000	1,750		
2021	107,090	8,156				
2022	60,110	5,157				
2023 - 2027	125,283	5,251				
2028 - 2032						
	\$ 596,562	\$ 60,223	\$ 150,000	\$ 10,500	\$	\$
For the Year Ended June 30,	General obligation/pledged revenue bonds					
	Principal			Interest		
Business-type activities						
2018				\$ 1,421,001	\$ 458,905	
2019				1,479,465	410,054	
2020				1,547,866	357,340	
2021				1,604,993	301,483	
2022				1,052,458	256,531	
2023 - 2027				4,223,363	775,091	
2028 - 2032				2,109,684	141,545	
2033 - 2037				129,257	2,031	
				\$ 13,568,087	\$ 2,702,980	

#### Debt Covenants and Legal Debt Margin

Certain long-term liabilities are subject to restrictive debt covenants with which management believes the County to be in compliance.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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The amount of long-term general obligation debt that can be incurred by the County is limited by the NRS and the County's Charter limits total outstanding long-term liabilities (debt principal) during a year to no more than 10% of the assessed value of taxable property at the beginning of the fiscal year. Management believes the County to be in compliance with these requirements.

### Arbitrage Rebate Requirement

The Federal Tax Reform Act of 1986 imposes a rebate requirement with respect to certain long-term debt obligations. Under this Act, an arbitrage amount may be required to be rebated to the United States Treasury for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. As of the most recent date, management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

### Conduit Debt

The County has provided third-party borrowers conduit debt to finance the improvement, acquisition or construction of capital assets, which are deemed to be in the public interest, including, but not limited to, hospital facilities. The conduit debt obligations are secured by the pledged revenues of the third-party borrowers, and the County has no obligation with respect to the conduit debt after its issuance because the third-party services the debt. The conduit debt, issued pursuant to NRS 268, is not, and shall never become, an obligation of the County.

Outstanding conduit debt obligations at June 30, 2017, were as follows:

	<u>Issuance Date</u>	<u>Original Amount</u>	<u>Balance June 30, 2017</u>
Washoe Barton Medical Clinic Project, Hospital Revenue and Refunding Bonds, Series 2013	April 2013	\$ <u>8,700,000</u>	\$ <u>6,653,326</u>

### Capital Leases - Governmental Activities

The County entered into a capital lease agreements to finance the acquisition of capital assets used by the County and in general operations. For accounting purposes, the assets acquired under this capital lease have been recorded at the present value of the future minimum lease payments as of the lease inception date. Total capital lease payments for the year ended June 30, 2017, were \$49,979.

At June 30, 2017, the assets acquired through these capital leases were as follows:

Machinery, equipment and software	\$	743,845
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(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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At June 30, 2017, future minimum capital lease payments were as follows:

<u>For the Year Ended June 30,</u>	
2018	\$ 115,246
2019	115,246
2020	115,246
2021	115,246
2022	65,267
2023 - 2027	<u>130,534</u>
Total future minimum capital lease payments	656,785
Less portion of payment representing interest	<u>(60,224)</u>
Present value of total future minimum capital lease payments	<u>\$ 596,561</u>

### Segment Information

The County has issued long-term debt (in some cases revenue supported) to finance the improvement, acquisition or construction of capital assets that has historically been paid from the revenues of the County's enterprise funds. The financial position, results of operations and cash flows of the enterprise funds are presented separately in the accompanying proprietary fund financial statements and no additional segment information disclosure is considered necessary.

### **Note 4. Other Information**

#### Commitments

##### Operating Leases

The County has certain non-cancelable operating lease agreements primarily for office equipment. Such leases expire at various times through July 2022.

At year end, the County's future minimum lease payments under these non-cancelable operating leases were as follows:

<u>For the Year Ended June 30,</u>	
2018	\$ 67,197
2019	46,439
2020	38,196
2021	28,971
2022	<u>7,085</u>
	<u>\$ 187,888</u>

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

### Construction Project Commitments

The County entered into contractual commitments for the construction and/or improvement of capital assets. At year end, such commitments were as follows:

	<u>Contract Amount</u>	<u>Amount of Work Completed as of June 30, 2017</u>	<u>Commitment Remaining at June 30, 2017</u>
Governmental activities			
General government projects	\$ 1,512,230	\$ 1,010,081	\$ 502,149
Airport projects	4,566,149	3,853,385	712,764
Erosion control projects	21,917		21,917
Judicial system projects	138,687	83,799	54,888
Public safety projects	32,168	259	31,909
Public works projects	<u>5,165,946</u>	<u>624,777</u>	<u>4,541,169</u>
Total governmental activities	<u>\$ 11,437,097</u>	<u>\$ 5,572,301</u>	<u>\$ 5,864,796</u>
Business-type activities			
Water system projects	\$ 849,179	\$ 634,497	\$ 214,682
Sewer system projects	1,274,477	906,154	368,323
Trash service projects	<u>151,133</u>	<u>33,784</u>	<u>117,349</u>
Total business-type activities	<u>\$ 2,274,789</u>	<u>\$ 1,574,435</u>	<u>\$ 700,354</u>

### Litigation

In the ordinary course of its operations, claims are filed against the County including, but not limited to those arising from alleged improper actions by employees, police actions and negligence. County management intends to vigorously defend each claim and believes that most claims will be dismissed or settled for substantially less than the claimed amount and may be partially offset by payments from the County's liability insurance policies, discussed below under "Risk Management," and will not result in any material adverse future effect on the County's financial position, results of operation, or cash flows.

The County does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but rather, records such as period costs when the services are rendered.

### Risk Management

The United States has experienced a widespread decline in residential real estate sales, mortgage lending and related construction activity, high unemployment, as well as weakness in the commercial and investment banking systems, which has had far-reaching effects on the economic activity in the country. In recent years the economy has begun to stabilize and has helped to stabilize the County's current operations as well. However, the long-term impact of these factors on the Nevada economy and the County's future operations cannot be predicted at this time, but may be substantial.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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The County is exposed to various risks of losses related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these and other risks, the County participates with other governmental entities in the Nevada Public Agency Insurance Pool (the Pool) and the Public Agency Compensation Trust (PACT) and purchases commercial insurance coverage for other risks of loss, including specific risks not covered by PACT or the Pool (airport liability and bonding coverage) and employee health and accident insurance. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

#### Nevada Public Agency Insurance Pool

The Pool, created under the Nevada Interlocal Cooperation Act, is a public entity risk pool currently operating as a common risk management and insurance program for its members.

The County pays an annual premium and specific deductibles, as necessary, to the Pool for its general insurance coverage. The Pool is considered a self-sustaining risk pool that will provide liability coverage for its members. The deductible paid by the County for each incident is \$5,000 for property damages and crime and \$50,000 for all other incidents, with a maximum aggregate deductible of \$300,000 annually.

At June 30, 2017, Pool insurance coverages were as follows:

Property, crime and equipment			
Blanket Limit per schedule of locations	\$	300,000,000	Per loss
Sublimit for earthquake coverage		150,000,000	Annual aggregate
Sublimit for flood coverage		150,000,000	Annual aggregate
Sublimit for flood coverage zone A		25,000,000	Annual aggregate
Sublimit for equipment breakdown, boiler and machinery		100,000,000	Each accident
Sublimit for money and securities including dishonesty		500,000	Each loss
Casualty			
Bodily injury, property damage, personal injury			
Employment based benefits administration	\$	10,000,000	Per event
Law enforcement activities, and wrongful acts		10,000,000	Annual aggregate
Cyber Security Event			
Cyber Security Event	\$	2,000,000	Per event/Annual aggregate
Sublimit for privacy response expense		500,000	Per event

#### Public Agency Compensation Trust

PACT, created under the Nevada Interlocal Cooperation Act, is an intergovernmental self-insured association for insurance.

The County pays PACT premiums based on payroll costs. The PACT is considered a self-sustaining pool that will provide workers compensation coverage based on established statutory limits.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

### Defined Benefit Pension Plans

#### Aggregate Balances

At June 30, 2017, the County's aggregate pension plan balances were as follows:

	Public Employees' Retirement System of Nevada	Judicial Retirement System of Nevada	Aggregate Total
Net unamortized deferred outflows of resources related to pensions	\$ 15,825,571	\$ 120,761	\$ 15,946,332
Net pension liability	65,540,083	243,738	65,783,821
Net unamortized deferred inflows of resources related to pensions	6,088,306	52,522	6,140,828
Pension expense	9,332,843	50,291	9,383,134

#### Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

The County's employees are covered by the Public Employees' Retirement System of Nevada (PERS), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees Retirement Board (the PERS Board) whose seven members are appointed by the governor. The County does not exercise any control over PERS.

PERS is a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the system on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, there is a 2.5% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Post-retirement increases are provided by authority of NRS 286.575 - .579, which for members entering the system before January 1, 2010, is equal to the lesser of:

- 1) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or
- 2) The average percentage increase in the Consumer Price Index (or other PERS Board approved index) for the three preceding years.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other PERS Board approved index) for the period between retirement and the date of increase.

For members entering the system on or after January 1, 2010, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year.

For members with an effective date of membership on or after July 1, 2015, the post-retirement increases are 2% per year following the third anniversary of the commencement of benefits, 2.5% per year following the sixth anniversary, the lesser of 3% or the CPI for the preceding calendar year following the ninth anniversary.

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service.

Police/fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/fire members entering the system on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted toward the eligibility for retirement as Police/fire accredited service.

The normal ceiling limitation on the monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both regular and police/fire members become fully vested as to benefits upon completion of five years of service.

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS. New hires, in agencies which did not elect the employer-pay contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two alternative contribution plans. Contributions are shared equally by employer and employee in which employees can take a reduced salary and have contributions made by the employer or can make contributions by a payroll deduction matched by the employer.

PERS's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

PERS receives an actuarial valuation on an annual basis for determining the prospective funding contribution rates required to fund the system on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by NRS. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450. The actuarial funding method used is the entry age normal cost method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal year ended June 30, 2017, the required employer/employee matching rate was 14.5% for regular and 20.75% for police/fire members. The EPC rate was 28% for regular and 40.50% for police/fire members.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2017

PERS issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplemental information. This report is available on the PER's website, [www.nvpers.org](http://www.nvpers.org) under publications.

PERS collective net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

The total PERS pension liability was determined using the following actuarial assumptions (based on the results of an experience review completed in 2013), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2016
Inflation rate	3.50%
Payroll growth	5.00%, including inflation
Investment rate of return	8.00%,
Discount rate	8.00%
Productivity pay increase	0.75%
Consumer price index	3.50%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.50%, depending on service Rates include inflation and productivity increases

At June 30, 2016, assumed mortality rates and projected life expectancies for selected ages were as follows:

Regular Members				
Age	Mortality Rates		Expected Years of Life Remaining	
	Males	Females	Males	Females
40	0.10 %	0.05 %	41.1	44.4
50	0.17 %	0.12 %	31.6	34.7
60	0.55 %	0.42 %	22.4	25.4
70	1.82 %	1.39 %	14.3	17.0
80	5.65 %	3.79 %	7.7	10.1

Police/Fire Members				
Age	Mortality Rates		Expected Years of Life Remaining	
	Males	Females	Males	Females
40	0.10 %	0.06 %	40.2	42.5
50	0.19 %	0.15 %	30.7	32.8
60	0.63 %	0.54 %	21.5	23.6
70	2.02 %	1.72 %	13.5	15.5
80	6.41 %	4.63 %	7.1	9.0

These mortality rates and projected life expectancies are based on the following:

For non-disabled male regular members - RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA

For non-disabled female regular members - RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2017

For all non-disabled police/fire members - RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year

For all disabled regular members and all disabled police/fire members - RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years

PERS policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2016:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return *
Domestic equity	42 %	5.50 %
International equity	18 %	5.75 %
Domestic fixed income	30 %	0.25 %
Private markets	10 %	6.80 %

\* These geometric return rates are combined to produce the long-term expected rate of return by adding the long-term expected inflation rate of 3.5%.

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified by NRS. Based on that assumption, PERS's fiduciary net position at June 30, 2016, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (8%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2016.

The County's proportionate share of the net pension liability at June 30, 2016, calculated using the discount rate of 8.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 96,068,959	\$ 65,540,084	\$ 40,140,436

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

Detailed information about PERS fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website, [www.nvpers.org](http://www.nvpers.org) under publications. PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Comprehensive Annual Financial Report. PERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The County's proportionate share (amount) of the collective PERS net pension liability was \$65,540,084, which represents 0.48703% of the collective PERS net pension liability. Contributions for employer pay dates within the fiscal year ending June 30, 2016, were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2016.

For the period ended June 30, 2017, the County's PERS pension expense was \$9,332,843 and its reported deferred outflows and inflows of resources related to pensions as of June 30, 2017, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 4,388,733
Net difference between projected and actual earnings on investments	6,092,767	
Changes in proportion and differences between actual contributions and proportionate share of contributions	1,197,407	1,699,570
Contributions made subsequent to the measurement date	8,535,395	

At June 30, 2016, the average expected remaining service life is 6.48 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$8,535,395 will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended June 30,		
2018	\$	(356,228)
2019		(356,228)
2020		1,523,645
2021		736,962
2022		(283,732)
Thereafter		(62,548)

Changes in the County's net pension liability were as follows:

Net pension liability, beginning of year	\$	71,512,545
Pension expense		9,332,843
Employer contributions		(10,165,674)
Change in net deferred inflows and outflows of resources		9,436,688
Transfer of net pension liability and related deferred outflows and inflows of resources to East Fork Fire Protection District		(14,576,318)
Net pension liability, end of year	<u>\$</u>	<u>65,540,084</u>

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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At June 30, 2017, approximately \$975,000 was payable to PERS, for the June 2017 required contribution.

#### Agent Multiple-Employer Defined Benefit Pension Plan

The County's municipal court judges and justices of the peace may, in certain circumstances, elect to be covered by the Judicial Retirement System of Nevada (JRS), an agent multiple employer defined benefit public employees' retirement system. JRS was established by the Nevada Legislature in July 2001, effective January 1, 2003, to provide a reasonable base retirement income to justices of the Supreme Court and district judges and was amended in 2005 to allow municipal court judges and justices of the peace to participate. JRS is administered and governed by the Public Employees Retirement Board (the JRS Board) whose seven members are appointed by the governor. The County does not exercise any control over JRS.

Benefits are paid according to various options contained in the NRS, dependent upon whether a member was serving as a Supreme Court justice or district judge before November 5, 2002. Retiring members who were serving as a judge before November 5, 2002, may select among the two benefit options below. Retiring members who began serving as a justice or judge on or after November 5, 2002, are only eligible for the first option below.

**2003 Benefit Plan:** Benefits, as required by NRS, are computed at 3.4091% per year of accredited service at the time of retirement times the member's highest average compensation in any 36 consecutive months, to a maximum of 75%. Benefit payments to which participants may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

**Previous Benefit Plan:** Retiring members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, may select benefit payments computed at 4.1666% for the first five years of service and 4.1666% for each year of service beyond five years, up to a total maximum of 22 years, times the member's compensation for their last year of service.

Members who retired under the Previous Benefit Plan (plan in effect before November 5, 2002) and are appointed as senior judges can earn service credit while receiving their pension payments. They are eligible to have their benefit recalculated each time they earn an additional year of service credit

Members enrolled in the JRS on or after July 1, 2015, will receive 3.1591% for each year of service. Each member is entitled to a benefit of not more than 75% and must contribute 50% of the contribution rate through payroll deductions. Annual compensation allowed to be taken into account in determining retirement benefits is limited to \$200,000 (adjusted for Consumer Price Index (all items)).

JRS members become fully vested after five years of service. A member is eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with 30 years of service. For those members who were serving as a Supreme Court justice or district judge prior to November 5, 2002, and selected the second benefit option, eligibility for retirement is at age 60 with five years of service.

JRS members enrolled on or after July 1, 2015, become fully vested after five years of service and is eligible for retirement at age 65 with five years of service, at age 62 with 10 years of service, at age 55 with 30 years of service, and at any age with 33 1/3 years of service.

Post-retirement increases are provided by authority of the NRS, which for members entering the system before January 1, 2010, is equal to the lesser of:

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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1) 2% per year following the third anniversary of the commencement of benefits, 3% per year following the sixth anniversary, 3.5% per year following the ninth anniversary, 4% per year following the twelfth anniversary and 5% per year following the fourteenth anniversary, or

2) The average percentage increase in the Consumer Price Index (or other JRS Board approved index) for the three preceding years.

In any event, a member's benefit must be increased by the percentages in paragraph 1, above, if the benefit of a member has not been increased at a rate greater than or equal to the average of the Consumer Price Index (All Items) (or other JRS Board approved index) for the period between retirement and the date of increase

For members entering the system on or after January 1, 2010, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year.

The authority for establishing and amending the obligation to make contributions and member contribution rates rests with NRS 1A.180(1). Participating employers pay JRS a contribution rate, which is actuarially determined to be sufficient to enable JRS to pay all liabilities for current benefits for their members and retirees. JRS administrative expenses are the responsibility of the participating employers and are included as a component of JRS contribution rate.

At June 30, 2016, JRS membership consisted of:

Active members	107
Inactive vested members	2
Retired members and beneficiaries	<u>70</u>
	<u><u>179</u></u>

The amount of annual contribution required to fund JRS is comprised of a normal cost payment and a payment on the Unfunded Actuarial Accrued Liability (UAAL). Effective January 1, 2009, UAAL is amortized over a year-by-year closed amortization period as a level percent of pay (3% payroll growth assumed) where each amortization period will be set at 30 years for Supreme Court justices and district judges and 20 years for municipal court judges and justices of the peace. The payment to amortize the UAAL is paid annually for Supreme Court justices and district judges and monthly for municipal court judges and justices of the peace.

The JRS net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date using June 30, 2016, census data.

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2017

The total JRS pension liability was determined using the following actuarial assumptions (based on the results of an experience study dated September 12, 2013):

Actuarial valuation date	June 30, 2016
Inflation rate	3.50%
Payroll growth	3.00% to 8.00%
Investment rate of return	8.00%,
Discount rate	8.00%, net of pension plan investment expense, including inflation
Consumer price index	3.50%
Asset valuation method	The actuarial value of assets is equal to the prior year's actuarial value of assets plus contributions and net transfers, less benefit payments and expenses, plus expected investment return, and 20% of each of the previous five years' gain/(loss) due to investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 70% or greater than 130% of the market value of assets.
Actuarial cost method	Entry age normal
Amortization method	Year-by-year closed, level percent of pay (3% payroll growth assumed) over a declining amortization period of 30 years for Supreme Court justices and district judges and 20 years for municipal court judges and justices of the peace
Mortality rates	RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age setback for males)

JRS policies which determine the investment portfolio target asset allocation are established by the JRS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of JRS. The following target asset allocation policy was adopted as of June 30, 2016:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	49 %	5.50 %
International equity	21 %	5.75 %
Domestic fixed income	30 %	0.25 %

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only contributions that are intended to fund benefits for current plan members and their beneficiaries are included, except projected contributions that are intended to fund the service costs for future plan members and their beneficiaries, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2016.

The County's JRS net pension liability at June 30, 2016, calculated using the discount rate of 8.00%, as well as what the County's JRS net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 396,324	\$ 243,738	\$ 114,776

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2017**

JRS issues a publicly available Annual Financial Report that includes financial statements and required supplemental information. This report is available by writing to JRS at 693 West Nye Lane, Carson City, Nevada 89703. In addition, JRS is classified as a component unit of the State of Nevada, and as such JRS financial information is included in State of Nevada's Comprehensive Annual Financial Report, which is available at [http://controller.nv.gov/FinancialReports/CAFR\\_Download\\_Page.html](http://controller.nv.gov/FinancialReports/CAFR_Download_Page.html). JRS fiduciary net position and related additions to/deductions from it have been determined on the same basis used in the JRS Annual Financial Report. JRS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the period ended June 30, 2017, the County's JRS pension expense was \$50,291 and its reported deferred outflows and inflows of resources related to JRS pensions as of June 30, 2017, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,973	\$ 48,075
Net difference between projected and actual earnings on investments	48,126	
Other changes		4,447
Contributions made subsequent to the measurement date	64,662	

At June 30, 2016, the average expected remaining service life is 4.80 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended June 30,			
2018		\$	(2,900)
2019			(2,900)
2020			6,621
2021			2,757

Changes in the County's net JRS pension liability were as follows:

Net pension liability, beginning of year	\$	229,644
Pension expense		50,291
Employer contributions		(62,120)
Change in net deferred inflows and outflows of resources		25,923
Net pension liability, end of year	\$	243,738

At June 30, 2017, approximately \$5,000 was payable to JRS, for the June 2017 required contribution.

### **Postemployment Benefits Other Than Pensions**

#### **Plan Information**

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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In accordance with NRS, the County provides other postemployment benefits to retirees through a single-employer postemployment defined benefit healthcare plan, the Douglas County Health Benefits Plan (the County Plan) and by participating in the State's Public Employee Benefit Plan (PEBP), an agent multiple-employer defined benefit plan administered by a nine member governing board. Both plans provide healthcare, prescription, dental, vision and life insurance benefits.

Benefit provisions for the County Plan are established pursuant to NRS 287.023 and amended through negotiations between the County and the respective associations. Eligible retirees are able to participate in the plan at the same rates as active employees, thereby benefiting from an implicit subsidy. All retirees, except elected officials, are required to pay 100% of their premiums under the plan. Retired elected officials' subsidies are based on the number of complete four-year terms of office served by the elected officials.

PEBP eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the County is obligated to provide postemployment benefits is limited to eligible employees who retired from County service prior to September 1, 2008.

PEBP issues a publicly available financial report that includes financial statements and required supplemental information. This report may be obtained by writing or calling the following:

Public Employee Benefit Plan  
901 South Stewart Street, Suite 101  
Carson City, NV 89701  
(775) 684-7000

The County Plan does not issue a separate financial report; however, additional information may be obtained by writing or calling the following:

Douglas County  
P.O. Box 218  
Minden, Nevada, 89423  
(775) 782-9097

### Funding Policy, Annual OPEB Cost and Net OPEB Obligation

Contribution requirements to the County Plan are established by and may be amended through negotiations between the County and various employee groups. Retirees enrolled in the County Plan receive no direct subsidy from the County; however, retiree loss experience is pooled with active employee loss experience for the purpose of setting rates and the difference between the true claims cost and the blended rate creates an implicit rate subsidy from the County. For fiscal year 2017, the County's estimated implicit benefit subsidy payment was \$155,469. At June 30, 2017, 409 active employees and 28 retirees were participating in the County Plan.

The County is required to provide a subsidy, based on years of service for its retirees that have enrolled in the PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. In fiscal year 2017, this subsidy ranged from \$3 to \$1,150 per retiree, per month. At June 30, 2017, 147 retirees were participating in the PEBP.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

Annual OPEB cost for the plan is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

	Public Employee Benefit Program	Douglas County Health Benefits Plan	Total
Annual required contribution (ARC)	\$ 434,904	\$ 594,397	\$ 1,029,301
Interest on net OPEB obligation	38,347	138,512	176,859
Adjustment to ARC	<u>(91,763)</u>	<u>(190,041)</u>	<u>(281,804)</u>
Annual OPEB cost	381,488	542,868	924,356
OPEB contributions made	<u>(502,217)</u>	<u>(132,264)</u>	<u>(634,481)</u>
Increase (decrease) in net OPEB obligation	(120,729)	410,604	289,875
Net OPEB obligation, beginning of year	<u>1,540,025</u>	<u>5,562,740</u>	<u>7,102,765</u>
Net OPEB obligation, end of year	<u>\$ 1,419,296</u>	<u>\$ 5,973,344</u>	<u>\$ 7,392,640</u>

Annual OPEB cost, employer contributions, the percentage of annual cost contributed to the plan and the net OPEB obligation for the most current three years were as follows:

<u>For the Year Ended June 30,</u>	Annual OPEB Cost	OPEB Contributions Made	Percentage Contributed	Net OPEB Obligation
Public Employee Benefit Program				
2015	\$ 407,766	\$ 472,952	116.0 %	\$ 1,615,312
2016	405,159	480,446	118.6 %	1,540,025
2017	381,488	502,217	131.6 %	1,419,296
Douglas County Health Benefits Plan				
2015	456,733	123,680	27.1 %	5,227,292
2016	482,871	147,423	30.5 %	5,562,740
2017	542,868	132,264	24.4 %	5,973,344

#### Funded Status and Funding Progress

The funded status of the plans as of the most recent actuarial valuation date was as follows:

<u>Valuation Date</u>	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percent of Covered Payroll
Public Employee Benefit Program July 1, 2016	N/A <sup>1</sup>	\$ 7,529,311	\$ 7,529,311	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2017

Douglas County Health Benefits Plan July 1, 2016	N/A <sup>1</sup> \$	5,600,909 \$	5,600,909	0.0 % \$	22,610,452	24.8 %
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1. No assets have been placed in trust.
2. The Public Employee Benefit Program is a closed plan; and therefore, there are no current covered employees.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plans (the plans as understood by the employer and plan members) and include the types of benefits provided at the valuation date and the pattern of sharing benefit costs between the County and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

Significant actuarial methods and assumptions as of the most recent actuarial valuation date were as follows:

	Douglas County Public Employee Benefit Program	Douglas County Health Benefits Plan
Actuarial valuation date	July 1, 2016	July 1, 2016
Actuarial cost method	Entry age normal, closed	Entry age normal, open
Amortization method	Level dollar	Level percent of pay
Amortization period	22	30 years
Asset valuation method	No assets in trust	No assets in trust
Actuarial assumptions		
Average retiree age	68.5	63.8
Investment rate of return	2.49%	2.49%
Projected salary increases	N/A <sup>1</sup>	4%
Inflation rate	2.75%	2.75%
Health cost inflation rates		
Initial	6.5%	6.5%
Ultimate	5%	5%
Health cost inflation rates for the year ending June 30,		

1. The Public Employee Benefit Program is a closed plan; and therefore, there are no current covered employees.

**REQUIRED SUPPLEMENTARY  
INFORMATION**



## DOUGLAS COUNTY

### POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS SCHEDULE OF FUNDING PROGRESS FOR THE YEAR ENDED JUNE 30, 2017

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
<b>Public Employee Benefit Program</b>						
July 1, 2012	N/A <sup>1</sup> \$	8,952,091 \$	8,952,091	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
July 1, 2014	N/A <sup>1</sup>	6,872,797	6,872,797	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
July 1, 2016	N/A <sup>1</sup>	7,529,311	7,529,311	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
<b>Douglas County Health Benefits Plan</b>						
July 1, 2012	N/A <sup>1</sup>	9,133,012	9,133,012	0.0 %	32,886,155	27.8 %
July 1, 2014	N/A <sup>1</sup>	3,390,021	3,390,021	0.0 %	28,360,401	12.0 %
July 1, 2016	N/A <sup>1</sup>	5,600,909	5,600,909	0.0 %	22,610,452	24.8 %

1. No assets have been placed in trust.

2. The Public Employee Benefit Program is a closed plan; and therefore, there are no current covered employees.

## DOUGLAS COUNTY

### MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY INFORMATION FOR THE YEAR ENDED JUNE 30, 2016 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportion of the Collective Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>Pension Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u>
2014	0.62205 %	\$ 64,829,752	\$ 34,306,014	188.97489 %	76.31210 %
2015	0.62405 %	71,512,545	35,414,596	201.92958 %	75.12611 %
2016	0.48703 %	65,540,084	36,820,020	178.00122 %	72.22995 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.

## DOUGLAS COUNTY

### MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN STATUTORILY REQUIRED CONTRIBUTION INFORMATION FOR THE YEAR ENDED JUNE 30, 2017 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the Statutorily Required Contribution</u>	<u>Contribution (Deficiency) Excess</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2015	\$ 9,697,293	\$ 9,697,293	\$	\$ 35,414,596	27.38219 %
2016	10,278,590	10,278,590		36,820,020	27.91576 %
2017	8,535,395	8,535,395		29,782,711	28.65889 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for years prior to the year ended June 30, 2015. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.

# DOUGLAS COUNTY

## AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30, 2016 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Net Pension Liability, Beginning of Year</u>	<u>Pension Expense</u>	<u>Employer Contributions</u>	<u>Change in Net Deferred Outflows and Inflows</u>	<u>Net Pension Liability, End of Year</u>
2014	\$ 109,800	\$ 37,840	\$ (62,803)	\$ 91,980	\$ 176,817
2015	176,817	44,921	(67,742)	75,648	229,644
2016	229,644	50,291	(62,120)	25,923	243,738

1. Information for the agent multiple-employer defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.

# DOUGLAS COUNTY

## AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN PENSION PLAN INFORMATION FOR THE YEAR ENDED JUNE 30, 2016 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Total Pension Plan Liability</u>	<u>Pension Plan Fiduciary Net Position</u>	<u>Net Pension Plan Liability</u>	<u>Pension Plan Fiduciary Net Position as a Percentage of Total Pension Plan Liability</u>	<u>Pension Plan Covered Payroll</u>	<u>Net Pension Plan Liability as a Percentage of Pension Plan Covered Employee Payroll</u>
2014	\$ 108,630,337	\$ 92,113,212	\$ 16,517,125	84.79511 %	\$ 17,186,300	96.10635 %
2015	119,810,260	98,944,699	20,865,561	82.58450 %	18,933,500	110.20446 %
2016	123,753,035	101,101,940	22,651,095	81.69653 %	19,929,944	113.65358 %

1. Information for the agent multiple-employer defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.

# DOUGLAS COUNTY

## AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN ACTUARIALLY DETERMINED CONTRIBUTION INFORMATION FOR THE YEAR ENDED JUNE 30, 2017 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Actuarially Required Contribution</u>	<u>Contributions Made</u>	<u>Contribution (Deficiency) Excess</u>	<u>Covered Payroll</u>	<u>Contributions Made as a Percentage of Covered Employee Payroll</u>
2015	\$ 68,015	\$ 62,803	\$ (5,212)	\$ 234,534	26.77778 %
2016	62,315	57,509	(4,806)	249,259	23.07199 %
2017	64,857	64,662	(195)	259,428	24.92483 %

1. Information for the agent multiple-employer defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.

# **GENERAL FUND**



**DOUGLAS COUNTY**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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The general fund is used to account for all financial resources not accounted for in other funds.



# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 19,240,282	\$ 19,240,282	\$ 18,482,103	\$ (758,179)
Real property taxes, delinquent			102,666	102,666
Real property taxes, deferred			12,300	12,300
Personal property taxes, current			624,853	624,853
Personal property taxes, delinquent			6,317	6,317
Total taxes	19,240,282	19,240,282	19,228,239	(12,043)
Business licenses, permits, franchise and other fees				
Liquor licenses	305,000	305,000	297,088	(7,912)
Local county gaming licenses	170,000	170,000	228,710	58,710
Cable television franchise fees	445,000	445,000	495,503	50,503
Southwest gas franchise fee	340,000	340,000	374,583	34,583
Vacation home rental permits	30,000	30,000	35,790	5,790
Utility operator fees	1,640,000	1,640,000	1,454,963	(185,037)
Building permits	900,000	1,025,582	1,186,138	160,556
Marriage licenses	20,000	20,000	16,128	(3,872)
Animal fees	25,000	25,000	22,498	(2,502)
School construction reserve	2,000	2,000	16,103	14,103
Other licenses, permits and fees	900	900	964	64
Total business licenses, permits, franchise and other fees	3,877,900	4,003,482	4,128,468	124,986
Intergovernmental shared revenues				
Federal, state and local grants				
SAPTA	14,750	14,750		(14,750)
Traffic safety	7,750	46,374	53,851	7,477
Support incentive			5,332	5,332
Title IV, URESA	214,500	219,232	186,829	(32,403)
SERC		48,837	49,288	451
DOJ block grant	55,000	35,000	41,020	6,020
Domestic violence	235,000	235,000	215,152	(19,848)
PY grant revenue		15,672	15,672	
Social Security inmate incentive	2,500	2,500	5,400	2,900
DEA		3,500	3,500	
FEMA		2,308	3,365	1,057
Homeland Security		3,000	7,430	4,430
USDA		12,388		(12,388)
Grant-in-aid		7,158		(7,158)
AOC		30,617	30,617	
Tri-net	41,850	41,850	18,206	(23,644)
Nevada Law Foundation		1,487	1,487	
Other grants	9,480	120,735	158,383	37,648
Payments in lieu of taxes	600,000	600,000	672,152	72,152
State gaming table taxes	145,000	145,000	137,003	(7,997)
State consolidated tax distribution	11,516,243	11,516,243	11,584,097	67,854
NRS county gaming licenses	540,000	540,000	574,902	34,902
Other		4,870	7,194	2,324
Total intergovernmental shared revenues	13,382,073	13,646,521	13,770,880	124,359
Charges for services				
General government				
Clerk's fees	189,500	189,500	242,880	53,380
Recorder's fees	325,000	325,000	295,606	(29,394)
Treasurer's fees	7,500	7,500	1,754	(5,746)
Recorder's technology fees			50,022	50,022
Assessor's fees	2,000	2,000	2,373	373
Assessor's commissions	150,000	150,000	173,597	23,597
Administration and overhead	1,917,436	1,917,436	1,846,723	(70,713)
GIS services	105,000	105,000	50,000	(55,000)

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Radio user fees	\$ 145,876	\$ 145,876	\$ 119,651	\$ (26,225)
Applicant license fees	15,000	15,000	7,043	(7,957)
Sale of film	14,400	14,400	17,720	3,320
Reimbursement for services	5,000	5,000	10,652	5,652
USFS co-op agreement		6,200	6,200	
DMV 5%	60,000	60,000	60,299	299
DMV \$2 license	20,000	20,000	21,257	1,257
Administration, flex spending fee	400	400	132	(268)
Administration, garnishment fee	850	850	315	(535)
Administration, RPTT fee	18,000	18,000	19,701	1,701
Allocation permits	15,000	15,000	21,138	6,138
Late charges			2,985	2,985
GIS maps	5,000	5,000	5,631	631
Professional fees	45,000	45,000		(45,000)
Code enforcement		14,000	14,000	
1/2 mobile home			78	78
Administration, child support fee	1,000	1,000	1,165	165
Other	136,820	136,820	148,019	11,199
<b>Judicial</b>				
East Fork constable fees	30,000	30,000	21,626	(8,374)
JPO detention fees	1,000	1,000	630	(370)
Guardian fees	12,500	12,500	17,395	4,895
Tahoe constable fees	2,500	2,500	1,683	(817)
Support and care fees	5,000	5,000	5,011	11
House arrest fees	76,000	76,000	70,430	(5,570)
Probation supervision fees	35,000	35,000	29,554	(5,446)
Probation drug testing fees	22,000	22,000	30,642	8,642
Court fees			37,642	37,642
Other			55,740	55,740
<b>Public safety</b>				
Sheriff's fees	270,000	272,100	281,379	9,279
Jail processing fees	10,000	10,000	10,010	10
Animal adoption fees	3,200	3,200	2,785	(415)
<b>Public works</b>				
Engineering fees	200,000	200,000	267,815	67,815
Planning fees	130,000	130,000	155,100	25,100
Home occupation permits			18,641	18,641
Ditch review application fee	1,500	1,500	1,760	260
Recreation fees	2,000	2,000		(2,000)
<b>Health and sanitation</b>				
Weed spraying, private	260,000	260,000	154,723	(105,277)
Weed spraying, interlocal	80,000	80,000	60,852	(19,148)
Chemical sales	157,000	317,000	340,954	23,954
<b>Total charges for services</b>	4,476,482	4,658,782	4,683,313	24,531
<b>Fines and forfeitures</b>				
<b>Judicial</b>				
East Fork Justice Court fines	680,000	680,000	627,064	(52,936)
Tahoe Justice Court fines	400,000	400,000	369,190	(30,810)
District Court fines and fees	325	325	117,309	116,984
Chemical analysis fine	15,000	15,000	9,300	(5,700)
Administration assessment JPO \$2	15,000	15,000	19,380	4,380
Public Defender restitution	5,000	5,000	4,962	(38)
JPO fines	25,000	25,000	30,527	5,527
Reimburse counsel	5,000	5,000	4,456	(544)
Administration assessment JPO \$10	5,000	5,000	2,750	(2,250)
Controlled substance	2,500	2,500	5,258	2,758
Sheriff restitution	3,500	3,500	(22,924)	(26,424)
<b>Public safety</b>				
Animal control fees	12,500	12,500	12,245	(255)

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Total fines and forfeitures	\$ 1,168,825	\$ 1,168,825	\$ 1,179,517	\$ 10,692
Miscellaneous				
Triad donations		287		(287)
Other donations		17,143	393,938	376,795
Other reimbursements and restitutions	52,000	117,651	161,698	44,047
Other rent and lease income	27,500	27,500	29,093	1,593
Pay phone	18,000	18,000	10,248	(7,752)
Proceeds from tax sale		48,561	2,600	(45,961)
Rebates	15,000	15,000	19,504	4,504
Cash over and short			993	993
Property tax penalties and interest	425,000	432,969	421,084	(11,885)
Investment income	100,800	100,800	28,461	(72,339)
Other	5,000	7,363	13,052	5,689
Total miscellaneous	643,300	785,274	1,080,671	295,397
Total revenues	42,788,862	43,503,166	44,071,088	567,922
EXPENDITURES				
General government				
County commission				
Salaries and wages	150,551	150,551	154,819	(4,268)
Employee benefits	115,492	115,492	100,666	14,826
Services and supplies	249,829	249,829	244,370	5,459
Total county commission	515,872	515,872	499,855	16,017
County manager				
Salaries and wages	406,537	335,102	212,809	122,293
Employee benefits	169,638	136,051	89,056	46,995
Services and supplies	481,890	481,890	675,504	(193,614)
Total county manager	1,058,065	953,043	977,369	(24,326)
Finance and comptroller				
Salaries and wages	571,203	664,741	520,195	144,546
Employee benefits	273,010	306,616	222,420	84,196
Services and supplies	141,900	176,998	346,831	(169,833)
Total finance and comptroller	986,113	1,148,355	1,089,446	58,909
Treasurer				
Salaries and wages	372,249	380,989	388,061	(7,072)
Employee benefits	181,064	181,064	163,081	17,983
Services and supplies	74,793	88,494	102,626	(14,132)
Total treasurer	628,106	650,547	653,768	(3,221)
Geographic information systems				
Salaries and wages	435,851	446,360	380,751	65,609
Employee benefits	210,240	210,240	163,273	46,967
Services and supplies	105,000	213,482	206,742	6,740
Total geographic information systems	751,091	870,082	750,766	119,316
Economic Development				
Salaries and wages	70,851	70,851	72,414	(1,563)
Employee benefits	30,004	30,004	27,700	2,304
Services and supplies	103,000	164,200	149,993	14,207
Total economic development	203,855	265,055	250,107	14,948

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Assessor				
Salaries and wages	\$ 517,945	\$ 531,493	\$ 532,121	\$ (628)
Employee benefits	261,910	261,910	253,426	8,484
Services and supplies	35,900	35,900	28,596	7,304
Total assessor	<u>815,755</u>	<u>829,303</u>	<u>814,143</u>	<u>15,160</u>
Tahoe, general services				
Salaries and wages	175,915	196,083	193,278	2,805
Employee benefits	80,150	82,104	79,616	2,488
Services and supplies	7,900	7,900	2,365	5,535
Total Tahoe, general services	<u>263,965</u>	<u>286,087</u>	<u>275,259</u>	<u>10,828</u>
Recorder				
Salaries and wages	271,977	269,582	253,495	16,087
Employee benefits	147,252	141,252	124,838	16,414
Services and supplies	17,910	43,425	40,016	3,409
Total recorder	<u>437,139</u>	<u>454,259</u>	<u>418,349</u>	<u>35,910</u>
Clerk				
Salaries and wages	255,878	269,799	269,016	783
Employee benefits	119,400	120,221	111,342	8,879
Services and supplies	16,130	32,115	16,743	15,372
Total clerk	<u>391,408</u>	<u>422,135</u>	<u>397,101</u>	<u>25,034</u>
Clerk, elections				
Salaries and wages	26,000	26,537	31,910	(5,373)
Employee benefits	3,900	3,900	7,697	(3,797)
Services and supplies	77,300	53,532	66,127	(12,595)
Total clerk, elections	<u>107,200</u>	<u>83,969</u>	<u>105,734</u>	<u>(21,765)</u>
Communications				
Salaries and wages	2,000	2,000	58	1,942
Employee benefits			100	(100)
Services and supplies	57,240	64,444	63,867	577
Total communications	<u>59,240</u>	<u>66,444</u>	<u>64,025</u>	<u>2,419</u>
General services				
Salaries and wages	28,432	29,378	20,915	8,463
Employee benefits	409,103	409,103	408,096	1,007
Services and supplies	1,486,705	1,486,705	1,541,340	(54,635)
Total general services	<u>1,924,240</u>	<u>1,925,186</u>	<u>1,970,351</u>	<u>(45,165)</u>
Information services				
Salaries and wages	538,475	552,904	560,333	(7,429)
Employee benefits	242,846	242,846	229,398	13,448
Services and supplies	530,295	689,200	662,775	26,425
Total information services	<u>1,311,616</u>	<u>1,484,950</u>	<u>1,452,506</u>	<u>32,444</u>
Human resources				
Salaries and wages	285,248	292,105	284,049	8,056
Employee benefits	125,312	125,312	108,786	16,526
Services and supplies	179,976	179,976	128,365	51,611
Total human resources	<u>590,536</u>	<u>597,393</u>	<u>521,200</u>	<u>76,193</u>

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Records management				
Salaries and wages	\$ 91,626	\$ 94,846	\$ 95,195	\$ (349)
Employee benefits	41,791	47,791	47,860	(69)
Services and supplies	32,945	52,318	48,280	4,038
Total records management	166,362	194,955	191,335	3,620
Project management				
Salaries and wages	87,049	89,764	93,663	(3,899)
Employee benefits	37,052	37,052	37,483	(431)
Services and supplies	2,850	2,850	810	2,040
Total project management	126,951	129,666	131,956	(2,290)
Other				
Services and supplies	414,540	466,080		466,080
Capital outlay			12,194	(12,194)
Total other	414,540	466,080	12,194	453,886
Total general government	10,752,054	11,343,381	10,575,464	767,917
Judicial				
Court clerk				
Salaries and wages	205,131	211,055	204,410	6,645
Employee benefits	99,512	99,512	86,673	12,839
Services and supplies	15,002	39,209	40,307	(1,098)
Total court clerk	319,645	349,776	331,390	18,386
District court I				
Salaries and wages	162,844	167,537	169,187	(1,650)
Employee benefits	64,953	64,953	63,334	1,619
Services and supplies	50,300	62,448	60,347	2,101
Capital outlay		49,923	52,118	(2,195)
Total District court I	278,097	344,861	344,986	(125)
District court II				
Salaries and wages	153,077	157,099	153,201	3,898
Employee benefits	60,689	60,689	58,216	2,473
Services and supplies	68,500	81,416	90,509	(9,093)
Capital outlay		49,923	52,118	(2,195)
Total District court II	282,266	349,127	354,044	(4,917)
CASA				
Salaries and wages	104,678	107,600	103,167	4,433
Employee benefits	54,485	54,485	46,463	8,022
Services and supplies	20,000	28,487	16,623	11,864
Total CASA	179,163	190,572	166,253	24,319
Public guardian and administration				
Salaries and wages	106,958	110,067	111,950	(1,883)
Employee benefits	61,998	61,998	55,183	6,815
Services and supplies	46,185	46,185	40,271	5,914
Total public guardian and administration	215,141	218,250	207,404	10,846
Bailiff				
Salaries and wages	202,524	204,066	158,418	45,648
Employee benefits	123,927	123,927	76,007	47,920
Total bailiff	326,451	327,993	234,425	93,568

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
District attorney				
Salaries and wages	\$ 1,399,816	\$ 1,435,214	\$ 1,443,532	\$ (8,318)
Employee benefits	612,158	612,158	602,005	10,153
Services and supplies	188,152	188,769	233,482	(44,713)
Capital outlay		21,635	21,635	
Total district attorney	<u>2,200,126</u>	<u>2,257,776</u>	<u>2,300,654</u>	<u>(42,878)</u>
District attorney, child support				
Salaries and wages	202,508	207,797	166,902	40,895
Employee benefits	96,591	96,591	74,018	22,573
Services and supplies	24,581	28,696	23,307	5,389
Total district attorney, child support	<u>323,680</u>	<u>333,084</u>	<u>264,227</u>	<u>68,857</u>
Public defender				
Services and supplies	<u>828,334</u>	<u>828,334</u>	<u>798,982</u>	<u>29,352</u>
Juvenile probation				
Salaries and wages	712,097	739,101	695,845	43,256
Employee benefits	367,647	367,647	300,484	67,163
Services and supplies	146,682	231,198	224,820	6,378
Total juvenile probation	<u>1,226,426</u>	<u>1,337,946</u>	<u>1,221,149</u>	<u>116,797</u>
JPO detention center				
Salaries and wages	333,080	340,237	282,163	58,074
Employee benefits	134,398	134,398	114,896	19,502
Services and supplies	18,950	18,950	10,453	8,497
Total JPO detention center	<u>486,428</u>	<u>493,585</u>	<u>407,512</u>	<u>86,073</u>
Court computer system				
Salaries and wages	100,642	103,644	104,031	(387)
Employee benefits	41,939	41,939	41,357	582
Services and supplies	114,244	142,711	142,836	(125)
Capital outlay		35,883	33,576	2,307
Total court computer system	<u>256,825</u>	<u>324,177</u>	<u>321,800</u>	<u>2,377</u>
East Fork justice court				
Salaries and wages	380,080	387,494	379,577	7,917
Employee benefits	179,716	179,716	165,564	14,152
Services and supplies	38,925	92,155	62,468	29,687
Total East Fork justice court	<u>598,721</u>	<u>659,365</u>	<u>607,609</u>	<u>51,756</u>
Tahoe justice court				
Salaries and wages	335,270	339,592	307,857	31,735
Employee benefits	158,611	158,611	133,072	25,539
Services and supplies	36,175	38,357	56,268	(17,911)
Total Tahoe justice court	<u>530,056</u>	<u>536,560</u>	<u>497,197</u>	<u>39,363</u>
East Fork constable				
Salaries and wages	111,395	111,395	118,528	(7,133)
Employee benefits	45,760	45,760	40,004	5,756
Services and supplies	1,875	1,875	8	1,867
Total East Fork constable	<u>159,030</u>	<u>159,030</u>	<u>158,540</u>	<u>490</u>
Tahoe constable				
Salaries and wages	151,042	162,131	121,479	40,652
Employee benefits	22,201	22,201	15,138	7,063
Services and supplies	2,360	2,360	261	2,099
Total Tahoe constable	<u>175,603</u>	<u>186,692</u>	<u>136,878</u>	<u>49,814</u>

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Alternative sentencing				
Salaries and wages	\$ 302,117	\$ 312,170	\$ 309,961	\$ 2,209
Employee benefits	134,468	134,468	140,439	(5,971)
Services and supplies	160,792	179,841	164,165	15,676
Total alternative sentencing	<u>597,377</u>	<u>626,479</u>	<u>614,565</u>	<u>11,914</u>
Security				
Salaries and wages	102,977	107,781	97,665	10,116
Employee benefits	15,676	15,676	16,986	(1,310)
Services and supplies	1,175	1,890	1,473	417
Total security	<u>119,828</u>	<u>125,347</u>	<u>116,124</u>	<u>9,223</u>
Administrative assessment				
Services and supplies		595		595
Other				
Salaries and wages	174,189	176,855	179,903	(3,048)
Employee benefits	73,203	73,203	54,714	18,489
Services and supplies	1,965	895,550	39,631	855,919
Total other	<u>249,357</u>	<u>1,145,608</u>	<u>274,248</u>	<u>871,360</u>
Total judicial	<u>9,352,554</u>	<u>10,795,157</u>	<u>9,357,987</u>	<u>1,437,170</u>
Public safety				
Sheriff, administration				
Salaries and wages	403,186	411,061	407,910	3,151
Employee benefits	250,168	250,168	225,366	24,802
Services and supplies	453,941	457,406	447,711	9,695
Total sheriff, administration	<u>1,107,295</u>	<u>1,118,635</u>	<u>1,080,987</u>	<u>37,648</u>
Sheriff, administrative services				
Salaries and wages	311,920	319,634	401,073	(81,439)
Employee benefits	171,659	171,659	171,312	347
Services and supplies	636,153	698,127	699,114	(987)
Total sheriff, administrative services	<u>1,119,732</u>	<u>1,189,420</u>	<u>1,271,499</u>	<u>(82,079)</u>
Sheriff, records				
Salaries and wages	324,826	335,241	321,223	14,018
Employee benefits	169,590	169,590	145,717	23,873
Total sheriff, records	<u>494,416</u>	<u>504,831</u>	<u>466,940</u>	<u>37,891</u>
Sheriff, jail				
Salaries and wages	2,259,736	2,273,015	2,374,206	(101,191)
Employee benefits	1,430,965	1,430,965	1,299,886	131,079
Services and supplies	483,000	491,954	495,794	(3,840)
Capital outlay			10,169	(10,169)
Total sheriff, jail	<u>4,173,701</u>	<u>4,195,934</u>	<u>4,180,055</u>	<u>15,879</u>
Sheriff, COPS grant				
Salaries and wages	139,526	147,117	147,962	(845)
Employee benefits	81,035	81,035	85,494	(4,459)
Total sheriff, COPS grant	<u>220,561</u>	<u>228,152</u>	<u>233,456</u>	<u>(5,304)</u>

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Sheriff, general investigation				
Salaries and wages	\$ 1,122,454	\$ 1,143,403	\$ 1,108,444	\$ 34,959
Employee benefits	631,541	631,541	586,628	44,913
Services and supplies	18,000	14,981	39,789	(24,808)
Total sheriff, general investigation	1,771,995	1,789,925	1,734,861	55,064
Sheriff, traffic patrol				
Salaries and wages	399,730	413,595	515,294	(101,699)
Employee benefits	258,695	258,695	259,785	(1,090)
Services and supplies	2,000	1,500	8,479	(6,979)
Total sheriff, traffic patrol	660,425	673,790	783,558	(109,768)
Sheriff, vehicle maintenance				
Services and supplies	625,538	625,538	556,421	69,117
Capital outlay	305,000	306,940	283,198	23,742
Total sheriff, vehicle maintenance	930,538	932,478	839,619	92,859
Sheriff, grants				
Salaries and wages	70,851	70,851	62,869	7,982
Employee benefits	45,138	45,138	39,177	5,961
Total sheriff, grants	115,989	115,989	102,046	13,943
Sheriff, coroner				
Services and supplies	102,500	99,091	106,833	(7,742)
Sheriff, patrol operations				
Salaries and wages	3,263,967	3,317,223	3,215,678	101,545
Employee benefits	2,005,862	2,005,862	1,733,374	272,488
Services and supplies	30,000	53,658	110,622	(56,964)
Total sheriff, patrol operations	5,299,829	5,376,743	5,059,674	317,069
Sheriff, tri-net				
Salaries and wages	80,681	80,681	64,135	16,546
Employee benefits	51,077	51,077	26,777	24,300
Services and supplies	12,000	11,500	3,204	8,296
Total sheriff, tri-net	143,758	143,258	94,116	49,142
Animal care and services				
Salaries and wages	190,211	198,080	190,893	7,187
Employee benefits	96,960	93,960	92,471	1,489
Services and supplies	27,100	109,627	44,077	65,550
Total animal care and services	314,271	401,667	327,441	74,226
East Fork paramedics				
Services and supplies		27,056	36,873	(9,817)
Other				
Services and supplies		175,406		175,406
Total public safety	16,455,010	16,972,375	16,317,958	654,417
Public works				
Building				
Salaries and wages	160,364	162,116	156,894	5,222
Employee benefits	66,496	66,496	65,407	1,089
Services and supplies	685,750	689,222	665,412	23,810
Total building	912,610	917,834	887,713	30,121

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Engineering				
Salaries and wages	\$ 12,685	\$ 13,033	\$ 13,605	\$ (572)
Employee benefits	4,870	4,870	5,258	(388)
Total engineering	17,555	17,903	18,863	(960)
Total public works	930,165	935,737	906,576	29,161
Community development				
Administration				
Salaries and wages	262,032	270,216	271,145	(929)
Employee benefits	118,793	118,793	104,256	14,537
Services and supplies	56,854	186,482	128,086	58,396
Total administration	437,679	575,491	503,487	72,004
Building				
Salaries and wages	408,073	419,745	410,812	8,933
Employee benefits	191,046	191,046	181,841	9,205
Services and supplies	13,400	18,400	17,557	843
Total building	612,519	629,191	610,210	18,981
Planning				
Salaries and wages	365,007	341,446	325,876	15,570
Employee benefits	172,422	159,730	139,024	20,706
Services and supplies	21,050	45,374	43,266	2,108
Total planning	558,479	546,550	508,166	38,384
Engineering				
Salaries and wages	428,799	443,341	439,972	3,369
Employee benefits	195,461	195,838	182,933	12,905
Services and supplies	17,700	14,822	13,547	1,275
Total engineering	641,960	654,001	636,452	17,549
Total community development	2,250,637	2,405,233	2,258,315	146,918
Health and sanitation				
Weed control				
Salaries and wages	252,318	283,846	274,276	9,570
Employee benefits	116,384	97,384	94,822	2,562
Services and supplies	337,800	492,800	416,029	76,771
Total weed control	706,502	874,030	785,127	88,903
Total health and sanitation	706,502	874,030	785,127	88,903
Total expenditures	40,446,922	43,325,913	40,201,427	3,124,486
EXCESS OF REVENUES OVER EXPENDITURES	2,341,940	177,253	3,869,661	3,692,408
OTHER FINANCING SOURCES (USES)				
Contingencies	(754,069)	(1,087,535)		1,087,535
Proceeds from capital asset disposal			10,343	10,343
Transfers in	225,000	403,373	403,373	
Transfers out	(3,035,680)	(3,642,460)	(3,317,460)	325,000
Total other financing sources (uses)	(3,564,749)	(4,326,622)	(2,903,744)	1,422,878

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CHANGE IN FUND BALANCE	\$ (1,222,809)	\$ (4,149,369)	\$ 965,917	\$ 5,115,286
FUND BALANCE, BEGINNING OF YEAR	<u>8,686,946</u>	<u>11,291,222</u>	<u>11,291,223</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 7,464,137</u>	<u>\$ 7,141,853</u>	<u>\$ 12,257,140</u>	<u>\$ 5,115,287</u>

# **SPECIAL REVENUE FUNDS**



**DOUGLAS COUNTY**  
**MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Room Tax

Room Tax Fund - Accounts for activities related to, and support of, chambers of commerce, visitor authorities, and other specific Douglas County programs, such as parks, recreation and libraries.



# DOUGLAS COUNTY

## ROOM TAX SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
TOT-Valley 5%	\$ 403,846	\$ 524,317	\$ 580,866	\$ 56,549
TOT-Valley 3%	236,323	308,236	342,442	34,206
TOT-Lake 7/8 of 8%	3,612,950	4,355,967	4,794,663	438,696
TOT-Valley 5/8 of 1%	50,481	65,521	72,704	7,183
TOT-Lake 5/8 of 1%	325,843	392,852	432,423	39,571
TOT-Lake 1/8 of 8%	516,136	622,279	684,962	62,683
TOT-Lake 1% Admin	41,709	50,285	55,351	5,066
Other	5,985	5,985	5,985	
Business licenses, permits, franchise and other fees				
Utility operator fees	400,000	400,000	363,741	(36,259)
TLLT-Valley 2%	161,538	209,727	230,921	21,194
TLLT-Valley 1%	80,769	104,863	115,461	10,598
TLLT-Lake 2%	1,042,698	1,257,037	1,383,759	126,722
TLLT-Lake 1%	521,349	628,517	691,876	63,359
Intergovernmental shared revenues				
Federal, state and local grants				
LSTA		2,800	2,800	
Grant-in-aid		5,018	5,018	
State optional sales taxes	1,705,283	1,705,283	1,747,466	42,183
Charges for services				
Culture and recreation				
Teen programs			1,300	1,300
Park fees	40,000	40,000	38,334	(1,666)
Tennis court lights	500	500	319	(181)
Recreation fees	105,000	105,000	97,202	(7,798)
Softball, lake	3,000	3,000	3,325	325
Softball, valley	20,000	20,000	16,885	(3,115)
Basketball, lake	9,000	9,000	6,970	(2,030)
Youth sports, lake	13,000	13,000	15,337	2,337
Youth basketball, valley	38,000	38,000	45,820	7,820
Topaz park	120,000	155,000	171,015	16,015
Shooting range fees	13,000	13,000	14,586	1,586
Kids club	300,000	300,000	299,577	(423)
Recreation contract classes	20,000	20,000	14,472	(5,528)
Kahle programs	60,000	60,000	75,951	15,951
Kahle drop-ins	45,000	45,000	47,126	2,126
Kahle rentals	14,000	14,000	12,105	(1,895)
Kahle concessions	15,000	15,000	17,176	2,176
Volleyball, valley	30,000	30,000	23,155	(6,845)
Fairground fees	10,000	10,000	8,370	(1,630)
Kahle passes	150,000	150,000	152,248	2,248
Football, lake			964	964
Football, valley	28,000	28,000	26,444	(1,556)
Kahle preschool	54,000	54,000	67,904	13,904
Kahle kids club	14,000	14,000	17,602	3,602
Kahle contract class	30,000	30,000	35,035	5,035
Preschool	15,000	95,000	99,193	4,193
DCCSC Fees	412,000	495,000	515,797	20,797
Other	2,000	2,000	4,229	2,229
Miscellaneous				
Other donations		27,229	39,390	12,161
Other reimbursements and restitutions		39,258	79,203	39,945
Other rent and lease income	38,000	38,000	31,055	(6,945)
Cash over and short			3,745	3,745

(Continued)

# DOUGLAS COUNTY

## ROOM TAX SPECIAL REVENUE FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
Room tax penalties and interest	\$ 10,000	\$ 31,000	\$ 34,153	\$ 3,153
Investment income	8,000	8,000	5,720	(2,280)
Other	<u>          </u>	<u>          </u>	468	468
Total revenues	<u>10,721,410</u>	<u>12,540,674</u>	<u>13,532,613</u>	<u>991,939</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Administration				
Services and supplies	<u>543,929</u>	<u>1,079,224</u>	<u>543,929</u>	<u>535,295</u>
Promotional room tax				
Services and supplies	<u>4,624,887</u>	<u>5,605,481</u>	<u>6,257,749</u>	<u>(652,268)</u>
Library				
Salaries and wages	792,494	789,794	762,000	27,794
Employee benefits	388,232	313,406	337,356	(23,950)
Services and supplies	339,943	509,859	466,425	43,434
Capital outlay	<u>98,236</u>	<u>28,653</u>	<u>28,653</u>	<u>69,583</u>
Total library	<u>1,520,669</u>	<u>1,711,295</u>	<u>1,594,434</u>	<u>116,861</u>
Parks operations				
Salaries and wages	414,159	474,159	466,353	7,806
Employee benefits	222,189	228,189	222,515	5,674
Services and supplies	637,001	802,001	901,488	(99,487)
Capital outlay	<u>250,000</u>	<u>813,675</u>	<u>53,699</u>	<u>759,976</u>
Total parks operations	<u>1,523,349</u>	<u>2,318,024</u>	<u>1,644,055</u>	<u>673,969</u>
Parks development				
Capital outlay	<u>          </u>	<u>279,181</u>	<u>197,737</u>	<u>81,444</u>
Parks, temporary and seasonal				
Salaries and wages	178,878	127,878	98,013	29,865
Employee benefits	65,655	50,655	11,834	38,821
Services and supplies	<u>          </u>	<u>          </u>	<u>27</u>	<u>(27)</u>
Total parks, temporary and seasonal	<u>244,533</u>	<u>178,533</u>	<u>109,874</u>	<u>68,659</u>
Recreation				
Salaries and wages	286,092	316,092	313,984	2,108
Employee benefits	133,139	153,139	146,427	6,712
Services and supplies	305,421	417,921	350,349	67,572
Capital outlay	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>
Total recreation	<u>724,652</u>	<u>942,152</u>	<u>810,760</u>	<u>131,392</u>
Recreation, temporary and seasonal				
Salaries and wages	356,296	321,296	309,236	12,060
Employee benefits	94,571	79,571	74,172	5,399
Services and supplies	<u>          </u>	<u>          </u>	<u>68</u>	<u>(68)</u>
Total recreation, temporary and seasonal	<u>450,867</u>	<u>400,867</u>	<u>383,476</u>	<u>17,391</u>
Kahle community center				
Salaries and wages	373,489	385,489	381,994	3,495
Employee benefits	105,669	93,669	80,245	13,424
Services and supplies	225,686	267,186	193,942	73,244
Capital outlay	<u>317,000</u>	<u>317,000</u>	<u>20,644</u>	<u>296,356</u>
Total Kahle community center	<u>704,844</u>	<u>1,063,344</u>	<u>676,825</u>	<u>386,519</u>

(Continued)

## DOUGLAS COUNTY

### ROOM TAX SPECIAL REVENUE FUND

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other				
Salaries and wages	\$ 449,844	\$ 449,844	\$ 368,047	\$ 81,797
Employee benefits	168,563	168,563	128,266	40,297
Services and supplies	304,374	491,670	394,583	97,087
Total other	<u>922,781</u>	<u>1,110,077</u>	<u>890,896</u>	<u>219,181</u>
Total expenditures	<u>11,260,511</u>	<u>14,688,178</u>	<u>13,109,735</u>	<u>1,578,443</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(539,101)</u>	<u>(2,147,504)</u>	<u>422,878</u>	<u>2,570,382</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	(112,234)	(112,234)		112,234
Transfers in	941,155	945,232	945,232	
Transfers out	<u>(395,600)</u>	<u>(416,000)</u>	<u>(416,000)</u>	
Total other financing sources (uses)	<u>433,321</u>	<u>416,998</u>	<u>529,232</u>	<u>112,234</u>
CHANGE IN FUND BALANCE	(105,780)	(1,730,506)	952,110	2,682,616
FUND BALANCE, BEGINNING OF YEAR	<u>629,353</u>	<u>2,324,079</u>	<u>2,324,080</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 523,573</u>	<u>\$ 593,573</u>	<u>\$ 3,276,190</u>	<u>\$ 2,682,617</u>

# DOUGLAS COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2017

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### **Note 1. Postemployment Benefits Other Than Pensions**

For the year ended June 30, 2017, no significant events occurred that would have affected; and therefore, would have changed the benefit provision, size or composition of those covered by the postemployment benefit plans, or the actuarial methods and assumptions used in the actuarial valuation reports dated July 1, 2012, July 1, 2014 and July 1, 2016.

The actuarial accrued liability and unfunded actuarial accrued liability involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These estimates are subject to continual revision.

Additional information related to postemployment benefits other than pensions can be found in Notes 1 and 4 to the basic financial statements.

### **Note 2. Multiple-Employer Cost-Sharing Defined Benefit Pension Plan**

For the year ended June 30, 2017, there were no changes in the pension benefit plan terms or the actuarial methods and assumptions used in the actuarial valuation reports dated June 30, 2016, 2015 and 2014.

The actuarial valuation reports dated June 30, 2016, 2015 and 2014, are the only valuations to date of the multiple-employer cost-sharing defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations.

Additional pension plan information can be found in Notes 1 and 4 to the basic financial statements.

### **Note 3. Agent Multiple-Employer Defined Benefit Pension Plan**

For the year ended June 30, 2017, there were no changes in the pension benefit plan terms or the actuarial methods and assumptions used in the actuarial valuation reports dated June 30, 2016, 2015 and 2014.

The actuarial valuation reports dated June 30, 2016, 2015 and 2014, are the only valuations to date of the agent multiple-employer defined benefit pension plan. As additional actuarial valuations are obtained these schedules will ultimately present information from the ten most recent valuations.

Additional pension plan information can be found in Notes 1 and 4 to the basic financial statements.

### **Note 4. Budget Information**

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

Additional budgetary information can be found in Note 2 to the basic financial statements.

**OTHER SUPPLEMENTARY  
INFORMATION**



# **MAJOR GOVERNMENTAL FUNDS**



# **CAPITAL PROJECTS FUNDS**



**DOUGLAS COUNTY**  
**MAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Capital projects funds are used to account for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Debt Financed

Accounts for the acquisition and construction of capital facilities that are financed in whole or in part by the issuance of debt.



## DOUGLAS COUNTY

### DEBT FINANCED CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 65,245	\$ 65,245
EXPENDITURES				
General government				
Other				
Capital outlay	_____	2,041,973	1,826,622	215,351
Debt service				
Debt issuance costs	_____	271,880	272,580	(700)
Total expenditures	_____	2,313,853	2,099,202	214,651
DEFICIENCY OF REVENUES UNDER EXPENDITURES	_____	(2,313,853)	(2,033,957)	279,896
OTHER FINANCING SOURCES				
Issuance of debt		11,635,000	11,635,000	
Debt issuance premiums	_____	848,707	848,707	_____
Total other financing sources	_____	12,483,707	12,483,707	_____
CHANGE IN FUND BALANCE		10,169,854	10,449,750	279,896
FUND BALANCE, BEGINNING OF YEAR	_____	1,041,973	1,041,974	1
FUND BALANCE, END OF YEAR	\$ _____	\$ 11,211,827	\$ 11,491,724	\$ 279,897



**NON-MAJOR  
GOVERNMENTAL FUNDS**



# DOUGLAS COUNTY

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2017

	<u>Non-major Special Revenue Funds</u>	<u>Non-major Debt Service Funds</u>	<u>Non-major Capital Projects Funds</u>	<u>Non-major Governmental Funds</u>
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 14,190,934	\$ 1,649,263	\$ 18,626,219	\$ 34,466,416
Accounts receivable, net	242,459			242,459
Taxes receivable	85,090		21,632	106,722
Interest receivable	33,241	513	37,460	71,214
Due from other governments	722,684		353,262	1,075,946
Due from other funds	94,154		1,010	95,164
Prepaid items	155,905		561	156,466
Other assets	500		7,156	7,656
<b>Total assets</b>	<u>\$ 15,524,967</u>	<u>\$ 1,649,776</u>	<u>\$ 19,047,300</u>	<u>\$ 36,222,043</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 454,138		\$ 114,742	\$ 568,880
Accrued salaries, wages and benefits	465,461		8,609	474,070
Due to other funds	62,168		5,213	67,381
Unearned revenue, current	252,566	15	792,389	1,044,970
Deposits	89,370			89,370
Due to other governments	100,001		4,209	104,210
Advances from other funds	325,000			325,000
<b>Total liabilities</b>	<u>1,748,704</u>	<u>15</u>	<u>925,162</u>	<u>2,673,881</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue, taxes and penalties	68,181		17,531	85,712
Unavailable revenue, special assessments		378		378
Unavailable revenue, grants	53,258			53,258
<b>Total deferred inflows of resources</b>	<u>121,439</u>	<u>378</u>	<u>17,531</u>	<u>139,348</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>1,870,143</u>	<u>393</u>	<u>942,693</u>	<u>2,813,229</u>
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	155,905		561	156,466
Deposits	500		7,156	7,656
Restricted for				
Debt service		1,649,383		1,649,383
Capital improvement projects			18,096,890	18,096,890
General, town and district redevelopment programs	3,782,440			3,782,440
Youth and other judicial programs	1,926,481			1,926,481
Fire, police and other public safety programs	920,401			920,401
Streets and other public works programs	2,678,223			2,678,223
Cultural and community development programs	3,739,641			3,739,641
Assigned to				
Cultural and community development programs	451,233			451,233
<b>Total fund balances</b>	<u>13,654,824</u>	<u>1,649,383</u>	<u>18,104,607</u>	<u>33,408,814</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 15,524,967</u>	<u>\$ 1,649,776</u>	<u>\$ 19,047,300</u>	<u>\$ 36,222,043</u>

# DOUGLAS COUNTY

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	<u>Non-major Special Revenue Funds</u>	<u>Non-major Debt Service Funds</u>	<u>Non-major Capital Projects Funds</u>	<u>Non-major Governmental Funds</u>
<b>REVENUES</b>				
Taxes	\$ 14,899,470	\$	\$ 3,095,649	\$ 17,995,119
Licenses, permits, franchise and other fees	529,231		300,000	829,231
Intergovernmental shared revenues	11,585,750		2,172,036	13,757,786
Charges for services	2,779,489			2,779,489
Fines and forfeitures	198,529			198,529
Miscellaneous	<u>3,142,061</u>	<u>4,553</u>	<u>21,889</u>	<u>3,168,503</u>
Total revenues	<u>33,134,530</u>	<u>4,553</u>	<u>5,589,574</u>	<u>38,728,657</u>
<b>EXPENDITURES</b>				
Current				
General government	1,323,346		723,241	2,046,587
Judicial	5,222,662			5,222,662
Public safety	8,404,862			8,404,862
Public works	3,478,193		1,208,401	4,686,594
Community development	2,502,898			2,502,898
Culture and recreation	1,331,175		23,383	1,354,558
Health and sanitation	317,785			317,785
Welfare	<u>3,365,906</u>			<u>3,365,906</u>
Total current	<u>25,946,827</u>		<u>1,955,025</u>	<u>27,901,852</u>
Capital outlay				
General government			1,340,226	1,340,226
Judicial	21,826			21,826
Public safety	775,893			775,893
Public works	710,556		1,728,881	2,439,437
Culture and recreation	<u>3,595,199</u>		<u>642,750</u>	<u>4,237,949</u>
Total capital outlay	<u>5,103,474</u>		<u>3,711,857</u>	<u>8,815,331</u>
Debt service				
Principal payments		1,892,482		1,892,482
Interest expense		625,714		625,714
Debt issuance costs	15,155			15,155
Fiscal charges		500		500
Total debt service	<u>15,155</u>	<u>2,518,696</u>		<u>2,533,851</u>
Total expenditures	<u>31,065,456</u>	<u>2,518,696</u>	<u>5,666,882</u>	<u>39,251,034</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,069,074</u>	<u>(2,514,143)</u>	<u>(77,308)</u>	<u>(522,377)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital asset disposal	3,530			3,530
Issuance of debt	571,423			571,423
Transfers in	2,533,370	2,599,355	5,426,917	10,559,642
Transfers out	<u>(5,840,510)</u>	<u>(124,109)</u>	<u>(2,345,514)</u>	<u>(8,310,133)</u>
Total other financing sources (uses)	<u>(2,732,187)</u>	<u>2,475,246</u>	<u>3,081,403</u>	<u>2,824,462</u>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>				
Transfer of operations to East Fork Fire Protection District	<u>(4,484,985)</u>	<u>(2,290)</u>		<u>(4,487,275)</u>
CHANGE IN FUND BALANCE	(5,148,098)	(41,187)	3,004,095	(2,185,190)
FUND BALANCE, BEGINNING OF YEAR	<u>18,802,922</u>	<u>1,690,570</u>	<u>15,100,512</u>	<u>35,594,004</u>
FUND BALANCE, END OF YEAR	<u>\$ 13,654,824</u>	<u>\$ 1,649,383</u>	<u>\$ 18,104,607</u>	<u>\$ 33,408,814</u>

# **SPECIAL REVENUE FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Special revenue funds are used to account for financial resources that are restricted or committed to specific purposes other than debt service and capital projects.

Nevada Cooperative Extension

Accounts for community outreach education and research activities of the University of Nevada, Reno Agriculture Extension Office undertaken in, and partially funded by, Douglas County.

Airport

Accounts for the operations of the Minden-Tahoe Airport.

Douglas County Water District

Accounts for activities to to enhance water quality and to ensure adequate water resources in Douglas County.

Solid Waste Management

Accounts for activities associated with the closure of the landfill, ongoing monitoring and other waste management activities.

Landscape Maintenance Districts

Accounts for the landscape maintenance of specified areas within Douglas County.

State Motor Vehicle Accident Indigent

Accounts for the provision of emergency hospital care to indigent persons resulting from motor vehicle accidents in Douglas County.

Medical Assistance to Indigents

Accounts for the payment of unpaid charges for medical care furnished to an indigent person who falls sick in Douglas County.

Social Services

Accounts for the provision of general assistance and medical care for indigents who reside in Douglas County.

Law Library

Accounts for the enhancement and maintenance of Douglas County's legal library.

Road Operating

Accounts for the maintenance of Douglas County roads.

Library Gifts

Accounts for donations from library patrons.

Tahoe-Douglas Transportation District

Accounts for transportation needs in the Lake Tahoe area.

Justice Court Administrative Assessment

Accounts for the enhancement of court operations.

China Spring Youth Camp

Accounts for the juvenile correction center operations.

Western Nevada Regional Youth Center

Accounts for the provision of regional detention and drug rehabilitation services for the counties of Douglas, Carson, Churchill, Lyon, and Storey.

Erosion Control (TRPA) Mitigation

Accounts for specific erosion control projects in the Lake Tahoe Basin.

Technology Services (911)

Accounts for the provision of emergency 911 and non-emergency communications services.

Senior Services Program

Accounts for the provision of nutritious meals, support services and transportation to residents 60 years of age or older.

Redevelopment Agency

Accounts for the operations and activities of the separate Redevelopment Agency.

(Continued)

**DOUGLAS COUNTY**

**NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2017**

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Town of Gardnerville

Accounts for the general operations and activities of the Town of Gardnerville.

Town of Genoa

Accounts for the general operations and activities of the Town of Genoa.

Town of Minden

Accounts for the general operations and activities of the Town of Minden.

East Fork Fire Protection District

Accounts for the operations and activities of the East Fork Fire Protection District.

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2017

	Nevada Cooperative Extension	Airport	Douglas County Water District	Solid Waste Management	Landscape Maintenance Districts
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 262,894	\$ 1,747,720	\$ 61,724	\$ 727,277	\$ 6,959
Accounts receivable, net		60,626		43,422	
Taxes receivable	2,639				
Interest receivable	542	5,017	308	3,289	16
Due from other governments		1,083			
Due from other funds	78				
Prepaid items	788	20,166			
Other assets					
<b>Total assets</b>	<u>\$ 266,941</u>	<u>\$ 1,834,612</u>	<u>\$ 62,032</u>	<u>\$ 773,988</u>	<u>\$ 6,975</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 31,143	\$ 4,514		\$ 16,734	\$
Accrued salaries, wages and benefits	4,884			2,705	
Due to other funds	127			70	
Unearned revenue, current		90,455	400		
Deposits		64,094			
Due to other governments					
Advances from other funds					
<b>Total liabilities</b>	<u>36,154</u>	<u>159,063</u>	<u>400</u>	<u>19,509</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties	2,195				
Unavailable revenue, grants					
<b>Total deferred inflows of resources</b>	<u>2,195</u>				
<b>Total liabilities and deferred inflows of resources</b>	<u>38,349</u>	<u>159,063</u>	<u>400</u>	<u>19,509</u>	
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	788	20,166			
Deposits					
Restricted for					
General, town and district redevelopment programs		1,655,383			
Youth and other judicial programs					
Fire, police and other public safety programs					
Streets and other public works programs			61,632	754,479	6,975
Cultural and community development programs	227,804				
Assigned to					
Cultural and community development programs					
<b>Total fund balances</b>	<u>228,592</u>	<u>1,675,549</u>	<u>61,632</u>	<u>754,479</u>	<u>6,975</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 266,941</u>	<u>\$ 1,834,612</u>	<u>\$ 62,032</u>	<u>\$ 773,988</u>	<u>\$ 6,975</u>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2017

	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents	Social Services	Law Library	Road Operating
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 7,608	\$ 3,469,537	\$ 144,014	\$ 47,069	\$ 922,204
Accounts receivable, net			30,383		14,019
Taxes receivable	3,935	15,681	8,172		
Interest receivable		10,113	585	115	1,892
Due from other governments			80,196		210,370
Due from other funds	117	582	733		688
Prepaid items			7,937		5,799
Other assets					
<b>Total assets</b>	<b><u>\$ 11,660</u></b>	<b><u>\$ 3,495,913</u></b>	<b><u>\$ 272,020</u></b>	<b><u>\$ 47,184</u></b>	<b><u>\$ 1,154,972</u></b>
<b>LIABILITIES</b>					
Accounts payable		\$ 116,920	\$ 97,348		\$ 26,205
Accrued salaries, wages and benefits			62,040		37,206
Due to other funds			1,497		933
Unearned revenue, current			(20,422)		
Deposits					
Due to other governments	7,608	62,500			
Advances from other funds					
<b>Total liabilities</b>	<b><u>7,608</u></b>	<b><u>179,420</u></b>	<b><u>140,463</u></b>		<b><u>64,344</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties		13,249	6,754		
Unavailable revenue, grants			42,639		
<b>Total deferred inflows of resources</b>		<b><u>13,249</u></b>	<b><u>49,393</u></b>		
<b>Total liabilities and deferred inflows of resources</b>	<b><u>7,608</u></b>	<b><u>192,669</u></b>	<b><u>189,856</u></b>		<b><u>64,344</u></b>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items			7,937		5,799
Deposits					
Restricted for					
General, town and district redevelopment programs					
Youth and other judicial programs					
Fire, police and other public safety programs					
Streets and other public works programs	4,052				1,084,829
Cultural and community development programs		3,303,244	74,227	47,184	
Assigned to					
Cultural and community development programs					
<b>Total fund balances</b>	<b><u>4,052</u></b>	<b><u>3,303,244</u></b>	<b><u>82,164</u></b>	<b><u>47,184</u></b>	<b><u>1,090,628</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 11,660</u></b>	<b><u>\$ 3,495,913</u></b>	<b><u>\$ 272,020</u></b>	<b><u>\$ 47,184</u></b>	<b><u>\$ 1,154,972</u></b>

(Continued)

## DOUGLAS COUNTY

### NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2017

	<u>Library Gifts</u>	<u>Tahoe-Douglas Transportation District</u>	<u>Justice Court Administrative Assessment</u>	<u>China Spring Youth Camp</u>	<u>Western Nevada Regional Youth Center</u>
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 90,225	\$ 512,531	\$ 918,979	\$ 458,948	\$ 688,981
Accounts receivable, net	186	80,826			
Taxes receivable				980	5,038
Interest receivable	96	876	1,595	1,755	219
Due from other governments				111,954	
Due from other funds				1,056	224
Prepaid items	235			32,916	
Other assets					
<b>Total assets</b>	<u>\$ 90,742</u>	<u>\$ 594,233</u>	<u>\$ 920,574</u>	<u>\$ 607,609</u>	<u>\$ 694,462</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 3,325	\$ 6,688	\$ 4,748	\$ 29,905	\$
Accrued salaries, wages and benefits		1,551		169,174	
Due to other funds		40		4,353	50,000
Unearned revenue, current		194	(10)		
Deposits					
Due to other governments					
Advances from other funds					
<b>Total liabilities</b>	<u>3,325</u>	<u>8,473</u>	<u>4,738</u>	<u>203,432</u>	<u>50,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties				813	4,265
Unavailable revenue, grants					
<b>Total deferred inflows of resources</b>				<u>813</u>	<u>4,265</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>3,325</u>	<u>8,473</u>	<u>4,738</u>	<u>204,245</u>	<u>54,265</u>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	235			32,916	
Deposits					
Restricted for					
General, town and district redevelopment programs					
Youth and other judicial programs			915,836	370,448	640,197
Fire, police and other public safety programs					
Streets and other public works programs		585,760			
Cultural and community development programs	87,182				
Assigned to					
Cultural and community development programs					
<b>Total fund balances</b>	<u>87,417</u>	<u>585,760</u>	<u>915,836</u>	<u>403,364</u>	<u>640,197</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 90,742</u>	<u>\$ 594,233</u>	<u>\$ 920,574</u>	<u>\$ 607,609</u>	<u>\$ 694,462</u>

(Continued)

**DOUGLAS COUNTY**

**NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2017**

	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency	Town of Gardnerville
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 179,908	\$ 1,305,980	\$ 294,880	\$ 355,544	\$ 638,223
Accounts receivable, net		11,840			1,157
Taxes receivable		12,531		11,370	18,587
Interest receivable	588	1,969	217	558	1,155
Due from other governments			202,617		49,538
Due from other funds		702	83,936		500
Prepaid items	200	10,456	10,152		31,463
Other assets					
<b>Total assets</b>	<u>\$ 180,696</u>	<u>\$ 1,343,478</u>	<u>\$ 591,802</u>	<u>\$ 367,472</u>	<u>\$ 740,623</u>
<b>LIABILITIES</b>					
Accounts payable	\$	\$ 12,496	\$ 28,151	\$	\$ 33,198
Accrued salaries, wages and benefits		63,085	59,871	4,015	31,392
Due to other funds		1,615	1,883	100	790
Unearned revenue, current					2,224
Deposits					
Due to other governments			29,893		
Advances from other funds		325,000			
<b>Total liabilities</b>		<u>402,196</u>	<u>119,798</u>	<u>4,115</u>	<u>67,604</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties		10,425		11,028	14,996
Unavailable revenue, grants			10,619		
<b>Total deferred inflows of resources</b>		<u>10,425</u>	<u>10,619</u>	<u>11,028</u>	<u>14,996</u>
<b>Total liabilities and deferred inflows of resources</b>		<u>412,621</u>	<u>130,417</u>	<u>15,143</u>	<u>82,600</u>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	200	10,456	10,152		31,463
Deposits					
Restricted for					
General, town and district redevelopment programs				352,329	626,560
Youth and other judicial programs					
Fire, police and other public safety programs		920,401			
Streets and other public works programs	180,496				
Cultural and community development programs					
Assigned to					
Cultural and community development programs			451,233		
<b>Total fund balances</b>	<u>180,696</u>	<u>930,857</u>	<u>461,385</u>	<u>352,329</u>	<u>658,023</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 180,696</u>	<u>\$ 1,343,478</u>	<u>\$ 591,802</u>	<u>\$ 367,472</u>	<u>\$ 740,623</u>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2017

	<u>Town of Genoa</u>	<u>Town of Minden</u>	<u>Total Non-major Special Revenue Funds</u>
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 319,507	\$ 1,030,222	\$ 14,190,934
Accounts receivable, net			242,459
Taxes receivable	60	6,097	85,090
Interest receivable	478	1,858	33,241
Due from other governments	2,009	64,917	722,684
Due from other funds	4,990	548	94,154
Prepaid items	7,990	27,803	155,905
Other assets	500		500
	<u>335,534</u>	<u>1,131,445</u>	<u>15,524,967</u>
Total assets	<u>\$ 335,534</u>	<u>\$ 1,131,445</u>	<u>\$ 15,524,967</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 4,983	\$ 37,780	\$ 454,138
Accrued salaries, wages and benefits	7,098	22,440	465,461
Due to other funds	184	576	62,168
Unearned revenue, current	173,155	6,570	252,566
Deposits	5,876	19,400	89,370
Due to other governments			100,001
Advances from other funds			325,000
	<u>191,296</u>	<u>86,766</u>	<u>1,748,704</u>
Total liabilities	<u>191,296</u>	<u>86,766</u>	<u>1,748,704</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue, taxes and penalties	1	4,455	68,181
Unavailable revenue, grants			53,258
	<u>1</u>	<u>4,455</u>	<u>121,439</u>
Total deferred inflows of resources	<u>1</u>	<u>4,455</u>	<u>121,439</u>
Total liabilities and deferred inflows of resources	<u>191,297</u>	<u>91,221</u>	<u>1,870,143</u>
<b>FUND BALANCES</b>			
Nonspendable			
Prepaid items	7,990	27,803	155,905
Deposits	500		500
Restricted for			
General, town and district redevelopment programs	135,747	1,012,421	3,782,440
Youth and other judicial programs			1,926,481
Fire, police and other public safety programs			920,401
Streets and other public works programs			2,678,223
Cultural and community development programs			3,739,641
Assigned to			
Cultural and community development programs			451,233
	<u>144,237</u>	<u>1,040,224</u>	<u>13,654,824</u>
Total fund balances	<u>144,237</u>	<u>1,040,224</u>	<u>13,654,824</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 335,534</u>	<u>\$ 1,131,445</u>	<u>\$ 15,524,967</u>

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	Nevada Cooperative Extension	Airport	Douglas County Water District	Solid Waste Management	Landscape Maintenance Districts
<b>REVENUES</b>					
Taxes	\$ 254,294				
Licenses, permits, franchise and other fees				\$ 529,231	
Intergovernmental shared revenues		3,453,499			
Charges for services		42,551			
Fines and forfeitures					
Miscellaneous	467	980,025	213	54,044	20,403
<b>Total revenues</b>	<b>254,761</b>	<b>4,476,075</b>	<b>213</b>	<b>583,275</b>	<b>20,403</b>
<b>EXPENDITURES</b>					
Current					
General government					
Judicial					
Public safety					
Public works			48,492		
Community development	243,839				
Culture and recreation		796,792			23,448
Health and sanitation				317,785	
Welfare					
<b>Total current</b>	<b>243,839</b>	<b>796,792</b>	<b>48,492</b>	<b>317,785</b>	<b>23,448</b>
Capital outlay					
Judicial					
Public safety					
Public works					
Culture and recreation		3,587,374			
<b>Total capital outlay</b>	<b>_____</b>	<b>3,587,374</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>
Debt service					
Debt issuance costs					
<b>Total expenditures</b>	<b>243,839</b>	<b>4,384,166</b>	<b>48,492</b>	<b>317,785</b>	<b>23,448</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>10,922</b>	<b>91,909</b>	<b>(48,279)</b>	<b>265,490</b>	<b>(3,045)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					
Issuance of debt					
Transfers in					
Transfers out		(94,861)	(35,346)	(1,500,000)	
<b>Total other financing sources (uses)</b>	<b>_____</b>	<b>(94,861)</b>	<b>(35,346)</b>	<b>(1,500,000)</b>	<b>_____</b>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>					
Transfer of operations to East Fork Fire Protection District					
<b>CHANGE IN FUND BALANCE</b>	<b>10,922</b>	<b>(2,952)</b>	<b>(83,625)</b>	<b>(1,234,510)</b>	<b>(3,045)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>217,670</b>	<b>1,678,501</b>	<b>145,257</b>	<b>1,988,989</b>	<b>10,020</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 228,592</b>	<b>\$ 1,675,549</b>	<b>\$ 61,632</b>	<b>\$ 754,479</b>	<b>\$ 6,975</b>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents	Social Services	Law Library	Road Operating
<b>REVENUES</b>					
Taxes	\$ 384,714	\$ 1,335,778	\$ 784,849	\$	\$ 327,212
Licenses, permits, franchise and other fees			148,205		980,943
Intergovernmental shared revenues			112,188	18,701	26,392
Charges for services					
Fines and forfeitures		7,012	239	69	5,320
Miscellaneous					
<b>Total revenues</b>	<u>384,714</u>	<u>1,342,790</u>	<u>1,045,481</u>	<u>18,770</u>	<u>1,339,867</u>
<b>EXPENDITURES</b>					
Current					
General government					
Judicial				21,653	
Public safety					
Public works					1,831,395
Community development					
Culture and recreation					
Health and sanitation					
Welfare	381,675	1,083,085	1,901,146		
<b>Total current</b>	<u>381,675</u>	<u>1,083,085</u>	<u>1,901,146</u>	<u>21,653</u>	<u>1,831,395</u>
Capital outlay					
Judicial					
Public safety					
Public works					202,181
Culture and recreation					
<b>Total capital outlay</b>					<u>202,181</u>
Debt service					
Debt issuance costs					
<b>Total expenditures</b>	<u>381,675</u>	<u>1,083,085</u>	<u>1,901,146</u>	<u>21,653</u>	<u>2,033,576</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>3,039</u>	<u>259,705</u>	<u>(855,665)</u>	<u>(2,883)</u>	<u>(693,709)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					1,425
Issuance of debt					
Transfers in			947,504		414,343
Transfers out		(1,444,504)	(3,500)		(49,979)
<b>Total other financing sources (uses)</b>		<u>(1,444,504)</u>	<u>944,004</u>		<u>365,789</u>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>					
Transfer of operations to East Fork Fire Protection District					
<b>CHANGE IN FUND BALANCE</b>	3,039	(1,184,799)	88,339	(2,883)	(327,920)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,013</u>	<u>4,488,043</u>	<u>(6,175)</u>	<u>50,067</u>	<u>1,418,548</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 4,052</u>	<u>\$ 3,303,244</u>	<u>\$ 82,164</u>	<u>\$ 47,184</u>	<u>\$ 1,090,628</u>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Library Gifts	Tahoe-Douglas Transportation District	Justice Court Administrative Assessment	China Spring Youth Camp	Western Nevada Regional Youth Center
<b>REVENUES</b>					
Taxes	\$	\$ 691,876	\$	\$ 93,561	\$ 390,918
Licenses, permits, franchise and other fees				4,394,863	
Intergovernmental shared revenues				1,221	
Charges for services			17,322		
Fines and forfeitures			198,529		
Miscellaneous	43,894	649	1,300	25,304	1,002
<b>Total revenues</b>	<b>43,894</b>	<b>692,525</b>	<b>217,151</b>	<b>4,514,949</b>	<b>391,920</b>
<b>EXPENDITURES</b>					
Current					
General government					
Judicial			71,389	4,750,103	379,517
Public safety					
Public works		187,545			
Community development					
Culture and recreation	40,545				
Health and sanitation					
Welfare					
<b>Total current</b>	<b>40,545</b>	<b>187,545</b>	<b>71,389</b>	<b>4,750,103</b>	<b>379,517</b>
Capital outlay					
Judicial				21,826	
Public safety					
Public works					
Culture and recreation					
<b>Total capital outlay</b>	<b></b>	<b></b>	<b></b>	<b>21,826</b>	<b></b>
Debt service					
Debt issuance costs					
<b>Total expenditures</b>	<b>40,545</b>	<b>187,545</b>	<b>71,389</b>	<b>4,771,929</b>	<b>379,517</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,349</b>	<b>504,980</b>	<b>145,762</b>	<b>(256,980)</b>	<b>12,403</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal				105	
Issuance of debt					
Transfers in				11,747	
Transfers out		(319,059)	(58,373)		
<b>Total other financing sources (uses)</b>	<b></b>	<b>(319,059)</b>	<b>(58,373)</b>	<b>11,852</b>	<b></b>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>					
Transfer of operations to East Fork Fire Protection District					
<b>CHANGE IN FUND BALANCE</b>	<b>3,349</b>	<b>185,921</b>	<b>87,389</b>	<b>(245,128)</b>	<b>12,403</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>84,068</b>	<b>399,839</b>	<b>828,447</b>	<b>648,492</b>	<b>627,794</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 87,417</b>	<b>\$ 585,760</b>	<b>\$ 915,836</b>	<b>\$ 403,364</b>	<b>\$ 640,197</b>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency	Town of Gardnerville
<b>REVENUES</b>					
Taxes	\$	\$ 1,207,903	\$	\$ 2,375,263	\$ 1,090,317
Licenses, permits, franchise and other fees			727,285		430,288
Intergovernmental shared revenues			187,716		3,722
Charges for services		1,023,329			
Fines and forfeitures					
Miscellaneous	285	7,836	488,706	6,914	71,700
<b>Total revenues</b>	<u>285</u>	<u>2,239,068</u>	<u>1,403,707</u>	<u>2,382,177</u>	<u>1,596,027</u>
<b>EXPENDITURES</b>					
Current					
General government				94,722	493,776
Judicial					
Public safety		1,978,068			
Public works	93,999				757,744
Community development			2,259,059		
Culture and recreation					81,741
Health and sanitation					
Welfare					
<b>Total current</b>	<u>93,999</u>	<u>1,978,068</u>	<u>2,259,059</u>	<u>94,722</u>	<u>1,333,261</u>
Capital outlay					
Judicial					
Public safety		746,423			
Public works					508,375
Culture and recreation					7,825
<b>Total capital outlay</b>		<u>746,423</u>			<u>516,200</u>
Debt service					
Debt issuance costs		15,155			
<b>Total expenditures</b>	<u>93,999</u>	<u>2,739,646</u>	<u>2,259,059</u>	<u>94,722</u>	<u>1,849,461</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(93,714)</u>	<u>(500,578)</u>	<u>(855,352)</u>	<u>2,287,455</u>	<u>(253,434)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					2,000
Issuance of debt		421,423			150,000
Transfers in	5,000		1,154,776		
Transfers out	(43,521)			(2,215,348)	(2,000)
<b>Total other financing sources (uses)</b>	<u>(38,521)</u>	<u>421,423</u>	<u>1,154,776</u>	<u>(2,215,348)</u>	<u>150,000</u>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>					
Transfer of operations to East Fork Fire Protection District					
<b>CHANGE IN FUND BALANCE</b>	(132,235)	(79,155)	299,424	72,107	(103,434)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>312,931</u>	<u>1,010,012</u>	<u>161,961</u>	<u>280,222</u>	<u>761,457</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 180,696</u>	<u>\$ 930,857</u>	<u>\$ 461,385</u>	<u>\$ 352,329</u>	<u>\$ 658,023</u>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	<u>Town of Genoa</u>	<u>Town of Minden</u>	<u>East Fork Fire Protection District</u>	<u>Total Non-major Special Revenue Funds</u>
<b>REVENUES</b>				
Taxes	\$ 41,485	\$ 965,699	\$ 4,955,601	\$ 14,899,470
Licenses, permits, franchise and other fees				529,231
Intergovernmental shared revenues	11,940	454,673	984,054	11,585,750
Charges for services	12,054	28,715	1,305,578	2,779,489
Fines and forfeitures				198,529
Miscellaneous	<u>412,943</u>	<u>32,434</u>	<u>981,302</u>	<u>3,142,061</u>
Total revenues	<u>478,422</u>	<u>1,481,521</u>	<u>8,226,535</u>	<u>33,134,530</u>
<b>EXPENDITURES</b>				
Current				
General government	447,380	287,468		1,323,346
Judicial				5,222,662
Public safety			6,426,794	8,404,862
Public works		559,018		3,478,193
Community development				2,502,898
Culture and recreation		388,649		1,331,175
Health and sanitation				317,785
Welfare				<u>3,365,906</u>
Total current	<u>447,380</u>	<u>1,235,135</u>	<u>6,426,794</u>	<u>25,946,827</u>
Capital outlay				
Judicial				21,826
Public safety			29,470	775,893
Public works				710,556
Culture and recreation				<u>3,595,199</u>
Total capital outlay			<u>29,470</u>	<u>5,103,474</u>
Debt service				
Debt issuance costs				<u>15,155</u>
Total expenditures	<u>447,380</u>	<u>1,235,135</u>	<u>6,456,264</u>	<u>31,065,456</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>31,042</u>	<u>246,386</u>	<u>1,770,271</u>	<u>2,069,074</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital asset disposal				3,530
Issuance of debt				571,423
Transfers in				2,533,370
Transfers out			(74,019)	<u>(5,840,510)</u>
Total other financing sources (uses)			<u>(74,019)</u>	<u>(2,732,187)</u>
<b>SPECIAL AND EXTRORDINARY ITEMS</b>				
Transfer of operations to East Fork Fire Protection District			(4,484,985)	<u>(4,484,985)</u>
CHANGE IN FUND BALANCE	31,042	246,386	(2,788,733)	(5,148,098)
FUND BALANCE, BEGINNING OF YEAR	<u>113,195</u>	<u>793,838</u>	<u>2,788,733</u>	<u>18,802,922</u>
FUND BALANCE, END OF YEAR	<u>\$ 144,237</u>	<u>\$ 1,040,224</u>	<u>\$</u>	<u>\$ 13,654,824</u>

## DOUGLAS COUNTY

### NEVADA COOPERATIVE EXTENSION SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 253,947	\$ 253,947	\$ 245,554	\$ (8,393)
Real property taxes, delinquent			1,305	1,305
Real property taxes, deferred			145	145
Personal property taxes, current	6,000	6,000	7,211	1,211
Personal property taxes, delinquent			79	79
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>467</u>	<u>(533)</u>
Total revenues	<u>260,947</u>	<u>260,947</u>	<u>254,761</u>	<u>(6,186)</u>
<b>EXPENDITURES</b>				
Community development				
Cooperative extension				
Salaries and wages	71,223	79,223	76,980	2,243
Employee benefits	32,553	32,553	29,725	2,828
Services and supplies	147,421	184,421	137,134	47,287
Capital outlay	<u>147,292</u>	<u>147,292</u>	<u>147,292</u>	<u>147,292</u>
Total expenditures	<u>398,489</u>	<u>443,489</u>	<u>243,839</u>	<u>199,650</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(137,542)</u>	<u>(182,542)</u>	<u>10,922</u>	<u>193,464</u>
<b>OTHER FINANCING USES</b>				
Contingencies	<u>(8,059)</u>	<u>(12,832)</u>	<u>          </u>	<u>12,832</u>
CHANGE IN FUND BALANCE	(145,601)	(195,374)	10,922	206,296
FUND BALANCE, BEGINNING OF YEAR	<u>167,897</u>	<u>217,670</u>	<u>217,670</u>	<u>          </u>
FUND BALANCE, END OF YEAR	<u><u>\$ 22,296</u></u>	<u><u>\$ 22,296</u></u>	<u><u>\$ 228,592</u></u>	<u><u>\$ 206,296</u></u>

# DOUGLAS COUNTY

## AIRPORT SPECIAL REVENUE FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Intergovernmental shared revenues				
Federal, state and local grants				
DOT	\$	\$ 3,433,155	\$ 3,433,155	\$
Other grants		10,149	10,149	
Aviation fuel taxes	9,000	9,000	7,742	(1,258)
Jet fuel taxes	8,000	8,000	2,453	(5,547)
Charges for services				
General government				
Late charges	1,500	1,500	1,250	(250)
Hutt aviation 1%	2,500	2,500	1,293	(1,207)
Airport Tie Downs	20,000	20,000	18,186	(1,814)
Commercial operator	1,500	1,500	2,150	650
Fuel flowage fees	13,000	13,000	12,177	(823)
Airport administration fee	3,500	3,500	2,250	(1,250)
P-51 maintenance fee		3,986	3,986	
Telephone fees	650	650	999	349
Camping fees			260	260
Other	100	100		(100)
Miscellaneous				
Other reimbursements and restitutions		1,229	(1,249)	(2,478)
Building rental income	79,500	131,250	156,927	25,677
Land lease income	470,000	470,000	487,426	17,426
Other rent and lease income	280,000	280,000	294,660	14,660
Investment income	12,000	12,000	1,767	(10,233)
Other	30,000	35,273	40,494	5,221
<b>Total revenues</b>	<b>931,250</b>	<b>4,436,792</b>	<b>4,476,075</b>	<b>39,283</b>
<b>EXPENDITURES</b>				
Culture and recreation				
Airport				
Services and supplies	722,307	973,223	796,792	176,431
Capital outlay	270,275	3,783,781	3,587,374	196,407
<b>Total expenditures</b>	<b>992,582</b>	<b>4,757,004</b>	<b>4,384,166</b>	<b>372,838</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(61,332)</b>	<b>(320,212)</b>	<b>91,909</b>	<b>412,121</b>
<b>OTHER FINANCING USES</b>				
Contingencies	(15,249)	(15,249)		15,249
Transfers out	(86,945)	(94,861)	(94,861)	
<b>Total other financing uses</b>	<b>(102,194)</b>	<b>(110,110)</b>	<b>(94,861)</b>	<b>15,249</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(163,526)</b>	<b>(430,322)</b>	<b>(2,952)</b>	<b>427,370</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>1,330,833</b>	<b>1,678,502</b>	<b>1,678,501</b>	<b>(1)</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,167,307</b>	<b>\$ 1,248,180</b>	<b>\$ 1,675,549</b>	<b>\$ 427,369</b>

## DOUGLAS COUNTY

### DOUGLAS COUNTY WATER DISTRICT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ _____ 213	\$ _____ 213
EXPENDITURES				
Public works				
Water				
Services and supplies	65,827	65,827	48,492	17,335
Capital outlay	<u>8,616</u>	<u>36,645</u>	<u>          </u>	<u>36,645</u>
Total expenditures	<u>74,443</u>	<u>102,472</u>	<u>48,492</u>	<u>53,980</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(74,443)</u>	<u>(102,472)</u>	<u>(48,279)</u>	<u>54,193</u>
OTHER FINANCING USES				
Contingencies	(1,975)	(1,975)		1,975
Transfers out	<u>          </u>	<u>(35,346)</u>	<u>(35,346)</u>	<u>          </u>
Total other financing uses	<u>(1,975)</u>	<u>(37,321)</u>	<u>(35,346)</u>	<u>1,975</u>
CHANGE IN FUND BALANCE	(76,418)	(139,793)	(83,625)	56,168
FUND BALANCE, BEGINNING OF YEAR	<u>81,882</u>	<u>145,257</u>	<u>145,257</u>	<u>          </u>
FUND BALANCE, END OF YEAR	<u>\$ 5,464</u>	<u>\$ 5,464</u>	<u>\$ 61,632</u>	<u>\$ 56,168</u>

# DOUGLAS COUNTY

## SOLID WASTE MANAGEMENT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Business licenses, permits, franchise and other fees				
DDI franchise fees	\$ 407,721	\$ 407,721	\$ 447,138	\$ 39,417
STR franchise fees	72,034	72,034	80,093	8,059
Alpine Co. annual fee	2,000	2,000	2,000	
Miscellaneous				
Other rent and lease income	50,000	50,000	50,000	
Investment income	<u>5,000</u>	<u>5,000</u>	<u>4,044</u>	<u>(956)</u>
Total revenues	<u>536,755</u>	<u>536,755</u>	<u>583,275</u>	<u>46,520</u>
<b>EXPENDITURES</b>				
Health and sanitation				
Joint powers authority				
Services and supplies	40,000	40,000		40,000
Capital outlay	<u>40,806</u>	<u>80,806</u>		<u>80,806</u>
Total joint powers authority	<u>80,806</u>	<u>120,806</u>		<u>120,806</u>
General				
Salaries and wages	37,684	37,684	39,018	(1,334)
Employee benefits	15,691	15,691	15,863	(172)
Services and supplies	<u>2,225,696</u>	<u>812,536</u>	<u>262,904</u>	<u>549,632</u>
Total general	<u>2,279,071</u>	<u>865,911</u>	<u>317,785</u>	<u>548,126</u>
Total expenditures	<u>2,359,877</u>	<u>986,717</u>	<u>317,785</u>	<u>668,932</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,823,122)</u>	<u>(449,962)</u>	<u>265,490</u>	<u>715,452</u>
<b>OTHER FINANCING USES</b>				
Contingencies	(9,480)	(9,480)		9,480
Transfers out		<u>(1,500,000)</u>	<u>(1,500,000)</u>	
Total other financing uses	<u>(9,480)</u>	<u>(1,509,480)</u>	<u>(1,500,000)</u>	<u>9,480</u>
CHANGE IN FUND BALANCE	(1,832,602)	(1,959,442)	(1,234,510)	724,932
FUND BALANCE, BEGINNING OF YEAR	<u>1,862,149</u>	<u>1,988,989</u>	<u>1,988,989</u>	
FUND BALANCE, END OF YEAR	<u>\$ 29,547</u>	<u>\$ 29,547</u>	<u>\$ 754,479</u>	<u>\$ 724,932</u>

# DOUGLAS COUNTY

## LANDSCAPE MAINTENANCE DISTRICTS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Special assessments	\$ 20,324	\$ 20,324	\$ 20,323	\$ (1)
Investment income			80	80
Total revenues	20,324	20,324	20,403	79
EXPENDITURES				
Culture and recreation				
Parks operations				
Salaries and wages	20,324	30,344	8,916	21,428
Services and supplies			14,532	(14,532)
Total expenditures	20,324	30,344	23,448	6,896
CHANGE IN FUND BALANCE		(10,020)	(3,045)	6,975
FUND BALANCE, BEGINNING OF YEAR		10,020	10,020	
FUND BALANCE, END OF YEAR	\$	\$	\$ 6,975	\$ 6,975

## DOUGLAS COUNTY

### STATE MOTOR VEHICLE ACCIDENT INDIGENT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 380,926	\$ 380,926	\$ 372,489	\$ (8,437)
Real property taxes, deferred			217	217
Personal property taxes, current			12,008	12,008
	380,926	380,926	384,714	3,788
Total revenues				
EXPENDITURES				
Welfare				
Vehicle accident, indigent				
Services and supplies	380,926	381,939	381,675	264
	380,926	381,939	381,675	264
CHANGE IN FUND BALANCE		(1,013)	3,039	4,052
FUND BALANCE, BEGINNING OF YEAR	1,013	1,013	1,013	
FUND BALANCE, END OF YEAR	\$ 4,052	\$ 4,052	\$ 4,052	\$ 4,052

# DOUGLAS COUNTY

## MEDICAL ASSISTANCE TO INDIGENTS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 1,333,237	\$ 1,333,237	\$ 1,289,177	\$ (44,060)
Real property taxes, delinquent			7,009	7,009
Real property taxes, deferred			1,061	1,061
Personal property taxes, current			37,839	37,839
Personal property taxes, delinquent			692	692
Miscellaneous				
Investment income	<u>4,000</u>	<u>9,000</u>	<u>7,012</u>	<u>(1,988)</u>
Total revenues	<u>1,337,237</u>	<u>1,342,237</u>	<u>1,342,790</u>	<u>553</u>
<b>EXPENDITURES</b>				
Welfare				
Medical assistance to indigents				
Services and supplies	1,054,504	1,389,504	1,083,085	306,419
Capital outlay	<u>1,000,000</u>	<u>978,906</u>	<u>          </u>	<u>978,906</u>
Total expenditures	<u>2,054,504</u>	<u>2,368,410</u>	<u>1,083,085</u>	<u>1,285,325</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(717,267)</u>	<u>(1,026,173)</u>	<u>259,705</u>	<u>1,285,878</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(497,000)</u>	<u>(1,444,504)</u>	<u>(1,444,504)</u>	<u>          </u>
CHANGE IN FUND BALANCE	(1,214,267)	(2,470,677)	(1,184,799)	1,285,878
FUND BALANCE, BEGINNING OF YEAR	<u>3,231,633</u>	<u>4,488,043</u>	<u>4,488,043</u>	<u>          </u>
FUND BALANCE, END OF YEAR	<u>\$ 2,017,366</u>	<u>\$ 2,017,366</u>	<u>\$ 3,303,244</u>	<u>\$ 1,285,878</u>

# DOUGLAS COUNTY

## SOCIAL SERVICES SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 784,526	\$ 784,526	\$ 755,837	\$ (28,689)
Real property taxes, delinquent			4,118	4,118
Real property taxes, deferred			479	479
Personal property taxes, current			24,176	24,176
Personal property taxes, delinquent			239	239
Intergovernmental shared revenues				
Federal, state and local grants				
CSBG	163,120	145,300	81,105	(64,195)
USDA			630	630
HUD	134,163	11,008	11,008	
United Way	10,000			
Other grants	51,500	43,500	55,462	11,962
Charges for services				
Reimbursement for services		6,000	720	(5,280)
Community support				
Indigent repay	1,058,755	1,058,755	540	(1,058,215)
Other		25,000	110,928	85,928
Miscellaneous				
Investment income	1,000	1,000	239	(761)
<b>Total revenues</b>	<b>2,203,064</b>	<b>2,075,089</b>	<b>1,045,481</b>	<b>(1,029,608)</b>
<b>EXPENDITURES</b>				
Welfare				
Medical				
Services and supplies	203,214	203,214	203,214	
General				
Salaries and wages	461,030	416,030	328,601	87,429
Employee benefits	235,145	235,145	155,836	79,309
Services and supplies	648,362	535,567	420,204	115,363
<b>Total general</b>	<b>1,344,537</b>	<b>1,186,742</b>	<b>904,641</b>	<b>282,101</b>
Community health nurse				
Salaries and wages		303,000	250,248	52,752
Employee benefits		101,000	97,576	3,424
Services and supplies	651,914	428,914	445,467	(16,553)
<b>Total community health nurse</b>	<b>651,914</b>	<b>832,914</b>	<b>793,291</b>	<b>39,623</b>
<b>Total expenditures</b>	<b>2,199,665</b>	<b>2,222,870</b>	<b>1,901,146</b>	<b>321,724</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,399</b>	<b>(147,781)</b>	<b>(855,665)</b>	<b>(707,884)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(39,621)	(39,621)		39,621
Transfers in		947,504	947,504	
Transfers out	(3,500)	(3,500)	(3,500)	
<b>Total other financing sources (uses)</b>	<b>(43,121)</b>	<b>904,383</b>	<b>944,004</b>	<b>39,621</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(39,722)</b>	<b>756,602</b>	<b>88,339</b>	<b>(668,263)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>790,149</b>	<b>(6,175)</b>	<b>(6,175)</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 750,427</b>	<b>\$ 750,427</b>	<b>\$ 82,164</b>	<b>\$ (668,263)</b>

## DOUGLAS COUNTY

### LAW LIBRARY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services				
General government				
Clerk's fees	\$ 22,000	\$ 22,000	\$ 18,701	\$ (3,299)
Miscellaneous				
Investment income	<u>100</u>	<u>100</u>	<u>69</u>	<u>(31)</u>
Total revenues	<u>22,100</u>	<u>22,100</u>	<u>18,770</u>	<u>(3,330)</u>
EXPENDITURES				
Judicial				
Law library				
Services and supplies	<u>22,281</u>	<u>69,614</u>	<u>21,653</u>	<u>47,961</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(181)</u>	<u>(47,514)</u>	<u>(2,883)</u>	<u>44,631</u>
OTHER FINANCING USES				
Contingencies	<u>(668)</u>	<u>(668)</u>		<u>668</u>
CHANGE IN FUND BALANCE	(849)	(48,182)	(2,883)	45,299
FUND BALANCE, BEGINNING OF YEAR	<u>2,733</u>	<u>50,066</u>	<u>50,067</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,884</u>	<u>\$ 1,884</u>	<u>\$ 47,184</u>	<u>\$ 45,300</u>

# DOUGLAS COUNTY

## ROAD OPERATING SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
County gas tax	\$ 222,985	\$ 222,985	\$ 211,037	\$ (11,948)
1% Valley Rm Tx (Rd)	80,769	104,864	116,175	11,311
Intergovernmental shared revenues				
Federal, state and local grants			7,352	7,352
Other grants			992,761	(19,170)
Motor vehicle fuel taxes	992,761	992,761	973,591	(19,170)
Charges for services				
Public works				
Repay for road work			26,392	26,392
Miscellaneous				
Investment income	2,000	2,000	3,525	1,525
Other			1,795	1,795
Total revenues	1,298,515	1,322,610	1,339,867	17,257
<b>EXPENDITURES</b>				
Public works				
Roads				
Salaries and wages	566,994	577,994	583,616	(5,622)
Employee benefits	264,576	264,576	255,138	9,438
Services and supplies	773,583	1,412,630	992,641	419,989
Capital outlay	614,842	614,842	202,181	412,661
Total expenditures	2,219,995	2,870,042	2,033,576	836,466
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(921,480)	(1,547,432)	(693,709)	853,723
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(49,654)	(49,654)		49,654
Proceeds from capital asset disposal			1,425	1,425
Transfers in	414,343	414,343	414,343	
Transfers out	(49,979)	(49,979)	(49,979)	
Total other financing sources (uses)	314,710	314,710	365,789	51,079
CHANGE IN FUND BALANCE	(606,770)	(1,232,722)	(327,920)	904,802
FUND BALANCE, BEGINNING OF YEAR	792,596	1,418,548	1,418,548	
FUND BALANCE, END OF YEAR	\$ 185,826	\$ 185,826	\$ 1,090,628	\$ 904,802

# DOUGLAS COUNTY

## LIBRARY GIFTS SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Other donations	\$	\$	\$ 43,830	\$ 43,830
Investment income			64	64
			43,894	43,894
Total revenues			43,894	43,894
EXPENDITURES				
Culture and recreation				
Library				
Services and supplies		84,068	40,545	43,523
CHANGE IN FUND BALANCE		(84,068)	3,349	87,417
FUND BALANCE, BEGINNING OF YEAR		84,068	84,068	
FUND BALANCE, END OF YEAR	\$	\$	\$ 87,417	\$ 87,417

## DOUGLAS COUNTY

### TAHOE-DOUGLAS TRANSPORTATION DISTRICT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
1% Lake Rm Tx (Rd)	\$ 521,349	\$ 628,563	\$ 691,876	\$ 63,313
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>649</u>	<u>(351)</u>
Total revenues	<u>522,349</u>	<u>629,563</u>	<u>692,525</u>	<u>62,962</u>
EXPENDITURES				
Public works				
Tahoe-Douglas transportation				
Salaries and wages	35,602	21,606	22,200	(594)
Employee benefits	9,632	8,628	8,615	13
Services and supplies	139,744	168,744	156,730	12,014
Capital outlay	<u>245,907</u>	<u>490,838</u>	<u>490,838</u>	<u>490,838</u>
Total expenditures	<u>430,885</u>	<u>689,816</u>	<u>187,545</u>	<u>502,271</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>91,464</u>	<u>(60,253)</u>	<u>504,980</u>	<u>565,233</u>
OTHER FINANCING USES				
Contingencies	(5,549)	(5,549)		5,549
Transfers out	<u>(318,684)</u>	<u>(318,684)</u>	<u>(319,059)</u>	<u>(375)</u>
Total other financing uses	<u>(324,233)</u>	<u>(324,233)</u>	<u>(319,059)</u>	<u>5,174</u>
CHANGE IN FUND BALANCE	(232,769)	(384,486)	185,921	570,407
FUND BALANCE, BEGINNING OF YEAR	<u>248,122</u>	<u>399,839</u>	<u>399,839</u>	
FUND BALANCE, END OF YEAR	<u>\$ 15,353</u>	<u>\$ 15,353</u>	<u>\$ 585,760</u>	<u>\$ 570,407</u>

## DOUGLAS COUNTY

### JUSTICE COURT ADMINISTRATIVE ASSESSMENT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Charges for services				
Judicial				
Other	\$	\$	\$ 17,322	\$ 17,322
Fines and forfeitures				
Judicial				
East Fork Justice Court fines	34,000	34,000	119,193	85,193
Tahoe Justice Court fines	19,000	19,000	79,336	60,336
Miscellaneous				
Investment income	<u>2,500</u>	<u>2,500</u>	<u>1,300</u>	<u>(1,200)</u>
Total revenues	<u>55,500</u>	<u>55,500</u>	<u>217,151</u>	<u>161,651</u>
<b>EXPENDITURES</b>				
Judicial				
East Fork justice court				
Services and supplies		443,619	35,157	408,462
Capital outlay		855		855
Total East Fork justice court		<u>444,474</u>	<u>35,157</u>	<u>409,317</u>
Tahoe justice court				
Services and supplies		<u>311,921</u>	<u>29,582</u>	<u>282,339</u>
Administrative assessment				
Services and supplies	<u>55,246</u>	<u>56,609</u>	<u>6,650</u>	<u>49,959</u>
Total expenditures	<u>55,246</u>	<u>813,004</u>	<u>71,389</u>	<u>741,615</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>254</u>	<u>(757,504)</u>	<u>145,762</u>	<u>903,266</u>
<b>OTHER FINANCING USES</b>				
Contingencies	(1,658)	(1,658)		1,658
Transfers out		<u>(58,373)</u>	<u>(58,373)</u>	
Total other financing uses	<u>(1,658)</u>	<u>(60,031)</u>	<u>(58,373)</u>	<u>1,658</u>
CHANGE IN FUND BALANCE	(1,404)	(817,535)	87,389	904,924
FUND BALANCE, BEGINNING OF YEAR	<u>12,316</u>	<u>828,447</u>	<u>828,447</u>	
FUND BALANCE, END OF YEAR	<u>\$ 10,912</u>	<u>\$ 10,912</u>	<u>\$ 915,836</u>	<u>\$ 904,924</u>

# DOUGLAS COUNTY

## CHINA SPRING YOUTH CAMP SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 92,197	\$ 92,197	\$ 90,178	\$ (2,019)
Real property taxes, delinquent			492	492
Real property taxes, deferred			58	58
Personal property taxes, current			2,803	2,803
Personal property taxes, delinquent			30	30
Intergovernmental shared revenues				
Federal, state and local grants				
SAPTA	460,000	570,796	570,796	
USDA		5,822	5,822	
Child nutrition	90,124	98,548	98,548	
Other grants		15,500	15,500	
Interim funding	3,704,215	3,704,215	3,704,197	(18)
Charges for services				
Judicial				
Support and care fees	2,500	2,500	1,221	(1,279)
Miscellaneous				
Other donations			13,654	13,654
Reimbursements and restitutions, China Spring			10,357	10,357
Investment income	5,000	5,000	1,293	(3,707)
<b>Total revenues</b>	<b>4,354,036</b>	<b>4,494,578</b>	<b>4,514,949</b>	<b>20,371</b>
<b>EXPENDITURES</b>				
Judicial				
China Spring youth camp				
Salaries and wages	2,265,705	2,265,705	2,462,732	(197,027)
Employee benefits	1,160,368	1,160,368	1,084,745	75,623
Services and supplies	939,710	1,178,744	1,202,626	(23,882)
Capital outlay		300,000	21,826	278,174
<b>Total expenditures</b>	<b>4,365,783</b>	<b>4,904,817</b>	<b>4,771,929</b>	<b>132,888</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(11,747)</b>	<b>(410,239)</b>	<b>(256,980)</b>	<b>153,259</b>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from capital asset disposal				
Transfers in	11,747	11,747	11,747	105
<b>Total other financing sources</b>	<b>11,747</b>	<b>11,747</b>	<b>11,852</b>	<b>105</b>
<b>CHANGE IN FUND BALANCE</b>		<b>(398,492)</b>	<b>(245,128)</b>	<b>153,364</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>250,000</b>	<b>648,492</b>	<b>648,492</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ 403,364</b>	<b>\$ 153,364</b>

## DOUGLAS COUNTY

### WESTERN NEVADA REGIONAL YOUTH CENTER SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 391,078	\$ 391,078	\$ 375,552	\$ (15,526)
Real property taxes, delinquent			2,473	2,473
Real property taxes, deferred			407	407
Personal property taxes, current			12,185	12,185
Personal property taxes, delinquent			301	301
Intergovernmental shared revenues				
Investment income			1,002	1,002
Total revenues	<u>391,078</u>	<u>391,078</u>	<u>391,920</u>	<u>842</u>
EXPENDITURES				
Judicial				
Western Nevada regional youth center				
Services and supplies	<u>379,517</u>	<u>379,517</u>	<u>379,517</u>	
CHANGE IN FUND BALANCE	11,561	11,561	12,403	842
FUND BALANCE, BEGINNING OF YEAR	<u>622,003</u>	<u>627,794</u>	<u>627,794</u>	
FUND BALANCE, END OF YEAR	<u>\$ 633,564</u>	<u>\$ 639,355</u>	<u>\$ 640,197</u>	<u>\$ 842</u>

## DOUGLAS COUNTY

### EROSION CONTROL (TRPA) MITIGATION SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$	\$	\$ 285	\$ 285
Other		<u>83,542</u>		<u>(83,542)</u>
Total revenues		<u>83,542</u>	<u>285</u>	<u>(83,257)</u>
EXPENDITURES				
Public works				
Erosion control (TRPA) mitigation				
Services and supplies	5,000	177,124	93,999	83,125
Capital outlay		<u>1,534</u>		<u>1,534</u>
Total expenditures	<u>5,000</u>	<u>178,658</u>	<u>93,999</u>	<u>84,659</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(5,000)</u>	<u>(95,116)</u>	<u>(93,714)</u>	<u>1,402</u>
OTHER FINANCING SOURCES				
Transfers in	5,000	5,000	5,000	
Transfers out		<u>(43,521)</u>	<u>(43,521)</u>	
Total other financing sources	<u>5,000</u>	<u>(38,521)</u>	<u>(38,521)</u>	
CHANGE IN FUND BALANCE		(133,637)	(132,235)	1,402
FUND BALANCE, BEGINNING OF YEAR	<u>179,292</u>	<u>312,931</u>	<u>312,931</u>	
FUND BALANCE, END OF YEAR	<u>\$ 179,292</u>	<u>\$ 179,294</u>	<u>\$ 180,696</u>	<u>\$ 1,402</u>

# DOUGLAS COUNTY

## TECHNOLOGY SERVICES (911) SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 1,206,259	\$ 1,206,259	\$ 1,166,394	\$ (39,865)
Real property taxes, delinquent			6,197	6,197
Real property taxes, deferred			688	688
Personal property taxes, current			34,251	34,251
Personal property taxes, delinquent			373	373
Charges for services				
Public safety				
Other	997,388	997,388	1,023,329	25,941
Miscellaneous				
Other reimbursements and restitutions		6,777	6,777	
Investment income	500	500	674	174
Other		11,423	385	(11,038)
<b>Total revenues</b>	<u>2,204,147</u>	<u>2,222,347</u>	<u>2,239,068</u>	<u>16,721</u>
<b>EXPENDITURES</b>				
Public safety				
Technology services (911)				
Salaries and wages	1,061,879	1,061,879	993,921	67,958
Employee benefits	515,483	515,483	419,365	96,118
Services and supplies	538,572	720,930	564,782	156,148
Capital outlay	47,758	794,181	746,423	47,758
<b>Total public safety</b>	<u>2,163,692</u>	<u>3,092,473</u>	<u>2,724,491</u>	<u>367,982</u>
Debt service				
Debt issuance costs			15,155	(15,155)
<b>Total expenditures</b>	<u>2,163,692</u>	<u>3,092,473</u>	<u>2,739,646</u>	<u>352,827</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>40,455</u>	<u>(870,126)</u>	<u>(500,578)</u>	<u>369,548</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(57,226)	(57,226)		57,226
Issuance of debt		410,000	421,423	11,423
Transfers in		325,000		(325,000)
<b>Total other financing sources (uses)</b>	<u>(57,226)</u>	<u>677,774</u>	<u>421,423</u>	<u>(256,351)</u>
<b>CHANGE IN FUND BALANCE</b>	(16,771)	(192,352)	(79,155)	113,197
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>697,018</u>	<u>1,010,012</u>	<u>1,010,012</u>	
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 680,247</u>	<u>\$ 817,660</u>	<u>\$ 930,857</u>	<u>\$ 113,197</u>

# DOUGLAS COUNTY

## SENIOR SERVICES PROGRAM SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Intergovernmental shared revenues				
Federal, state and local grants				
USDOT	\$ 445,000	\$ 445,000	\$ 356,488	\$ (88,512)
PY grant revenue		10,171	16,855	6,684
CSBG	67,611	67,611	61,214	(6,397)
USDA	25,000	47,218	48,718	1,500
IIIc1	72,708	72,708	78,733	6,025
IIIc2	86,308	86,308	77,358	(8,950)
IIIb, homemaker	34,875	34,875	34,875	
Grant-in-aid	53,044	53,044	53,044	
Charges for services				
Community support				
Client fees	11,000	11,000	8,753	(2,247)
Transit fees	11,500	11,500	9,834	(1,666)
Program income	130,000	130,000	128,131	(1,869)
Culture and recreation				
Recreation fees	35,000	35,000	40,998	5,998
Miscellaneous				
Yah donations	33,400	33,400	36,412	3,012
Other donations	35,000	69,500	439,980	370,480
Other reimbursements and restitutions		12,200	12,240	40
Investment income	500	500	74	(426)
<b>Total revenues</b>	<u>1,040,946</u>	<u>1,120,035</u>	<u>1,403,707</u>	<u>283,672</u>
<b>EXPENDITURES</b>				
Community development				
Senior services				
Salaries and wages	844,784	869,784	865,891	3,893
Employee benefits	434,846	384,846	370,341	14,505
Services and supplies	890,232	1,030,679	1,022,827	7,852
Capital outlay		22,200		22,200
<b>Total expenditures</b>	<u>2,169,862</u>	<u>2,307,509</u>	<u>2,259,059</u>	<u>48,450</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<u>(1,128,916)</u>	<u>(1,187,474)</u>	<u>(855,352)</u>	<u>332,122</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(20,254)	(20,254)		20,254
Transfers in	1,134,376	1,154,776	1,154,776	
<b>Total other financing sources (uses)</b>	<u>1,114,122</u>	<u>1,134,522</u>	<u>1,154,776</u>	<u>20,254</u>
<b>CHANGE IN FUND BALANCE</b>	(14,794)	(52,952)	299,424	352,376
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>123,803</u>	<u>161,961</u>	<u>161,961</u>	
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 109,009</u>	<u>\$ 109,009</u>	<u>\$ 461,385</u>	<u>\$ 352,376</u>

# DOUGLAS COUNTY

## REDEVELOPMENT AGENCY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 2,178,467	\$ 2,178,467	\$ 2,298,987	\$ 120,520
Real property taxes, delinquent			1,225	1,225
Personal property taxes, current			74,555	74,555
Personal property taxes, delinquent			496	496
Miscellaneous				
Investment income	<u>2,000</u>	<u>2,000</u>	<u>6,914</u>	<u>4,914</u>
Total revenues	<u>2,180,467</u>	<u>2,180,467</u>	<u>2,382,177</u>	<u>201,710</u>
<b>EXPENDITURES</b>				
General government				
Redevelopment agency administrative				
Salaries and wages	84,942	84,942	55,106	29,836
Employee benefits	34,258	34,258	22,563	11,695
Services and supplies	<u>96,166</u>	<u>96,166</u>	<u>17,053</u>	<u>79,113</u>
Total expenditures	<u>215,366</u>	<u>215,366</u>	<u>94,722</u>	<u>120,644</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,965,101</u>	<u>1,965,101</u>	<u>2,287,455</u>	<u>322,354</u>
<b>OTHER FINANCING USES</b>				
Contingencies	(4,148)	(4,148)		4,148
Transfers out	<u>(1,959,222)</u>	<u>(2,215,348)</u>	<u>(2,215,348)</u>	
Total other financing uses	<u>(1,963,370)</u>	<u>(2,219,496)</u>	<u>(2,215,348)</u>	<u>4,148</u>
CHANGE IN FUND BALANCE	1,731	(254,395)	72,107	326,502
FUND BALANCE, BEGINNING OF YEAR	<u>24,102</u>	<u>280,228</u>	<u>280,222</u>	<u>(6)</u>
FUND BALANCE, END OF YEAR	<u>\$ 25,833</u>	<u>\$ 25,833</u>	<u>\$ 352,329</u>	<u>\$ 326,496</u>

# DOUGLAS COUNTY

## TOWN OF GARDNERVILLE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 1,080,959	\$ 1,080,959	\$ 1,023,463	\$ (57,496)
Real property taxes, delinquent			7,656	7,656
Personal property taxes, current			58,688	58,688
Personal property taxes, delinquent			510	510
Intergovernmental shared revenues				
Federal, state and local grants				
USDA			383	383
Grant-in-aid	1	1		(1)
Other grants		115,579	121,558	5,979
State consolidated tax distribution	276,717	276,717	278,557	1,840
NRS county gaming licenses	26,000	26,000	29,790	3,790
Charges for services				
General government				
Applicant license fees	5,000	5,000	3,722	(1,278)
Miscellaneous				
Other donations	10,000	16,254	7,621	(8,633)
Other festivals and events	25,000	25,000	14,703	(10,297)
Other reimbursements and restitutions	25,244	25,244	35,148	9,904
Other rent and lease income			25	25
Investment income			1,781	1,781
Other	19,000	19,000	12,422	(6,578)
<b>Total revenues</b>	<b>1,467,921</b>	<b>1,589,754</b>	<b>1,596,027</b>	<b>6,273</b>
<b>EXPENDITURES</b>				
General government				
Town of Gardnerville				
Salaries and wages	203,613	203,613	192,673	10,940
Employee benefits	82,759	82,759	61,801	20,958
Services and supplies	150,766	280,529	239,302	41,227
<b>Total general government</b>	<b>437,138</b>	<b>566,901</b>	<b>493,776</b>	<b>73,125</b>
Public works				
Town of Gardnerville				
Salaries and wages	263,300	263,300	255,197	8,103
Employee benefits	126,444	126,444	122,527	3,917
Services and supplies	514,190	495,190	380,020	115,170
Capital outlay	355,706	595,027	508,375	86,652
<b>Total public works</b>	<b>1,259,640</b>	<b>1,479,961</b>	<b>1,266,119</b>	<b>213,842</b>
Culture and recreation				
Town of Gardnerville				
Services and supplies	88,800	95,054	81,741	13,313
Capital outlay	119,000	60,000	7,825	52,175
<b>Total culture and recreation</b>	<b>207,800</b>	<b>155,054</b>	<b>89,566</b>	<b>65,488</b>
<b>Total expenditures</b>	<b>1,904,578</b>	<b>2,201,916</b>	<b>1,849,461</b>	<b>352,455</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(436,657)</b>	<b>(612,162)</b>	<b>(253,434)</b>	<b>358,728</b>

(Continued)

# DOUGLAS COUNTY

## TOWN OF GARDNERVILLE SPECIAL REVENUE FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	\$ (39,636)	\$ (39,636)	\$	\$ 39,636
Proceeds from capital asset disposal		2,000	2,000	
Issuance of debt			150,000	150,000
Transfers out		(2,000)	(2,000)	
	<u>(39,636)</u>	<u>(39,636)</u>	<u>150,000</u>	<u>189,636</u>
Total other financing sources (uses)				
CHANGE IN FUND BALANCE	(476,293)	(651,798)	(103,434)	548,364
FUND BALANCE, BEGINNING OF YEAR	<u>585,952</u>	<u>761,457</u>	<u>761,457</u>	
FUND BALANCE, END OF YEAR	<u>\$ 109,659</u>	<u>\$ 109,659</u>	<u>\$ 658,023</u>	<u>\$ 548,364</u>

# DOUGLAS COUNTY

## TOWN OF GENOA SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 41,825	\$ 41,825	\$ 40,708	\$ (1,117)
Real property taxes, delinquent			129	129
Personal property taxes, current	500	500	648	148
Intergovernmental shared revenues				
Federal, state and local grants				
State consolidated tax distribution	11,337	11,337	11,400	63
NRS county gaming licenses	800	800	540	(260)
Charges for services				
Culture and recreation				
Recreation fees	16,000	16,000	12,054	(3,946)
Miscellaneous				
Other donations			14,827	14,827
Candy dance	264,000	264,000	284,415	20,415
Cowboy poetry and music festival	95,000	95,000	88,968	(6,032)
Other rent and lease income	21,000	21,000	21,625	625
Investment income	530	530	433	(97)
Other			2,675	2,675
Total revenues	<u>450,992</u>	<u>450,992</u>	<u>478,422</u>	<u>27,430</u>
<b>EXPENDITURES</b>				
General government				
Town of Genoa				
Salaries and wages	99,318	105,618	106,566	(948)
Employee benefits	44,888	44,888	44,560	328
Services and supplies	<u>307,070</u>	<u>363,589</u>	<u>296,254</u>	<u>67,335</u>
Total expenditures	<u>451,276</u>	<u>514,095</u>	<u>447,380</u>	<u>66,715</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(284)</u>	<u>(63,103)</u>	<u>31,042</u>	<u>94,145</u>
<b>OTHER FINANCING USES</b>				
Contingencies	<u>(12,636)</u>	<u>(12,636)</u>		<u>12,636</u>
CHANGE IN FUND BALANCE	(12,920)	(75,739)	31,042	106,781
FUND BALANCE, BEGINNING OF YEAR	<u>50,376</u>	<u>113,195</u>	<u>113,195</u>	
FUND BALANCE, END OF YEAR	<u>\$ 37,456</u>	<u>\$ 37,456</u>	<u>\$ 144,237</u>	<u>\$ 106,781</u>

# DOUGLAS COUNTY

## TOWN OF MINDEN SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 928,365	\$ 928,365	\$ 930,045	\$ 1,680
Real property taxes, delinquent			5,798	5,798
Personal property taxes, current			29,827	29,827
Personal property taxes, delinquent			29	29
Intergovernmental shared revenues				
State consolidated tax distribution	345,000	345,000	368,183	23,183
NRS county gaming licenses	50,000	50,000	86,490	36,490
Professional fees			28,415	28,415
Other			300	300
Miscellaneous				
Other rent and lease income	33,000	33,000	31,220	(1,780)
Investment income			1,214	1,214
<b>Total revenues</b>	<b>1,356,365</b>	<b>1,356,365</b>	<b>1,481,521</b>	<b>125,156</b>
<b>EXPENDITURES</b>				
General government				
Town of Minden				
Salaries and wages	80,050	145,050	112,097	32,953
Employee benefits	28,671	28,671	47,871	(19,200)
Services and supplies	164,700	220,623	127,500	93,123
<b>Total general government</b>	<b>273,421</b>	<b>394,344</b>	<b>287,468</b>	<b>106,876</b>
Public works				
Town of Minden				
Salaries and wages	91,213	141,213	77,289	63,924
Employee benefits	49,521	49,521	34,290	15,231
Services and supplies	507,234	875,234	447,439	427,795
<b>Total public works</b>	<b>647,968</b>	<b>1,065,968</b>	<b>559,018</b>	<b>506,950</b>
Culture and recreation				
Town of Minden				
Salaries and wages	176,403	201,403	164,591	36,812
Employee benefits	91,607	91,607	64,410	27,197
Services and supplies	137,000	247,000	159,648	87,352
<b>Total culture and recreation</b>	<b>405,010</b>	<b>540,010</b>	<b>388,649</b>	<b>151,361</b>
<b>Total expenditures</b>	<b>1,326,399</b>	<b>2,000,322</b>	<b>1,235,135</b>	<b>765,187</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>29,966</b>	<b>(643,957)</b>	<b>246,386</b>	<b>890,343</b>
<b>OTHER FINANCING USES</b>				
Contingencies	(39,792)	(39,792)		39,792
<b>Total other financing uses</b>	<b>(39,792)</b>	<b>(39,792)</b>		<b>39,792</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(9,826)</b>	<b>(683,749)</b>	<b>246,386</b>	<b>930,135</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>119,917</b>	<b>793,840</b>	<b>793,838</b>	<b>(2)</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 110,091</b>	<b>\$ 110,091</b>	<b>\$ 1,040,224</b>	<b>\$ 930,133</b>

# DOUGLAS COUNTY

## EAST FORK FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 7,262,083	\$ 7,262,083	\$ 4,863,837	\$ (2,398,246)
Real property taxes, delinquent			15,904	15,904
Personal property taxes, current			75,814	75,814
Personal property taxes, delinquent			46	46
Intergovernmental shared revenues				
SERC	54,000	54,000	26,824	(27,176)
PY grant revenue			42,929	42,929
Homeland Security	18,000	18,000	6,331	(11,669)
Emergency management	57,240	57,240	14,310	(42,930)
Other grants			9,638	9,638
State consolidated tax distribution	1,752,594	1,752,594	884,022	(868,572)
Charges for services				
Administration and overhead	140,000	140,000	70,039	(69,961)
Other	27,500	27,500	25,290	(2,210)
Public safety				
Fire plan check and inspection fees	80,000	80,000	47,274	(32,726)
Other	2,100,000	2,100,000	1,162,975	(937,025)
Miscellaneous				
Other donations			2,000	2,000
Other reimbursements and restitutions	200,000	200,000	957,142	757,142
Other rent and lease income	5,435	5,435	3,622	(1,813)
Investment income	6,500	6,500	2,590	(3,910)
Other	71,500	71,500	15,948	(55,552)
<b>Total revenues</b>	<b>11,774,852</b>	<b>11,774,852</b>	<b>8,226,535</b>	<b>(3,548,317)</b>
<b>EXPENDITURES</b>				
Public safety				
East Fork fire protection				
Salaries and wages	5,925,667	5,925,667	3,605,523	2,320,144
Employee benefits	3,561,287	3,561,287	1,756,315	1,804,972
Services and supplies	2,081,611	2,081,611	1,019,956	1,061,655
Capital outlay	433,000	433,000	29,470	403,530
Total East Fork fire protection	12,001,565	12,001,565	6,411,264	5,590,301
East Fork fire protection emergency				
Services and supplies	224,022	224,022	45,000	179,022
<b>Total expenditures</b>	<b>12,225,587</b>	<b>12,225,587</b>	<b>6,456,264</b>	<b>5,769,323</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(450,735)</b>	<b>(450,735)</b>	<b>1,770,271</b>	<b>2,221,006</b>
<b>OTHER FINANCING USES</b>				
Contingencies	(173,528)	(173,528)		173,528
Transfers out	(149,286)	(149,286)	(74,019)	75,267
<b>Total other financing uses</b>	<b>(322,814)</b>	<b>(322,814)</b>	<b>(74,019)</b>	<b>248,795</b>
<b>SPECIAL AND EXTRAORDINARY ITEMS</b>				
Transfer of operations to East Fork Fire Protection District			(4,484,985)	(4,484,985)
<b>CHANGE IN FUND BALANCE</b>	<b>(773,549)</b>	<b>(773,549)</b>	<b>(2,788,733)</b>	<b>(2,015,184)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>2,396,664</b>	<b>2,396,664</b>	<b>2,788,733</b>	<b>392,069</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,623,115</b>	<b>\$ 1,623,115</b>	<b>\$</b>	<b>\$ (1,623,115)</b>

# **DEBT SERVICE FUNDS**



# **DOUGLAS COUNTY**

## **NON-MAJOR DEBT SERVICE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2017**

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Debt service funds are used to account for the accumulation of financial resources that are restricted, committed or assigned to the repayment of debt principal and interest.

Douglas County Operating Resources

Accounts for the accumulation of monies for and the payment of Douglas County debt obligations.

East Fork Fire Protection District

Accounts for the accumulation of monies for and the payment of the debt obligations of the East Fork Fire Protection District.



**DOUGLAS COUNTY**  
**NON-MAJOR DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2017**

	<u>Douglas County</u> <u>Operating</u> <u>Resources</u>	<u>Total Non-major</u> <u>Debt Service</u> <u>Funds</u>
<b>ASSETS</b>		
Cash, cash equivalents and investments	\$ 1,649,263	\$ 1,649,263
Interest receivable	<u>513</u>	<u>513</u>
Total assets	<u>\$ 1,649,776</u>	<u>\$ 1,649,776</u>
<b>LIABILITIES</b>		
Unearned revenue, current	<u>\$ 15</u>	<u>\$ 15</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue, special assessments	<u>378</u>	<u>378</u>
Total liabilities and deferred inflows of resources	<u>393</u>	<u>393</u>
<b>FUND BALANCES</b>		
Restricted for		
Debt service	<u>1,649,383</u>	<u>1,649,383</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,649,776</u>	<u>\$ 1,649,776</u>

## DOUGLAS COUNTY

### NON-MAJOR DEBT SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	Douglas County Operating Resources	East Fork Fire Protection District	Total Non-major Debt Service Funds
REVENUES			
Miscellaneous	\$ 4,553	\$	\$ 4,553
EXPENDITURES			
Debt service			
Principal payments	1,830,482	62,000	1,892,482
Interest expense	613,695	12,019	625,714
Fiscal charges	500		500
Total expenditures	2,444,677	74,019	2,518,696
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,440,124)	(74,019)	(2,514,143)
OTHER FINANCING SOURCES (USES)			
Transfers in	2,525,336	74,019	2,599,355
Transfers out	(124,109)		(124,109)
Total other financing sources (uses)	2,401,227	74,019	2,475,246
SPECIAL AND EXTRORDINARY ITEMS			
Transfer of operations to East Fork Fire Protection District		(2,290)	(2,290)
CHANGE IN FUND BALANCE	(38,897)	(2,290)	(41,187)
FUND BALANCE, BEGINNING OF YEAR	1,688,280	2,290	1,690,570
FUND BALANCE, END OF YEAR	\$ 1,649,383	\$	\$ 1,649,383

# DOUGLAS COUNTY

## DOUGLAS COUNTY OPERATING RESOURCES DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 4,553	\$ 4,553
EXPENDITURES				
General government				
Other				
Services and supplies	_____	223,753	_____	223,753
Debt service				
Principal payments	1,614,670	1,834,670	1,830,482	4,188
Interest expense	406,402	609,507	613,695	(4,188)
Fiscal charges	1,400	1,000	500	500
Total debt service	<u>2,022,472</u>	<u>2,445,177</u>	<u>2,444,677</u>	<u>500</u>
Total expenditures	<u>2,022,472</u>	<u>2,668,930</u>	<u>2,444,677</u>	<u>224,253</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(2,022,472)</u>	<u>(2,668,930)</u>	<u>(2,440,124)</u>	<u>228,806</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,794,469	2,548,809	2,525,336	(23,473)
Transfers out	_____	(124,109)	(124,109)	_____
Total other financing sources (uses)	<u>1,794,469</u>	<u>2,424,700</u>	<u>2,401,227</u>	<u>(23,473)</u>
CHANGE IN FUND BALANCE	(228,003)	(244,230)	(38,897)	205,333
FUND BALANCE, BEGINNING OF YEAR	<u>1,441,989</u>	<u>1,688,280</u>	<u>1,688,280</u>	_____
FUND BALANCE, END OF YEAR	<u>\$ 1,213,986</u>	<u>\$ 1,444,050</u>	<u>\$ 1,649,383</u>	<u>\$ 205,333</u>

## DOUGLAS COUNTY

### EAST FORK FIRE PROTECTION DISTRICT DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES				
Debt service				
Principal payments	\$ 126,000	\$ 126,000	\$ 62,000	\$ 64,000
Interest expense	22,786	22,786	12,019	10,767
Fiscal charges	500	500		500
	<u>149,286</u>	<u>149,286</u>	<u>74,019</u>	<u>75,267</u>
Total expenditures	<u>149,286</u>	<u>149,286</u>	<u>74,019</u>	<u>75,267</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(149,286)</u>	<u>(149,286)</u>	<u>(74,019)</u>	<u>75,267</u>
OTHER FINANCING SOURCES				
Transfers in	<u>149,286</u>	<u>149,286</u>	<u>74,019</u>	<u>(75,267)</u>
SPECIAL AND EXTRAORDINARY ITEMS				
Transfer of operations to East Fork Fire Protection District	<u>          </u>	<u>          </u>	<u>(2,290)</u>	<u>(2,290)</u>
CHANGE IN FUND BALANCE			(2,290)	(2,290)
FUND BALANCE, BEGINNING OF YEAR	<u>          </u>	<u>          </u>	<u>2,290</u>	<u>2,290</u>
FUND BALANCE, END OF YEAR	<u>\$          </u>	<u>\$          </u>	<u>\$          </u>	<u>\$          </u>

# **CAPITAL PROJECTS FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Capital projects funds are used to account for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

Extraordinary Maintenance

Accounts for for the extraordinary maintenance, repair or improvement of County facilities.

Ad Valorem

Accounts for specific projects, such as the purchase of land, improvements to land and facilities, or major purchases of equipment.

Douglas County Construction

Accounts for the construction of necessary capital assets.

Park Residential Construction Tax

Accounts for the construction of new park facilities within specified park districts.

Regional Transportation

Accounts for major transportation projects.

Redevelopment Agency

Accounts for capital related activities of the separate Redevelopment Agency

Town of Gardnerville Ad Valorem

Accounts for specific projects, such as the purchase of land, improvements to land and facilities, or major purchases of equipment.

Town of Genoa Ad Valorem

Accounts for specific projects, such as the purchase of land, improvements to land and facilities, or major purchases of equipment.

Town of Genoa Construction Reserve

Accounts for reserves held specifically for capital projects.

Town of Minden Ad Valorem

Accounts for specific projects, such as the purchase of land, improvements to land and facilities, or major purchases of equipment.

Town of Minden Capital Equipment Construction

Accounts for reserves held specifically for capital equipment.



# DOUGLAS COUNTY

## NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET JUNE 30, 2017

	Extraordinary Maintenance	Ad Valorem	Douglas County Construction	Park Residential Construction Tax	Regional Transportation	Redevelopment Agency
<b>ASSETS</b>						
Cash, cash equivalents and investments	\$ 514,624	\$ 3,260,961	\$ 1,734,815	\$ 853,898	\$ 6,926,363	\$ 3,956,407
Taxes receivable		13,191			8,429	12
Interest receivable	910	7,276	4,081	3,287	11,511	6,653
Due from other governments			5,400		343,653	
Due from other funds		391			619	
Prepaid items					561	
Other assets						
<b>Total assets</b>	<b>\$ 515,534</b>	<b>\$ 3,281,819</b>	<b>\$ 1,744,296</b>	<b>\$ 857,185</b>	<b>\$ 7,291,136</b>	<b>\$ 3,963,072</b>
<b>LIABILITIES</b>						
Accounts payable	\$	\$ 14,494	\$ 64,710	\$ 6,952	\$ 27,148	\$
Accrued salaries, wages and benefits					8,609	
Due to other funds					223	
Unearned revenue, current			14,016	614,491	163,882	
Due to other governments		4,209				
<b>Total liabilities</b>		<b>18,703</b>	<b>78,726</b>	<b>621,443</b>	<b>199,862</b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue, taxes and penalties		10,974			6,545	12
<b>Total liabilities and deferred inflows of resources</b>		<b>29,677</b>	<b>78,726</b>	<b>621,443</b>	<b>206,407</b>	<b>12</b>
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid items					561	
Deposits						
Restricted for						
Capital improvement projects	515,534	3,252,142	1,665,570	235,742	7,084,168	3,963,060
<b>Total fund balances</b>	<b>515,534</b>	<b>3,252,142</b>	<b>1,665,570</b>	<b>235,742</b>	<b>7,084,729</b>	<b>3,963,060</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 515,534</b>	<b>\$ 3,281,819</b>	<b>\$ 1,744,296</b>	<b>\$ 857,185</b>	<b>\$ 7,291,136</b>	<b>\$ 3,963,072</b>

(Continued)

## DOUGLAS COUNTY

### NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2017

	Town of Gardnerville Ad Valorem	Town of Genoa Ad Valorem	Town of Genoa Construction Reserve	Town of Minden Ad Valorem	Town of Minden Capital Equipment Construction	Total Non-major Capital Projects Funds
<b>ASSETS</b>						
Cash, cash equivalents and investments	\$ 101,718	\$ 24,759	\$ 37,877	\$ 58,582	\$ 1,156,215	\$ 18,626,219
Taxes receivable						21,632
Interest receivable	276	28	82	170	3,186	37,460
Due from other governments	2,107	75		2,027		353,262
Due from other funds						1,010
Prepaid items						561
Other assets			7,156			7,156
<b>Total assets</b>	<b><u>\$ 104,101</u></b>	<b><u>\$ 24,862</u></b>	<b><u>\$ 45,115</u></b>	<b><u>\$ 60,779</u></b>	<b><u>\$ 1,159,401</u></b>	<b><u>\$ 19,047,300</u></b>
<b>LIABILITIES</b>						
Accounts payable	\$	\$	\$	\$	\$ 1,438	\$ 114,742
Accrued salaries, wages and benefits						8,609
Due to other funds		4,990				5,213
Unearned revenue, current						792,389
Due to other governments						4,209
<b>Total liabilities</b>		<b><u>4,990</u></b>			<b><u>1,438</u></b>	<b><u>925,162</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue, taxes and penalties						17,531
<b>Total liabilities and deferred inflows of resources</b>		<b><u>4,990</u></b>			<b><u>1,438</u></b>	<b><u>942,693</u></b>
<b>FUND BALANCES</b>						
Nonspendable						
Prepaid items						561
Deposits			7,156			7,156
Restricted for						
Capital improvement projects	104,101	19,872	37,959	60,779	1,157,963	18,096,890
<b>Total fund balances</b>	<b><u>104,101</u></b>	<b><u>19,872</u></b>	<b><u>45,115</u></b>	<b><u>60,779</u></b>	<b><u>1,157,963</u></b>	<b><u>18,104,607</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 104,101</u></b>	<b><u>\$ 24,862</u></b>	<b><u>\$ 45,115</u></b>	<b><u>\$ 60,779</u></b>	<b><u>\$ 1,159,401</u></b>	<b><u>\$ 19,047,300</u></b>

# DOUGLAS COUNTY

## NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2017

	Extraordinary Maintenance	Ad Valorem	Douglas County Construction	Park Residential Construction Tax	Regional Transportation	Redevelopment Agency
<b>REVENUES</b>						
Taxes	\$	\$ 1,178,534	\$	\$ 718,797	\$ 1,105,373	\$
Licenses, permits, franchise and other fees			300,000			
Intergovernmental shared revenues			11,718		1,897,974	
Miscellaneous	<u>1,123</u>	<u>6,132</u>	<u>2,032</u>	<u>(5,162)</u>	<u>4,862</u>	<u>12,206</u>
<b>Total revenues</b>	<u>1,123</u>	<u>1,184,666</u>	<u>313,750</u>	<u>713,635</u>	<u>3,008,209</u>	<u>12,206</u>
<b>EXPENDITURES</b>						
Current						
General government	76,881	40,186	599,448			1,736
Public works					1,208,401	
Culture and recreation				<u>23,383</u>		
<b>Total current</b>	<u>76,881</u>	<u>40,186</u>	<u>599,448</u>	<u>23,383</u>	<u>1,208,401</u>	<u>1,736</u>
Capital outlay						
General government	65,783	330,781	413,741			
Public works					1,728,881	
Culture and recreation				<u>642,750</u>		
<b>Total capital outlay</b>	<u>65,783</u>	<u>330,781</u>	<u>413,741</u>	<u>642,750</u>	<u>1,728,881</u>	
<b>Total expenditures</b>	<u>142,664</u>	<u>370,967</u>	<u>1,013,189</u>	<u>666,133</u>	<u>2,937,282</u>	<u>1,736</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(141,541)</u>	<u>813,699</u>	<u>(699,439)</u>	<u>47,502</u>	<u>70,927</u>	<u>10,470</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in			375,301		2,824,268	2,215,348
Transfers out		<u>(1,052,500)</u>	<u>(120,000)</u>	<u>(4,077)</u>	<u>(1,168,937)</u>	
<b>Total other financing sources (uses)</b>		<u>(1,052,500)</u>	<u>255,301</u>	<u>(4,077)</u>	<u>1,655,331</u>	<u>2,215,348</u>
<b>CHANGE IN FUND BALANCE</b>	(141,541)	(238,801)	(444,138)	43,425	1,726,258	2,225,818
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>657,075</u>	<u>3,490,943</u>	<u>2,109,708</u>	<u>192,317</u>	<u>5,358,471</u>	<u>1,737,242</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 515,534</u>	<u>\$ 3,252,142</u>	<u>\$ 1,665,570</u>	<u>\$ 235,742</u>	<u>\$ 7,084,729</u>	<u>\$ 3,963,060</u>

(Continued)

## DOUGLAS COUNTY

### NON-MAJOR CAPITAL PROJECTS FUNDS

#### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Town of Gardnerville Ad Valorem	Town of Genoa Ad Valorem	Town of Genoa Construction Reserve	Town of Minden Ad Valorem	Town of Minden Capital Equipment Construction	Total Non-major Capital Projects Funds
<b>REVENUES</b>						
Taxes	\$ 46,536	\$ 1,653	\$	\$ 44,756	\$	\$ 3,095,649
Licenses, permits, franchise and other fees						300,000
Intergovernmental shared revenues					262,344	2,172,036
Miscellaneous	<u>20</u>	<u>41</u>	<u>51</u>	<u>23</u>	<u>561</u>	<u>21,889</u>
Total revenues	<u>46,556</u>	<u>1,694</u>	<u>51</u>	<u>44,779</u>	<u>262,905</u>	<u>5,589,574</u>
<b>EXPENDITURES</b>						
Current						
General government		4,990				723,241
Public works						1,208,401
Culture and recreation						<u>23,383</u>
Total current		<u>4,990</u>				<u>1,955,025</u>
Capital outlay						
General government	28,972			101,466	399,483	1,340,226
Public works						1,728,881
Culture and recreation						<u>642,750</u>
Total capital outlay	<u>28,972</u>			<u>101,466</u>	<u>399,483</u>	<u>3,711,857</u>
Total expenditures	<u>28,972</u>	<u>4,990</u>		<u>101,466</u>	<u>399,483</u>	<u>5,666,882</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>17,584</u>	<u>(3,296)</u>	<u>51</u>	<u>(56,687)</u>	<u>(136,578)</u>	<u>(77,308)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	2,000	10,000				5,426,917
Transfers out						<u>(2,345,514)</u>
Total other financing sources (uses)	<u>2,000</u>	<u>10,000</u>				<u>3,081,403</u>
CHANGE IN FUND BALANCE	19,584	6,704	51	(56,687)	(136,578)	3,004,095
FUND BALANCE, BEGINNING OF YEAR	<u>84,517</u>	<u>13,168</u>	<u>45,064</u>	<u>117,466</u>	<u>1,294,541</u>	<u>15,100,512</u>
FUND BALANCE, END OF YEAR	<u>\$ 104,101</u>	<u>\$ 19,872</u>	<u>\$ 45,115</u>	<u>\$ 60,779</u>	<u>\$ 1,157,963</u>	<u>\$ 18,104,607</u>

# DOUGLAS COUNTY

## EXTRAORDINARY MAINTENANCE CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ 1,000	\$ 1,000	\$ 1,123	\$ 123
General government				
Other				
Services and supplies			76,881	(76,881)
Capital outlay			65,783	(65,783)
Total expenditures			142,664	(142,664)
CHANGE IN FUND BALANCE	1,000	1,000	(141,541)	(142,541)
FUND BALANCE, BEGINNING OF YEAR	653,394	657,075	657,075	
FUND BALANCE, END OF YEAR	\$ 654,394	\$ 658,075	\$ 515,534	\$ (142,541)

# DOUGLAS COUNTY

## AD VALOREM CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,167,718	\$ 1,176,779	\$ 1,134,839	\$ (41,940)
Real property taxes, delinquent			6,524	6,524
Real property taxes, deferred			724	724
Personal property taxes, current	30,000	30,000	36,054	6,054
Personal property taxes, delinquent			393	393
Miscellaneous				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>6,132</u>	<u>(3,868)</u>
Total revenues	<u>1,207,718</u>	<u>1,216,779</u>	<u>1,184,666</u>	<u>(32,113)</u>
EXPENDITURES				
General government				
Other				
Services and supplies			40,186	(40,186)
Capital outlay	<u>2,372,950</u>	<u>2,372,950</u>	<u>330,781</u>	<u>2,042,169</u>
Total expenditures	<u>2,372,950</u>	<u>2,372,950</u>	<u>370,967</u>	<u>2,001,983</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,165,232)</u>	<u>(1,156,171)</u>	<u>813,699</u>	<u>1,969,870</u>
OTHER FINANCING USES				
Transfers out	<u>(1,066,348)</u>	<u>(1,076,348)</u>	<u>(1,052,500)</u>	<u>23,848</u>
CHANGE IN FUND BALANCE	(2,231,580)	(2,232,519)	(238,801)	1,993,718
FUND BALANCE, BEGINNING OF YEAR	<u>3,470,563</u>	<u>3,490,943</u>	<u>3,490,943</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,238,983</u>	<u>\$ 1,258,424</u>	<u>\$ 3,252,142</u>	<u>\$ 1,993,718</u>

## DOUGLAS COUNTY

### DOUGLAS COUNTY CONSTRUCTION CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Business licenses, permits, franchise and other fees				
Local county gaming licenses	\$ 300,000	\$ 300,000	\$ 300,000	\$
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants		6,318	11,718	5,400
Miscellaneous				
Investment income	<u>2,000</u>	<u>2,000</u>	<u>2,032</u>	<u>32</u>
Total revenues	<u>302,000</u>	<u>308,318</u>	<u>313,750</u>	<u>5,432</u>
EXPENDITURES				
General government				
Other				
Services and supplies	252,000	994,786	599,448	395,338
Capital outlay	<u>63,500</u>	<u>596,961</u>	<u>413,741</u>	<u>183,220</u>
Total expenditures	<u>315,500</u>	<u>1,591,747</u>	<u>1,013,189</u>	<u>578,558</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(13,500)</u>	<u>(1,283,429)</u>	<u>(699,439)</u>	<u>583,990</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000	375,301	375,301	
Transfers out		<u>(120,000)</u>	<u>(120,000)</u>	
Total other financing sources (uses)	<u>50,000</u>	<u>255,301</u>	<u>255,301</u>	
CHANGE IN FUND BALANCE	36,500	(1,028,128)	(444,138)	583,990
FUND BALANCE, BEGINNING OF YEAR	<u>997,080</u>	<u>2,109,708</u>	<u>2,109,708</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,033,580</u>	<u>\$ 1,081,580</u>	<u>\$ 1,665,570</u>	<u>\$ 583,990</u>

## DOUGLAS COUNTY

### PARK RESIDENTIAL CONSTRUCTION TAX CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Construction taxes	\$ 210,000	\$ 718,797	\$ 718,797	\$
Miscellaneous				
Investment income			(5,162)	(5,162)
Total revenues	<u>210,000</u>	<u>718,797</u>	<u>713,635</u>	<u>(5,162)</u>
EXPENDITURES				
Culture and recreation				
Park residential construction			23,383	(23,383)
Services and supplies			642,750	264,287
Capital outlay	210,000	907,037		
Total expenditures	<u>210,000</u>	<u>907,037</u>	<u>666,133</u>	<u>240,904</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES		<u>(188,240)</u>	<u>47,502</u>	<u>235,742</u>
OTHER FINANCING USES				
Transfers out		(4,077)	(4,077)	
CHANGE IN FUND BALANCE		(192,317)	43,425	235,742
FUND BALANCE, BEGINNING OF YEAR		<u>192,317</u>	<u>192,317</u>	
FUND BALANCE, END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 235,742</u>	<u>\$ 235,742</u>

# DOUGLAS COUNTY

## REGIONAL TRANSPORTATION CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 968,375	\$ 968,375	\$ 920,842	\$ (47,533)
Real property taxes, delinquent			5,427	5,427
Real property taxes, deferred			443	443
Personal property taxes, current			39,632	39,632
Personal property taxes, delinquent			100	100
Construction taxes	100,000	100,000	138,929	38,929
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants			9,195	9,195
Motor vehicle fuel taxes	1,779,255	1,779,255	1,888,779	109,524
Miscellaneous				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>4,862</u>	<u>(5,138)</u>
Total revenues	<u>2,857,630</u>	<u>2,857,630</u>	<u>3,008,209</u>	<u>150,579</u>
<b>EXPENDITURES</b>				
Public works				
Regional transportation				
Salaries and wages	120,320	120,320	124,290	(3,970)
Employee benefits	50,259	50,259	48,987	1,272
Services and supplies	534,710	630,111	1,035,124	(405,013)
Capital outlay	<u>4,076,640</u>	<u>4,914,647</u>	<u>1,728,881</u>	<u>3,185,766</u>
Total expenditures	<u>4,781,929</u>	<u>5,715,337</u>	<u>2,937,282</u>	<u>2,778,055</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,924,299)</u>	<u>(2,857,707)</u>	<u>70,927</u>	<u>2,928,634</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,200,159	2,824,268	2,824,268	
Transfers out	<u>(422,513)</u>	<u>(1,168,937)</u>	<u>(1,168,937)</u>	
Total other financing sources (uses)	<u>777,646</u>	<u>1,655,331</u>	<u>1,655,331</u>	
CHANGE IN FUND BALANCE	(1,146,653)	(1,202,376)	1,726,258	2,928,634
FUND BALANCE, BEGINNING OF YEAR	<u>2,365,815</u>	<u>5,358,471</u>	<u>5,358,471</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,219,162</u>	<u>\$ 4,156,095</u>	<u>\$ 7,084,729</u>	<u>\$ 2,928,634</u>

# DOUGLAS COUNTY

## REDEVELOPMENT AGENCY CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ <u>5,000</u>	\$ <u>5,000</u>	\$ <u>12,206</u>	\$ <u>7,206</u>
EXPENDITURES				
General government				
Other				
Services and supplies	<u>1,736</u>	<u>1,736</u>	<u>1,736</u>	
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,264</u>	<u>3,264</u>	<u>10,470</u>	<u>7,206</u>
OTHER FINANCING SOURCES				
Transfers in	<u>1,959,222</u>	<u>2,215,348</u>	<u>2,215,348</u>	
CHANGE IN FUND BALANCE	1,962,486	2,218,612	2,225,818	7,206
FUND BALANCE, BEGINNING OF YEAR	<u>3,746,723</u>	<u>1,737,239</u>	<u>1,737,242</u>	<u>3</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,709,209</u>	<u>\$ 3,955,851</u>	<u>\$ 3,963,060</u>	<u>\$ 7,209</u>

## DOUGLAS COUNTY

### TOWN OF GARDNERVILLE AD VALOREM CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 46,000	\$ 46,000	\$ 46,536	\$ 536
Miscellaneous				
Investment income			20	20
Total revenues	46,000	46,000	46,556	556
EXPENDITURES				
General government				
Other				
Capital outlay	45,000	59,373	28,972	30,401
EXCESS OF REVENUES OVER EXPENDITURES	1,000	(13,373)	17,584	30,957
OTHER FINANCING SOURCES				
Transfers in		2,000	2,000	
CHANGE IN FUND BALANCE	1,000	(11,373)	19,584	30,957
FUND BALANCE, BEGINNING OF YEAR	72,144	84,517	84,517	
FUND BALANCE, END OF YEAR	\$ 73,144	\$ 73,144	\$ 104,101	\$ 30,957

## DOUGLAS COUNTY

### TOWN OF GENOA AD VALOREM CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 11,800	\$ 11,800	\$ 1,653	\$ (10,147)
Miscellaneous				
Investment income			41	41
Total revenues	<u>11,800</u>	<u>11,800</u>	<u>1,694</u>	<u>(10,106)</u>
EXPENDITURES				
General government				
Other				
Services and supplies			4,990	(4,990)
Capital outlay	17,500	27,500		27,500
Total expenditures	<u>17,500</u>	<u>27,500</u>	<u>4,990</u>	<u>22,510</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(5,700)</u>	<u>(15,700)</u>	<u>(3,296)</u>	<u>12,404</u>
OTHER FINANCING SOURCES				
Transfers in		10,000	10,000	
CHANGE IN FUND BALANCE	(5,700)	(5,700)	6,704	12,404
FUND BALANCE, BEGINNING OF YEAR	<u>13,064</u>	<u>13,168</u>	<u>13,168</u>	
FUND BALANCE, END OF YEAR	<u>\$ 7,364</u>	<u>\$ 7,468</u>	<u>\$ 19,872</u>	<u>\$ 12,404</u>

**DOUGLAS COUNTY**

**TOWN OF GENOA CONSTRUCTION RESERVE CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2017**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ <u>200</u>	\$ <u>200</u>	\$ <u>51</u>	\$ <u>(149)</u>
CHANGE IN FUND BALANCE	200	200	51	(149)
FUND BALANCE, BEGINNING OF YEAR	<u>44,840</u>	<u>45,064</u>	<u>45,064</u>	
FUND BALANCE, END OF YEAR	<u>\$ <u>45,040</u></u>	<u>\$ <u>45,264</u></u>	<u>\$ <u>45,115</u></u>	<u>\$ <u>(149)</u></u>

## DOUGLAS COUNTY

### TOWN OF MINDEN AD VALOREM CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 43,170	\$ 43,170	\$ 44,756	\$ 1,586
Miscellaneous				
Investment income			23	23
Total revenues	<u>43,170</u>	<u>43,170</u>	<u>44,779</u>	<u>1,609</u>
EXPENDITURES				
General government				
Other				
Capital outlay	<u>105,000</u>	<u>111,452</u>	<u>101,466</u>	<u>9,986</u>
CHANGE IN FUND BALANCE	(61,830)	(68,282)	(56,687)	11,595
FUND BALANCE, BEGINNING OF YEAR	<u>111,015</u>	<u>117,467</u>	<u>117,466</u>	<u>(1)</u>
FUND BALANCE, END OF YEAR	<u><u>\$ 49,185</u></u>	<u><u>\$ 49,185</u></u>	<u><u>\$ 60,779</u></u>	<u><u>\$ 11,594</u></u>

## DOUGLAS COUNTY

### TOWN OF MINDEN CAPITAL EQUIPMENT CONSTRUCTION CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants	\$	\$	\$ 262,344	\$ 262,344
Miscellaneous				
Investment income			561	561
Total revenues			<u>262,905</u>	<u>262,905</u>
EXPENDITURES				
General government				
Other				
Services and supplies	30,000	30,000		30,000
Capital outlay	500,000	806,538	399,483	407,055
Total expenditures	<u>530,000</u>	<u>836,538</u>	<u>399,483</u>	<u>437,055</u>
CHANGE IN FUND BALANCE	(530,000)	(836,538)	(136,578)	699,960
FUND BALANCE, BEGINNING OF YEAR	<u>1,164,751</u>	<u>1,294,541</u>	<u>1,294,541</u>	
FUND BALANCE, END OF YEAR	<u>\$ 634,751</u>	<u>\$ 458,003</u>	<u>\$ 1,157,963</u>	<u>\$ 699,960</u>



# **MAJOR ENTERPRISE FUNDS**



**DOUGLAS COUNTY**  
**MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Enterprise funds are used to account for activities for which a user fee is charged for goods or services.

Regional Water Utility

Accounts for the operations of the Regional water system, a separate water system in Douglas County.

Sewer Utility

Accounts for the operations of the Douglas County sewer system.

Carson Valley Water Utility

Accounts for the operations of the Carson Valley water system, a separate water system in Douglas County.

Lake Tahoe Water Utility

Accounts for the operations of the Zepher, Cave Rock and Skyland water systems, three separate water systems in Douglas County.

Town of Minden Wholesale Water Utility

Accounts for the operations of the Town of Minden wholesale water system.

Town of Minden Water Company

Accounts for the operations of the Town of Minden water system, a separate water system in Douglas County



# DOUGLAS COUNTY

## REGIONAL WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,290,608	\$ 1,290,608	\$ 1,284,392	\$ (6,216)
OPERATING EXPENSES				
Salaries and wages	27,236	27,236	24,512	2,724
Employee benefits	13,564	13,564	13,041	523
Services and supplies	1,134,204	1,135,832	1,111,556	24,276
Depreciation	481,000	481,000	481,327	(327)
Total operating expenses	<u>1,656,004</u>	<u>1,657,632</u>	<u>1,630,436</u>	<u>27,196</u>
Operating loss	<u>(365,396)</u>	<u>(367,024)</u>	<u>(346,044)</u>	<u>20,980</u>
NONOPERATING REVENUES				
Investment income	500	500	2,811	2,311
Miscellaneous	<u>          </u>	<u>          </u>	<u>302</u>	<u>302</u>
Total nonoperating revenues	<u>500</u>	<u>500</u>	<u>3,113</u>	<u>2,613</u>
Loss before capital contributions and transfers	<u>(364,896)</u>	<u>(366,524)</u>	<u>(342,931)</u>	<u>23,593</u>
CAPITAL CONTRIBUTIONS				
Water capacity fees	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>          </u>
TRANSFERS				
Transfers out	<u>(125,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>	<u>          </u>
CHANGE IN NET POSITION	<u>\$ (364,896)</u>	<u>\$ (366,524)</u>	<u>(342,931)</u>	<u>\$ 23,593</u>
NET POSITION, BEGINNING OF YEAR			<u>15,713,269</u>	
NET POSITION, END OF YEAR			<u>\$ 15,370,338</u>	

# DOUGLAS COUNTY

## SEWER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 2,015,552	\$ 2,015,552	\$ 2,133,349	\$ 117,797
OPERATING EXPENSES				
Salaries and wages	312,578	312,578	344,808	(32,230)
Employee benefits	135,917	135,917	148,724	(12,807)
Services and supplies	1,454,700	1,464,538	569,283	895,255
Depreciation	864,000	864,000	869,625	(5,625)
Total operating expenses	<u>2,767,195</u>	<u>2,777,033</u>	<u>1,932,440</u>	<u>844,593</u>
Operating income (loss)	<u>(751,643)</u>	<u>(761,481)</u>	<u>200,909</u>	<u>962,390</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	7,000	7,000	10,321	3,321
Interest and fiscal charges	(128,833)	(225,960)	(94,956)	131,004
Gain (loss) on capital asset disposition			36	36
Miscellaneous			2,250	2,250
Total nonoperating revenues (expenses)	<u>(121,833)</u>	<u>(218,960)</u>	<u>(82,349)</u>	<u>136,611</u>
Income (loss) before capital contributions and transfers	<u>(873,476)</u>	<u>(980,441)</u>	<u>118,560</u>	<u>1,099,001</u>
CAPITAL CONTRIBUTIONS				
Connection charges			264,640	264,640
CHANGE IN NET POSITION	<u>\$ (873,476)</u>	<u>\$ (980,441)</u>	383,200	<u>\$ 1,363,641</u>
NET POSITION, BEGINNING OF YEAR			24,785,188	
NET POSITION, END OF YEAR			<u>\$ 25,168,388</u>	

# DOUGLAS COUNTY

## CARSON VALLEY WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 3,115,091	\$ 3,115,091	\$ 2,998,506	\$ (116,585)
OPERATING EXPENSES				
Salaries and wages	472,357	472,357	431,294	41,063
Employee benefits	215,402	215,402	196,638	18,764
Services and supplies	978,931	1,009,709	1,167,071	(157,362)
Depreciation	801,000	801,000	788,693	12,307
Total operating expenses	<u>2,467,690</u>	<u>2,498,468</u>	<u>2,583,696</u>	<u>(85,228)</u>
Operating income	<u>647,401</u>	<u>616,623</u>	<u>414,810</u>	<u>(201,813)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	10,000	10,000	6,117	(3,883)
Interest and fiscal charges	(331,804)	(317,078)	(262,108)	54,970
Intergovernmental shared revenues	231,490	231,490	345,217	113,727
Gain (loss) on capital asset disposition			36	36
Miscellaneous			68,744	68,744
Total nonoperating revenues (expenses)	<u>(90,314)</u>	<u>(75,588)</u>	<u>158,006</u>	<u>233,594</u>
Income before capital contributions and transfers	<u>557,087</u>	<u>541,035</u>	<u>572,816</u>	<u>31,781</u>
CAPITAL CONTRIBUTIONS				
Capital contributions			119,860	119,860
Connection charges			137,710	137,710
Total capital contributions			<u>257,570</u>	<u>257,570</u>
TRANSFERS				
Transfers in	<u>125,000</u>	<u>160,346</u>	<u>160,346</u>	
CHANGE IN NET POSITION	<u>\$ 682,087</u>	<u>\$ 701,381</u>	990,732	<u>\$ 289,351</u>
NET POSITION, BEGINNING OF YEAR			<u>24,585,153</u>	
NET POSITION, END OF YEAR			<u>\$ 25,575,885</u>	

# DOUGLAS COUNTY

## LAKE TAHOE WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,653,518	\$ 1,653,518	\$ 1,742,702	\$ 89,184
OPERATING EXPENSES				
Salaries and wages	308,585	308,585	313,070	(4,485)
Employee benefits	133,849	133,849	139,593	(5,744)
Services and supplies	566,084	567,828	471,495	96,333
Depreciation	700,000	675,000	673,012	1,988
Total operating expenses	<u>1,708,518</u>	<u>1,685,262</u>	<u>1,597,170</u>	<u>88,092</u>
Operating income (loss)	<u>(55,000)</u>	<u>(31,744)</u>	<u>145,532</u>	<u>177,276</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,700	1,700	4,547	2,847
Interest and fiscal charges	(164,307)	(144,748)	(132,064)	12,684
Lease revenues	32,480	32,480	36,720	4,240
Miscellaneous	<u>          </u>	<u>          </u>	<u>952</u>	<u>952</u>
Total nonoperating revenues (expenses)	<u>(130,127)</u>	<u>(110,568)</u>	<u>(89,845)</u>	<u>20,723</u>
Income (loss) before capital contributions and transfers	<u>(185,127)</u>	<u>(142,312)</u>	<u>55,687</u>	<u>197,999</u>
CAPITAL CONTRIBUTIONS				
Connection charges	<u>          </u>	<u>1,000</u>	<u>21,250</u>	<u>20,250</u>
TRANSFERS				
Transfers in	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>          </u>
CHANGE IN NET POSITION	<u>\$ (110,127)</u>	<u>\$ (66,312)</u>	151,937	<u>\$ 218,249</u>
NET POSITION, BEGINNING OF YEAR			<u>13,541,366</u>	
NET POSITION, END OF YEAR			<u>\$ 13,693,303</u>	

## DOUGLAS COUNTY

### TOWN OF MINDEN WHOLESALE WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,455,700	\$ 1,455,700	\$ 1,272,104	\$ (183,596)
OPERATING EXPENSES				
Salaries and wages	242,390	242,390	216,320	26,070
Employee benefits	115,461	115,461	103,410	12,051
Services and supplies	638,187	638,187	494,811	143,376
Capital outlay - should net to zero	886,000			
Depreciation	750,000	750,000	433,732	316,268
Total operating expenses	<u>2,632,038</u>	<u>1,746,038</u>	<u>1,248,273</u>	<u>497,765</u>
Operating income (loss)	<u>(1,176,338)</u>	<u>(290,338)</u>	<u>23,831</u>	<u>314,169</u>
NONOPERATING REVENUES				
Investment income			2,639	2,639
Miscellaneous			5,308	5,308
Total nonoperating revenues			<u>7,947</u>	<u>7,947</u>
CHANGE IN NET POSITION	<u>\$ (1,176,338)</u>	<u>\$ (290,338)</u>	31,778	<u>\$ 322,116</u>
NET POSITION, BEGINNING OF YEAR			<u>13,903,987</u>	
NET POSITION, END OF YEAR			<u>\$ 13,935,765</u>	

# DOUGLAS COUNTY

## TOWN OF MINDEN WATER COMPANY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 925,000	\$ 925,000	\$ 1,034,676	\$ 109,676
<b>OPERATING EXPENSES</b>				
Salaries and wages	184,494	184,494	171,700	12,794
Employee benefits	101,837	101,837	105,446	(3,609)
Services and supplies	568,200	568,200	388,882	179,318
Capital outlay - should net to zero		(130,000)		(130,000)
Depreciation	350,000	350,000	290,667	59,333
Total operating expenses	<u>1,204,531</u>	<u>1,074,531</u>	<u>956,695</u>	<u>117,836</u>
Operating income (loss)	<u>(279,531)</u>	<u>(149,531)</u>	<u>77,981</u>	<u>227,512</u>
<b>NONOPERATING REVENUES</b>				
Investment income			7,172	7,172
Lease revenues			200	200
Total nonoperating revenues			<u>7,372</u>	<u>7,372</u>
Income (loss) before capital contributions	<u>(279,531)</u>	<u>(149,531)</u>	<u>85,353</u>	<u>234,884</u>
<b>CAPITAL CONTRIBUTIONS</b>				
Connection charges			420,555	420,555
CHANGE IN NET POSITION	<u>\$ (279,531)</u>	<u>\$ (149,531)</u>	505,908	<u>\$ 655,439</u>
NET POSITION, BEGINNING OF YEAR			<u>12,032,077</u>	
NET POSITION, END OF YEAR			<u>\$ 12,537,985</u>	

# **NON-MAJOR ENTERPRISE FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Enterprise funds are used to account for activities for which a user fee is charged for goods or services.

Ridgeview Water Utility

Accounts for the operations of the Ridgeview water system, a separate, smaller water system in Douglas County.

Town of Gardnerville Health and Sanitation

Accounts for the operations of the trash service in the Town of Gardnerville.

Town of Minden Trash

Accounts for the operations of the trash service in the Town of Minden.



**DOUGLAS COUNTY**  
**NON-MAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
<b>ASSETS</b>				
Current assets				
Cash, cash equivalents and investments	\$ 10,728	\$ 926,607	\$ 465,954	\$ 1,403,289
Accounts receivable, net		66,742	103,133	169,875
Interest receivable	35	1,633	1,261	2,929
Due from other funds		15		15
Prepaid items		11,323	16,949	28,272
Total current assets	<u>10,763</u>	<u>1,006,320</u>	<u>587,297</u>	<u>1,604,380</u>
Noncurrent assets				
Capital assets, net of accumulated depreciation and amortization				
Land		202,376	32,615	234,991
Construction in progress		41,197		41,197
Buildings and building improvements		234,564		234,564
Machinery, equipment and software		355,651	426,325	781,976
Total noncurrent assets		<u>833,788</u>	<u>458,940</u>	<u>1,292,728</u>
Total assets	<u>10,763</u>	<u>1,840,108</u>	<u>1,046,237</u>	<u>2,897,108</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions		<u>135,450</u>	<u>80,461</u>	<u>215,911</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable		46,762	22,231	68,993
Accrued salaries, wages and benefits		22,517	10,479	32,996
Due to other funds		550	266	816
Unearned revenue, current		10,528	2,095	12,623
Compensated absences		27,195	16,405	43,600
Total current liabilities		<u>107,552</u>	<u>51,476</u>	<u>159,028</u>
Noncurrent liabilities				
Postemployment benefits other than pensions		41,455	30,459	71,914
Net pension liability		560,956	333,217	894,173
Total noncurrent liabilities		<u>602,411</u>	<u>363,676</u>	<u>966,087</u>
Total liabilities		<u>709,963</u>	<u>415,152</u>	<u>1,125,115</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions		<u>52,109</u>	<u>30,954</u>	<u>83,063</u>
<b>NET POSITION</b>				
Net investment in capital assets		833,788	458,940	1,292,728
Unrestricted	10,763	379,698	221,652	612,113
Total net position	<u>\$ 10,763</u>	<u>\$ 1,213,486</u>	<u>\$ 680,592</u>	<u>\$ 1,904,841</u>

# DOUGLAS COUNTY

## NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2017

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ _____	\$ 1,067,651	\$ 696,287	\$ 1,763,938
<b>OPERATING EXPENSES</b>				
Salaries and wages		319,934	170,450	490,384
Employee benefits		148,876	88,808	237,684
Services and supplies		475,067	314,015	789,082
Depreciation		73,999	34,894	108,893
Total operating expenses		<u>1,017,876</u>	<u>608,167</u>	<u>1,626,043</u>
Operating income		<u>49,775</u>	<u>88,120</u>	<u>137,895</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income	15	1,367	713	2,095
Interest and fiscal charges	(65)			(65)
Miscellaneous		25		25
Total nonoperating revenues (expenses)	<u>(50)</u>	<u>1,392</u>	<u>713</u>	<u>2,055</u>
CHANGE IN NET POSITION	(50)	51,167	88,833	139,950
NET POSITION, BEGINNING OF YEAR	<u>10,813</u>	<u>1,162,319</u>	<u>591,759</u>	<u>1,764,891</u>
NET POSITION, END OF YEAR	<u>\$ 10,763</u>	<u>\$ 1,213,486</u>	<u>\$ 680,592</u>	<u>\$ 1,904,841</u>

# DOUGLAS COUNTY

## NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2017

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$	\$ 1,076,309	\$ 683,309	\$ 1,759,618
Cash payments for goods and services		(461,988)	(316,194)	(778,182)
Cash payments for employee services and benefits		(442,099)	(229,858)	(671,957)
Net cash provided by operating activities		<u>172,222</u>	<u>137,257</u>	<u>309,479</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets		(76,449)	(461,219)	(537,668)
Principal payments on debt	(3,120)			(3,120)
Interest payments on debt	(78)			(78)
Net cash used in capital financing activities	<u>(3,198)</u>	<u>(76,449)</u>	<u>(461,219)</u>	<u>(540,866)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	<u>14</u>	<u>1,193</u>	<u>687</u>	<u>1,894</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,184)	96,966	(323,275)	(229,493)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>13,912</u>	<u>829,641</u>	<u>789,229</u>	<u>1,632,782</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 10,728</u>	<u>\$ 926,607</u>	<u>\$ 465,954</u>	<u>\$ 1,403,289</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income	\$	\$ 49,775	\$ 88,120	\$ 137,895
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization		73,999	34,894	108,893
(Increase) decrease in operating assets				
Accounts receivable		1,734	(6,777)	(5,043)
Due from other funds		(15)		(15)
Prepaid expenses		6,939	(6,201)	738
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses		16,434	(2,311)	14,123
Accrued salaries and benefits		9,492	6,078	15,570
Due to other funds		(5,142)	128	(5,014)
Unearned revenue		1,787	4	1,791
Compensated absences		3,080	8,442	11,522
Postemployment benefits other than pensions		14,510	15,101	29,611
Net pension liability		(371)	(221)	(592)
Total adjustments		<u>122,447</u>	<u>49,137</u>	<u>171,584</u>
Net cash provided by operating activities	<u>\$</u>	<u>\$ 172,222</u>	<u>\$ 137,257</u>	<u>\$ 309,479</u>

# DOUGLAS COUNTY

## RIDGEVIEW WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	\$ 20	\$ 20	\$ 15	\$ (5)
Interest and fiscal charges	<u>(237)</u>	<u>(109)</u>	<u>(65)</u>	<u>44</u>
Total nonoperating revenues (expenses)	<u>(217)</u>	<u>(89)</u>	<u>(50)</u>	<u>39</u>
CHANGE IN NET POSITION	\$ <u>(217)</u>	\$ <u>(89)</u>	(50)	\$ <u>39</u>
NET POSITION, BEGINNING OF YEAR			<u>10,813</u>	
NET POSITION, END OF YEAR			\$ <u>10,763</u>	

## DOUGLAS COUNTY

### TOWN OF GARDNERVILLE HEALTH AND SANITATION ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 980,000	\$ 980,000	\$ 1,067,651	\$ 87,651
OPERATING EXPENSES				
Salaries and wages	317,175	317,175	319,934	(2,759)
Employee benefits	142,529	142,529	148,876	(6,347)
Services and supplies	496,394	562,369	475,067	87,302
Depreciation	50,000	50,000	73,999	(23,999)
Total operating expenses	<u>1,006,098</u>	<u>1,072,073</u>	<u>1,017,876</u>	<u>54,197</u>
Operating income (loss)	<u>(26,098)</u>	<u>(92,073)</u>	<u>49,775</u>	<u>141,848</u>
NONOPERATING REVENUES				
Investment income			1,367	1,367
Miscellaneous			25	25
CHANGE IN NET POSITION	<u>\$ (26,098)</u>	<u>\$ (92,073)</u>	51,167	<u>\$ 143,240</u>
NET POSITION, BEGINNING OF YEAR			<u>1,162,319</u>	
NET POSITION, END OF YEAR			<u>\$ 1,213,486</u>	

# DOUGLAS COUNTY

## TOWN OF MINDEN TRASH ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 628,000	\$ 628,000	\$ 696,287	\$ 68,287
OPERATING EXPENSES				
Salaries and wages	204,556	204,556	170,450	34,106
Employee benefits	123,382	123,382	88,808	34,574
Services and supplies	282,250	332,250	314,015	18,235
Capital outlay - should net to zero	500,000			
Depreciation	60,000	60,000	34,894	25,106
Total operating expenses	<u>1,170,188</u>	<u>720,188</u>	<u>608,167</u>	<u>112,021</u>
Operating income (loss)	<u>(542,188)</u>	<u>(92,188)</u>	<u>88,120</u>	<u>180,308</u>
NONOPERATING REVENUES				
Investment income			713	713
CHANGE IN NET POSITION	<u>\$ (542,188)</u>	<u>\$ (92,188)</u>	88,833	<u>\$ 181,021</u>
NET POSITION, BEGINNING OF YEAR			<u>591,759</u>	
NET POSITION, END OF YEAR			<u>\$ 680,592</u>	

# **INTERNAL SERVICE FUNDS**



# **DOUGLAS COUNTY**

## **INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2017**

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Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

**Risk Management**

Accounts for the management and funding of various insurance needs.

**Self-insurance Dental**

Accounts for the management and funding of the self-insurance dental program.

**Motor Pool**

Accounts for the provision and maintenance of County vehicles.



**DOUGLAS COUNTY**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2017**

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
<b>ASSETS</b>				
Current assets				
Cash, cash equivalents and investments	\$ 4,573,362	\$ 746,965	\$ 381,429	\$ 5,701,756
Accounts receivable, net			17,457	17,457
Taxes receivable	2,203			2,203
Interest receivable	10,540	1,714	1,085	13,339
Due from other funds	90,160			90,160
Inventories			199,872	199,872
Prepaid items	<u>8,301</u>		<u>2,123</u>	<u>10,424</u>
Total current assets	<u>4,684,566</u>	<u>748,679</u>	<u>601,966</u>	<u>6,035,211</u>
Noncurrent assets				
Capital assets, net of accumulated depreciation and amortization				
Buildings and building improvements			976	976
Machinery, equipment and software			<u>426,874</u>	<u>426,874</u>
Total noncurrent assets			<u>427,850</u>	<u>427,850</u>
Total assets	<u>4,684,566</u>	<u>748,679</u>	<u>1,029,816</u>	<u>6,463,061</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions	<u>34,714</u>		<u>155,843</u>	<u>190,557</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	4,646	9,709	25,456	39,811
Accrued salaries, wages and benefits	271,867		23,663	295,530
Due to other funds	112,744		489	113,233
Due to other governments	54			54
Claims and judgments		46,162		46,162
Compensated absences	<u>8,502</u>		<u>21,905</u>	<u>30,407</u>
Total current liabilities	<u>397,813</u>	<u>55,871</u>	<u>71,513</u>	<u>525,197</u>
Noncurrent liabilities				
Postemployment benefits other than pensions	5,247		10,161	15,408
Net pension liability	<u>143,767</u>		<u>645,407</u>	<u>789,174</u>
Total noncurrent liabilities	<u>149,014</u>		<u>655,568</u>	<u>804,582</u>
Total liabilities	<u>546,827</u>	<u>55,871</u>	<u>727,081</u>	<u>1,329,779</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions	<u>13,356</u>		<u>59,955</u>	<u>73,311</u>
<b>NET POSITION</b>				
Net investment in capital assets			427,850	427,850
Restricted				
Insurance liabilities	4,159,097	692,808		4,851,905
Unrestricted			<u>(29,227)</u>	<u>(29,227)</u>
Total net position	<u>\$ 4,159,097</u>	<u>\$ 692,808</u>	<u>\$ 398,623</u>	<u>\$ 5,250,528</u>

# DOUGLAS COUNTY

## INTERNAL SERVICE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2017

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 2,476,328	\$ 343,289	\$ 1,389,198	\$ 4,208,815
OPERATING EXPENSES				
Salaries and wages	89,536		319,456	408,992
Employee benefits	38,692		131,695	170,387
Services and supplies	2,067,384	416,252	973,567	3,457,203
Depreciation			184,516	184,516
Total operating expenses	<u>2,195,612</u>	<u>416,252</u>	<u>1,609,234</u>	<u>4,221,098</u>
Operating income (loss)	<u>280,716</u>	<u>(72,963)</u>	<u>(220,036)</u>	<u>(12,283)</u>
NONOPERATING REVENUES				
Investment income	2,734	1,237	652	4,623
Property taxes	184,016			184,016
Gain (loss) on capital asset disposition			13,281	13,281
Miscellaneous	47,193		1,896	49,089
Total nonoperating revenues	<u>233,943</u>	<u>1,237</u>	<u>15,829</u>	<u>251,009</u>
Income (loss) before transfers	<u>514,659</u>	<u>(71,726)</u>	<u>(204,207)</u>	<u>238,726</u>
TRANSFERS				
Transfers in			25,000	25,000
CHANGE IN NET POSITION	514,659	(71,726)	(179,207)	263,726
NET POSITION, BEGINNING OF YEAR	<u>3,644,438</u>	<u>764,534</u>	<u>577,830</u>	<u>4,986,802</u>
NET POSITION, END OF YEAR	<u>\$ 4,159,097</u>	<u>\$ 692,808</u>	<u>\$ 398,623</u>	<u>\$ 5,250,528</u>

# DOUGLAS COUNTY

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2017

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from interfund services	\$ 3,460,615	\$ 343,393	\$ 1,528,902	\$ 5,332,910
Cash payments for interfund goods and services	(1,965,741)	(425,929)	(998,372)	(3,390,042)
Cash payments for interfund employee services and benefits	(401,294)	(465,821)	(465,821)	(867,115)
Net cash provided by (used in) operating activities	1,093,580	(82,536)	64,709	1,075,753
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in			25,000	25,000
Property taxes	191,087			191,087
Net cash provided by noncapital financing activities	191,087		25,000	216,087
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Proceeds received from disposal of capital assets			13,281	13,281
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	2,313	1,206	566	4,085
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,286,980	(81,330)	103,556	1,309,206
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,286,382	828,295	277,873	4,392,550
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,573,362	\$ 746,965	\$ 381,429	\$ 5,701,756
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 280,716	\$ (72,963)	\$ (220,036)	\$ (12,283)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization			184,516	184,516
(Increase) decrease in operating assets				
Accounts receivable	47,193	104	26,750	74,047
Due from other funds	303,667			303,667
Inventories			115,077	115,077
Prepaid expenses	633,427		(2,123)	631,304
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses	(11,129)	(9,340)	(24,771)	(45,240)
Accrued salaries and benefits	(275,882)		10,742	(265,140)
Due to other funds	112,772	(337)	(34)	112,401
Compensated absences	457		(11,739)	(11,282)
Postemployment benefits other than pensions	2,454		(13,247)	(10,793)
Net pension liability	(95)		(426)	(521)
Total adjustments	812,864	(9,573)	284,745	1,088,036
Net cash provided by (used in) operating activities	\$ 1,093,580	\$ (82,536)	\$ 64,709	\$ 1,075,753

# DOUGLAS COUNTY

## RISK MANAGEMENT INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 2,826,209	\$ 2,826,209	\$ 2,476,328	\$ (349,881)
OPERATING EXPENSES				
Salaries and wages	97,368	97,368	89,536	7,832
Employee benefits	42,539	42,539	38,692	3,847
Services and supplies	<u>2,845,535</u>	<u>2,845,535</u>	<u>2,067,384</u>	<u>778,151</u>
Total operating expenses	<u>2,985,442</u>	<u>2,985,442</u>	<u>2,195,612</u>	<u>789,830</u>
Operating income (loss)	<u>(159,233)</u>	<u>(159,233)</u>	<u>280,716</u>	<u>439,949</u>
NONOPERATING REVENUES				
Investment income	10,000	10,000	2,734	(7,266)
Property taxes	196,462	196,462	184,016	(12,446)
Miscellaneous	<u>          </u>	<u>          </u>	<u>47,193</u>	<u>47,193</u>
Total nonoperating revenues	<u>206,462</u>	<u>206,462</u>	<u>233,943</u>	<u>27,481</u>
CHANGE IN NET POSITION	<u>\$ 47,229</u>	<u>\$ 47,229</u>	514,659	<u>\$ 467,430</u>
NET POSITION, BEGINNING OF YEAR			<u>3,644,438</u>	
NET POSITION, END OF YEAR			<u>\$ 4,159,097</u>	

# DOUGLAS COUNTY

## SELF-INSURANCE DENTAL INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ <u>405,790</u>	\$ <u>405,790</u>	\$ <u>343,289</u>	\$ <u>(62,501)</u>
OPERATING EXPENSES				
Services and supplies	<u>415,790</u>	<u>415,790</u>	<u>416,252</u>	<u>(462)</u>
Operating loss	<u>(10,000)</u>	<u>(10,000)</u>	<u>(72,963)</u>	<u>(62,963)</u>
NONOPERATING REVENUES				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>1,237</u>	<u>(8,763)</u>
CHANGE IN NET POSITION	\$ <u>          </u>	\$ <u>          </u>	(71,726)	\$ <u>(71,726)</u>
NET POSITION, BEGINNING OF YEAR			<u>764,534</u>	
NET POSITION, END OF YEAR			\$ <u>692,808</u>	

# DOUGLAS COUNTY

## MOTOR POOL INTERNAL SERVICE FUND

### SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,420,747	\$ 1,420,747	\$ 1,389,198	\$ (31,549)
OPERATING EXPENSES				
Salaries and wages	335,851	335,851	319,456	16,395
Employee benefits	165,797	165,797	131,695	34,102
Services and supplies	757,714	757,714	973,567	(215,853)
Depreciation	<u>153,000</u>	<u>153,000</u>	<u>184,516</u>	<u>(31,516)</u>
Total operating expenses	<u>1,412,362</u>	<u>1,412,362</u>	<u>1,609,234</u>	<u>(196,872)</u>
Operating income (loss)	<u>8,385</u>	<u>8,385</u>	<u>(220,036)</u>	<u>(228,421)</u>
NONOPERATING REVENUES				
Investment income			652	652
Gain (loss) on capital asset disposition	24,200	24,200	13,281	(10,919)
Miscellaneous			<u>1,896</u>	<u>1,896</u>
Total nonoperating revenues	<u>24,200</u>	<u>24,200</u>	<u>15,829</u>	<u>(8,371)</u>
Income (loss) before transfers	<u>32,585</u>	<u>32,585</u>	<u>(204,207)</u>	<u>(236,792)</u>
TRANSFERS				
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	
CHANGE IN NET POSITION	<u>\$ 57,585</u>	<u>\$ 57,585</u>	(179,207)	<u>\$ (236,792)</u>
NET POSITION, BEGINNING OF YEAR			<u>577,830</u>	
NET POSITION, END OF YEAR			<u>\$ 398,623</u>	

# **FIDUCIARY FUNDS**



# DOUGLAS COUNTY

## AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2017

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Agency funds are used to account for assets held as an agent for individuals, private organizations, or other governments.

Douglas County School District

Accounts for the collection and distribution of apportioned property taxes.

Douglas County School District Debt

Accounts for the collection and distribution of apportioned property taxes dedicated to the retirement of long-term debt principal and interest.

Carson Water Sub-conservancy District

Accounts for the collection and distribution of apportioned property taxes.

Cave Rock General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Douglas County Sewer Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Elk Point Sanitation District

Accounts for the collection and distribution of charges for services.

Gardnerville Ranchos General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Genoa Lakes Assessment District

Accounts for the collection and distribution of special assessment levies dedicated to the retirement of long-term debt principal and interest.

Indian Hills General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Kingsbury General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Lakeridge General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Logan Creek General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Minden-Gardnerville Sanitation District

Accounts for the collection and distribution of apportioned property taxes.

Oliver Park General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Round Hill General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Sierra Estates General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Skyland General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Tahoe-Douglas Sanitation District

Accounts for the collection and distribution of charges for services.

Tahoe-Douglas Fire Protection District

Accounts for the collection and distribution of apportioned property taxes.

Topaz Ranch Estates General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

**DOUGLAS COUNTY**  
**AGENCY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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Zephyr Cove General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Zephyr Heights General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Zephyr Knolls General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

East Fork Swimming Pool District

Accounts for the collection and distribution of apportioned property taxes.

Inmate Commissary

Accounts for inmate commissary funds administered by the Sheriff Department.

Inmates Trust

Accounts for the inmate funds held by the Sheriff Department.

Douglas County Mosquito Abatement District

Accounts for the collection and distribution of apportioned property taxes.

State of Nevada

Accounts for the collection and distribution of apportioned property taxes, District and Justice Court fees, marriage fees, and other fees mandated by State of Nevada statutes.

Department of Wildlife

Accounts for the collection and payment of monies from the State of Nevada, general fund, wildlife account.

Range Improvements

Accounts for the collection and payment of grazing fees from the U. S. Government.

Sierra Forest Fire Protection District

Accounts for the collection and distribution of apportioned property taxes.

East Fork Fire Protection District

Accounts for the collection and distribution of apportioned property taxes.

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2017**

	Douglas County School District	Douglas County School District Debt	Carson Water Sub- conservancy District	Cave Rock General Improvement District	Douglas County Sewer Improvement District	Gardnerville Ranchos General Improvement District	Genoa Lakes Assessment District
<b>ASSETS</b>							
Cash, cash equivalents and investments	\$ 157,259	\$ 2,785	\$ 527	\$ 340	\$ 241	\$ 1,320	\$ 243,618
Accounts receivable, net	5,357						
Taxes receivable	197,859	28,223	5,347	577		6,477	
Interest receivable							77
Due from other governments	44,714	782	235				
Special assessments receivable							2,481
Inventories							
Prepaid items							
Total assets	<u>\$ 405,189</u>	<u>\$ 31,790</u>	<u>\$ 6,109</u>	<u>\$ 917</u>	<u>\$ 241</u>	<u>\$ 7,797</u>	<u>\$ 246,176</u>
<b>LIABILITIES</b>							
Due to others	<u>\$ 405,189</u>	<u>\$ 31,790</u>	<u>\$ 6,109</u>	<u>\$ 917</u>	<u>\$ 241</u>	<u>\$ 7,797</u>	<u>\$ 246,176</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2017**

	Indian Hills General Improvement District	Kingsbury General Improvement District	Minden- Gardnerville Sanitation District	Oliver Park General Improvement District	Round Hill General Improvement District	Sierra Estates General Improvement District	Skyland General Improvement District	Tahoe-Douglas Sanitation District
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 672	\$ 785	\$ 522	\$	\$	\$ 90	\$	\$ 182
Accounts receivable, net								
Taxes receivable	4,220	11,260	4,574	1,270	2,347		148	262
Interest receivable								
Due from other governments			270					
Special assessments receivable								
Inventories								
Prepaid items								
Total assets	<u>\$ 4,892</u>	<u>\$ 12,045</u>	<u>\$ 5,366</u>	<u>\$ 1,270</u>	<u>\$ 2,347</u>	<u>\$ 90</u>	<u>\$ 148</u>	<u>\$ 444</u>
<b>LIABILITIES</b>								
Due to others	<u>\$ 4,892</u>	<u>\$ 12,045</u>	<u>\$ 5,366</u>	<u>\$ 1,270</u>	<u>\$ 2,347</u>	<u>\$ 90</u>	<u>\$ 148</u>	<u>\$ 444</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2017**

	Tahoe-Douglas Fire Protection District	Topaz Ranch Estates General Improvement District	Zephyr Cove General Improvement District	Zephyr Heights General Improvement District	Zephyr Knolls General Improvement District	East Fork Swimming Pool District	Inmate Commissary	Inmates Trust
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 5,348	\$ 485	\$	\$	\$ 3	\$ 2,221	\$ 72,182	\$ 1,664
Accounts receivable, net								229
Taxes receivable	37,808	6,765	82	311	2	24,902		
Interest receivable								
Due from other governments						1,099		
Special assessments receivable								
Inventories								
Prepaid items								
Total assets	<u>\$ 43,156</u>	<u>\$ 7,250</u>	<u>\$ 82</u>	<u>\$ 311</u>	<u>\$ 5</u>	<u>\$ 28,222</u>	<u>\$ 72,182</u>	<u>\$ 1,893</u>
<b>LIABILITIES</b>								
Due to others	<u>\$ 43,156</u>	<u>\$ 7,250</u>	<u>\$ 82</u>	<u>\$ 311</u>	<u>\$ 5</u>	<u>\$ 28,222</u>	<u>\$ 72,182</u>	<u>\$ 1,893</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2017**

	Douglas County Mosquito Abatement District	State of Nevada	Department of Wildlife	Range Improvements	East Fork Fire Protection District	Total Agency Funds
<b>ASSETS</b>						
Cash, cash equivalents and investments	\$ 976,245	\$ 994,507	\$ 8,280	\$ 324	\$ 16,163	\$ 2,485,763
Accounts receivable, net		35,566				41,152
Taxes receivable	4,752	44,764			91,133	473,083
Interest receivable	370					447
Due from other governments	24,576	1,521			3,820	77,017
Special assessments receivable						2,481
Inventories	32,557					32,557
Prepaid items	200					200
Total assets	<u>\$ 1,038,700</u>	<u>\$ 1,076,358</u>	<u>\$ 8,280</u>	<u>\$ 324</u>	<u>\$ 111,116</u>	<u>\$ 3,112,700</u>
<b>LIABILITIES</b>						
Due to others	<u>\$ 1,038,700</u>	<u>\$ 1,076,358</u>	<u>\$ 8,280</u>	<u>\$ 324</u>	<u>\$ 111,116</u>	<u>\$ 3,112,700</u>

# DOUGLAS COUNTY

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>DOUGLAS COUNTY SCHOOL DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 55,918	\$ 19,994,683	\$ 19,893,342	\$ 157,259
Accounts receivable, net	9,107	5,357	9,107	5,357
Taxes receivable	253,930		56,071	197,859
Due from other governments	<u>116,686</u>	<u>161,401</u>	<u>233,373</u>	<u>44,714</u>
Total assets	<u>\$ 435,641</u>	<u>\$ 20,161,441</u>	<u>\$ 20,191,893</u>	<u>\$ 405,189</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 435,641</u>	<u>\$ 20,161,441</u>	<u>\$ 20,191,893</u>	<u>\$ 405,189</u>
<b>DOUGLAS COUNTY SCHOOL DISTRICT DEBT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 5,386	\$ 2,660,906	\$ 2,663,507	\$ 2,785
Taxes receivable	35,171		6,948	28,223
Due from other governments		<u>782</u>		<u>782</u>
Total assets	<u>\$ 40,557</u>	<u>\$ 2,661,688</u>	<u>\$ 2,670,455</u>	<u>\$ 31,790</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 40,557</u>	<u>\$ 2,661,688</u>	<u>\$ 2,670,455</u>	<u>\$ 31,790</u>
<b>CARSON WATER SUB-CONSERVANCY DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,257	\$ 484,951	\$ 485,681	\$ 527
Taxes receivable	7,093		1,746	5,347
Due from other governments		<u>235</u>		<u>235</u>
Total assets	<u>\$ 8,350</u>	<u>\$ 485,186</u>	<u>\$ 487,427</u>	<u>\$ 6,109</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 8,350</u>	<u>\$ 485,186</u>	<u>\$ 487,427</u>	<u>\$ 6,109</u>
<b>CAVE ROCK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 353	\$ 80,749	\$ 80,762	\$ 340
Taxes receivable	<u>4</u>	<u>573</u>		<u>577</u>
Total assets	<u>\$ 357</u>	<u>\$ 81,322</u>	<u>\$ 80,762</u>	<u>\$ 917</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 357</u>	<u>\$ 81,322</u>	<u>\$ 80,762</u>	<u>\$ 917</u>
<b>DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 1,340</u>	<u>\$ 2,103,517</u>	<u>\$ 2,104,616</u>	<u>\$ 241</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,340</u>	<u>\$ 2,103,517</u>	<u>\$ 2,104,616</u>	<u>\$ 241</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>ELK POINT SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 2,845	\$ 2,845	\$
Taxes receivable	<u>1</u>		<u>1</u>	
Total assets	<u>\$ 1</u>	<u>\$ 2,845</u>	<u>\$ 2,846</u>	<u>\$</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1</u>	<u>\$ 2,845</u>	<u>\$ 2,846</u>	<u>\$</u>
<b>GARDNERVILLE RANCHOS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,626	\$ 770,761	\$ 771,067	\$ 1,320
Taxes receivable	<u>6,878</u>	<u>71</u>	<u>472</u>	<u>6,477</u>
Total assets	<u>\$ 8,504</u>	<u>\$ 770,832</u>	<u>\$ 771,539</u>	<u>\$ 7,797</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 8,504</u>	<u>\$ 770,832</u>	<u>\$ 771,539</u>	<u>\$ 7,797</u>
<b>GENOA LAKES ASSESSMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 242,984	\$ 634		\$ 243,618
Interest receivable	42	77	42	77
Special assessments receivable	<u>2,481</u>			<u>2,481</u>
Total assets	<u>\$ 245,507</u>	<u>\$ 711</u>	<u>\$ 42</u>	<u>\$ 246,176</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 245,507</u>	<u>\$ 711</u>	<u>\$ 42</u>	<u>\$ 246,176</u>
<b>INDIAN HILLS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,022	\$ 785,326	\$ 785,676	\$ 672
Taxes receivable	<u>6,719</u>		<u>2,499</u>	<u>4,220</u>
Total assets	<u>\$ 7,741</u>	<u>\$ 785,326</u>	<u>\$ 788,175</u>	<u>\$ 4,892</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 7,741</u>	<u>\$ 785,326</u>	<u>\$ 788,175</u>	<u>\$ 4,892</u>
<b>KINGSBURY GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 651	\$ 772,128	\$ 771,994	\$ 785
Taxes receivable	<u>10,572</u>	<u>688</u>		<u>11,260</u>
Total assets	<u>\$ 11,223</u>	<u>\$ 772,816</u>	<u>\$ 771,994</u>	<u>\$ 12,045</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 11,223</u>	<u>\$ 772,816</u>	<u>\$ 771,994</u>	<u>\$ 12,045</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>LAKERIDGE GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 27,879	\$ 27,879	\$
Taxes receivable	<u>1</u>		<u>1</u>	
Total assets	<u>\$ 1</u>	<u>\$ 27,879</u>	<u>\$ 27,880</u>	<u>\$</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1</u>	<u>\$ 27,879</u>	<u>\$ 27,880</u>	<u>\$</u>
<b>LOGAN CREEK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 86,843	\$ 86,843	\$
Total assets	<u>\$</u>	<u>\$ 86,843</u>	<u>\$ 86,843</u>	<u>\$</u>
<b>LIABILITIES</b>				
Due to others	<u>\$</u>	<u>\$ 86,843</u>	<u>\$ 86,843</u>	<u>\$</u>
<b>MINDEN-GARDNERVILLE SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,828	\$ 380,296	\$ 381,602	\$ 522
Taxes receivable	6,302		1,728	4,574
Due from other governments		<u>270</u>		<u>270</u>
Total assets	<u>\$ 8,130</u>	<u>\$ 380,566</u>	<u>\$ 383,330</u>	<u>\$ 5,366</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 8,130</u>	<u>\$ 380,566</u>	<u>\$ 383,330</u>	<u>\$ 5,366</u>
<b>OLIVER PARK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 295	\$ 41,216	\$ 41,511	\$
Taxes receivable	<u>1,221</u>	<u>533</u>	<u>484</u>	<u>1,270</u>
Total assets	<u>\$ 1,516</u>	<u>\$ 41,749</u>	<u>\$ 41,995</u>	<u>\$ 1,270</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,516</u>	<u>\$ 41,749</u>	<u>\$ 41,995</u>	<u>\$ 1,270</u>
<b>ROUND HILL GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 75	\$ 41,582	\$ 41,657	\$
Taxes receivable	<u>626</u>	<u>1,721</u>		<u>2,347</u>
Total assets	<u>\$ 701</u>	<u>\$ 43,303</u>	<u>\$ 41,657</u>	<u>\$ 2,347</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 701</u>	<u>\$ 43,303</u>	<u>\$ 41,657</u>	<u>\$ 2,347</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>SIERRA ESTATES GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>          </u>	\$ <u>28,137</u>	\$ <u>28,047</u>	\$ <u>90</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>          </u>	\$ <u>28,137</u>	\$ <u>28,047</u>	\$ <u>90</u>
<b>SKYLAND GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>          </u>	\$ <u>49,864</u>	\$ <u>49,864</u>	\$ <u>          </u>
Taxes receivable	<u>49</u>	<u>99</u>	<u>          </u>	<u>148</u>
Total assets	\$ <u>49</u>	\$ <u>49,963</u>	\$ <u>49,864</u>	\$ <u>148</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>49</u>	\$ <u>49,963</u>	\$ <u>49,864</u>	\$ <u>148</u>
<b>TAHOE-DOUGLAS SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>(8)</u>	\$ <u>167,211</u>	\$ <u>167,021</u>	\$ <u>182</u>
Taxes receivable	<u>1,065</u>	<u>38</u>	<u>841</u>	<u>262</u>
Total assets	\$ <u>1,057</u>	\$ <u>167,249</u>	\$ <u>167,862</u>	\$ <u>444</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>1,057</u>	\$ <u>167,249</u>	\$ <u>167,862</u>	\$ <u>444</u>
<b>TAHOE-DOUGLAS FIRE PROTECTION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>3,077</u>	\$ <u>5,707,634</u>	\$ <u>5,705,363</u>	\$ <u>5,348</u>
Taxes receivable	<u>47,825</u>	<u>1,838</u>	<u>11,855</u>	<u>37,808</u>
Total assets	\$ <u>50,902</u>	\$ <u>5,709,472</u>	\$ <u>5,717,218</u>	\$ <u>43,156</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>50,902</u>	\$ <u>5,709,472</u>	\$ <u>5,717,218</u>	\$ <u>43,156</u>
<b>TOPAZ RANCH ESTATES GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>1,147</u>	\$ <u>161,533</u>	\$ <u>162,195</u>	\$ <u>485</u>
Taxes receivable	<u>6,470</u>	<u>327</u>	<u>32</u>	<u>6,765</u>
Total assets	\$ <u>7,617</u>	\$ <u>161,860</u>	\$ <u>162,227</u>	\$ <u>7,250</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>7,617</u>	\$ <u>161,860</u>	\$ <u>162,227</u>	\$ <u>7,250</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>ZEPHYR COVE GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 16,626	\$ 16,626	\$
Taxes receivable	<u>71</u>	<u>11</u>	<u></u>	<u>82</u>
Total assets	<u>\$ 71</u>	<u>\$ 16,637</u>	<u>\$ 16,626</u>	<u>\$ 82</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 71</u>	<u>\$ 16,637</u>	<u>\$ 16,626</u>	<u>\$ 82</u>
<b>ZEPHYR HEIGHTS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ (57)	\$ 89,934	\$ 89,877	\$
Taxes receivable	<u>2,108</u>	<u>98</u>	<u>1,895</u>	<u>311</u>
Total assets	<u>\$ 2,051</u>	<u>\$ 90,032</u>	<u>\$ 91,772</u>	<u>\$ 311</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 2,051</u>	<u>\$ 90,032</u>	<u>\$ 91,772</u>	<u>\$ 311</u>
<b>ZEPHYR KNOLLS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 555	\$ 39,899	\$ 40,451	\$ 3
Taxes receivable	<u>89</u>	<u></u>	<u>87</u>	<u>2</u>
Total assets	<u>\$ 644</u>	<u>\$ 39,899</u>	<u>\$ 40,538</u>	<u>\$ 5</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 644</u>	<u>\$ 39,899</u>	<u>\$ 40,538</u>	<u>\$ 5</u>
<b>EAST FORK SWIMMING POOL DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 5,792	\$ 1,925,502	\$ 1,929,073	\$ 2,221
Taxes receivable	32,333		7,431	24,902
Due from other governments	<u></u>	<u>1,099</u>	<u></u>	<u>1,099</u>
Total assets	<u>\$ 38,125</u>	<u>\$ 1,926,601</u>	<u>\$ 1,936,504</u>	<u>\$ 28,222</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 38,125</u>	<u>\$ 1,926,601</u>	<u>\$ 1,936,504</u>	<u>\$ 28,222</u>
<b>INMATE COMMISSARY</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 69,504</u>	<u>\$ 32,110</u>	<u>\$ 29,432</u>	<u>\$ 72,182</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 69,504</u>	<u>\$ 32,110</u>	<u>\$ 29,432</u>	<u>\$ 72,182</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017
<b>INMATES TRUST</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 2,798	\$ 3,123	\$ 4,257	\$ 1,664
Accounts receivable, net	<u>229</u>			<u>229</u>
Total assets	<u>\$ 3,027</u>	<u>\$ 3,123</u>	<u>\$ 4,257</u>	<u>\$ 1,893</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 3,027</u>	<u>\$ 3,123</u>	<u>\$ 4,257</u>	<u>\$ 1,893</u>
<b>DOUGLAS COUNTY MOSQUITO ABATEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,092,527	\$ 653,709	\$ 769,991	\$ 976,245
Taxes receivable	6,599		1,847	4,752
Interest receivable	1,979	370	1,979	370
Due from other governments	23,430	24,576	23,430	24,576
Inventories	32,557			32,557
Prepaid items		<u>200</u>		<u>200</u>
Total assets	<u>\$ 1,157,092</u>	<u>\$ 678,855</u>	<u>\$ 797,247</u>	<u>\$ 1,038,700</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,157,092</u>	<u>\$ 678,855</u>	<u>\$ 797,247</u>	<u>\$ 1,038,700</u>
<b>STATE OF NEVADA</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 955,660	\$ 8,102,439	\$ 8,063,596	\$ 994,507
Accounts receivable, net	27,517	36,469	28,416	35,566
Taxes receivable	57,435		12,671	44,764
Due from other governments	<u>191</u>	<u>1,330</u>		<u>1,521</u>
Total assets	<u>\$ 1,040,803</u>	<u>\$ 8,140,238</u>	<u>\$ 8,104,683</u>	<u>\$ 1,076,358</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,040,803</u>	<u>\$ 8,140,238</u>	<u>\$ 8,104,683</u>	<u>\$ 1,076,358</u>
<b>DEPARTMENT OF WILDLIFE</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,165	\$ 9,527	\$ 2,412	\$ 8,280
Due from other governments	<u>3,692</u>		<u>3,692</u>	
Total assets	<u>\$ 4,857</u>	<u>\$ 9,527</u>	<u>\$ 6,104</u>	<u>\$ 8,280</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 4,857</u>	<u>\$ 9,527</u>	<u>\$ 6,104</u>	<u>\$ 8,280</u>
<b>RANGE IMPROVEMENTS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 165</u>	<u>\$ 324</u>	<u>\$ 165</u>	<u>\$ 324</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 165</u>	<u>\$ 324</u>	<u>\$ 165</u>	<u>\$ 324</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

	Balance July 1, 2016 (Restated)	Additions	Deductions	Balance June 30, 2017	
<b>EAST FORK FIRE PROTECTION DISTRICT</b>					
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$	\$ 1,774,303	\$ 1,758,140	\$ 16,163	
Taxes receivable		91,133		91,133	
Due from other governments		592,134	588,314	3,820	
Total assets	\$	\$ 2,457,570	\$ 2,346,454	\$ 111,116	
<b>LIABILITIES</b>					
Due to others	\$	\$ 2,457,570	\$ 2,346,454	\$ 111,116	
<b>TOTAL AGENCY FUNDS</b>					
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$	2,445,060	\$ 46,996,191	\$ 46,955,492	\$ 2,485,763
Accounts receivable, net		36,853	41,826	37,523	41,152
Taxes receivable		482,562	97,130	106,609	473,083
Interest receivable		2,021	447	2,021	447
Due from other governments		143,999	781,827	848,809	77,017
Special assessments receivable		2,481			2,481
Inventories		32,557			32,557
Prepaid items			200		200
Total assets	\$	3,145,533	\$ 47,917,621	\$ 47,950,454	\$ 3,112,700
<b>LIABILITIES</b>					
Due to others	\$	3,145,533	\$ 47,917,621	\$ 47,950,454	\$ 3,112,700



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

Members of the County Commission  
Douglas County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Douglas County (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 15, 2017.

**Internal Control over Financial Reporting.** In planning and performing our audit of the basic financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's basic financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2017 - 001, to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2017 - 002 through 2017 - 010 to be significant deficiencies.

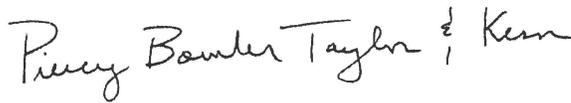
**Compliance and Other Matters.** As part of obtaining reasonable assurance about whether the County's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts, including whether the funds established by the County, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied

with the express purposes required by NRS 354.6241. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**The County's Responses to Findings.** The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

We noted certain matters that we reported to the County in a separate letter dated December 15, 2017.

**Purpose of this Report.** The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Percy Bowler Taylor & Kern". The signature is written in dark ink and is positioned above the typed name and date.

Las Vegas, Nevada  
December 15, 2017

# **STATISTICAL SECTION**



**DOUGLAS COUNTY**  
**STATISTICAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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**Financial Trends**

The following tables contain financial trend information to enable the reader to understand how financial performance has changed over time.

- Net Position by Component
- Changes in Net Position
- Fund Balance, Governmental Funds
- Changes in Fund Balance, Governmental Funds

**Revenue Capacity**

The following tables contain revenue capacity information to enable the reader to assess the most significant local revenue source.

- Assessed and Estimated Actual Value of Taxable Property
- Property Tax Rates - Direct and Overlapping Governments
- Principal Property Taxpayers
- Property Tax Levies and Collections

**Debt Capacity**

The following tables contain debt capacity information to enable the reader to assess the affordability the current level of outstanding debt and the ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type
- Ratios of General Bonded Debt Outstanding
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information
- Pledged Revenue Bond Coverage

**Demographic and Economic Information**

The following tables contain demographic and economic information to enable the reader to understand the environment within which financial activities take place.

- Demographic and Economic Statistics
- Principal Employers

**Operating Information**

The following tables contain operating information to enable the reader to understand how the information contained in the comprehensive annual financial report relates to services provided and activities performed.

- Full-time Equivalent County Government Employees by Function/Program
- Operating indicators by Function/Program
- Capital Asset Statistics by Function/Program



# DOUGLAS COUNTY

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Governmental activities										
Net investment in capital assets	\$ 138,411,778	\$ 130,339,290	\$ 124,719,545	\$ 118,950,227	\$ 114,307,598	\$ 97,260,853	\$ 103,681,416	\$ 103,545,887	\$ 104,928,853	\$ 87,418,048
Restricted	34,763,858	35,871,856	34,737,365	28,137,701	31,497,861	41,549,199	38,473,264	41,170,332	40,481,940	53,591,671
Unrestricted	7,236,624	7,921,772	5,126,619	9,410,929	6,020,274	10,379,283	7,044,229	(63,536,635)	(61,152,671)	(50,399,356)
Total governmental activities	<u>180,412,260</u>	<u>174,132,918</u>	<u>164,583,529</u>	<u>156,498,857</u>	<u>151,825,733</u>	<u>149,189,335</u>	<u>149,198,909</u>	<u>81,179,584</u>	<u>84,258,122</u>	<u>90,610,363</u>
Business-type activities										
Net investment in capital assets	46,737,483	51,023,769	53,113,523	60,009,289	68,716,591	77,024,668	82,994,996	87,721,290	87,557,422	88,316,914
Restricted	16,731,785	6,621	83,689	9,175,026	5,815,718	6,720,290	716,905	684,789	686,457	1,009,199
Unrestricted		12,328,987	11,113,077	10,715,465	10,628,958	10,215,473	15,144,474	14,096,082	18,031,435	18,809,456
Total business-type activities	<u>63,469,268</u>	<u>63,359,377</u>	<u>64,310,289</u>	<u>79,899,780</u>	<u>85,161,267</u>	<u>93,960,431</u>	<u>98,856,375</u>	<u>102,502,161</u>	<u>106,275,314</u>	<u>108,135,569</u>
Primary government										
Net investment in capital assets	185,149,261	181,363,059	177,833,068	178,959,516	183,024,189	174,285,521	186,676,412	191,267,177	192,486,275	175,734,962
Restricted	51,495,643	35,878,477	34,821,054	37,312,727	37,313,579	48,269,489	39,190,169	41,855,121	41,168,397	54,600,870
Unrestricted	7,236,624	20,250,759	16,239,696	20,126,394	16,649,232	20,594,756	22,188,703	(49,440,553)	(43,121,236)	(31,589,900)
Total primary government	<u>\$ 243,881,528</u>	<u>\$ 237,492,295</u>	<u>\$ 228,893,818</u>	<u>\$ 236,398,637</u>	<u>\$ 236,987,000</u>	<u>\$ 243,149,766</u>	<u>\$ 248,055,284</u>	<u>\$ 183,681,745</u>	<u>\$ 190,533,436</u>	<u>\$ 198,745,932</u>

# DOUGLAS COUNTY

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
<b>Expenses</b>										
Governmental activities										
General government	\$ 13,750,103	\$ 14,933,431	\$ 20,332,452	\$ 13,462,632	\$ 14,143,289	\$ 12,759,577	\$ 13,920,640	\$ 12,956,802	\$ 13,389,921	\$ 14,028,846
Judicial	12,261,155	12,913,402	12,591,688	12,514,301	12,226,899	12,226,063	13,425,448	13,915,522	14,168,982	14,636,163
Public safety	27,478,421	28,665,303	34,885,866	28,972,348	29,076,749	28,378,343	29,498,459	29,112,782	29,650,696	26,014,523
Public works	14,864,805	15,006,057	6,087,636	15,049,600	14,917,989	16,452,157	13,034,974	7,294,588	8,153,262	8,528,908
Community development	1,725,197	1,543,640	1,656,154	1,649,980	1,596,554	1,557,705	3,605,357	4,186,295	4,365,400	5,297,405
Culture and recreation	12,027,767	10,658,583	9,736,713	11,255,130	12,078,470	11,742,073	11,803,428	14,539,072	15,421,278	14,173,369
Health and sanitation	578,163	744,968	687,494	759,172	851,264	906,878	953,423	496,018	585,814	2,712,113
Welfare	2,650,909	2,483,429	2,785,155	2,716,557	2,743,465	2,369,403	2,267,169	2,425,146	2,669,742	3,276,351
Interest on long-term debt	1,062,971	988,093	550,951	535,861	441,282	567,522	600,564	616,123	463,933	974,718
Total governmental activities	<u>86,399,491</u>	<u>87,936,906</u>	<u>89,314,109</u>	<u>86,915,581</u>	<u>88,075,961</u>	<u>86,959,721</u>	<u>89,109,462</u>	<u>85,542,348</u>	<u>88,869,028</u>	<u>89,642,396</u>
Business-type activities										
Water	4,297,600	4,914,857	5,410,559	5,620,789	5,856,011	6,616,855	6,959,476	7,613,179	7,791,526	8,410,628
Sewer	2,038,757	1,725,307	2,123,329	1,947,813	1,853,004	1,972,400	1,937,546	1,779,765	1,951,823	2,027,437
Trash	1,557,103	1,522,602	1,438,802	1,242,470	1,255,222	1,375,266	1,462,808	1,486,407	1,430,122	1,626,164
Total business-type activities	<u>7,893,460</u>	<u>8,162,766</u>	<u>8,972,690</u>	<u>8,811,072</u>	<u>8,964,237</u>	<u>9,964,521</u>	<u>10,359,830</u>	<u>10,879,351</u>	<u>11,173,471</u>	<u>12,064,229</u>
Total primary government expenses	<u>\$ 94,292,951</u>	<u>\$ 96,099,672</u>	<u>\$ 98,286,799</u>	<u>\$ 95,726,653</u>	<u>\$ 97,040,198</u>	<u>\$ 96,924,242</u>	<u>\$ 99,469,292</u>	<u>\$ 96,421,699</u>	<u>\$ 100,042,499</u>	<u>\$ 101,706,625</u>
<b>Program revenues</b>										
Governmental activities										
Charges for services	\$ 14,704,543	\$ 14,467,242	\$ 12,838,861	\$ 11,211,501	\$ 12,164,170	\$ 11,675,481	\$ 12,035,744	\$ 13,941,613	\$ 14,842,089	\$ 13,399,534
Operating grants and contributions	5,606,286	6,011,301	6,819,142	5,885,782	5,846,475	6,386,270	6,819,224	6,853,920	7,087,302	7,078,397
Capital grants and contributions	2,695,821	1,467,357	1,070,919	2,139,500	4,861,835	4,277,630	2,135,366	395,150	2,302,348	4,076,938
Total governmental activities	<u>23,006,650</u>	<u>21,945,900</u>	<u>20,728,922</u>	<u>19,236,783</u>	<u>22,872,480</u>	<u>22,339,381</u>	<u>20,990,334</u>	<u>21,190,683</u>	<u>24,231,739</u>	<u>24,554,869</u>
Business-type activities										
Charges for services	6,264,516	6,298,078	7,324,692	7,971,480	9,018,394	9,712,890	10,506,035	11,214,386	11,540,124	12,560,044
Operating grants and contributions	63,470	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906
Capital grants and contributions	3,082,213	1,379,084	1,286,485	5,701,941	5,474,311	8,903,653	4,920,192	6,143,818	952,688	1,089,015
Total business-type activities	<u>9,410,199</u>	<u>7,677,162</u>	<u>8,787,083</u>	<u>13,673,421</u>	<u>14,492,705</u>	<u>18,616,543</u>	<u>15,426,227</u>	<u>17,358,204</u>	<u>12,492,812</u>	<u>13,649,059</u>
Total primary government program revenues	<u>\$ 32,416,849</u>	<u>\$ 29,623,062</u>	<u>\$ 29,516,005</u>	<u>\$ 32,910,204</u>	<u>\$ 37,365,185</u>	<u>\$ 40,955,924</u>	<u>\$ 36,416,561</u>	<u>\$ 38,548,887</u>	<u>\$ 36,724,551</u>	<u>\$ 38,203,928</u>
Net (expenses) program revenues										
Governmental activities	\$ (63,392,841)	\$ (65,991,006)	\$ (68,585,187)	\$ (67,678,798)	\$ (65,203,481)	\$ (64,620,340)	\$ (68,119,128)	\$ (64,351,665)	\$ (64,637,289)	\$ (65,087,527)
Business-type activities	1,516,739	(485,604)	(185,607)	4,862,349	5,528,468	8,652,022	5,066,397	6,478,853	1,319,341	1,584,830
Primary government	<u>\$ (61,876,102)</u>	<u>\$ (66,476,610)</u>	<u>\$ (68,770,794)</u>	<u>\$ (62,816,449)</u>	<u>\$ (59,675,013)</u>	<u>\$ (55,968,318)</u>	<u>\$ (63,052,731)</u>	<u>\$ (57,872,812)</u>	<u>\$ (63,317,948)</u>	<u>\$ (63,502,697)</u>

(Continued)

# DOUGLAS COUNTY

## CHANGES IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 27,612,573	\$ 31,231,745	\$ 32,173,807	\$ 35,072,843	\$ 34,769,957	\$ 35,708,589	\$ 35,969,749	\$ 37,221,860	\$ 37,989,647	\$ 36,439,138
Room taxes										7,811,600
Construction taxes										857,726
Intergovernmental shared revenues, unrestricted	27,699,661	26,560,549	25,363,711	23,891,503	24,503,676	26,003,930	26,746,805	28,177,259	31,655,407	23,595,365
Investment income	2,219,410	1,275,728	933,558	469,488	381,394	(79,959)	296,778	312,694	536,416	166,182
Gain on disposal of capital assets				44,400	25,231	31,100	262,461	45,235		27,154
Miscellaneous	241,998	581,317	201,690	517,316	283,224	362,782	269,635	740,117	35,552	400,616
Transfers	81,769	62,325	363,032	(401,424)	566,875	(42,500)	91,336	(100,000)	(2,112,500)	
Total governmental activities	<u>57,855,411</u>	<u>59,711,664</u>	<u>59,035,798</u>	<u>59,594,126</u>	<u>60,530,357</u>	<u>61,983,942</u>	<u>63,636,764</u>	<u>66,397,165</u>	<u>68,104,522</u>	<u>69,297,781</u>
Business-type activities										
Investment income	665,859	346,413	935,834	189,116	128,513	(15,250)	64,467	88,283	162,340	35,702
Gain on disposal of capital assets					2,720	475	(9,227)	238,983		36
Gain on disposal of water rights				10,066,948	35,475	6,450				
Miscellaneous	128,112	91,625	563,717	69,654	133,186	112,967	107,249	110,505	178,972	129,341
Transfers	(81,769)	(62,325)	(363,032)	401,424	(566,875)	42,500	91,336	100,000	2,112,500	
Total business-type activities	<u>712,202</u>	<u>375,713</u>	<u>1,136,519</u>	<u>10,727,142</u>	<u>(266,981)</u>	<u>147,142</u>	<u>253,825</u>	<u>537,771</u>	<u>2,453,812</u>	<u>165,079</u>
Total primary government general revenues and other changes in net position	<u>\$ 58,567,613</u>	<u>\$ 60,087,377</u>	<u>\$ 60,172,317</u>	<u>\$ 70,321,268</u>	<u>\$ 60,263,376</u>	<u>\$ 62,131,084</u>	<u>\$ 63,890,589</u>	<u>\$ 66,934,936</u>	<u>\$ 70,558,334</u>	<u>\$ 69,462,860</u>
Change in net position										
Governmental activities	\$ (5,537,430)	\$ (6,279,342)	\$ (9,549,389)	\$ (8,084,672)	\$ (4,673,124)	\$ (2,636,398)	\$ (4,482,364)	\$ 2,045,500	\$ 3,467,233	\$ 4,210,254
Business-type activities	2,228,941	(109,891)	950,912	15,589,491	5,261,487	8,799,164	5,320,222	7,016,624	3,773,153	1,749,909
Primary government	<u>(3,308,489)</u>	<u>(6,389,233)</u>	<u>(8,598,477)</u>	<u>7,504,819</u>	<u>588,363</u>	<u>6,162,766</u>	<u>837,858</u>	<u>9,062,124</u>	<u>7,240,386</u>	<u>5,960,163</u>

# DOUGLAS COUNTY

## FUND BALANCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
General fund										
Reserved	\$ 2,905,766	\$ 2,850,000	\$ 550,000	\$	\$	\$	\$	\$	\$	\$
Unreserved	7,236,624	5,071,772	6,813,720							
Nonspendable				200,695	218,660	343,265	274,825	207,410	430,324	790,743
Restricted				1,400,000	600,000	1,294,633	1,218,189	2,532,913	991,494	4,454,583
Committed				356,353	359,129	358,767	372,803	741,428	365,055	365,700
Assigned				5,048,153	6,222,138	6,472,622	8,032,077	8,644,481	9,504,350	6,646,114
Unassigned										
Total general fund	\$ 10,142,390	\$ 7,921,772	\$ 7,363,720	\$ 7,005,201	\$ 7,399,927	\$ 8,469,287	\$ 10,597,894	\$ 12,126,232	\$ 11,291,223	\$ 12,257,140
Other governmental funds										
Reserved	\$ 3,947,151	\$ 3,254,800	\$ 1,750,000	\$	\$	\$	\$	\$	\$	\$
Unreserved	31,951,398	27,594,979	29,503,642							
Nonspendable				1,785,489	1,925,518	142,515	471,571	491,191	225,732	197,547
Restricted				27,467,556	29,947,380	39,036,750	32,644,628	34,667,616	35,082,474	44,285,183
Committed				998,280			596,344	657,280	1,185,012	
Assigned				3,178,409	3,564,728	7,499,570	4,333,245	2,084,837	2,479,188	3,693,998
Unassigned				(2,702,143)	(2,717,138)	(974,750)			(12,348)	
Total other governmental funds	\$ 35,898,549	\$ 30,849,779	\$ 31,253,642	\$ 30,727,591	\$ 32,720,488	\$ 45,704,085	\$ 38,045,788	\$ 37,900,924	\$ 38,960,058	\$ 48,176,728

1. Fund balance classifications changed as a result of adopting GASB Statement No. 54.

# DOUGLAS COUNTY

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

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
<b>REVENUES</b>										
Taxes	\$ 34,481,033	\$ 37,076,514	\$ 38,062,804	\$ 37,447,577	\$ 38,789,371	\$ 40,245,485	\$ 40,828,495	\$ 42,077,709	\$ 44,860,047	\$ 44,192,754
Licenses, permits, franchise and other fees	3,928,904	3,989,598	4,195,489	5,635,224	5,840,692	6,398,025	6,772,576	7,509,105	7,651,751	7,743,457
Intergovernmental shared revenues	26,883,113	26,037,653	25,267,945	24,543,016	25,866,294	25,985,608	25,096,589	24,858,501	27,930,886	29,283,950
Charges for services	10,591,598	9,863,571	7,627,342	7,562,033	12,689,359	12,855,547	8,767,368	9,748,495	10,378,842	9,291,243
Fines and forfeitures	1,135,975	1,375,971	1,380,188	1,154,998	1,263,195	1,280,851	954,553	1,305,047	1,381,775	1,378,046
Miscellaneous	4,772,318	3,787,151	3,476,691	3,682,081	3,154,921	3,103,066	2,826,380	3,977,509	4,484,657	4,508,155
<b>Total revenues</b>	<b>81,792,941</b>	<b>82,130,458</b>	<b>80,010,459</b>	<b>80,024,929</b>	<b>87,603,832</b>	<b>89,868,582</b>	<b>85,245,961</b>	<b>89,476,366</b>	<b>96,687,958</b>	<b>96,397,605</b>
<b>EXPENDITURES</b>										
<b>Current</b>										
General government	15,728,435	12,287,666	16,496,432	11,133,656	10,927,419	11,632,355	11,388,627	11,736,808	12,272,881	12,609,858
Judicial	12,183,104	12,746,268	12,775,254	12,375,369	12,203,225	12,395,999	13,130,475	13,794,787	14,323,765	14,421,203
Public safety	29,209,561	27,417,784	27,170,907	28,542,200	32,491,517	32,969,504	28,846,546	29,058,272	30,473,247	24,429,453
Public works	7,223,201	5,756,364	5,136,797	6,930,431	6,901,817	7,545,142	4,777,687	5,040,254	5,294,947	5,593,170
Community development	1,697,970	1,562,077	1,656,154	1,521,888	1,456,138	1,568,298	3,543,405	4,122,507	4,419,829	4,761,213
Culture and recreation	12,213,033	9,467,045	9,100,537	10,010,385	10,883,499	12,951,128	10,808,355	11,294,221	13,103,680	14,163,560
Health and sanitation	498,213	670,930	687,493	676,597	789,334	830,716	878,651	967,484	972,487	1,102,912
Welfare	2,654,917	2,534,479	2,766,844	3,049,754	3,189,580	2,843,146	2,375,557	2,567,844	2,875,513	3,365,906
<b>Total current</b>	<b>81,408,434</b>	<b>72,442,613</b>	<b>75,790,418</b>	<b>74,240,280</b>	<b>78,842,529</b>	<b>82,736,288</b>	<b>75,749,303</b>	<b>78,582,177</b>	<b>83,736,349</b>	<b>80,447,275</b>
Capital outlay		7,365,089	3,113,518	5,092,843	4,091,928	5,125,081	16,805,506	7,503,169	8,166,219	11,407,694
<b>Debt service</b>										
Principal payments	2,173,400	2,005,661	2,074,867	2,124,187	2,028,222	4,022,234	2,080,942	2,918,524	1,689,288	1,892,482
Interest expense	1,053,160	975,383	847,271	646,184	546,522	540,593	640,402	561,859	475,961	625,714
Debt issuance costs						347,863		74,019		287,735
Fiscal charges	9,811	12,710	8,899	30,682	9,132	5,788	2,800	1,300	900	500
<b>Total debt service</b>	<b>3,236,371</b>	<b>2,993,754</b>	<b>2,931,037</b>	<b>2,801,053</b>	<b>2,583,876</b>	<b>4,916,478</b>	<b>2,724,144</b>	<b>3,555,702</b>	<b>2,166,149</b>	<b>2,806,431</b>
<b>Total expenditures</b>	<b>84,644,805</b>	<b>82,801,456</b>	<b>81,834,973</b>	<b>82,134,176</b>	<b>85,518,333</b>	<b>92,777,847</b>	<b>95,278,953</b>	<b>89,641,048</b>	<b>94,068,717</b>	<b>94,661,400</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,851,864)</b>	<b>(670,998)</b>	<b>(1,824,514)</b>	<b>(2,109,247)</b>	<b>2,085,499</b>	<b>(2,909,265)</b>	<b>(10,032,992)</b>	<b>(164,682)</b>	<b>2,619,241</b>	<b>1,736,205</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from capital asset disposal	78,227	1,238,029	17,051	50,521	44,388	22,916	262,461	41,530	28,829	13,873
Issuance of debt			1,115,000			16,559,000		1,395,000		12,206,423
Proceeds from tax sales	45,761	112,192				62,175				848,707
Transfers in	6,625,351	9,162,882	16,001,907	16,156,183	9,838,917	10,443,313	12,700,382	15,777,949	9,586,182	11,908,247
Transfers out	(6,538,818)	(10,461,493)	(15,463,633)	(14,982,027)	(9,581,181)	(10,125,182)	12,795,384	(15,877,949)	(11,743,682)	(12,043,593)
<b>Total other financing sources (uses)</b>	<b>210,521</b>	<b>51,610</b>	<b>1,670,325</b>	<b>1,224,677</b>	<b>302,124</b>	<b>16,962,222</b>	<b>25,758,227</b>	<b>1,336,530</b>	<b>(2,128,671)</b>	<b>12,933,657</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ (2,641,343)</b>	<b>\$ (619,388)</b>	<b>\$ (154,189)</b>	<b>\$ (884,570)</b>	<b>\$ 2,387,623</b>	<b>\$ 14,052,957</b>	<b>\$ 15,725,235</b>	<b>\$ 1,171,848</b>	<b>\$ 490,570</b>	<b>\$ 14,669,862</b>
Debt service as a percentage of noncapital expenditures	3.81 %	3.95 %	3.71 %	3.60 %	3.16 %	5.21 %	3.47 %	4.24 %	2.52 %	3.06 %

# DOUGLAS COUNTY

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE REAL PROPERTY<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agriculture Property	Other	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Value	Ratio of Total Taxable Assessed to Total Estimated Actual Value <sup>2</sup>
2008	\$ 260,673,674	\$ 2,685,456,473	\$ 164,848,791	\$ 218,374,619	\$ 31,846,468	\$ 109,338,205	\$ 3,470,538,230	1.0867	\$ 9,915,823,514	35.00 %
2009	281,699,610	2,745,947,562	169,925,034	237,304,292	34,895,344	123,824,535	3,593,596,377	1.0730	10,267,418,220	35.00 %
2010	242,265,608	2,659,317,453	170,147,126	235,332,287	34,851,324	122,034,526	3,463,948,324	1.0827	9,896,995,211	35.00 %
2011	185,955,529	2,378,591,324	136,171,618	204,823,542	35,448,331	121,504,502	3,062,494,846	1.1335	8,749,985,274	35.00 %
2012	157,536,347	2,202,222,206	131,726,676	192,432,930	34,078,346	119,671,379	2,837,667,884	1.1680	8,107,622,526	35.00 %
2013	140,511,652	2,073,189,096	125,413,683	190,292,488	33,250,086	119,244,496	2,681,901,501	1.1680	7,662,575,717	35.00 %
2014	128,323,217	1,998,798,888	123,443,892	183,979,101	33,064,929	123,828,366	2,591,438,393	1.1680	7,404,109,694	35.00 %
2015	121,972,775	2,126,479,166	131,840,709	189,315,812	34,487,384	129,350,505	2,733,446,351	1.1680	7,809,846,717	35.00 %
2016	92,358,338	2,259,819,065	105,742,640	176,975,581	38,144,639	140,925,604	2,813,965,867	1.1680	8,039,902,477	35.00 %
2017	93,288,154	2,365,977,438	126,352,245	187,910,172	39,129,000	148,636,724	2,961,293,733	1.1680	8,460,839,294	35.00 %

1. Source - Douglas County Assessor's Office
2. Pursuant to State statute, all property is assessed at 35% of its estimated value.

# DOUGLAS COUNTY

## PROPERTY TAX RATES<sup>1</sup> - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$100 OF ASSESSED VALUE<sup>2</sup>) LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Douglas County, Direct Rates			Overlapping Rates				
	General Fund	Other Funds	Total Direct Tax Rate	State of Nevada	Douglas County School District	Town of Minden	Town of Gardnerville	Town of Genoa
2008	0.7776	0.3091	1.0867	0.1700	0.8500	0.6951	0.6248	0.3530
2009	0.7619	0.3111	1.0730	0.1700	0.8500	0.7002	0.5935	0.3704
2010	0.7666	0.3161	1.0827	0.1700	0.8500	0.7114	0.5847	0.4053
2011	0.8332	0.3003	1.1335	0.1700	0.8500	0.7126	0.6699	0.3929
2012	0.8690	0.2990	1.1680	0.1700	0.8500	0.6677	0.6677	0.3929
2013	0.8687	0.2993	1.1680	0.1700	0.8500	0.6677	0.6677	0.5133
2014	0.8687	0.2993	1.1680	0.1700	0.8500	0.6677	0.6677	0.5133
2015	0.8690	0.2990	1.1680	0.1700	0.8500	0.6677	0.6677	0.5548
2016	0.8716	0.2964	1.1680	0.1700	0.8500	0.6677	0.6677	0.5856
2017	0.8746	0.2934	1.1680	0.1700	0.8500	0.6677	0.6677	0.6226

For the Year Ended June 30,	Overlapping Rates						Total Direct and Overlapping Rates
	East Fork Fire Protection District	East Fork Fire Paramedic District	Improvement Districts within Douglas County	Other Districts within Douglas County	Total Overlapping Rates	Total Direct and Overlapping Rates	
2008	0.3038	0.1580	4.8745	1.3938	9.4230	10.5097	
2009	0.3113	0.1580	4.9411	0.9837	9.0782	10.1512	
2010	0.3316	0.1580	5.0409	1.0328	9.2847	10.3674	
2011	0.3329	0.1592	5.2997	1.0340	9.6212	10.7547	
2012	0.3282	0.1592	4.9725	1.0340	9.2422	10.4102	
2013	0.3282	0.1592	5.0966	0.9995	9.4522	10.6202	
2014	0.3282	0.1592	5.1072	0.9495	9.4128	10.5808	
2015	0.3282	0.1592	5.5726	0.9495	9.9197	11.0877	
2016	0.3282	0.1592	5.1805	0.9495	9.5584	10.7264	
2017	0.3282	0.1592	5.8054	0.9995	10.2703	11.4383	

1. Source - Douglas County Assessor's Office

**DOUGLAS COUNTY**  
**PRINCIPAL PROPERTY TAXPAYERS<sup>1, 2</sup>**  
**CURRENT AND NINE YEARS AGO**  
**(UNAUDITED)**

Taxpayer	2017			2008		
	Taxable Assessed	Rank	Percentage of	Taxable Assessed	Rank	Percentage of
	Value <sup>3</sup>		Taxable Assessed	Value <sup>3</sup>		Taxable Assessed
Caesar's Entertainment	\$ 71,223,112	1	2.41 %	\$		%
Edgewood Companies	41,857,872	2	1.41 %			%
Harich Tahoe Development	18,062,210	3	0.61 %	21,832,159	3	0.63 %
Starbucks	14,080,192	4	0.48 %	8,265,801	7	0.24 %
Bently Nevada LLC (GE)	13,060,572	5	0.44 %	7,731,895	9	0.22 %
Bently Family Ltd Partnership	12,482,003	6	0.42 %			%
Wal-Mart Real Estate Bus. Trust	10,558,153	7	0.36 %			%
Carson Valley Center LLC/ AIG	9,890,108	8	0.33 %	12,124,742	5	0.35 %
Tranquil Investments	9,297,356	9	0.31 %			%
Sierra Sunset LLC	8,849,561	10	0.30 %			%
Harrah's and Harvey's				92,744,853	1	2.67 %
NV Energy/Sierra Pacific Power				18,023,740	4	0.52 %
Syncon Homes				7,762,694	8	0.22 %
Frontier Communications/Verizon				11,176,285	6	0.32 %
Park Cattle Company				58,272,370	2	1.68 %
Mulreany Associates				7,401,261	10	0.21 %
	<u>\$ 209,361,139</u>		<u>7.07 %</u>	<u>\$ 245,335,800</u>		<u>7.06 %</u>

1. Located in Douglas County, Nevada
2. Source - Douglas County Assessor's Office
3. Taxable assessed value is 35% of appraised value.
4. See the "Assessed and Estimated Actual Value of Taxable Property" table for assessed property value data.

**DOUGLAS COUNTY**  
**PROPERTY TAX LEVIES AND COLLECTIONS<sup>1</sup>**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>For the Year Ended June 30,</u>	<u>Tax Levy</u>	<u>Current Tax Levy Collections</u>	<u>Percent of Tax Levy Collected</u>	<u>Delinquent Tax Levy Collections</u>	<u>Total Tax Levy Collected</u>	<u>Percent of Total Tax Levy Collected to Tax Levy</u>
2008	\$ 63,239,905	\$ 62,474,935	98.7904 %	\$ 298,855	\$ 62,773,790	99.2629 %
2009	67,271,364	65,978,528	98.0782 %	547,950	66,526,478	98.8927 %
2010	67,801,594	66,423,941	97.9681 %	1,056,345	67,480,286	99.5261 %
2011	67,842,609	66,492,160	98.0094 %	1,267,647	67,759,807	99.8779 %
2012	67,849,984	66,994,035	98.7385 %	843,384	67,837,419	99.9815 %
2013	68,107,802	67,414,716	98.9824 %	482,004	67,896,720	99.6901 %
2014	67,656,118	67,038,862	99.0877 %	530,415	67,569,277	99.8716 %
2015	70,290,700	69,398,098	98.7301 %	690,933	70,089,031	99.7131 %
2016	71,095,242	70,899,515	99.7247 %	286,050	71,185,565	100.1270 %
2017	72,388,156	66,622,611	92.0352 %	450,572	67,073,183	92.6577 %

1. Source - Douglas County Treasurer-Clerk and Finance Division

# DOUGLAS COUNTY

## RATIOS OF OUTSTANDING DEBT<sup>1</sup> BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Governmental Activities						Business-type Activities		Percentage of Douglas County Personal Income <sup>2</sup>	Douglas County Per Capita <sup>2</sup>
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	General		Obligation/Pledged Revenue Bonds	Total Primary Government			
				Revenue Bonds	Obligation/Pledged Revenue Bonds					
2008	\$ 7,945,000	\$ 165,834	\$	\$ 2,055,000	\$ 5,504,000	\$	\$ 17,803,542	\$ 33,473,376	1.26 %	\$ 710
2009	6,935,000	118,399		1,805,000	4,986,000		16,933,304	30,777,703	1.20 %	651
2010	5,890,000	71,079		1,550,000	4,446,000		16,699,218	28,656,297	1.21 %	610
2011	4,805,000			1,380,000	3,914,000		20,354,011	30,453,011	1.28 %	648
2012	3,670,000			1,205,000	3,389,000		19,429,026	27,693,026	1.13 %	589
2013	11,417,797			1,020,000	9,677,000		18,794,989	40,909,786	1.58 %	871
2014	9,995,855			830,000	9,264,217		18,448,247	38,538,319	1.47 %	820
2015	8,508,000		272,331	1,710,000	8,073,108		16,872,058	35,435,497	1.30 % <sup>3</sup>	746
2016	7,490,000		230,043	1,442,000	7,659,000		14,748,400	31,569,443	1.03 % <sup>3</sup>	663 <sup>3</sup>
2017	5,970,000		596,561	12,582,000	7,292,000	150,000	13,568,086	40,158,647	1.28 % <sup>3</sup>	836 <sup>3</sup>

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. See the "Demographic and Economic Statistics" table for the County's population and personal income data.
3. Information was not available at the time of printing.

# DOUGLAS COUNTY

## RATIOS OF GENERAL BONDED DEBT<sup>1</sup> OUTSTANDING LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	General Obligation Bonds	General Obligation/Pledged Revenue Bonds	Total General Bonded Debt <sup>2</sup>	Percentage of Estimated Actual Property Value <sup>3</sup>	Douglas County Per Capita <sup>4</sup>	Amounts Available to Repay General Bonded Debt	Net General Bonded Debt
2008	\$ 7,945,000	\$ 23,307,542	\$ 31,252,542	0.32 %	\$ 663	\$ 1,001,530	\$ 30,251,012
2009	6,935,000	21,919,304	28,854,304	0.28 %	610	1,201,597	27,652,707
2010	5,890,000	21,145,218	27,035,218	0.27 %	576	1,071,067	25,964,151
2011	4,805,000	24,268,011	29,073,011	0.33 %	618	1,234,672	27,838,339
2012	3,670,000	22,818,026	26,488,026	0.33 %	563	1,249,572	25,238,454
2013	11,417,797	28,471,989	39,889,786	0.52 %	849	1,124,544	38,765,242
2014	9,995,855	27,712,464	37,708,319	0.51 %	802	1,166,791	36,541,528
2015	8,508,000	24,945,166	33,453,166	0.43 %	704	1,548,057	31,905,109
2016	7,490,000	22,407,400	29,897,400	0.37 %	628	1,341,421	28,555,979
2017	5,970,000	20,860,086	26,830,086	0.32 %	559 <sup>5</sup>	1,134,769	25,695,317

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. No resources have been restricted for the payment of debt principal; therefore, net and total general bonded debt are the same.
3. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
4. See the "Demographic and Economic Statistics" table for the County's population data.
5. Information was not available at the time of printing.

# DOUGLAS COUNTY

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT<sup>1, 2</sup> JUNE 30, 2017 IN THOUSANDS (UNAUDITED)

	General Obligation Debt	Percent Applicable	Applicable General Obligation Debt
Douglas County	\$ 27,429,016	100.00 %	\$ <u>27,429,016</u>
Overlapping governments			
Indian Hills GID	2,388,176	3.76 %	89,795
Kingsbury GID	21,916,131	8.44 %	1,849,721
Round Hill GID	1,042,920	4.07 %	42,447
Sierra Estates GID	148,001	0.15 %	222
Topaz Ranch Estates GID	387,290	0.73 %	2,827
Douglas County School District	41,625,000	100.00 %	41,625,000
East Fork Fire Protection District	469,000	57.77 %	270,941
Total overlapping governments	<u>67,976,518</u>		<u>43,880,953</u>
Total direct and overlapping debt	<u>\$ 95,405,534</u>		<u>\$ 71,309,969</u>

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

2. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident; and therefore, responsible for repaying the debt, of each overlapping government. Debt amounts for overlapping entities in the various governments were provided by State of Nevada, Department of Taxation, "Annual Local Government Indebtedness Report " as of June 30, 2016.

# DOUGLAS COUNTY

## LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Total taxable assessed property value	1 <u>\$ 3,470,538,230</u>	<u>\$ 3,593,596,377</u>	<u>\$ 3,463,948,324</u>	<u>\$ 3,062,494,846</u>	<u>\$ 2,837,667,884</u>	<u>\$ 2,681,901,501</u>	<u>\$ 2,591,438,393</u>	<u>\$ 2,733,446,351</u>	<u>\$ 2,813,965,867</u>	<u>\$ 2,961,293,733</u>
Legal debt Margin										
Legal debt limit (10% of taxable assessed property value)	\$ 347,053,823	\$ 359,359,638	\$ 346,394,832	\$ 306,249,485	\$ 283,766,788	\$ 268,190,150	\$ 259,143,839	\$ 273,344,635	\$ 281,396,587	\$ 296,129,373
Debt applicable to debt limit Net general bonded debt	2 <u>30,251,012</u>	<u>27,652,707</u>	<u>25,964,151</u>	<u>27,838,339</u>	<u>25,238,454</u>	<u>38,765,242</u>	<u>36,541,528</u>	<u>31,905,109</u>	<u>28,555,979</u>	<u>25,695,317</u>
Legal debt margin	<u>\$ 316,802,811</u>	<u>\$ 331,706,931</u>	<u>\$ 320,430,681</u>	<u>\$ 278,411,146</u>	<u>\$ 258,528,334</u>	<u>\$ 229,424,908</u>	<u>\$ 222,602,311</u>	<u>\$ 241,439,526</u>	<u>\$ 252,840,608</u>	<u>\$ 270,434,056</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>8.72 %</u>	<u>7.69 %</u>	<u>7.50 %</u>	<u>9.09 %</u>	<u>8.89 %</u>	<u>14.45 %</u>	<u>14.10 %</u>	<u>11.67 %</u>	<u>10.15 %</u>	<u>8.68 %</u>

1. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
2. See the "Ratios of General Bonded Debt Outstanding" table for the calculation of net general bonded debt.

**DOUGLAS COUNTY**  
**PLEDGED REVENUE BOND<sup>1</sup> COVERAGE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

For the Year Ended June 30,	Gross Pledged		Debt Service		Coverage
	Revenue	<sup>2</sup>	Principal	Interest	
2008	\$ 1,818,365	\$	240,000	\$ 73,980	5.79 %
2009	1,936,614		250,000	67,543	6.10 %
2010	1,792,104		255,000	60,280	5.68 %
2011	1,701,268		170,000	53,480	7.61 %
2012	1,608,845		175,000	47,443	7.23 %
2013	1,632,609		185,000	41,143	7.22 %
2014	1,696,380		190,000	34,533	7.56 %
2015	1,739,363		195,000	27,650	7.81 %
2016	2,220,936		205,000	20,348	9.86 %
2017	2,320,068		430,000	215,591	3.59 %

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. Pledged revenues include a tax currently levied at the rate of four cents per gallon by the County and the County's interest in taxes equal in the aggregate to 5.35 cents per gallon, levied by the State of Nevada on certain motor vehicle fuel sold in the County and the State.

**DOUGLAS COUNTY**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>For the Year Ended June 30,</u>	<u>Population</u> <sup>1</sup>	<u>Personal Income</u> <sup>1</sup>	<u>Per Capita Personal Income</u>	<u>Labor Force</u> <sup>2</sup>	<u>Unemployment Rate</u> <sup>2</sup>
2008	47,166	\$ 2,663,429,000	\$ 56,469	\$ 22,406	7.8 %
2009	47,270	2,567,962,000	54,325	22,666	12.0 %
2010	46,965	2,360,811,000	50,267	22,672	14.6 %
2011	47,026	2,373,268,000	50,467	22,533	14.0 %
2012	47,031	2,449,430,000	52,081	21,634	12.0 %
2013	46,973	2,581,369,000	54,954	21,247	10.6 %
2014	47,015	2,612,945,000	55,577	21,200	8.5 %
2015	47,492	2,729,284,000	57,468	21,073	6.8 %
2016	47,628	3,069,122,000	64,439	22,439	5.6 %
2017	48,020	3,145,049,000	65,495	22,522	4.4 %

1. U.S. Department of Commerce, Bureau of Economic Analysis. Data is as of December 31.
2. State of Nevada - Nevada Department of Employment, Training and Rehabilitation- <http://www.nevadaworkforce.com>

**DOUGLAS COUNTY**  
**PRINCIPAL EMPLOYERS<sup>1</sup>**  
**CURRENT AND NINE YEARS AGO**  
**(UNAUDITED)**

Clark County Employer	2017			2008		
	Employees <sup>1</sup>	Rank	Percentage of Total Douglas County Employment	Employees <sup>1</sup>	Rank	Percentage of Total Douglas County Employment
Harrah's	1,000 - 1,499	1	5.55 %	1,500 - 1,999	1	7.65 %
Douglas County School District	1,000 - 1,499	2	5.55 %	1,000 - 1,499	4	5.46 %
Montblue Resort/Caesar's Tahoe	500 - 599	3	2.44 %	1,000 - 1,499	3	5.46 %
Bentley, NV	500 - 599	4	2.44 %	600 - 699	5	2.84 %
Douglas County	500 - 599	5	2.44 %	600 - 699	7	2.84 %
Harvey's	400 - 499	6	2.00 %	1,000 - 1,499	2	5.46 %
Hard Rock Hotel & Casino	400 - 499	7	2.00 %			%
Carson Valley Inn	300 - 399	8	1.55 %	500 - 599	8	2.40 %
Carson Valley Medical Center	300 - 399	9	1.55 %			%
Wal-Mart Associate, Inc.	300 - 399	10	1.55 %	600 - 699	6	2.84 %
Heavenly Valley, LTD				200 - 299	9	1.09 %
Resorts West A				200 - 299	10	1.09 %

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

# DOUGLAS COUNTY

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Governmental activities										
General government	74	69	66	65	66	69	68	79	80	80
Judicial	115	116	113	109	104	109	113	123	123	123
Public safety	146	149	139	143	145	141	138	143	143	144
Public works	61	55	45	42	39	38	39	36	29	29
Community development	2	2	2	2	2	2	2	21	24	21
Culture and recreation	100	94	80	75	68	68	70	62	62	62
Health and sanitation	4	4	5	4	4	5	5	6	6	6
Welfare	7	7	7	7	7	8	8	9	9	9
Total governmental activities	<u>509</u>	<u>496</u>	<u>457</u>	<u>447</u>	<u>435</u>	<u>440</u>	<u>443</u>	<u>479</u>	<u>476</u>	<u>474</u>
Business-type activities										
Water	8	10	12	13	13	13	13	15	15	15
Sewer	5	6	4	4	4	5	5	5	5	5
Total business-type activities	<u>13</u>	<u>16</u>	<u>16</u>	<u>17</u>	<u>17</u>	<u>18</u>	<u>18</u>	<u>20</u>	<u>20</u>	<u>20</u>
Total full-time equivalent employees	<u><u>522</u></u>	<u><u>512</u></u>	<u><u>473</u></u>	<u><u>464</u></u>	<u><u>452</u></u>	<u><u>458</u></u>	<u><u>461</u></u>	<u><u>499</u></u>	<u><u>496</u></u>	<u><u>494</u></u>

1. Source - Douglas County Finance Department

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Assessor <sup>2</sup>										
Real Estate Trends - Tahoe Township										
Number of Sales	77	86	92	94	121	142	136	104	121	3
Median Sales Price	\$ 600,000	\$ 500,000	\$ 555,000	\$ 553,000	\$ 474,900	\$ 632,500	\$ 635,750	\$ 650,000	\$ 745,000	\$ 3
Average Sales Price	\$ 1,033,974	\$ 838,105	\$ 913,510	\$ 1,120,720	\$ 744,327	\$ 1,058,530	\$ 1,123,556	\$ 923,774	\$ 969,092	\$ 3
Average Residential Square Foot	2,388	2,399	2,789	2,724	2,532	2,627	2,476	2,455	2,383	3
Real Estate Trends - East Fork Township										
Number of Sales	492	578	595	697	806	805	778	881	941	3
Median Sales Price	\$ 290,000	\$ 240,000	\$ 216,770	\$ 189,900	\$ 195,000	\$ 254,125	\$ 270,000	\$ 302,000	\$ 319,000	\$ 3
Average Sales Price	\$ 355,507	\$ 302,185	\$ 261,821	\$ 233,695	\$ 239,647	\$ 291,407	\$ 305,718	\$ 332,951	\$ 357,227	\$ 3
Average Residential Square Foot	1,946	2,006	1,940	1,928	1,970	1,901	1,943	1,953	1,957	3
Real Estate Trends - Combined Douglas County										
Number of Sales	569	664	687	791	927	947	914	985	1,061	3
Median Sales Price	\$ 325,000	\$ 260,000	\$ 240,000	\$ 200,000	\$ 217,000	\$ 272,900	\$ 293,750	\$ 320,000	\$ 339,900	\$ 3
Average Sales Price	\$ 447,321	\$ 371,576	\$ 349,092	\$ 339,106	\$ 305,522	\$ 401,480	\$ 427,825	\$ 395,332	\$ 426,728	\$ 3
Average Residential Square Foot	2,006	2,056	2,054	2,022	2,044	2,034	2,023	2,004	2,005	3
Sales of Houses in Same Year as Built										
Number of Sales	20	17	5	3	28	60	63	78	82	3
Median Sales Price	\$ 767,000	\$ 389,500	\$ 425,000	\$ 512,757	\$ 306,950	\$ 299,500	\$ 364,000	\$ 380,166	\$ 425,410	\$ 3
Average Sales Price	\$ 1,001,356	\$ 371,576	\$ 462,725	\$ 527,586	\$ 396,664	\$ 389,546	\$ 387,889	\$ 426,251	\$ 444,670	\$ 3
Average Residential Square Foot	3,088	2,337	2,943	2,926	2,558	2,329	2,308	2,301	2,318	3
Number of Deeds Filed Listed as										
Trustee's	233	250	276	224	92	31	64	71	81	3
Single Family Dwelling Permits Issued	163	38	39	36	38	72	70	71	101	3
Machinery, Equipment, and Fixtures										
Unsecured	\$ 48,156,194	\$ 60,567,351	\$ 56,488,516	\$ 53,531,340	\$ 50,635,867	\$ 48,688,411	\$ 51,925,113	\$ 52,391,821	\$ 59,739,538	\$ 62,283,957
Secured	\$ 14,615,794	\$ 14,088,063	\$ 12,895,854	\$ 11,535,319	\$ 9,252,531	\$ 8,922,291	\$ 8,411,099	\$ 8,194,263	\$ 8,870,393	\$ 9,191,164
Recorder										
Marriages	2,126	1,839	1,385	1,270	1,171	1,125	906	1,002	959	949
Recorded Documents	21,865	20,277	19,954	19,496	19,156	21,444	19,047	20,103	18,074	17,283
Recording Fees	\$ 403,397	\$ 367,166	\$ 451,602	\$ 565,376	\$ 424,804	\$ 467,433	\$ 383,306	\$ 341,435	\$ 350,366	\$ 313,032
Transfers	6,765	5,734	6,100	5,512	6,497	6,268	6,524	6,268	5,801	5,665
Exempt Transfers	2,490	2,272	2,096	2,120	2,106	2,325	1,921	2,068	1,934	1,815
Real Property Transfer Tax	\$ 2,401,438	\$ 1,695,929	\$ 1,714,878	\$ 1,780,600	\$ 1,574,651	\$ 2,237,118	\$ 2,508,009	\$ 2,507,452	\$ 2,650,770	\$ 2,955,354
Water Rights Deeds	62	108	33	28	40	40	43	36	38	55
Notices of Default	662	1,030	932	938	797	312	183	194	172	93
Records Management										
Number of files delivered	1,631	1,476	1,178	863	733	834	754	872	819	740
Number of boxes received	333	234	254	283	178	474	189	159	295	188
Number of boxes destroyed	217	583	349	930	642	1,019	1,165	1,326	883	1,148
Number of boxes scanned	27	33	141	157	114	180	230			38
Number of images scanned	5	5	5	5	5	5	5	191,087	115,234	65,661
Number of film rolls processed	266	187	207	186	437	467	175			
Number of sealing's processed		177	572	678	243	203	129	183	123	77

(Continued)

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
China Spring Youth Camp										
Number of Residents	187	175	153	146	149	138	131	193	169	161
Successful Releases	156	128	123	123	121	1,007	109	106	128	97
Medical Releases	3	5	7	7	4	4	4	3	30	7
Failure of Program	28	42	23	16	24	27	18	28	1	29
Committing Offense Type										
Drugs and Alcohol	87	66	65	76	80	77	79	54	41	71
Crime Against Property	62	56	48	33	34	38	25	38	51	57
Crime Against Person	24	33	27	34	30	21	21	32	77	33
Other	14	20	13	10	5	2	6	18		
Sheriff	<sup>2</sup>									
Calls for service	35,561	37,574	40,374	42,557	42,155	36,164	35,753	36,825	42,536	<sup>3</sup>
Number of Arrests	2,428	2,462	2,426	2,462	2,495	2,495	3,007	2,090	2,031	<sup>3</sup>
Number of Permits	3,282	3,251	2,752	2,808	3,128	3,443	3,512	3,444	4,003	<sup>3</sup>
Coroner	249	268	240	264	239	299	295	305	329	<sup>3</sup>
Number of Citations	4,469	5,588	5,036	5,944	5,966	5,717	5,577	5,879	9,819	<sup>3</sup>
Number of Releases from Jail	2,778	2,888	2,602	2,482	2,711	2,557	2,583	2,586	2,417	<sup>3</sup>
Average Daily Jail Population	77	84	81	60	63	63	76	62	59	<sup>3</sup>
Number of Investigator Assigned Cases	745	753	635	722	577	550	638	733	563	<sup>3</sup>
Judicial, Court Appointed Special Advocates										
Number of Cases as of January 1st	27	35	33	46	44	34	39	32	52	40
Number of Children as of January 1st	44	46	49	72	75	65	66	54	89	62
New Cases	36	40	50	57	55	51	33	25	22	16
New Children	45	61	78	98	97	61	56	44	36	23
Closed Cases	26	39	34	67	64	46	44	29	30	18
Closed Children	40	58	50	92	105	88	75	49	53	32
Library										
Circulation of Materials	190,264	195,064	190,519	188,363	176,204	177,514	181,406	171,022	179,129	193,081
Library Patrons	24,665	26,623	31,913	33,915	35,556	37,112	38,286	35,216	32,652	32,050
Library Visits	154,794	142,962	143,555	147,207	147,571	148,834	153,699	120,193	117,677	113,119
Program Attendance	12,834	10,759	9,427	11,068	8,542	8,171	8,634	7,495	8,671	7,092
Summer Reading Participants	976	1,180	772	1,096	933	1,039	947	829	922	1,019
Public Safety, 911	<sup>2</sup>									
Calls For Service	63,556	63,171	66,266	70,435	73,602	75,768	76,218	75,512	81,944	<sup>3</sup>
Total Case Numbers Issued										
Douglas County Sheriff Office	36,627	38,657	41,008	43,134	42,899	36,673	37,188	37,589	43,070	<sup>3</sup>
Washoe Tribe Police Department	2,889	2,766	1,895	1,940	1,761	2,100	2,161	2,033	2,787	<sup>3</sup>
East Fork Fire Protection District	4,897	4,903	4,767	5,209	5,510	5,452	6,266	6,033	6,292	<sup>3</sup>
Tahoe-Douglas Fire District	1,907	1,748	1,677	1,813	1,769	1,982	2,050	2,069	2,132	<sup>3</sup>

(Continued)

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Community Development and Support										
Single Family Dwelling Permits	48	43	35	35	49	107	151	137	164	<sup>3</sup>
Single Family Dwelling Valuation	\$ 22,377,950	\$ 17,204,657	\$ 16,207,102	\$ 11,106,794	\$ 16,042,805	\$ 38,094,761	\$ 56,185,007	\$ 54,779,818	\$ 62,646,154	\$ <sup>3</sup>
New Commercial Building Permits	19	8	8	8	10	7	6	16	28	<sup>3</sup>
New Commercial Building Valuation	\$ 17,453,391	\$ 2,904,777	\$ 3,434,208	\$ 2,142,620	\$ 6,564,732	\$ 1,858,308	\$ 1,589,077	\$ 26,335,779	\$ 6,192,470	\$ <sup>3</sup>
Multi-Family Residential Permits	3		2			2				<sup>3</sup>
Multi-Family Residential Valuation	\$ 967,363		\$ 3,401,936			\$ 3,765,620				\$ <sup>3</sup>
Manufactured Homes Permits	1	3	1	1		1	2	2	5	<sup>3</sup>
Health and Sanitation, Landfill Tonnages										
Douglas Disposal	3,222	2,619	1,539	306	156	186	405	536	478	629
Bently Agrowdynamics	241	317	338	311	350	373	365	408	355	414
Carson City	1,681	1,721	2,626	3,825	3,677	3,608	3,405	3,456	3,676	3,543
Social Services										
Number of households seeking assistance with rent, utilities and/or food	1,938	2,040	2,128	2,049	2,219	4	4	4	866	855
Number of households seeking assistance (includes rent, utilities, food, medical, transitional housing and/or other services)	2,518	2,496	2,496	2,846	3,172	4	4	4	866	855
Number of households seeking assistance from Social Services for the first time.	473	426	462	455	434	4	4	4	394	333
Animal Care										
Calls for Service	1,682	1,409	1,780	1,771	1,763	1,422	1,430	1,462	1,507	1,649
Cases Submitted to the District Attorney for Prosecution	34	60	65	58	56	40	57	67	52	57
Bite Reports	101	120	155	111	110	106	110	115	147	134
Adoptions	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	315	328	320	312	395
Impounds	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	676	711	677	522	612

1. Source - Various Douglas County departments.
2. Information is based on a calendar year.
3. Information was not available at the time of printing.
4. Information is no longer tracked.
5. Information was not tracked in these years.

# DOUGLAS COUNTY

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
General Government										
Information technology										
Business applications	68	69	69	69	71	71	76	76	59	79
Networked buildings	21	21	21	21	21	21	21	21	21	21
Networked computers	375	375	375	375	375	375	375	400	412	476
Microwave linear mileage	63	63	63	63	63	63	63	63	63	63
GIS mapped (square miles)	1,860	1,860	1,860	4,308	4,308	4,308	4,308	4,308	4,308	4,308
Equipment services										
Ambulance/emergency vehicles	6	7	8	8	8	8	9	10	10	10
County vehicles	111	129	146	157	165	177	185	196	209	215
Town vehicles	8	8	8	8	8	8	10	13	16	18
East Fork Fire & Paramedic District vehicles	15	17	17	17	17	17	18	18	18	
Judicial										
District courts/justice courts	4	4	4	4	4	4	4	4	4	4
District courts/justice courts locations	2	2	2	2	2	2	2	2	2	2
Public Safety										
Sheriffs detention center	2	2	2	2	2	2	2	2	2	2
Sheriffs substations	4	4	4	4	4	4	4	4	4	4
Sheriffs patrol/search and rescue boats	1	1	1	1	1	1	1	1	1	1
Regional emergency operations/training center			1	1	1	1	1	1	1	1
Public Works										
Paved roads (miles)	168	169	171	171	171	171	171	177	178	178
Grinding roads (miles)	43	43	43	43	43	43	43	44	46	46
Unpaved roads (miles)	17	17	17	17	17	17	17	14	12	12
Traffic Signals	17	17	17	17	17	18	18	18	18	18
Bridges	13	13	13	13	13	13	14	14	14	14
Utilities										
Water mains (miles)	107	109	109	114	114	117	117	117	117	138
Sewer forcemains (miles)	15	15	15	15	15	15	15	15	15	15
Sewer mains (miles)	51	51	51	51	51	51	51	51	51	50
Developed park acreage	177	177	177	177	177	177	177	196	197	197
Storm drains (miles)	4	4	4	4	4	4	4	4	4	4

(Continued)

# DOUGLAS COUNTY

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Recreation building	4	4	4	4	4	4	4	4	4	5
Gross park acreage	760	760	760	760	760	760	760	760	760	760
Undeveloped park acreage	578	578	578	578	578	578	578	559	558	558
Concession stands	8	8	8	8	8	8	8	8	8	8
Playgrounds	15	15	15	15	15	15	15	15	15	15
Swimming pools/waterpark	1	1	1	1	1	1	1	1	1	1
Picnic tables	187	187	187	187	187	187	187	187	193	193
Gazebo/group area	10	10	10	10	10	10	10	10	11	11
Baseball fields	19	19	19	19	19	19	19	19	19	19
Soccer fields	15	15	15	15	15	15	15	15	15	15
Tennis courts	14	14	14	14	14	14	14	14	16	16
Basketball courts	7	7	7	7	7	7	7	7	7	7
Volleyball courts	7	7	7	7	7	7	7	7	7	7
Shooting range	1	1	1	1	1	1	1	1	1	1
Horseshoe pits	16	16	16	16	16	16	16	16	16	16
Skateboard parks	1	1	1	1	1	1	1	1	1	1

1. Source - Various Douglas County departments.

# **SINGLE AUDIT INFORMATION**



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Members of the County Commission  
Douglas County, Nevada

We have audited the compliance of Douglas County (the County) with the types of compliance requirements described in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended June 30, 2017. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility.** The County's management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility.** Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

**Opinion on Major Federal Program.** In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the County's major federal program for the year ended June 30, 2017.

**Report on Internal Control Over Compliance.** The County's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

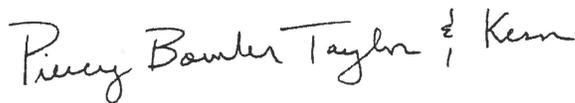
A *deficiency* in internal control over compliance exists when the design or operation of a control over

compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance.** We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 15, 2017, which contained an unmodified opinion on those basic financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Las Vegas, Nevada  
December 15, 2017

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed-through South Tahoe Public Utility District Cooperative Forestry Assistance	10.664	16-DG-11052012-142	\$	\$ 1,188
Forest Service Schools and Roads Cluster Passed-through State of Nevada, Controller Schools and Roads - Grants to States	10.665	N/A		7,352
Passed-through State of Nevada, Department of Agriculture Senior Farmers Market Nutrition Program	10.576	N/A		630
Child Nutrition Cluster Passed-through State of Nevada, Department of Agriculture School Breakfast Program	10.553	R-305-11		35,461
National School Lunch Program	10.555	R-305-11		63,087
National School Lunch Program - Commodities	10.555	E066		5,822
Subtotal Child Nutrition Cluster				104,370
Passed-through State of Nevada, Department of Agriculture Specialty Corp Block Grant Program - Farm Bill	10.170	12-25-1683		383
Total U.S. Department of Agriculture				113,923
U.S Department of Health and Human Services				
Passed-through State of Nevada, Department of Health and Human Services Block Grants for Prevention and Treatment of Substance Abuse	93.959	15226, 15794, 15750		570,796
Block Grants for Community Mental Health Services	93.958	15949		15,500
Child Support Enforcement	93.563	Acc No 3238, Acc No 3239		201,703
Community Services Block Grant	93.569	N/A		142,319
Aging Cluster Passed-through State of Nevada, Department of Health and Human Services Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	04-000-02-BC-17		25,907
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-07-13-17, 04-000- 07-13-16, 04-000-04-24- 17, 04-000-04-24-16		237,544
Nutrition Services Incentive Program	93.053	04-000-57-NX-16		47,218
Subtotal Aging Cluster				310,669
Passed-through Carson City, Department of Nevada Health and Human Services Family Planning Services	93.217	FPHPA096239		26,631
Total U.S Department of Health and Human Services				1,267,618

(Continued)

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Homeland Security				
Passed-through State of Nevada, Department of Public Safety Emergency Management Performance Grants	97.042	9704216, 9704217		57,239
Pre-disaster Mitigation	97.047	9704715-2506, 970479- 3100, 970479-3000	8,392	11,757
Homeland Security Grant Program	97.067	N/A		15,848
Total U.S. Department of Homeland Security			<u>8,392</u>	<u>84,844</u>
U.S. Department of Housing and Urban Development				
Supportive Housing Program	14.235			30,410
Passed-through State of Nevada, Governor's Office of Economic Development				
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	N/A	30,976	30,976
Total U.S. Department of Housing and Urban Development			<u>30,976</u>	<u>61,386</u>
U.S. Department of Justice				
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589			196,635
Juvenile Mentoring Program	16.726			7,000
Passed-through State of Nevada, Office of Attorney General				
Violence Against Women Formula Grants	16.588	2016-VAWA-07		20,007
Support for Adam Walsh Act Implementation Grant Program	16.750	2014-AW-BX-0048		521
Passed-through State of Nevada, Department of Motor Vehicle and Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-06, 16-JAG-03, 15- JAG-06, 15-JAG-04		58,199
Total U.S. Department of Justice			<u></u>	<u>282,362</u>
U.S. Department of Transportation				
Airport Improvement Program	20.106 *			3,446,397
Passed-through State of Nevada, Department of Transportation Formula Grants for Rural Areas	20.509	PR641-16-802, PR491-15- 802		386,912
Highway Planning and Construction Cluster				
Passed-through State of Nevada, Department of Transportation				
Highway Planning and Construction	20.205	PR092-15-063		262,344
Passed-through State of Nevada, Division of State Parks Recreational Trails Program	20.219	2015-11		11,718
Subtotal Highway Planning and Construction Cluster			<u></u>	<u>274,062</u>

(Continued)

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
Passed-through State of Nevada, Department of Public Safety Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	17-HMEP-04-01, 17- HMEP-04-02		37,190
Highway Safety Cluster Passed-through State of Nevada, Department of Motor Vehicle and Public Safety State and Community Highway Safety	20.600	LFD-2017-DCSO, JF-2017- DCSO, JF-2016-DCSO		71,086
Total U.S. Department of Transportation			<u>                    </u>	<u>4,215,647</u>
U.S. Environmental Protection Agency				
Passed-through State of Nevada, Department of Environmental Protection Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW1502		50,569
Total U.S. Environmental Protection Agency			<u>                    </u>	<u>50,569</u>
U.S. Institute of Museum and Library Services				
U.S. Institute of Museum and Library Services Grants to States	45.310	2016-20		2,800
Total U.S. Institute of Museum and Library Services			<u>                    </u>	<u>2,800</u>
U.S. Social Security Administration				
Social Security Disability Insurance	96.001			5,400
Total U.S. Social Security Administration			<u>                    </u>	<u>5,400</u>
Total federal expenditures			<u>\$ 39,368</u>	<u>\$ 6,084,549</u>

\* A major program

# DOUGLAS COUNTY

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2017

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### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Douglas County (the County) under programs of the federal government for the year ended June 30, 2017. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the County.

### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

### **Note 3. Indirect Cost Rate**

The County has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**DOUGLAS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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**Section I - Summary of Auditors' Results**

Financial Statements	
Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	Yes
Significant deficiencies identified that are not considered to be material weaknesses	Yes
Noncompliance material to financial statements	No
Federal Awards	
Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings required to be reported in accordance with 2 CFR 200.516(a)	No
Identification of major programs	
CFDA number	20.106
Name of federal program or cluster	U.S. Department of Transportation, Federal Aviation Administration, Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee	No

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards***

2017 - 001

Criteria or specific requirement

General Computing Controls:

Passwords for financial applications should meet minimum standards to decrease the likelihood that critical systems are compromised. Generic, multi-user accounts should be eliminated. All users should login in using their own identifying credentials. Best practice for password configuration is:

Minimum 8 characters

Complexity - 3 out of 4 of the following required - Upper or Lower case, Numeric, Symbols

Forced password change at least quarterly

Can not reuse last 10 passwords

Lockout after 3 attempts

Condition and context

A password policy was approved by the Board of County Commissioners in January 2016. This policy requires a minimum of 10 characters with complexity for any password that accesses the Douglas County network and/or systems. This policy has been applied to the active directory profiles. However, as noted in the following paragraphs, some systems have not been integrated with active directory. In addition, not all generic, multi-user accounts have been eliminated.

The Core system does not have the capability to modify the password configuration of the users. In addition, review of the Core system authorized user list continued to reveal generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights. Furthermore, the Core system can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.

The New World system has its own set of password configuration rules, but does not enforce typical length and complexity rules. The security works in conjunction with the County's active directory password configuration, which is also not set to enforce length or complexity. There is no requirement to periodically change user passwords and we were unable to determine if any user passwords had been changed subsequent to initial set up.

Effect

Ineffectual passwords and generic, multi-user accounts increase the risk of the system being compromised by a unauthorized user, allow anonymous changes to be made and provide an opportunity for malicious users to easily and anonymously gain unauthorized access possibly resulting in inappropriate modifications or loss of financial data, materially misstated financial statements and disruption of County operations.

Cause

A County-wide policy for the configuration and use of minimum password standards (including password changes) was not developed and implemented.

Recommendation

Complete the replacement of Core and elimination of generic multi-user accounts. Complete the integration of all systems with active directory, which will enforce uniform compliance with the approved policy.

Management's response

Management informed us that with the exception of the Core system, generic multi-user accounts have been eliminated from active directory and will not be used moving forward. The continued use of multi-use accounts for Core machines is a necessary temporary condition that will be appropriately managed until Core is replaced. Management also informed us that with the replacement of Core, in fiscal year 2018, all systems will be integrated with active directory.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

---

**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 002

Criteria or specific requirement

General Computing Controls:

Data backup is a critical component of system management. All data should be backed up using a medium that provides for restoration at a future date and such restoration ability should be periodically tested to verify data integrity. A copy of the backed-up data should be stored offsite.

Condition and context

A backup system has been implemented that backs up each server at a minimum of daily with the backed up information stored offsite. However, no restoration testing has been performed to ensure that data and systems can be recovered from backup.

Effect

If system data is being backed-up and is recoverable it could take considerable time and effort to find and restore the data. However, if system data is not being completely and accurately backed-up or is unrecoverable, all system data would be lost. Either scenario could result in a considerable disruption to County operations.

Cause

Data restoration from backed-up data has not been tested.

Recommendation

Develop and implement a quarterly restoration test that validates that data backups can be successfully restored. Where possible, rotate the test through the critical systems.

Management's response

Management informed us that a data verification and restoration process to meet general computing controls will be tested and implemented.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

---

**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 003

Criteria or specific requirement	General Computing Controls:  Physical access to the servers, databases, and backup media containing financial information are to be kept secure, with access limited to those required to perform their duties.
Condition and context	Server closets and other sensitive IT working areas may be accessed using electronic card keys and/or physical keys. The distribution of physical keys to such areas has not been appropriately controlled; and therefore, an unknown number of people have physical keys and unrestricted access to the server closets and other sensitive IT working areas.
Effect	Access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases, representing a risk to the accountability and integrity of the financial data.
Cause	The lack of policies and procedures, along with no access review and control process, exposed the servers and databases to a significantly large number of employees, program vendors, outside consultants, and potentially others.
Recommendation	The physical key locks to server closets and other sensitive IT working areas should be changed and the distribution and use of both physical keys and key cards should be controlled, documented and monitored. For all server closets and other sensitive IT working areas where access can not be fully restricted, other control procedures should be implemented to improve the security of these areas.
Management's response	Management informed us that server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented. The remaining server closets and other sensitive IT working areas will be re-keyed with physical keys or otherwise secured.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 004

Criteria or specific requirement

General Computing Controls:

Granting of system access rights to new employees, updating such rights for an employee status change, and removing (deactivating) such rights upon employee separation from County employment (commonly referred to as "employee on/off boarding") is a critical control in ensuring only authorized users have systems access.

Condition and context

Although a written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring all terminated employee rights must be deactivated within 24 hours and a process has implemented to control both assigning rights to new users and promptly turning off terminated users, there is inconsistency in communication between individual departments/divisions, human resources and information technology. As a result, terminated employee rights are not being deactivated within the 24 hour period.

Effect

Failure to timely remove the access of terminated employees could result in unauthorized network access, inappropriate modifications or loss of financial data and materially misstated financial statements.

Cause

A policy governing the employee on/off boarding has not been established and enforced.

Recommendation

The County divisions and departments must continue to work together to uniformly implement the approved employee on/off boarding policy to ensure the off boarding process is completed timely, including the deactivation of all terminated employee rights within 24 hours, in accordance with the approved policy.

Management's response

Management informed us that the Technology Services Department will continue working with human resources to document and automate workflow between supervisors, human resources and technology services to improve consistency in communication between individual departments/divisions, human resources and information technology to ensure that all terminated employee rights are deactivated within 24 hours, in accordance with the approved policy.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

---

### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2017 - 005

Criteria or specific requirement

General Computing Controls:

Policies and procedures (*i.e.*, how to operate and manage the system) are necessary for the proper systems management, oversight, and operations.

In addition, identification of defined roles and decision makers are required to manage daily operations adequately and efficiently manage the daily operations.

Condition and context

Management has identified several critical policies and procedures that should be addressed to ensure proper computing controls, but has not completed and documented a full assessment of such policies. For those areas identified, management has started the process of creating appropriate policies and procedures for approval by the Board of County Commissioners and subsequent implementation.

In addition, there is no documentation of roles and user group definitions using, for example, a RACI (Responsible, Accountable, Consult, Inform) chart or segregation of duties matrix. For some systems, we were unable to identify a specific person with administration responsibility (ownership) of the system.

Effect

The lack of documented policies and procedures leaves current operations vulnerable to errors or omissions and does not allow for any formal review and improvement over the management of the systems.

Furthermore, insufficient accountability of users and administrators of the systems could result in impairment of the functionality and stability of the County's financial accounting process.

Cause

Historically a culture existed where the necessity of cohesive, effective general computing controls were not understood, implemented, or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties or independent oversight.

Recommendation

Perform and document an assessment of policies and procedures to identify critical policies and procedures to be created over general computing controls. The resulting overall plan should include a priority of events, timeline, and documentation standards by which all other policies and procedures will be created.

Review and document the roles and responsibilities for both the front end business users and back end technology administration and support. This documentation should identify a specific person or persons with administration responsibility (ownership) of the systems and a subject matter expert and include at a minimum, information related to application support and a segregation of duties matrix.

Management's response

Management informed us that they will complete an assessment of policies and procedures to identify critical policies and procedures that should be addressed to ensure proper computing controls. The Technology Services Department has been, and will continue to work closely with departments to identify and document the roles and responsibilities of business users, subject matter experts and technology administration and application support, in addressing policies and procedures to implement and maintain proper computing controls.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

---

**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 006

Criteria or specific requirement

General Computing Controls:

IT service and support vendor oversight and management is critical to provide assurances that such vendors only have the minimum required access that is restricted to times when their assistance is required.

Condition and context

Although vendor oversight has drastically improved, IT service and support vendors are not fully documented and access to the systems is not fully controlled. Specifically, some IT service and support vendors continue to have access rights to systems that should be reviewed and modified.

Effect

The use of untethered, unrestricted IT service and support vendor service accounts allows anonymous, and possibly unauthorized or malicious, access to significantly elevated user rights to critical systems and processes and could result in impairment of the functionality and stability of the County's financial accounting process and disruption of County operations.

Cause

The previous IT administration fostered a culture where cohesive, effective general computing controls were not implemented or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties and independent oversight. As a result, some user groups have forged a relationships with IT service and support vendors (whose operations are basic and do not comply with current industry standards) and have granted such vendors untethered, unrestricted access into the entire network through an open fiber connection.

Recommendation

Develop, document and implement an IT service and support vendor oversight and management policies and procedures to ensure appropriate internal controls over vendor access and to minimize the County's risk.

Management's response

Management informed us that the Technology Services Department will continue to evaluate the need for vendor access accounts to ensure appropriate monitoring when vendor access is necessary. Requests for such access will require specific terms and conditions.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2017 - 007

Criteria or specific requirement

General Computing Controls:

Automated service accounts are required for daily operations and autonomous communications between applications and the server operating systems. Due to the significantly elevated user rights of automated service accounts, the distribution of these passwords should be tightly controlled, and where feasible, the password should be periodically changed.

Condition and context

Although the use and documentation for automated service accounts has significantly improved and the purpose of many automated service accounts has been determined, identification and documentation of the purpose of all legacy services accounts has not been completed, and some services account functions are still unknown.

As a result, automated service accounts are not fully documented or understood and some obsolete service accounts remain in active use for which the purpose is unknown and/or the password may have been distributed to individuals that do not require access.

Effect

The use of automated service accounts allows anonymous, and possibly unauthorized or malicious, access to significantly elevated user rights to critical systems and processes and could result in impairment of the functionality and stability of the County's financial accounting process and disruption of County operations.

Cause

The previous IT administration fostered a culture where cohesive, effective general computing controls were not implemented, or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties and independent oversight. As a result, the lack of policies and procedures, along with no review process for access, allowed a situation to grow where access to automated service accounts were provided to a number of individuals that do not require access to appropriately perform assigned duties.

Recommendation

Develop, document and implement a service account process to limit access of service accounts to authorized users. Document the use of each account on all servers or applications. Determine when and if the password can be regularly changed. Evaluate each service account for actual required permissions and remove users, services and access such as "log on locally". Only allow service accounts in the administrator user group when absolutely necessary.

Management's response

Management informed us that the Technology Services Department will continue evaluating existing service accounts, future administrator accounts will be limited to only those systems where required, and all service accounts will be documented.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 008

Criteria or specific requirement	General Computing Controls:  The IT Division provides Disaster Recovery (DR) of technology to support the County's Business Continuity Plan (BCP). This includes the ability to recover data, by system or server, in a specified amount of time allowing County operations to continue.
Condition and context	Formal, written DR and BCP plans to recover IT systems and servers do not exist. Although, the East Fork Fire Protection District has prepared an emergency preparedness manual, the County's ability to recover data and restore critical operations following a disaster is nearly non-existent.
Effect	In the event of a disaster, the IT Division will be required to acquire new equipment and attempt the recovery of systems and data from backups. This recovery process would disrupt County operations for an extended period.
Cause	Formal, written DR and BCP plans have not been designed, documented or tested.
Recommendation	Develop an IT centric DR plan, which includes options to recover in the event of a disaster, whether limited (water dripping on a single server rack) or catastrophic (fire in the IT working area). Once complete, develop a process to review the DR plan once a year to ensure continued completeness, accuracy, and ability to execute.  Upon completion of the IT centric DR plan, work with other County divisions and departments to develop a BCP to ensure that critical County operations could continue in the event of various local or catastrophic disasters.
Management's response	Management informed us that they are evaluating BCP and DR requirements and that formal DR and BCP plans will be developed. The need for additional back-up hardware has also been identified in this process and included in the County's capital improvement plan.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2017 - 009

Criteria or specific requirement	General Computing Controls:  System logs on hardware, software applications and server operating systems creates an investigative path to determine the nature and extent of a system breach or failure. In addition, systems should be reviewed, every 30-90 days, to ensure that terminated users have been removed, user role changes have been implemented, group access rights are appropriate and group membership is appropriate.
Condition and context	A log server was installed in July 2015 and tested, but has not been fully implemented. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data.
Effect	The lack of exception reporting and failure to periodically review system logs may result in unnoticed system breaches, unauthorized access, anonymous changes and malicious user access resulting in inappropriate modifications or loss of financial data and materially misstated financial statements.
Cause	The lack of exception reporting and system log reviews allowed unauthorized access to servers and databases by a large number of employees, program vendors, outside consultants, and potentially others.
Recommendation	Establish exception reporting and system logs for all hardware, software applications and server operating systems. Implement a procedure to ensure exception reports and logs are periodically reviewed and any unusual or unexecuted activities (exception reporting) are promptly investigated and documented.  In addition, design, document and implement a process to periodically review (at least quarterly) and update user access rights.
Management's response	Management informed us that while logs are being generated there are no systems in place to report on event management. The Technology Services Department will be requesting funding in fiscal year 2018 for a consolidated logging and event management system.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2017 - 010

Criteria or specific requirement

Payment Card Industry (PCI), Network Security:

All systems must be protected from unauthorized access from untrusted networks, whether entering the system via the internet as e-commerce, employee internet access through desktop browsers, employee e-mail access, dedicated connections such as business-to-business connections, wireless networks, or other sources. A strong security policy sets the security tone for the whole entity and informs personnel what is expected of them. All personnel should be aware of the sensitivity of data and their responsibilities for protecting it.

Firewalls are devices that control computer traffic allowed between the County's internal, trusted networks and external, untrusted networks, as well as traffic into and out of more sensitive areas within the County's internal trusted networks. The card holder data environment is an example of a more sensitive area within the County's trusted network.

Sensitive information must be encrypted during transmission over networks that are easily accessed by malicious individuals. Misconfigured wireless networks and vulnerabilities in legacy encryption and authentication protocols continue to be targets of malicious individuals who exploit these vulnerabilities to gain privileged access to cardholder data environments.

Malicious software, commonly referred to as "malware" (including viruses, worms, and Trojans) enters the network during many business-approved activities including employee e-mail and use of the internet, mobile computers, and storage devices, resulting in the exploitation of system vulnerabilities. Anti-virus software must be used on all systems commonly affected by malware to protect systems from current and evolving malicious software threats. Additional anti-malware solutions may be considered as a supplement to the anti-virus software; however, such additional solutions do not replace the need for anti-virus software to be in place.

Assigning a unique identification code or password to each person with access ensures that each individual is uniquely accountable for their actions. When such accountability is in place, actions taken on critical data and systems are performed by, and can be traced to, known and authorized users and processes. The effectiveness of a password is largely determined by the design and implementation of the authentication system, particularly how frequently password attempts can be made and the security methods to protect user passwords at the point of entry, during transmission, and while in storage.

Any physical access to data or systems that houses cardholder data provides the opportunity for individuals to access devices or data and to remove systems or hardcopy, and should be appropriately restricted.

Logging mechanisms and the ability to track user activities are critical in preventing, detecting, or minimizing the impact of a card holder data compromise.

Vulnerabilities are being discovered continually by malicious individuals and researchers, and may be introduced by new software. System components, processes, and custom software should be tested frequently to ensure security controls continue to reflect a changing environment.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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Condition and context	<p>Some County locations, system and networks are more secure than others; however, certain vendors have uncontrolled and unmonitored network access. Given the current level of general computing controls, the overall security of the network can not be ascertained.</p> <p>Most connections to credit card devices run across open networks. It is not currently understood or documented how PCI data flows through the County's network, where the endpoints are located, and how best to manage the transmission of card holder data.</p> <p>The malware protection program currently used by the County does not fully cover all necessary devices and may not be updating all installed devices with current definitions. In addition, there are some systems, such as the Core system (previously discussed), that can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.</p> <p>As discussed in prior findings:</p> <ul style="list-style-type: none"><li>Password complexity, user accounts (including the use of generic, multi-user accounts), vendor access and system monitoring processes do not meet current industry best practices</li><li>Physical access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases. In addition, not all endpoints for data entry are adequately controlled after hours</li><li>System logs and exception reporting have not been fully established and implemented</li><li>A formal, written change and patch management process does not exist</li></ul>
Effect	<p>Unauthorized access to, and uncontrolled, servers and connected infrastructure, other hardware, software applications, server operating systems, and networks can lead to a compromise of card holder data for both the County and any individuals with information saved in the County's network.</p>
Cause	<p>Procedures to ensure PCI compliance have not been developed.</p>
Recommendation	<p>Develop, document and implement a plan to address identified security issues to ensure compliance with the most recent PCI standards. This plan should include all 40 findings noted in the June 2015 PCI assessment and not be limited to the following significant findings:</p> <ul style="list-style-type: none"><li>Security around credentials varies from lax to nonexistent. The use of shared or generic accounts creates a significant risk.</li><li>Credit card information is being written down and/or manually stored. Card holder data, including the credit card number must be stored securely. All written credit card data must be managed appropriately and should have policies and procedures that guide the storage and destruction of that data.</li><li>Network and infrastructure documentation is in the very beginning stage of development. Additional documentation of policies and procedures is required including creation of a Security Program, Risk Assessment, and an Incident Response Plan.</li><li>Critical systems are either not in place or outdated putting PCI data at risk. These include the continued use of computers using Windows XP, a severely outdated treasury system (CORE) and lack of formal patch management.</li><li>Insecure systems contain and/or transmit data in a non-PCI compliant format. Data is currently transmitted insecurely either on systems with weak encryption such as SSL (Secure Socket Layer) or processed on insecure website servers.</li></ul>
Management's response	<p>Management informed us that they are in the process of implementing the identified recommendations to strengthen security and ensure compliance with current PCI standards.</p>

(Continued)

**DOUGLAS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2017**

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**Section III – Findings and questioned costs for federal awards, including audit findings required by 2 CFR 200.516(a)**

None reported



# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards***

2016 - 001

Criteria or specific requirement

Internal controls over cash shall be sufficient to provide reasonable assurance that cash is safeguarded against misappropriation and that transactions are executed in accordance with management's authorization.

Bank and investment account reconciliations and supporting documentation should be complete, accurate and timely. Transactions, relating to cash and investments, should be recorded promptly in the County's official general ledger. There should be an independent review of bank and investment account reconciliations to provide reasonable assurance of the prompt and accurate recording of cash and investment related transactions.

Condition and context

We noted the following information related to the County's 3 investment and 18 bank accounts:

The main reconciliation combines 2 bank and all 3 investment accounts and included an unknown variance of approximately \$138,000 at year end.

Some bank and investment account reconciliations (including, specifically, the main reconciliation) for the month of June 2016, were not completed by the Treasurer's office and shared with the Finance Division until mid-October 2016.

Most bank and investment account reconciliations, which were shared with the Finance Division for the month of June 2016, did not indicate who the preparer was or bear evidence of independent review and approval; however, such documentation was retained by the Treasurer's office and shared with the Finance Division in early-December 2016.

Current status

No exceptions were noted in the current year; therefore, this finding appears to have been corrected.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 002

Criteria or specific requirement

General Computing Controls:

Passwords for financial applications should meet minimum standards to decrease the likelihood that critical systems are compromised. Generic, multi-user accounts should be eliminated. All users should login in using their own identifying credentials. Best practice for password configuration is:

- Minimum 8 characters
- Complexity - 3 out of 4 of the following required - Upper or Lower case, Numeric, Symbols
- Forced password change at least quarterly
- Can not reuse last 10 passwords
- Lockout after 3 attempts

Condition and context

Core System:

The Core system does not have the capability to modify the password configuration of the users. In addition, review of the Core system authorized user list revealed 5 generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights. Furthermore, the Core system can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.

New World System:

The New World system has its own set of password configuration rules, but does not enforce typical length and complexity rules. The security works in conjunction with the County's active directory password configuration, which is also not set to enforce length or complexity. There is no requirement to periodically change user passwords and we were unable to determine if any user passwords had been changed subsequent to initial set up.

Infinium System:

The Infinium system relies on the password settings of the underlying AS/400 system, which is currently set at a minimum of 5 characters, but does not enforce typical length and complexity rules. These passwords must be changed every 90 days.

Current status

A password policy was approved by the Board of County Commissioners in January 2016. This policy requires a minimum of 10 characters with complexity for any password that accesses the Douglas County network or systems.

This policy was applied to the active directory profile in fiscal year 2017, but not to the Core and New World systems. During fiscal year 2017 the Infinium system was replaced with a New World system module. In addition, the Core system continues to use generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights. See finding 2017-001.

Reason corrective action taken was significantly different from the corrective action previously reported

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A password policy was approved by the Board of County Commissioners in January 2016. This policy requires a minimum of 10 characters with complexity for any password that accesses the Douglas County network and/or systems. This policy has been applied to the active directory profiles.

(Continued)

**DOUGLAS COUNTY**

**SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2016**

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Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

With the replacement of Core, in fiscal year 2018, all systems will be integrated with active directory.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 003

Criteria or specific requirement

General Computing Controls:

Data backup is a critical component of system management. All data should be backed up using a medium that provides for restoration at a future date and such restoration ability should be periodically tested to verify data integrity. A copy of the backed-up data should be stored offsite.

Condition and context

Core, New World and Infinium Systems:

A backup system has been implemented that backs up each server at a minimum of daily with the backed up information stored offsite. However, no restoration testing has been performed to ensure that data and systems can be recovered from backup.

Current status

A backup system has been implemented for each server providing minimum daily backup with the information stored offsite. However, no verification or restoration testing has been performed to ensure that data and systems can be recovered from backup. During fiscal year 2017 the Infinium system was replaced with a New World system module. See finding 2017-002.

Reason corrective action taken was significantly different from the corrective action previously reported

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A backup system has been implemented that backs up each server at a minimum of daily with the backed up information stored offsite.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

A data verification and restoration process to meet general computing controls will be tested and implemented.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 004

Criteria or specific requirement	General Computing Controls: Physical access to the servers, databases, and backup media containing financial information are to be kept secure, with access limited to those required to perform their duties.
Condition and context	Server closets and other sensitive IT working areas may be accessed using electronic card keys and/or physical keys. The distribution of physical keys to such areas has not been appropriately controlled; and therefore, an unknown number of people have physical keys and unrestricted access to the server closets and other sensitive IT working areas.
Current status	Access to the data centers is now appropriately controlled and the key card access/termination process is properly maintained. However, access to data closets has not yet been corrected as many of them are open to the interior of various buildings or used as a storage rooms. During fiscal year 2017 the Infinium sytem was replaced with a New World system module. See finding 2017-003
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	Access to server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2018  Access to server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented. The remaining server closets and other sensitive IT working areas will be re-keyed with physical keys or otherwise secured.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 005

Criteria or specific requirement

General Computing Controls:

Granting of system access rights to new employees, updating such rights for an employee status change, and removing (deactivating) such rights upon employee separation from County employment (commonly referred to as "employee on/off boarding") is a critical control in ensuring only authorized users have systems access.

Condition and context

Core, New World and Infinium Systems:

Although a written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring all terminated employee rights must be deactivated within 24 hours and a process has implemented to control both assigning rights to new users and promptly turning off terminated users, there is inconsistency in communication between individual departments/divisions, human resources and information technology. As a result, terminated employee rights are not being deactivated within the 24 hour period.

Current status

Although a written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring that all terminated employee rights must be deactivated within 24 hours and a process has been implemented to control both assigning rights to new users and promptly turning off terminated users, there is inconsistency in communication between individual departments/divisions, human resources and information technology. As a result, terminated employee rights are not being deactivated within the required 24 hour period. During fiscal year 2017 the Infinium system was replaced with a New World system module. See finding 2017-004.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring all terminated employee rights must be deactivated within 24 hours and a process has implemented to control both assigning rights to new users and promptly turning off terminated user.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

The Technology Services Department will continue working with human resources to document and automate workflow between supervisors, human resources and technology services to improve consistency in communication between individual departments/divisions, human resources and information technology to ensure that all terminated employee rights are deactivated within 24 hours, in accordance with the approved policy.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 006

Criteria or specific requirement

General Computing Controls:

Policies and procedures (*i.e.*, how to operate and manage the system) are necessary for the proper systems management, oversight, and operations.

In addition, identification of defined roles and decision makers are required to manage daily operations adequately and efficiently manage the daily operations.

Condition and context

Core, New World and Infinium Systems:

There is no documentation of roles and user group definitions using, for example, a RACI (Responsible, Accountable, Consult, Inform) chart or segregation of duties matrix.

Core System:

We were unable to identify a specific person with administration responsibility (ownership) of the Core system.

New World and Infinium Systems:

While we were able to identify a specific person with administration responsibility (ownership) of the New World and Infinium systems, there is no documentation of such administration responsibility.

Current status

Management has identified several critical policies and procedures that should be addressed to ensure proper computing controls, but has not completed and documented a full assessment of such policies. For those areas identified, management has started the process of creating appropriate policies and procedures for approval by the Board of County Commissioners and subsequent implementation. During fiscal year 2017 the Infinium system was replaced with a New World system module. See finding 2017-005.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to resolve this finding timely.

Partial corrective action taken

Management has identified several critical policies and procedures that should be addressed to ensure proper computing controls. For those areas identified, management has started the process of creating appropriate policies and procedures.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

Management will complete an assessment of policies and procedures to identify critical policies and procedures that should be addressed to ensure proper computing controls. The Technology Services Department has been, and will continue to work closely with departments to identify and document the roles and responsibilities of business users, subject matter experts and technology administration and application support, in addressing policies and procedures to implement and maintain proper computing controls.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 007

Criteria or specific requirement

General Computing Controls:

IT service and support vendor oversight and management is critical to provide assurances that such vendors only have the minimum required access that is restricted to times when their assistance is required.

Condition and context

Although vendor oversight has drastically improved, IT service and support vendors are not fully documented and access to the systems is not fully controlled. Specifically, some IT service and support vendors continue to have access rights to systems that should be reviewed and modified.

Current status

Although vendor oversight has dramatically improved, including the removal of untethered, unrestricted access into the entire County network through an open fiber connection, not all vendors are known, documented and controlled when accessing the network. See finding 2017-006.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

Vendor oversight has dramatically improved, including the removal of untethered, unrestricted access into the entire County network through an open fiber connection.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

The Technology Services Department will continue to evaluate the need for vendor access accounts to ensure appropriate monitoring when vendor access is necessary. Requests for such access will require specific terms and conditions.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 008

Criteria or specific requirement

General Computing Controls:

Automated service accounts are required for daily operations and autonomous communications between applications and the server operating systems. Due to the significantly elevated user rights of automated service accounts, the distribution of these passwords should be tightly controlled, and where feasible, the password should be periodically changed.

Condition and context

Automated service accounts are not fully documented or understood. We noted some obsolete service accounts that should have been removed and others for which the password has been distributed to individuals that do not require access.

Current status

Although the use and documentation for automated service accounts has significantly improved and the purpose of many automated service accounts has been determined, identification and documentation of the purpose of all legacy services accounts has not been completed, and some services account functions are still unknown. For new automated service accounts, appropriate documentation is required and such accounts are controlled using passwords and restricted login access. See finding 2017-007.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

The use and documentation for legacy automated service accounts has significantly improved and new automated service accounts require appropriate documentation and approval prior to being created.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

The Technology Services Department will continue evaluating existing service accounts, future administrator accounts will be limited to only those systems where required, and all service accounts will be documented.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 009

Criteria or specific requirement	General Computing Controls:  The IT Division provides Disaster Recovery (DR) of technology to support the County's Business Continuity Plan (BCP). This includes the ability to recover data, by system or server, in a specified amount of time allowing County operations to continue.
Condition and context	Formal, written DR and BCP plans to recover IT systems and servers do not exist. Although, the East Fork Fire Protection District has prepared an emergency preparedness manual, the County's ability to recover data and restore critical operations following a disaster is nearly non-existent.
Current status	The conditions, discussed above, have not been corrected. See finding 2017-008.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to resolve this finding timely.
Partial corrective action taken	None.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2018  Management is evaluating BCP and DR requirements and that formal DR and BCP plans will be developed. The need for additional back-up hardware has also been identified in this process and included in the County's capital improvement plan.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 010

Criteria or specific requirement

General Computing Controls:

System logs on hardware, software applications and server operating systems creates an investigative path to determine the nature and extent of a system breach or failure. In addition, systems should be reviewed, every 30-90 days, to ensure that terminated users have been removed, user role changes have been implemented, group access rights are appropriate and group membership is appropriate.

Condition and context

A log server was installed in July 2015 and tested, but has not been fully implemented. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data.

Current status

A log server was installed in July 2015 and tested, but has not been fully implemented. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data. See finding 2017-009.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A log server was installed in July 2015 and tested, but has not been fully implemented.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

While logs are being generated there are no systems in place to report on event management. The Technology Services Department will be requesting funding in fiscal year 2018 for a consolidated logging and event management system.

(Continued)

**DOUGLAS COUNTY**

**SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2016**

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 011

Criteria or specific requirement

General Computing Controls:

Best practices dictate that each PC or terminal screen should be locked after 5-10 minutes of non-use.

Condition and context

Group policy settings that control screen timeouts have been configured and implemented in a few of the organizational units of the active directory, but has not been implement County-wide.

Current status

No exceptions were noted in the current year; therefore, this finding appears to have been corrected.

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 012

Criteria or specific requirement

Payment Card Industry (PCI), Network Security:

All systems must be protected from unauthorized access from untrusted networks, whether entering the system via the internet as e-commerce, employee internet access through desktop browsers, employee e-mail access, dedicated connections such as business-to-business connections, wireless networks, or other sources. A strong security policy sets the security tone for the whole entity and informs personnel what is expected of them. All personnel should be aware of the sensitivity of data and their responsibilities for protecting it.

Firewalls are devices that control computer traffic allowed between the County's internal, trusted networks and external, untrusted networks, as well as traffic into and out of more sensitive areas within the County's internal trusted networks. The card holder data environment is an example of a more sensitive area within the County's trusted network.

Sensitive information must be encrypted during transmission over networks that are easily accessed by malicious individuals. Misconfigured wireless networks and vulnerabilities in legacy encryption and authentication protocols continue to be targets of malicious individuals who exploit these vulnerabilities to gain privileged access to cardholder data environments.

Malicious software, commonly referred to as "malware" (including viruses, worms, and Trojans) enters the network during many business-approved activities including employee e-mail and use of the internet, mobile computers, and storage devices, resulting in the exploitation of system vulnerabilities. Anti-virus software must be used on all systems commonly affected by malware to protect systems from current and evolving malicious software threats. Additional anti-malware solutions may be considered as a supplement to the anti-virus software; however, such additional solutions do not replace the need for anti-virus software to be in place.

Assigning a unique identification code or password to each person with access ensures that each individual is uniquely accountable for their actions. When such accountability is in place, actions taken on critical data and systems are performed by, and can be traced to, known and authorized users and processes. The effectiveness of a password is largely determined by the design and implementation of the authentication system, particularly how frequently password attempts can be made and the security methods to protect user passwords at the point of entry, during transmission, and while in storage.

Any physical access to data or systems that houses cardholder data provides the opportunity for individuals to access devices or data and to remove systems or hardcopy, and should be appropriately restricted.

Logging mechanisms and the ability to track user activities are critical in preventing, detecting, or minimizing the impact of a card holder data compromise.

Vulnerabilities are being discovered continually by malicious individuals and researchers, and may be introduced by new software. System components, processes, and custom software should be tested frequently to ensure security controls continue to reflect a changing environment.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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Condition and context	<p>Some County locations, system and networks are more secure than others; however, certain vendors have uncontrolled and unmonitored network access. Given the current level of general computing controls, the overall security of the network can not be ascertained.</p> <p>Most connections to credit card devices run across open networks. It is not currently understood or documented how PCI data flows through the County's network, where the endpoints are located, and how best to manage the transmission of card holder data.</p> <p>The malware protection program currently used by the County does not fully cover all necessary devices and may not be updating all installed devices with current definitions. In addition, there are some systems, such as the Core system (previously discussed), that can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.</p> <p>As discussed in prior findings:</p> <ul style="list-style-type: none"><li>Password complexity, user accounts (including the use of generic, multi-user accounts), vendor access and system monitoring processes do not meet current industry best practices</li><li>Physical access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases. In addition, not all endpoints for data entry are adequately controlled after hours</li><li>System logs and exception reporting have not been fully established and implemented</li><li>A formal, written change and patch management process does not exist</li></ul>
Current status	<p>A review of all revenue collection sites that includes all vendor access points, data closet protection, wireless process, and business-to-business data transfers to determine areas where the County's network may not be secure and a PCI analysis to determine where credit card data is read, how it is transmitted, and where it is stored to determine the relative security around the collection, transmission and storage of the card holder data has been completed. In addition, management is reviewing various approaches to addressing PCI compliance, which included the possibility of implementing a P2PE (Point to Point Encryption) solution. However, a plan to address identified security issues and bring the County into compliance with the most current PCI standards has not been developed. See finding 2017-010.</p>
Reasons for this finding's recurrence	<p>The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.</p>
Partial corrective action taken	<p>A review of all revenue collection sites that includes all vendor access points, data closet protection, wireless process, and business-to-business data transfers to determine areas where the County's network may not be secure and a PCI analysis to determine where credit card data is read, how it is transmitted, and where it is stored to determine the relative security around the collection, transmission and storage of the card holder data has been completed. In addition, management is reviewing various approaches to addressing PCI compliance, which included the possibility of implementing a P2PE (Point to Point Encryption) solution.</p>
Planned corrective action	<p>Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)</p> <p>Implementation date: June 30, 2018</p> <p>Management is in the process of implementing the identified recommendations to strengthen security and ensure compliance with current PCI standards.</p>

(Continued)

**DOUGLAS COUNTY**

**SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2016**

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**Section III – Findings and questioned costs for federal awards, including audit findings required by 2 CFR 200.516(a)**





