

Douglas County, Nevada



Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2018



Douglas County, Nevada

**Comprehensive Annual
Financial Report**

**For the Year Ended
June 30, 2018**

**Prepared By
Finance Division**

**Terri Willoughby
Chief Financial Officer**



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

Douglas County
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION



BOARD OF COMMISSIONERS

1594 Esmeralda Avenue, Minden, Nevada 89423

Jenifer Davidson
ASSISTANT COUNTY MANAGER
775-782-9821

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

December 21, 2018

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, 2018, 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, 2018, 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 unqualified opinion that the County's basic financial statements, as of and for the year ended June 30, 2018, 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 range from 4,625 feet on the valley floor to 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, which as of 2017 is a separate legal entity from the County. 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 3.9% as of October 2018.

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.

Major capital investment occurred in Stateline with the completion of the 100 million dollar 154-room Edgewood Tahoe Lodge in June 2017. Additionally, the Main Street Gardnerville Program was approved as the first designated Main Street Program in Nevada in January 2018. In April 2018, 40 acres of undeveloped light industrially zoned property at the corner of Heybourne and Johnson Lane became the first certified site in Douglas County under Northern Nevada Development Authority's Certified Site Program. Continuing the focus on expanding the industrial sector, Starbucks Coffee Company completed the 710,000 sq. ft. expansion to its Distribution facility in June 2018. The \$50 million investment will add 100 job during the next three years.

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. In June of 2017, the County's Board of County Commissioners approved the Fiscal Year 18-22 Strategic Plan, which focused on the areas of Organizational Stability, Safe Community, Financial Stability, Infrastructure, Natural Resources and Culture, and Economic Vitality. Staff meet regularly to assess the progress being made on specific goals within these areas.

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, 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 2016, Standard & Poor's (S&P) affirmed the County's general obligation bond rating of 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 would continue to manage general fund operations prudently, making the budget adjustments necessary to maintain stable financial operations and reserves.

Major Initiatives

The County's 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. Childcare and adult day club facilities are now open at the center. In Fiscal Year 2018, several projects were completed that enhanced the Center, including the installation of three flagpoles at the Center, which now fly the United States flag, the State of Nevada flag, and the Douglas County flag. Funding for this project was raised from community donations.

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 Fiscal Year 2017-18, the Airport completed an airfield lighting system project that were a requirement for a future GPS approach system that will result in greater pilot safety.

Infrastructure continues to be a top priority and focus in the County. In 2018, the County completed several major projects to rebuild and upgrade existing connector roads within the County. 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, 2017. This is the third year in a row the County has been received this prestigious award.

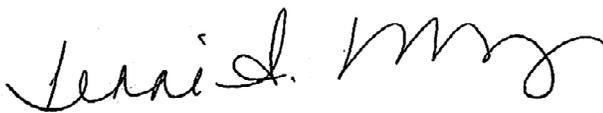
In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, which satisfies both generally accepted accounting principles and applicable legal requirements.

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,



Terri Willoughby
Chief Financial Officer

DOUGLAS COUNTY

COUNTY COMMISSIONERS, OTHER ELECTED OFFICIALS AND APPOINTED OFFICIALS

FOR THE YEAR ENDED JUNE 30, 2018

County Commissioners

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

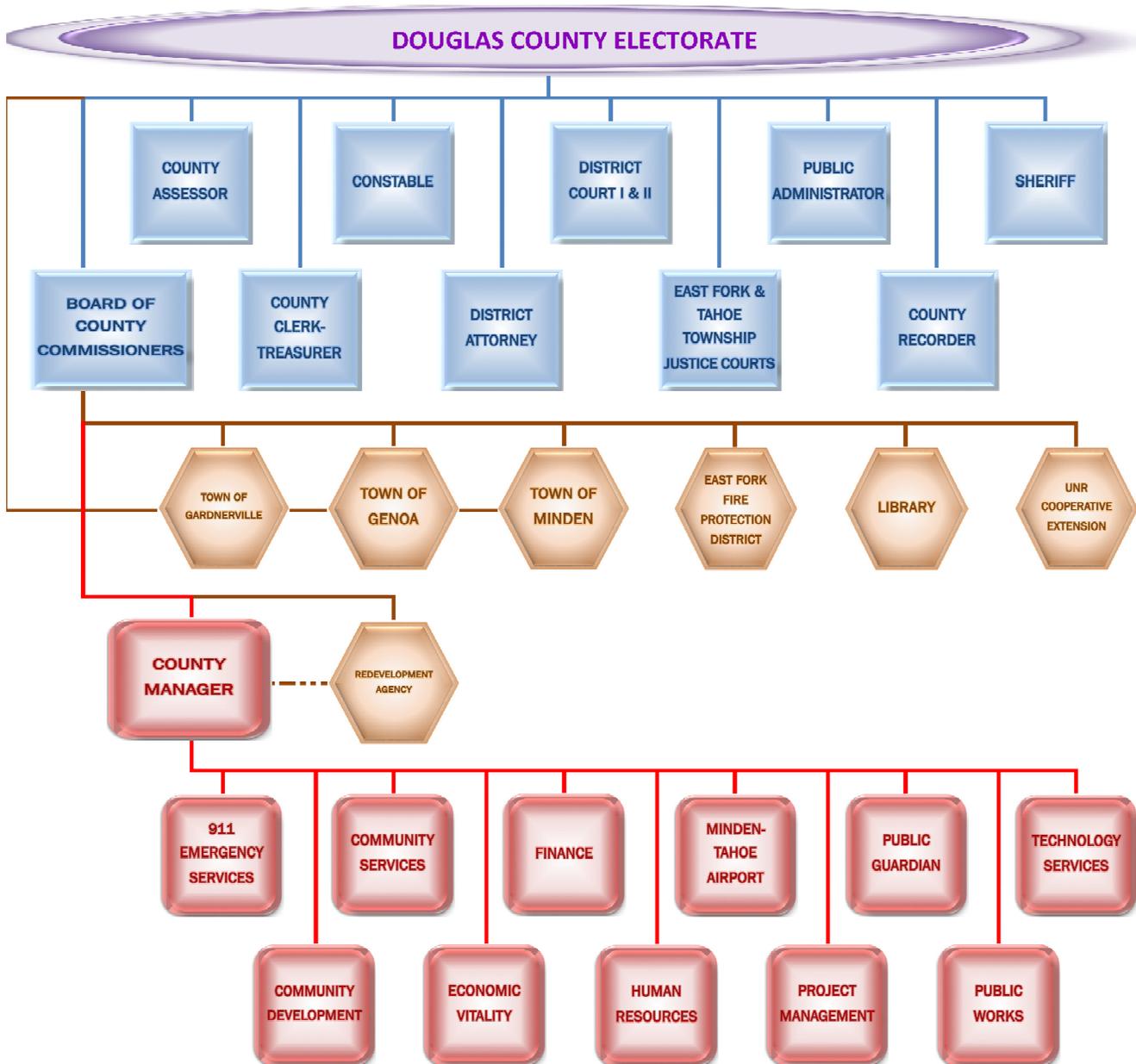
Appointed Officials

Lawrence A. Werner, County Manager
Jenifer Davidson, Acting Chief Financial Officer
Bobbi Thompson, Minden-Tahoe Airport Manager
Amy Dodson, Library Director
Ron Roman, Acting Public Works Director
Mimi Moss, Community Development Director
Scott Morgan, Community Services Director
Ron Sagen, 911 Emergency Services Manager
Tammy James, Chief Technology Officer

DOUGLAS COUNTY

ORGANIZATION CHART

FOR THE YEAR ENDED JUNE 30, 2018





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, 2017

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, 2018, 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, 2018, 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 changes in

total OPEB liability, multiple-employer cost-sharing defined benefit pension plan proportionate share of the collective net pension liability information and proportionate share of statutorily required pension contribution information, agent multiple-employer defined benefit pension plan schedule of changes in net pension liability, pension plan information and actuarially determined contribution information, and budgetary comparison information on pages 11-24 and 87-107 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 21, 2018, 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 21, 2018

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

DOUGLAS COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED June 30, 2018

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, 2018. 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			
	2018	2017	Change	
		(Restated)		
Cash, cash equivalents and investments	\$ 101,641,765	\$ 95,059,587	\$ 6,582,178	6.92 %
Capital assets, net	223,016,185	219,275,053	3,741,132	1.71 %
Deferred outflows of resources	9,160,100	10,719,662	(1,559,562)	(14.55)%
Postemployment benefits other than pensions	9,635,857	9,965,162	(329,305)	(3.30)%
Net pension liability	60,434,699	65,783,821	(5,349,122)	(8.13)%
Bonds and notes payable, net of unamortized premiums and discounts	38,241,961	41,327,233	(3,085,272)	(7.47)%
Deferred inflows of resources	9,269,439	6,140,828	3,128,611	50.95 %
Total net position	207,021,499	190,708,307	16,313,192	8.55 %
Charges for services	25,955,343	25,959,578	(4,235)	(0.02)%
Property taxes	32,885,805	36,439,138	(3,553,333)	(9.75)%
Total expenses	92,810,236	102,658,554	(9,848,318)	(9.59)%
Change in net position	16,313,193	7,259,565	9,053,628	124.71 %

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, 2018

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, 2018

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, 2018

Government-wide financial analysis

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government *	
	2018	2017	2018	2017	2018	2017
		(Restated)		(Restated)		(Restated)
Assets						
Current, restricted and other	\$ 82,386,390	\$ 79,654,278	\$ 32,378,240	\$ 26,501,962	\$ 114,740,233	\$ 106,103,945
Capital	122,382,866	117,037,709	100,633,319	102,237,344	223,016,185	219,275,053
Total assets	<u>204,769,256</u>	<u>196,691,987</u>	<u>133,011,559</u>	<u>128,739,306</u>	<u>337,756,418</u>	<u>325,378,998</u>
Deferred outflows of resources	<u>8,455,725</u>	<u>9,906,846</u>	<u>704,375</u>	<u>812,816</u>	<u>9,160,100</u>	<u>10,719,662</u>
Liabilities						
Current	15,821,318	15,393,061	2,649,387	3,299,130	18,446,308	18,639,896
Long-term	95,451,496	102,507,842	16,727,776	18,101,787	112,179,272	120,609,629
Total liabilities	<u>111,272,814</u>	<u>117,900,903</u>	<u>19,377,163</u>	<u>21,400,917</u>	<u>130,625,580</u>	<u>139,249,525</u>
Deferred inflows of resources	<u>8,731,546</u>	<u>5,801,299</u>	<u>537,893</u>	<u>339,529</u>	<u>9,269,439</u>	<u>6,140,828</u>
Net position						
Net investment in capital assets	96,767,284	89,554,944	88,193,061	88,002,519	184,960,345	177,557,463
Restricted	47,698,077	53,591,671	1,056,623	1,009,199	48,754,700	54,600,870
Unrestricted	(51,244,740)	(60,249,984)	24,551,194	18,799,958	(26,693,546)	(41,450,026)
Total net position	<u>\$ 93,220,621</u>	<u>\$ 82,896,631</u>	<u>\$ 113,800,878</u>	<u>\$ 107,811,676</u>	<u>\$ 207,021,499</u>	<u>\$ 190,708,307</u>

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

Current assets increased \$8,608,390 from the prior year, primarily due to an increase in Sewer Utility Cash from increased funding from the Redevelopment Agency as well as increased capital contributions related to future development.

Capital assets are comprised of the County's investment in land, buildings and building improvements, machinery and equipment, vehicles, and infrastructure, net of depreciation, increased \$3,741,132 from the prior year, mainly due to an increased focus on County infrastructure construction.

Current liabilities decreased \$210,011 from the prior year due to routine decreases in accounts payable.

Long-term liabilities, comprised of long-term debt obligations, compensated absences, pension and other postemployment benefit obligations, decreased \$8,430,357 from the prior year due to reductions in the County's pension liabilities related to the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 82.

At June 30, 2018, the County's total net position was \$207,021,499 representing an increase of \$16,313,193 over the prior year.

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.

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017 Restated	2018	2017 (Restated)	2018	2017 Restated
Revenues						
Program revenues						
Charges for services	\$ 13,304,289	\$ 13,399,534	\$ 12,651,054	\$ 12,560,044	\$ 25,955,343	\$ 25,959,578
Operating grants and contributions	7,513,727	7,078,397			7,513,727	7,078,397
Capital grants and contributions	3,075,798	4,076,938	1,967,468	1,089,015	5,043,266	5,165,953
General revenues						
Property taxes	32,885,805	36,439,138			32,885,805	36,439,138
Room taxes	9,012,529	7,811,600			9,012,529	7,811,600
Construction taxes	554,637	857,726			554,637	857,726
Intergovernmental shared revenues, unrestricted	24,921,787	23,595,365			24,921,787	23,595,365
Investment income	390,530	166,180	88,314	35,702	478,844	201,882
Gain on disposal of capital assets	48,025	27,154	550	36	48,575	27,190
Miscellaneous	2,317,223	400,616	391,693	129,341	2,708,916	529,957
Total revenues	94,024,350	93,852,648	15,099,079	13,814,138	109,123,429	107,666,786
Expenses						
General government	13,960,502	14,085,665			13,960,502	14,085,665
Judicial	14,421,793	14,852,094			14,421,793	14,852,094
Public safety	18,215,504	26,391,552			18,215,504	26,391,552
Public works	6,694,049	8,562,286			6,694,049	8,562,286
Community development	4,793,263	5,355,280			4,793,263	5,355,280
Culture and recreation	18,051,180	16,477,604			18,051,180	16,477,604
Health and sanitation	1,147,215	635,035			1,147,215	635,035
Welfare	2,824,512	3,207,004			2,824,512	3,207,004
Interest expense and fiscal charges	793,210	974,718			793,210	974,718
Water			8,169,994	8,441,588	8,169,994	8,441,588
Sewer			2,033,237	2,036,576	2,033,237	2,036,576
Trash			1,705,777	1,639,152	1,705,777	1,639,152
Total expenses	80,901,228	90,541,238	11,909,008	12,117,316	92,810,236	102,658,554
Excess of revenues over expenses	13,123,122	3,311,410	3,190,071	1,696,822	16,313,193	5,008,232
Transfers	(2,799,131)	(110,346)	2,799,131	110,346		
Special and extraordinary items						
Transfer of operations to East Fork Fire Protection District		2,251,333				2,251,333
Change in net position	10,323,991	5,452,397	5,989,202	1,807,168	16,313,193	7,259,565
Net position, beginning of year	82,896,630	77,444,233	107,811,676	106,004,508	190,708,306	183,448,741
Net position, end of year	\$ 93,220,621	\$ 82,896,630	\$ 113,800,878	\$ 107,811,676	\$ 207,021,499	\$ 190,708,306

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Governmental activities net position increased \$10,323,991 from the prior year. This increase was primarily due to the following items:

Property taxes decreased by \$3,553,333 due to a combination of the removal of East Fork Fire District revenues and an overall increase in the remaining property tax revenues. East Fork Fire District separated from the County in Fiscal Year 2017, and is now a separate legal entity.

Increases in Room Tax revenues, which were partially offset by increases in pass-through expenses to other agencies.

Miscellaneous revenue increased \$1,916,607 over the prior year primarily due to a one-time reimbursement related to Workers Compensation premiums.

Public safety expenses decreased \$8,176,048 due to the removal of East Fork Fire District expenses.

Public works expenses decreased \$1,868,237 primarily due to decreases in repairs and maintenance from the prior year.

Community development expenses decreased \$562,017 from the prior year due to a one-time expense related to the Airport Master Plan that occurred in Fiscal Year 2017.

Culture and recreation increased \$1,573,576 due to a combination of increased pass-through room taxes, a newly implemented room tax in Fiscal Year 2017-18 as well as costs related to the Ranchos Park project.

Interest expense decreased \$181,508 or 19% primarily due to one-time debt issuance cost that occurred in the prior year.

Business-type activities net position increased \$5,989,202 from the prior year. This increase was primarily due to the following items:

Increases in Capital Grants and Contributions, due to a higher level of connection and other capital charges related to development activity.

Increases in transfers, primarily due to a one-time contribution from the Redevelopment Agency for the North Valley Wastewater Treatment Facility Expansion Project.

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, 2018

Governmental Funds
Summary Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Special Revenue Funds			Capital Projects Funds	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Airport	Room Tax	Regional Transportation		
Total revenues	\$ 46,676,596	\$ 3,725,975	\$ 16,087,353	\$ 3,600,998	\$ 23,712,786	\$ 93,803,708
Total expenditures	<u>41,992,359</u>	<u>3,589,053</u>	<u>16,057,879</u>	<u>3,003,099</u>	<u>27,260,943</u>	<u>91,903,333</u>
Excess (deficiency) of revenues over (under) expenditures	4,684,237	136,922	29,474	597,899	(3,548,157)	1,900,375
Total other financing sources (uses)	<u>(7,756,632)</u>	<u>(79,938)</u>	<u>543,967</u>	<u>(1,082,621)</u>	<u>5,771,059</u>	<u>(2,604,165)</u>
Change in fund balance	<u>(3,072,395)</u>	<u>56,984</u>	<u>573,441</u>	<u>(484,722)</u>	<u>2,222,902</u>	<u>(703,790)</u>
Fund balance, beginning of year, as previously reported	12,257,140	1,675,549	3,276,190	7,084,729	36,140,260	60,433,868
Adjustment	<u>(77,066)</u>	<u>(77,066)</u>	<u>(77,066)</u>	<u>(77,066)</u>	<u>(2,059,830)</u>	<u>(2,136,896)</u>
Fund balance, beginning of year, as adjusted	<u>12,257,140</u>	<u>1,598,483</u>	<u>3,276,190</u>	<u>7,084,729</u>	<u>34,080,430</u>	<u>58,296,972</u>
Fund balance, end of year	<u><u>\$ 9,184,745</u></u>	<u><u>\$ 1,655,467</u></u>	<u><u>\$ 3,849,631</u></u>	<u><u>\$ 6,600,007</u></u>	<u><u>\$ 36,303,332</u></u>	<u><u>\$ 57,593,182</u></u>

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

	Governmental Funds					Non-major Governmental Funds	Total Governmental Funds
	Fund Balance						
	June 30, 2018						
	Special Revenue Funds			Capital Projects Funds			
	General Fund	Airport	Room Tax	Regional Transportation			
FUND BALANCES							
Nonspendable							
Prepaid items	\$ 694,041	\$ 74,453	\$ 42,659	\$ 602	\$ 183,079	\$ 994,834	
Deposits	13,795				7,656	21,451	
Restricted for							
Debt service					1,522,722	1,522,722	
Capital improvement projects					6,599,405	12,216,569	18,815,974
General, town and district							
redevelopment programs		1,581,014			1,686,271	3,267,285	
Youth and other judicial programs	1,937,826				2,071,112	4,008,938	
Fire, police and other public safety					1,274,286	1,274,286	
programs							
Streets and other public works					4,981,177	6,987,259	
programs	2,006,082						
Cultural and community					3,976,347	3,976,347	
development programs							
Assigned to							
Capital improvement projects					8,175,298	8,175,298	
Cultural and community							
development programs			3,806,972		208,815	4,015,787	
Unassigned	<u>4,533,001</u>					<u>4,533,001</u>	
Total fund balances	<u>\$ 9,184,745</u>	<u>\$ 1,655,467</u>	<u>\$ 3,849,631</u>	<u>\$ 6,600,007</u>	<u>\$ 36,303,332</u>	<u>\$ 57,593,182</u>	

Governmental funds combined fund balance decreased \$703,790 from the prior year. Approximately 8% of the governmental funds combined fund balance (\$4,533,001) 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 \$4,533,000, which may be used to meet the County's ongoing obligations, represents 10.88% of general fund expenditures, or approximately 39 days.

Fund balance in the General fund decreased \$3,072,395 from the prior year. This decrease was principally due to increased funding from the General fund dedicated for capital projects.

Fund balance in the room tax fund increased \$573,441 from the prior year. This increase was primarily due to the following items:

Increases in room tax revenues as well as charges for services for recreation programs.

Fund balance in the Regional transportation fund decreased \$484,722 due to an increased number of capital projects completed during the current fiscal year.

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

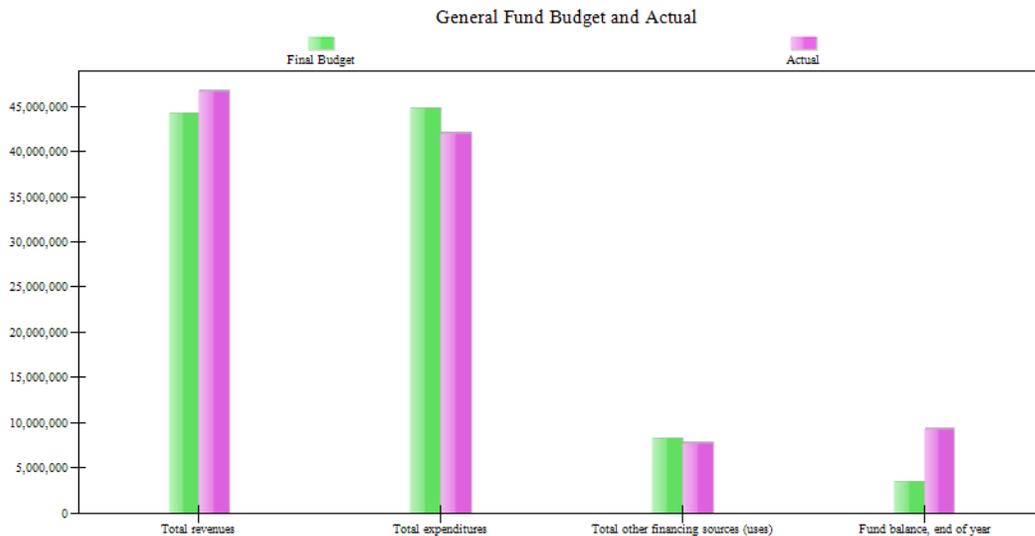
FOR THE YEAR ENDED June 30, 2018

Fund balance in the non-major governmental funds increased \$2,222,902 from the prior year. This increase was primarily due to a combination of a prior year transfer out of \$1,500,000 from the Solid Waste Fund that did not reoccur this fiscal year, as well as a transfer in to the Road Operating Fund for \$1,200,000. Both transfers were related to funding capital projects, with the \$1,500, 000 transfer out being used to fund reconstruction of the Pinenut and Dump Road and the \$1,200,000 used to fund road infrastructure projects.

General Fund Budget

General Fund
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance
Total revenues	\$ 43,534,058	\$ 44,299,648	\$ 46,676,596	\$ 2,376,948
Total expenditures	41,166,770	44,778,601	41,992,359	2,786,242
Excess (deficiency) of revenues over (under) expenditures	2,367,288	(478,953)	4,684,237	5,163,190
Total other financing sources (uses)	(7,828,022)	(8,272,032)	(7,756,632)	515,400
CHANGE IN FUND BALANCE	(5,460,734)	(8,750,985)	(3,072,395)	5,678,590
FUND BALANCE, BEGINNING OF YEAR	8,877,576	12,256,767	12,257,140	373
FUND BALANCE, END OF YEAR	\$ 3,416,842	\$ 3,505,782	\$ 9,184,745	\$ 5,678,963



At June 30, 2018, fund balance exceeded the final budget by \$5,678,963.

General fund revenues exceeded the final budget by \$2,376,948 primarily due to building permits, intergovernmental consolidated taxes, county gaming licenses, and fees all surpassing budgeted estimates.

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

General fund expenditures were less than the final budget by \$2,786,242 primarily due to personnel vacancies in all areas, as well as projects that were budgeted but not expended during the fiscal year.

During the year, the original general fund budget was augmented because 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.

Proprietary Funds

Proprietary Funds
Summary Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2018

	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	\$ 1,285,418	\$ 2,217,610	\$ 3,126,085	\$ 1,725,707	\$ 1,293,001
Total operating expenses	<u>1,589,846</u>	<u>1,955,213</u>	<u>2,253,648</u>	<u>1,666,638</u>	<u>1,235,411</u>
Operating income (loss)	(304,428)	262,397	872,437	59,069	57,590
Total nonoperating revenues (expenses)	<u>2,928</u>	<u>(56,423)</u>	<u>161,205</u>	<u>(94,711)</u>	<u>5,997</u>
Income (loss) before capital contributions and transfers	(301,500)	205,974	1,033,642	(35,642)	63,587
Total capital contributions	125,000	402,618	85,281	41,020	
Total transfers	<u>(125,000)</u>	<u>2,700,000</u>	<u>197,394</u>	<u>37,500</u>	<u>700,000</u>
CHANGE IN NET POSITION	<u>(301,500)</u>	<u>3,308,592</u>	<u>1,316,317</u>	<u>42,878</u>	<u>763,587</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	15,370,338	25,168,388	25,575,885	13,693,303	13,935,765
Adjustment	(967)	(54,213)	(62,424)	(38,973)	(20,066)
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED	<u>15,369,371</u>	<u>25,114,175</u>	<u>25,513,461</u>	<u>13,654,330</u>	<u>13,915,699</u>
NET POSITION, END OF YEAR	<u>\$ 15,067,871</u>	<u>\$ 28,422,767</u>	<u>\$ 26,829,778</u>	<u>\$ 13,697,208</u>	<u>\$ 14,679,286</u>

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Proprietary Funds
Summary Statement of Revenues, Expenses and Changes in Net Position (Continued)
For the Year Ended June 30, 2018

	Business-type Activities			Governmental Activities
	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Total operating revenues	\$ 1,113,601	\$ 1,839,575	\$ 12,600,997
Total operating expenses	<u>1,047,613</u>	<u>1,716,445</u>	<u>11,464,814</u>	<u>3,383,482</u>
Operating income (loss)	65,988	123,130	1,136,183	1,051,690
Total nonoperating revenues (expenses)	<u>14,496</u>	<u>19,624</u>	<u>53,116</u>	<u>2,098,475</u>
Income (loss) before capital contributions and transfers	80,484	142,754	1,189,299	3,150,165
Total capital contributions	1,313,549		1,967,468	
Total transfers	<u>(700,000)</u>	<u>(10,763)</u>	<u>2,799,131</u>	<u>(149,221)</u>
CHANGE IN NET POSITION	<u>694,033</u>	<u>131,991</u>	<u>5,955,898</u>	<u>3,000,944</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	12,537,985	1,904,841	108,186,505	5,250,528
Adjustment	<u>(104,271)</u>	<u>(42,979)</u>	<u>(323,893)</u>	<u>(65,041)</u>
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED	<u>12,433,714</u>	<u>1,861,862</u>	<u>107,862,612</u>	<u>5,185,487</u>
NET POSITION, END OF YEAR	<u>\$ 13,127,747</u>	<u>\$ 1,993,853</u>	<u>\$ 113,818,510</u>	<u>\$ 8,186,431</u>

Proprietary Funds
Net Position
June 30, 2018

	Business-type Activities				Town of Minden
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Wholesale Water Utility
	NET POSITION				
Net investment in capital assets	\$ 14,324,635	\$ 19,879,447	\$ 20,772,243	\$ 10,472,427	\$ 12,271,918
Restricted					
Debt service		357,953	325,887	90,400	
Capital improvement projects			234,278	48,105	
Insurance liabilities					
Unrestricted	<u>743,236</u>	<u>8,185,367</u>	<u>5,497,370</u>	<u>3,086,276</u>	<u>2,407,368</u>
Total net position	<u>\$ 15,067,871</u>	<u>\$ 28,422,767</u>	<u>\$ 26,829,778</u>	<u>\$ 13,697,208</u>	<u>\$ 14,679,286</u>

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Proprietary Funds
Net Position (Continued)
June 30, 2018

	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	\$ 8,803,991	\$ 1,668,400	\$ 88,193,061	\$ 295,670
Restricted				
Debt service			774,240	
Capital improvement projects			282,383	
Insurance liabilities				7,845,266
Unrestricted	4,323,756	325,453	24,568,826	45,495
Total net position	\$ 13,127,747	\$ 1,993,853	\$ 113,818,510	\$ 8,186,431

Net position in the regional water utility enterprise fund decreased \$301,500 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 \$3,308,592 from the prior year. This increase was primarily due to a one-time transfer from the Redevelopment Agency to fund the North Valley Wastewater Treatment Facility Expansion Project.

Net position in the Carson Valley water utility enterprise fund increased \$1,316,317 from the prior year. This increase was primarily due to increased operating revenue Combined with lower operating costs.

Net position in the Lake Tahoe water utility enterprise fund increased \$42,878 from the prior year. This increase was primarily due to increased investment income due to a rise in the interest rate as well as increased capacity charges.

Net position in the Town of Minden wholesale water utility enterprise fund increased \$763,587 from the prior year. This increase was primarily due to the execution of the 2017 Wholesale Water Agreement.

Net position in the Town of Minden water utility enterprise fund increased \$694,033 from the prior year. This increase was primarily due to connection fee revenue for future infrastructure expansion.

Net position in the internal service funds increased \$3,000,944 from the prior year. This increase was primarily due to a refund of an overpayment related to the County's Workers Compensation program as well as a change in funding of the County's Workers Compensation program from the prior year.

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Capital Assets

Capital Assets, Net of Accumulated Depreciation and Amortization

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Land	\$ 17,165,514	\$ 17,135,358	\$ 2,831,609	\$ 2,831,609	\$ 19,997,123	\$ 19,966,967
Construction in progress	15,624,996	10,648,737	5,698,141	4,440,434	21,323,137	15,089,171
Water rights			5,772,013	5,772,013	5,772,013	5,772,013
Buildings and building improvements	44,195,478	46,026,996	1,848,397	1,918,401	46,043,875	47,945,397
Machinery, equipment and software	6,838,383	6,603,938	957,711	967,358	7,796,094	7,571,296
Infrastructure	38,558,495	36,622,680			38,558,495	36,622,680
Water and sewer systems			83,525,448	86,307,529	83,525,448	86,307,529
	<u>\$ 122,382,866</u>	<u>\$ 117,037,709</u>	<u>\$ 100,633,319</u>	<u>\$ 102,237,344</u>	<u>\$ 223,016,185</u>	<u>\$ 219,275,053</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 \$3,741,132 including, but not limited to completion of Jack's Valley Road Reconstruction Phase II, Airfield Lighting System Improvements, and installation of the Judicial Law Enforcement Center Generator. These projects were all examples of capital items that were included in the County's Strategic Plan as priority items to benefit residents. For example, the Jack's Valley Road Reconstruction project increased public safety and decreased ongoing maintenance cost, while the Airfield Lighting System project installed lighting that will allow for the future development of a GPS system that will increase pilot safety. Additionally, the installation of the Judicial Law Enforcement Center Generator ensures that the County's Law Enforcement Center will have reliable power in the event of an emergency.

Depreciation expense for the fiscal year was \$10,759,370.

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

Long-term Liabilities

Summary of Long-term Liabilities Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017 (Restated)	2018	2017	2018	2017 (Restated)
Bonds and notes payable, net of unamortized premiums and discounts	\$ 25,616,752	\$ 27,486,158	\$ 12,625,209	\$ 13,841,075	\$ 38,241,961	\$ 41,327,233
Net pension liability	56,911,257	62,128,837	3,523,442	3,654,984	60,434,699	65,783,821
Claims and judgments, estimated	46,162	46,162			46,162	46,162
Compensated absences	3,608,326	3,244,238	212,267	243,013	3,820,593	3,487,251
Postemployment benefits other than pensions	9,268,999	9,602,447	366,858	362,715	9,635,857	9,965,162
	<u>\$ 95,451,496</u>	<u>\$ 102,507,842</u>	<u>\$ 16,727,776</u>	<u>\$ 18,101,787</u>	<u>\$ 112,179,272</u>	<u>\$ 120,609,629</u>

(Continued)

DOUGLAS COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2018

Long-term liabilities decreased \$8,430,357 from the prior year. This decrease was primarily due to the following items:

Decreases in bonds and notes payable due to scheduled payments.

Decreases in the net pension liability because of the implementation of GASB Statement 82, Pension Issues. This statement clarified the accounting for payments made by an employer to satisfy contribution requirements.

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 2018 budget.

Overall, economic conditions are improving in the County, with the County's unemployment rate continuing to trend lower. The June 2018 rate was 4.0%, as compared to 4.4% in June of 2016. As of October 2018, the County's unemployment rate had decreased to 3.9%.

Residential building permits, which are a leading indicator of economic activity, have trended higher over the last several years. In Fiscal Year 2017-18, 1,835 building permits were issued, an increase of 7% from the prior fiscal year.

The sales price of residential homes in the County in 2017 is 10% higher than in the prior year with the median sales price increasing to \$375,000 from \$339,900.

Total assessed property value within the County was valued at \$3,036,327,487 a 2.53% increase over the prior year.

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 2019 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, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents and investments, unrestricted	\$ 64,157,300	\$ 28,432,677	\$ 92,589,977
Cash, cash equivalents and investments, restricted	8,277,547	774,241	9,051,788
Accounts receivable, net	2,692,632	1,537,088	4,229,720
Notes receivable, net		1,437,500	1,437,500
Taxes and penalties receivable	556,987		556,987
Interest receivable	178,403	58,632	237,035
Due from other governments	5,329,170		5,329,170
Special assessments receivable		9,404	9,404
Inventories	98,867	71,684	170,551
Prepaid items	1,049,636	57,014	1,106,650
Other assets	21,451		21,451
Internal balances *	24,397		
Capital assets, net of accumulated depreciation and amortization			
Land	17,165,514	2,831,609	19,997,123
Construction in progress	15,624,996	5,698,141	21,323,137
Water rights		5,772,013	5,772,013
Buildings and building improvements	44,195,478	1,848,397	46,043,875
Machinery, equipment and software	6,838,383	957,711	7,796,094
Infrastructure	38,558,495		38,558,495
Water and sewer systems		83,525,448	83,525,448
Total assets	<u>204,769,256</u>	<u>133,011,559</u>	<u>337,756,418</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized deferred refunding charges	1,170	184,954	186,124
Unamortized amounts related to pensions	8,454,555	519,421	8,973,976
Total deferred outflows of resources	<u>8,455,725</u>	<u>704,375</u>	<u>9,160,100</u>
LIABILITIES			
Accounts payable	8,357,983	644,593	9,002,576
Accrued salaries, wages and benefits	2,002,267	135,088	2,137,355
Unearned revenue	1,431,464	1,668,236	3,099,700
Contract retentions payable	126,972		126,972
Deposits	2,152,025	59,479	2,211,504
Amounts held for others	1,438,279		1,438,279
Due to other governments	101,937		101,937
Interest payable	210,391	117,594	327,985
Internal balances *		24,397	
Long-term liabilities, due within one year			
Claims and judgments, estimated	46,162		46,162
Compensated absences	2,923,607	212,267	3,135,874
Bonds and notes payable	1,846,334	1,888,026	3,734,360
Long-term liabilities, due in more than one year			
Compensated absences	684,719		684,719
Postemployment benefits other than pensions	9,268,999	366,858	9,635,857
Net pension liability	56,911,257	3,523,442	60,434,699
Bonds and notes payable, net of unamortized premiums and discounts	23,770,418	10,737,183	34,507,601
Total liabilities	<u>111,272,814</u>	<u>19,377,163</u>	<u>130,625,580</u>

(Continued)

See notes to basic financial statements.

DOUGLAS COUNTY

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Unamortized amounts related to pensions	\$ 8,626,110	\$ 533,719	\$ 9,159,829
Unamortized amounts related to postemployment benefits other than pensions	105,436	4,174	109,610
Total deferred inflows of resources	8,731,546	537,893	9,269,439
NET POSITION			
Net investment in capital assets	96,767,284	88,193,061	184,960,345
Restricted for			
Debt service	1,522,722	774,240	2,296,962
Capital improvement projects	18,815,974	282,383	19,098,357
General, town and district redevelopment programs	3,267,285		3,267,285
Youth and other judicial programs	4,008,938		4,008,938
Fire, police and other public safety programs	1,274,286		1,274,286
Streets and other public works programs	6,987,259		6,987,259
Cultural and community development programs	3,976,347		3,976,347
Insurance liabilities	7,845,266		7,845,266
Unrestricted	(51,244,740)	24,551,194	(26,693,546)
Total net position	\$ 93,220,621	\$ 113,800,878	\$ 207,021,499

* 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, 2018

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	\$ 13,960,502	\$ 5,683,007	\$ 270,547	\$ 131,720	\$ (7,875,228)		\$ (7,875,228)
Judicial	14,421,793	2,000,305	4,838,416		(7,583,072)		(7,583,072)
Public safety	18,215,504	946,470	1,039,159		(16,229,875)		(16,229,875)
Public works	6,694,049	588,974	12,028	505,118	(5,587,929)		(5,587,929)
Community development	4,793,263		1,052,698		(3,740,565)		(3,740,565)
Culture and recreation	18,051,180	3,281,298	104,357	2,438,960	(12,226,565)		(12,226,565)
Health and sanitation	1,147,215	548,322			(598,893)		(598,893)
Welfare	2,824,512	255,913	196,522		(2,372,077)		(2,372,077)
Debt service							
Interest expense and fiscal charges	793,210				(793,210)		(793,210)
Total governmental activities	<u>80,901,228</u>	<u>13,304,289</u>	<u>7,513,727</u>	<u>3,075,798</u>	<u>(57,007,414)</u>		<u>(57,007,414)</u>
Business-type activities							
Water	8,169,994	8,582,394		1,564,850		1,977,250	1,977,250
Sewer	2,033,237	2,217,610		402,618		586,991	586,991
Trash	1,705,777	1,851,050				145,273	145,273
Total business-type activities	<u>11,909,008</u>	<u>12,651,054</u>		<u>1,967,468</u>		<u>2,709,514</u>	<u>2,709,514</u>
Total function/program	<u>\$ 92,810,236</u>	<u>\$ 25,955,343</u>	<u>\$ 7,513,727</u>	<u>\$ 5,043,266</u>	<u>(57,007,414)</u>	<u>2,709,514</u>	<u>(54,297,900)</u>

(Continued)

See notes to basic financial statements.

DOUGLAS COUNTY

STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	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
GENERAL REVENUES							
Property taxes					32,885,805		32,885,805
Room taxes					9,012,529		9,012,529
Construction taxes					554,637		554,637
Intergovernmental shared revenues, unrestricted					24,921,787		24,921,787
Investment income					390,530	88,314	478,844
Gain on disposal of capital assets					48,025	550	48,575
Miscellaneous					2,317,223	391,693	2,708,916
Total general revenues					<u>70,130,536</u>	<u>480,557</u>	<u>70,611,093</u>
Transfers					<u>(2,799,131)</u>	<u>2,799,131</u>	
CHANGE IN NET POSITION					<u>10,323,991</u>	<u>5,989,202</u>	<u>16,313,193</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED					90,610,363	108,135,569	198,745,932
Adjustment					<u>(7,713,733)</u>	<u>(323,893)</u>	<u>(8,037,626)</u>
NET POSITION BEGINNING OF YEAR, AS ADJUSTED					<u>82,896,630</u>	<u>107,811,676</u>	<u>190,708,306</u>
NET POSITION, END OF YEAR					<u>\$ 93,220,621</u>	<u>\$ 113,800,878</u>	<u>\$ 207,021,499</u>

See notes to basic financial statements.

FUND FINANCIAL STATEMENTS

DOUGLAS COUNTY

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2018

	Special Revenue Funds			Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Airport	Room Tax	Regional Transportation		
ASSETS						
Cash, cash equivalents and investments	\$ 11,498,426	\$ 2,245,789	\$ 3,788,086	\$ 8,386,980	\$ 29,569,028	\$ 55,488,309
Cash, cash equivalents and investments, restricted	36,380				8,241,167	8,277,547
Accounts receivable, net	636,031	66,800	1,715,566		245,483	2,663,880
Taxes receivable	432,585			10,564	111,624	554,773
Interest receivable	32,721	6,529	8,367	18,487	92,881	158,985
Due from other governments	2,421,064	1,441,272	338,480	344,570	783,784	5,329,170
Due from other funds	10,967				53,500	64,467
Prepaid items	694,041	74,453	42,659	602	236,579	1,048,334
Advances to other funds					400,000	400,000
Other assets	13,795				7,656	21,451
Total assets	<u>\$ 15,776,010</u>	<u>\$ 3,834,843</u>	<u>\$ 5,893,158</u>	<u>\$ 8,761,203</u>	<u>\$ 39,741,702</u>	<u>\$ 74,006,916</u>
LIABILITIES						
Accounts payable	\$ 1,279,782	\$ 1,655,289	\$ 1,774,570	\$ 1,913,800	\$ 1,608,247	\$ 8,231,688
Due to others	1,438,279					1,438,279
Accrued salaries, wages and benefits	1,332,294		196,708	9,701	430,345	1,969,048
Due to other funds	67,090	261	5,407	1,370	68,952	143,080
Unearned revenue, current	128,919	62,500	6,228	141,660	1,092,157	1,431,464
Contract retentions payable				86,983	39,989	126,972
Deposits	2,012,797	61,326	60,614		17,288	2,152,025
Due to other governments					101,883	101,883
Advances from other funds		400,000				400,000
Total liabilities	<u>6,259,161</u>	<u>2,179,376</u>	<u>2,043,527</u>	<u>2,153,514</u>	<u>3,358,861</u>	<u>15,994,439</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, taxes and penalties	321,558			7,682	79,131	408,371
Unavailable revenue, special assessments					378	378
Unavailable revenue, grants	10,546					10,546
Total deferred inflows of resources	<u>332,104</u>			<u>7,682</u>	<u>79,509</u>	<u>419,295</u>
Total liabilities and deferred inflows of resources	<u>6,591,265</u>	<u>2,179,376</u>	<u>2,043,527</u>	<u>2,161,196</u>	<u>3,438,370</u>	<u>16,413,734</u>

(Continued)

See notes to basic financial statements.

DOUGLAS COUNTY
GOVERNMENTAL FUNDS
BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	<u>Special Revenue Funds</u>			<u>Capital Projects Fund</u>	Non-major Governmental Funds	Total Governmental Funds
	<u>General Fund</u>	<u>Airport</u>	<u>Room Tax</u>	<u>Regional Transportation</u>		
FUND BALANCES						
Nonspendable						
Prepaid items	\$ 694,041	\$ 74,453	\$ 42,659	\$ 602	\$ 183,079	\$ 994,834
Deposits	13,795				7,656	21,451
Restricted for						
Debt service					1,522,722	1,522,722
Capital improvement projects				6,599,405	12,216,569	18,815,974
General, town and district redevelopment programs		1,581,014			1,686,271	3,267,285
Youth and other judicial programs	1,937,826				2,071,112	4,008,938
Fire, police and other public safety programs					1,274,286	1,274,286
Streets and other public works programs	2,006,082				4,981,177	6,987,259
Cultural and community development programs					3,976,347	3,976,347
Assigned to						
Capital improvement projects					8,175,298	8,175,298
Cultural and community development programs			3,806,972		208,815	4,015,787
Unassigned	<u>4,533,001</u>					<u>4,533,001</u>
Total fund balances	<u>9,184,745</u>	<u>1,655,467</u>	<u>3,849,631</u>	<u>6,600,007</u>	<u>36,303,332</u>	<u>57,593,182</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,776,010</u>	<u>\$ 3,834,843</u>	<u>\$ 5,893,158</u>	<u>\$ 8,761,203</u>	<u>\$ 39,741,702</u>	<u>\$ 74,006,916</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, 2018

FUND BALANCES, GOVERNMENTAL FUNDS		\$ 57,593,182
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	\$ 374,677,727	
Less accumulated depreciation	<u>(252,590,531)</u>	122,087,196
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	(24,794,989)	
Unamortized premiums and discounts	(821,763)	
Unamortized deferred refunding charges	1,170	
Compensated absences payable	(3,578,565)	
Postemployment benefits other than pensions	(9,254,017)	
Deferred inflows related to postemployment benefits other than pensions	(105,266)	
Net pension liability	(56,150,827)	
Deferred outflows related to pensions	8,342,454	
Deferred inflows related to pensions	<u>(8,510,921)</u>	(94,872,724)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Interest payable	<u>(210,391)</u>	(210,391)
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	408,371	
Unavailable revenue, special assessments	378	
Unavailable revenue, grants	<u>10,546</u>	419,295
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	8,186,431	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	50,936	
Internal service fund balance payable to business-type activities from current year activity	<u>(33,304)</u>	<u>8,204,063</u>
NET POSITION, GOVERNMENTAL ACTIVITIES		<u>\$ 93,220,621</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, 2018

	Special Revenue Funds			Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Airport	Room Tax	Regional Transportation		
REVENUES						
Taxes	\$ 20,067,045		\$ 8,058,898	\$ 1,536,692	\$ 11,731,998	\$ 41,394,633
Licenses, permits, franchise and other fees	4,763,077		4,003,260		1,291,090	10,057,427
Intergovernmental shared revenues	14,680,580	2,452,443	1,883,399	1,988,212	8,052,489	29,057,123
Charges for services	5,168,177	57,738	1,972,978		1,579,252	8,778,145
Fines and forfeitures	1,128,906				177,601	1,306,507
Miscellaneous	868,811	1,215,794	168,818	76,094	880,356	3,209,873
Total revenues	46,676,596	3,725,975	16,087,353	3,600,998	23,712,786	93,803,708
EXPENDITURES						
Current						
General government	11,057,821				1,955,359	13,013,180
Judicial	9,439,674				5,184,736	14,624,410
Public safety	17,101,789				1,947,496	19,049,285
Public works	882,472			811,779	2,624,607	4,318,858
Community development	2,428,330				2,557,058	4,985,388
Culture and recreation		968,305	14,860,454		595,760	16,424,519
Health and sanitation	752,143				340,098	1,092,241
Welfare					3,011,835	3,011,835
Total current	41,662,229	968,305	14,860,454	811,779	18,216,949	76,519,716
Capital outlay						
General government	17,381				4,406,867	4,424,248
Judicial	4,972				10,212	15,184
Public safety	271,344					271,344
Public works				2,191,320	1,633,649	3,824,969
Community development					55,660	55,660
Culture and recreation		2,620,748	1,197,425		264,743	4,082,916
Health and sanitation	36,433					36,433
Total capital outlay	330,130	2,620,748	1,197,425	2,191,320	6,371,131	12,710,754
Debt service						
Principal payments					1,795,573	1,795,573
Interest expense					876,440	876,440
Fiscal charges					850	850
Total debt service					2,672,863	2,672,863
Total expenditures	41,992,359	3,589,053	16,057,879	3,003,099	27,260,943	91,903,333
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,684,237	136,922	29,474	597,899	(3,548,157)	1,900,375
OTHER FINANCING SOURCES (USES)						
Proceeds from capital asset disposal	16,316		2,043		27,386	45,745
Transfers in	484,857	15,000	1,631,155	1,179,125	15,460,128	18,770,265
Transfers out	(8,257,805)	(94,938)	(1,089,231)	(2,261,746)	(9,716,455)	(21,420,175)
Total other financing sources (uses)	(7,756,632)	(79,938)	543,967	(1,082,621)	5,771,059	(2,604,165)

(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, 2018

	Special Revenue Funds			Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
	General Fund	Airport	Room Tax	Regional Transportation		
CHANGE IN FUND BALANCE	\$ <u>(3,072,395)</u>	\$ <u>56,984</u>	\$ <u>573,441</u>	\$ <u>(484,722)</u>	\$ <u>2,222,902</u>	\$ <u>(703,790)</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	12,257,140	1,675,549	3,276,190	7,084,729	36,140,260	60,433,868
Adjustment		(77,066)			(2,059,830)	(2,136,896)
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>12,257,140</u>	<u>1,598,483</u>	<u>3,276,190</u>	<u>7,084,729</u>	<u>34,080,430</u>	<u>58,296,972</u>
FUND BALANCE, END OF YEAR	<u>\$ 9,184,745</u>	<u>\$ 1,655,467</u>	<u>\$ 3,849,631</u>	<u>\$ 6,600,007</u>	<u>\$ 36,303,332</u>	<u>\$ 57,593,182</u>

See notes to basic financial statements.

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, 2018

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS	\$	(703,790)
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	\$ 12,710,754	
Less current year depreciation	(7,087,739)	
Disposition of capital assets	<u>(145,678)</u>	5,477,337
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	(130,290)	
Revenues from interfund transactions	<u>(1,786,288)</u>	(1,916,578)
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 principal repayments	<u>1,795,573</u>	1,795,573
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 and related deferred outflows and inflows of resources	228,519	
Change in compensated absences payable	(364,734)	
Change in net pension liability and related deferred outflows and inflows of resources	969,656	
Amortization of debt premiums and discounts	73,834	
Amortization of deferred refunding charges	(2,223)	
Change in interest payable	<u>12,469</u>	917,521
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>1,786,288</u>	1,786,288
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	3,000,944	
The internal service funds change in net position related to business-type activities	<u>(33,304)</u>	<u>2,967,640</u>
CHANGE IN NET POSITION, GOVERNMENTAL ACTIVITIES	\$	<u><u>10,323,991</u></u>

See notes to basic financial statements.

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2018**

	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	
ASSETS									
Current assets									
Cash, cash equivalents and investments \$	656,303	\$ 8,969,759	\$ 6,345,718	\$ 3,918,290	\$ 2,653,820	\$ 4,691,249	\$ 1,197,538	\$ 28,432,677	\$ 8,668,991
Accounts receivable, net	311,236	234,806	447,197	35,644	167,571	167,079	173,555	1,537,088	28,752
Notes receivable	125,000							125,000	
Taxes receivable									2,214
Interest receivable	1,605	18,829	15,996	9,404	4,579	13,597	4,026	68,036	19,418
Due from other funds									87,176
Inventories					26,000	45,684		71,684	98,867
Prepaid items		880			13,318	13,318	29,498	57,014	1,302
Restricted assets									
Cash, cash equivalents and investments		357,953	325,888	90,400				774,241	
Total current assets	1,094,144	9,582,227	7,134,799	4,053,738	2,865,288	4,930,927	1,404,617	31,065,740	8,906,720
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		1,806,189	1,689,959	359,780		1,450,799	391,414	5,698,141	
Water rights			5,154,594	117,419		500,000		5,772,013	
Buildings and building improvements		175,011	64,794	529,551	824,839		254,202	1,848,397	
Machinery, equipment and software		60,052	3,264	34,609	11,509	60,483	787,794	957,711	295,670
Water and sewer systems	14,324,635	19,199,526	19,271,769	12,831,197	11,213,067	6,685,254		83,525,448	
Total capital assets, net of accumulated depreciation and amortization	14,324,635	22,246,678	26,881,947	14,435,747	12,271,919	8,803,992	1,668,401	100,633,319	295,670

(Continued)

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2018**

	Business-type Activities							Governmental	
					Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
Other assets									
Notes receivable	\$ 1,312,500	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 1,312,500	\$ _____
Total noncurrent assets	<u>15,637,135</u>	<u>22,246,678</u>	<u>26,881,947</u>	<u>14,435,747</u>	<u>12,271,919</u>	<u>8,803,992</u>	<u>1,668,401</u>	<u>101,945,819</u>	<u>295,670</u>
Total assets	<u>16,731,279</u>	<u>31,828,905</u>	<u>34,016,746</u>	<u>18,489,485</u>	<u>15,137,207</u>	<u>13,734,919</u>	<u>3,073,018</u>	<u>133,011,559</u>	<u>9,202,390</u>
DEFERRED OUTFLOWS OF RESOURCES									
Unamortized deferred refunding charges		56,339	110,405	18,210				184,954	
Unamortized amounts related to pensions	6,584	90,116	116,356	84,807	54,756	43,498	123,304	519,421	112,101
Total deferred outflows of resources	<u>6,584</u>	<u>146,455</u>	<u>226,761</u>	<u>103,017</u>	<u>54,756</u>	<u>43,498</u>	<u>123,304</u>	<u>704,375</u>	<u>112,101</u>
LIABILITIES									
Current liabilities									
Accounts payable	171,623	181,264	68,103	53,190	41,832	24,665	103,916	644,593	126,295
Accrued salaries, wages and benefits	746	25,278	26,593	20,628	12,826	9,895	39,122	135,088	33,219
Due to other funds	112	1,785	1,472	980	634	855	927	6,765	1,798
Unearned revenue, current	125,000	118,448	37,852	63,640			10,796	355,736	
Deposits			6,050	1,250		52,179		59,479	
Due to other governments									54
Interest payable		18,251	44,151	55,192				117,594	
Claims and judgments									46,162
Compensated absences	6,528	40,694	66,766	38,245	11,132	11,692	37,210	212,267	29,761
Bonds and notes payable		473,000	677,152	737,874				1,888,026	
Total current liabilities	<u>304,009</u>	<u>858,720</u>	<u>928,139</u>	<u>970,999</u>	<u>66,424</u>	<u>99,286</u>	<u>191,971</u>	<u>3,419,548</u>	<u>237,289</u>

(Continued)

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2018**

	Business-type Activities							Governmental Activities	
	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
Noncurrent liabilities									
Unearned revenue, long-term	\$ 1,312,500							\$ 1,312,500	
Postemployment benefits other than pensions	2,026	38,973	33,399	18,013	18,343	209,246	46,858	366,858	14,982
Net pension liability	44,667	611,291	789,294	575,279	371,437	295,063	836,411	3,523,442	760,430
Bonds and notes payable, net of unamortized premiums and discounts		<u>1,950,570</u>	<u>5,542,958</u>	<u>3,243,655</u>				<u>10,737,183</u>	
Total noncurrent liabilities	<u>1,359,193</u>	<u>2,600,834</u>	<u>6,365,651</u>	<u>3,836,947</u>	<u>389,780</u>	<u>504,309</u>	<u>883,269</u>	<u>15,939,983</u>	<u>775,412</u>
Total liabilities	<u>1,663,202</u>	<u>3,459,554</u>	<u>7,293,790</u>	<u>4,807,946</u>	<u>456,204</u>	<u>603,595</u>	<u>1,075,240</u>	<u>19,359,531</u>	<u>1,012,701</u>
DEFERRED INFLOWS OF RESOURCES									
Unamortized amounts related to pensions	6,767	92,596	119,559	87,143	56,264	44,695	126,695	533,719	115,189
Unamortized amounts related to postemployment benefits other than pensions	<u>23</u>	<u>443</u>	<u>380</u>	<u>205</u>	<u>209</u>	<u>2,380</u>	<u>534</u>	<u>4,174</u>	<u>170</u>
Total deferred inflows of resources	<u>6,790</u>	<u>93,039</u>	<u>119,939</u>	<u>87,348</u>	<u>56,473</u>	<u>47,075</u>	<u>127,229</u>	<u>537,893</u>	<u>115,359</u>

(Continued)

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2018**

	Business-type Activities							Governmental	
					Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
NET POSITION									
Net investment in capital assets	\$ 14,324,635	\$ 19,879,447	\$ 20,772,243	\$ 10,472,427	\$ 12,271,918	\$ 8,803,991	\$ 1,668,400	\$ 88,193,061	\$ 295,670
Restricted									
Debt service		357,953	325,887	90,400				774,240	
Capital improvement projects			234,278	48,105				282,383	
Insurance liabilities									7,845,266
Unrestricted	<u>743,236</u>	<u>8,185,367</u>	<u>5,497,370</u>	<u>3,086,276</u>	<u>2,407,368</u>	<u>4,323,756</u>	<u>325,453</u>	<u>24,568,826</u>	<u>45,495</u>
Total net position	<u>\$ 15,067,871</u>	<u>\$ 28,422,767</u>	<u>\$ 26,829,778</u>	<u>\$ 13,697,208</u>	<u>\$ 14,679,286</u>	<u>\$ 13,127,747</u>	<u>\$ 1,993,853</u>	113,818,510	<u>\$ 8,186,431</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>(17,632)</u>	
Net position of business-type activities								<u>\$ 113,800,878</u>	

DOUGLAS COUNTY

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2018

	Business-type Activities							Governmental	
	Regional Water		Carson Valley		Lake Tahoe		Town of Minden		Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Funds
OPERATING REVENUES									
Charges for services	\$ 1,285,418	\$ 2,217,610	\$ 3,126,085	\$ 1,725,707	\$ 1,293,001	\$ 1,113,601	\$ 1,839,575	\$ 12,600,997	\$ 4,435,172
OPERATING EXPENSES									
Salaries and wages	17,095	323,940	379,796	309,444	217,204	173,957	519,154	1,940,590	415,189
Employee benefits	31,613	172,782	156,109	176,464	115,623	122,686	239,954	1,015,231	216,634
Services and supplies	1,085,252	609,628	966,841	549,090	468,852	479,846	838,639	4,998,148	2,596,322
Depreciation	455,886	848,863	750,902	631,640	433,732	271,124	118,698	3,510,845	155,337
Total operating expenses	<u>1,589,846</u>	<u>1,955,213</u>	<u>2,253,648</u>	<u>1,666,638</u>	<u>1,235,411</u>	<u>1,047,613</u>	<u>1,716,445</u>	<u>11,464,814</u>	<u>3,383,482</u>
Operating income (loss)	<u>(304,428)</u>	<u>262,397</u>	<u>872,437</u>	<u>59,069</u>	<u>57,590</u>	<u>65,988</u>	<u>123,130</u>	<u>1,136,183</u>	<u>1,051,690</u>
NONOPERATING REVENUES (EXPENSES)									
Investment income	2,615	23,298	21,917	13,165	5,997	13,198	8,124	88,314	(4,749)
Interest and fiscal charges		(82,721)	(247,506)	(121,091)				(451,318)	
Property taxes									197,171
Intergovernmental shared revenues			39,592				11,475	51,067	
Lease revenues				38,016		200		38,216	
Gain (loss) on capital asset disposition				(26,180)		550		(25,630)	2,280
Miscellaneous	313	3,000	347,202	1,379		548	25	352,467	1,903,773
Total nonoperating revenues (expenses)	<u>2,928</u>	<u>(56,423)</u>	<u>161,205</u>	<u>(94,711)</u>	<u>5,997</u>	<u>14,496</u>	<u>19,624</u>	<u>53,116</u>	<u>2,098,475</u>
Income (loss) before capital contributions and transfers	<u>(301,500)</u>	<u>205,974</u>	<u>1,033,642</u>	<u>(35,642)</u>	<u>63,587</u>	<u>80,484</u>	<u>142,754</u>	<u>1,189,299</u>	<u>3,150,165</u>
CAPITAL CONTRIBUTIONS									
Capital contributions						95,170		95,170	
Connection charges		402,618	85,281	41,020		1,218,379		1,747,298	
Water capacity fees	125,000							125,000	
Total capital contributions	<u>125,000</u>	<u>402,618</u>	<u>85,281</u>	<u>41,020</u>		<u>1,313,549</u>		<u>1,967,468</u>	

(Continued)

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Business-type Activities							Governmental
	Regional Water	Sewer Utility	Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Internal Service
	Utility	Utility	Water Utility	Water Utility	Wholesale	Water	Enterprise	Funds
				Water Utility	Company	Funds	Total Enterprise	Funds
							Funds	
TRANSFERS								
Transfers in	\$	\$ 2,700,000	\$ 197,394	\$ 37,500	\$ 700,000	\$	\$ 3,634,894	\$
Transfers out	(125,000)				(700,000)	(10,763)	(835,763)	(149,221)
Total transfers	<u>(125,000)</u>	<u>2,700,000</u>	<u>197,394</u>	<u>37,500</u>	<u>700,000</u>	<u>(10,763)</u>	<u>2,799,131</u>	<u>(149,221)</u>
CHANGE IN NET POSITION	<u>(301,500)</u>	<u>3,308,592</u>	<u>1,316,317</u>	<u>42,878</u>	<u>763,587</u>	<u>694,033</u>	<u>131,991</u>	<u>5,955,898</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	15,370,338	25,168,388	25,575,885	13,693,303	13,935,765	12,537,985	1,904,841	5,250,528
Adjustment	(967)	(54,213)	(62,424)	(38,973)	(20,066)	(104,271)	(42,979)	(65,041)
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED	<u>15,369,371</u>	<u>25,114,175</u>	<u>25,513,461</u>	<u>13,654,330</u>	<u>13,915,699</u>	<u>12,433,714</u>	<u>1,861,862</u>	<u>5,185,487</u>
NET POSITION, END OF YEAR	<u>\$ 15,067,871</u>	<u>\$ 28,422,767</u>	<u>\$ 26,829,778</u>	<u>\$ 13,697,208</u>	<u>\$ 14,679,286</u>	<u>\$ 13,127,747</u>	<u>\$ 1,993,853</u>	<u>\$ 8,186,431</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds							33,304	
CHANGES IN NET POSITION, BUSINESS- TYPE ACTIVITIES							<u>\$ 5,989,202</u>	

DOUGLAS COUNTY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2018

	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	
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from customers	\$ 1,555,914	\$ 2,212,223	\$ 3,454,273	\$ 1,764,971	\$ 1,405,676	\$ 1,123,331	\$ 1,834,709	\$ 13,351,097	
Cash received from interfund services								6,440,761	
Cash payments for goods and services	(1,323,716)	(569,863)	(929,912)	(557,867)	(480,981)	(624,675)	(805,432)	(5,292,446)	
Cash payments for interfund goods and services								(2,621,273)	
Cash payments for employee services and benefits	(21,881)	(477,132)	(552,417)	(456,568)	(330,799)	(276,997)	(748,396)	(2,864,190)	
Cash payments for interfund employee services and benefits								(868,487)	
Net cash provided by operating activities	<u>210,317</u>	<u>1,165,228</u>	<u>1,971,944</u>	<u>750,536</u>	<u>593,896</u>	<u>221,659</u>	<u>280,881</u>	<u>5,194,461</u>	<u>2,951,001</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfers in		2,700,000	197,394	37,500	700,000			3,634,894	(149,221)
Transfers out	(125,000)					(700,000)	(10,763)	(835,763)	
Property taxes									197,160
Intergovernmental shared revenues			39,592				11,475	51,067	
Net cash provided by (used in) noncapital financing activities	<u>(125,000)</u>	<u>2,700,000</u>	<u>236,986</u>	<u>37,500</u>	<u>700,000</u>	<u>(700,000)</u>	<u>712</u>	<u>2,850,198</u>	<u>47,939</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES									
Acquisition and construction of capital assets		(789,987)	(512,884)	(21,019)		(333,416)	(494,370)	(2,151,676)	(20,877)
Principal payments on debt		(471,849)	(381,343)	(362,674)				(1,215,866)	
Interest payments on debt		(64,441)	(219,844)	(119,716)				(404,001)	
Connection charges		402,618	85,281	41,020		1,218,379		1,747,298	
Net cash provided by (used in) capital financing activities		<u>(923,659)</u>	<u>(1,028,790)</u>	<u>(462,389)</u>		<u>884,963</u>	<u>(494,370)</u>	<u>(2,024,245)</u>	<u>(20,877)</u>

(Continued)

See notes to basic financial statements.

DOUGLAS COUNTY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

	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
CASH FLOWS FROM INVESTING ACTIVITIES									
Investment income received	\$ 6,811	\$ 88,584	\$ 65,696	\$ 38,869	\$ 26,053	\$ 43,661	\$ 14,687	\$ 284,361	\$ 62,090
Change in fair value of cash equivalent investments	(4,902)	(74,535)	(50,333)	(29,059)	(22,784)	(33,954)	(7,661)	(223,228)	(72,918)
Net cash provided by (used in) investing activities	<u>1,909</u>	<u>14,049</u>	<u>15,363</u>	<u>9,810</u>	<u>3,269</u>	<u>9,707</u>	<u>7,026</u>	<u>61,133</u>	<u>(10,828)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	87,226	2,955,618	1,195,503	335,457	1,297,165	416,329	(205,751)	6,081,547	2,967,235
CASH AND CASH EQUIVALENTS, BEGINNING 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>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 656,303</u>	<u>\$ 9,327,712</u>	<u>\$ 6,671,606</u>	<u>\$ 4,008,690</u>	<u>\$ 2,653,820</u>	<u>\$ 4,691,249</u>	<u>\$ 1,197,538</u>	<u>\$ 29,206,918</u>	<u>\$ 8,668,991</u>

(Continued)

DOUGLAS COUNTY

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	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
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES									
Operating income (loss)	\$ (304,428)	\$ 262,397	\$ 872,437	\$ 59,069	\$ 57,590	\$ 65,988	\$ 123,130	\$ 1,136,183	\$ 1,051,690
Adjustments to reconcile operating income (loss) to net cash provided by operating activities									
Depreciation and amortization	455,886	848,863	750,902	631,640	433,732	271,124	118,698	3,510,845	155,337
(Increase) decrease in operating assets									
Accounts receivable	20,496	(10,442)	326,835	39,247	113,718	6,099	(3,655)	492,298	1,892,478
Notes receivable	125,000							125,000	
Due from other governments	125,000							125,000	
Due from other funds		800	1,152				15	1,967	2,984
Inventories									101,005
Prepaid expenses		4,255	201	17	(1,043)	3,631	(1,226)	5,835	9,122
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	(113,549)	38,555	18,771	1,929	(12,364)	(129,666)	34,923	(161,401)	86,484
Accrued salaries and benefits	(400)	(2,718)	(152)	(456)	(5,298)	(4,045)	6,126	(6,943)	(262,311)
Due to other funds	85	1,210	811	440	235	547	111	3,439	(111,435)
Unearned revenue	(125,000)		14,847	(11,146)		(3,576)	(1,827)	(126,702)	
Contract retentions payable						(11,847)		(11,847)	
Deposits			2,500			(287)		2,213	
Compensated absences	2,028	(4,901)	(2,288)	(7,998)	(6,328)	(4,869)	(6,390)	(30,746)	(646)
Postemployment benefits other than pensions	264	1,611	3,912	2,327	2,892	(9,750)	7,061	8,317	508
Net pension liability	24,935	25,598	(17,984)	35,467	10,762	38,310	3,915	121,003	25,785
Total adjustments	514,745	902,831	1,099,507	691,467	536,306	155,671	157,751	4,058,278	1,899,311
Net cash provided by operating activities	<u>\$ 210,317</u>	<u>\$ 1,165,228</u>	<u>\$ 1,971,944</u>	<u>\$ 750,536</u>	<u>\$ 593,896</u>	<u>\$ 221,659</u>	<u>\$ 280,881</u>	<u>\$ 5,194,461</u>	<u>\$ 2,951,001</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES									
Contribution of capital assets	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 95,170</u>	<u>\$</u>	<u>\$ 95,170</u>	<u>\$</u>

See notes to basic financial statements.

DOUGLAS COUNTY
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2018

	<u>Agency Funds</u>
ASSETS	
Cash, cash equivalents and investments	\$ 1,740,173
Accounts receivable, net	53,480
Taxes receivable	500,801
Interest receivable	57
Due from other governments	191
Special assessments receivable	<u>2,481</u>
Total assets	<u>2,297,183</u>
LIABILITIES	
Due to others	<u>2,297,183</u>
NET POSITION	<u><u>\$</u></u>

**NOTES TO BASIC
FINANCIAL STATEMENTS**

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2018

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:

Douglas County Redevelopment Agency

Town of Gardnerville

Town of Genoa

Town of Minden

For the year ended June 30, 2018 none of the County's component units issued stand-alone financial statements.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

The County reports the following major governmental funds:

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

Airport Special Revenue Fund - Accounts for activities related to, and support of, the Minden - Tahoe airport services.

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.

Regional Transportation Capital Projects Fund - Accounts for major transportation projects.

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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 (primarily related to the County's maintenance of County vehicles, management and funding of various insurance needs) 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. Transactions accounted for in these funds are primarily related to the collection and distribution of apportioned property taxes.

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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.

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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 and other postemployment benefits (Note 4) are reported as deferred outflows of resources.

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 and other postemployment benefits (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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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 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.

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, 2018, 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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018, total expenditures exceeded appropriations for the following fund and function, which is a potential violations of the NRS:

Extraordinary Maintenance capital projects fund, general government function	\$ 64,112
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These over expenditures were funded by available assets in excess of liabilities as represented by fund balance in the respective fund.

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, 2018 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, 2018 – \$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, 2018 – \$189,267
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, 2018 – \$263,739
Specific tax being abated – Sales and use taxes

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities	Business-type Activities
Net position or fund balance, as previously reported	\$ 90,610,363	\$ 108,135,569
Adjustments		
Adjust net pension liability and related deferred outflows and inflows of resources the effect of adopting GASB Statement No. 82	(5,160,330)	(304,773)
Adjust capital assets for items incurred, but not recognized in the prior year		
Adjust net OPEB liability and related deferred outflows and inflows of resources for the effect of adopting GASB Statement No. 75	(2,553,402)	(19,120)
Total adjustments	(7,713,732)	(323,893)
Net position or fund balance, as adjusted	\$ 82,896,631	\$ 107,811,676

New Accounting Pronouncements

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*, effective for periods beginning after December 15, 2018. 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 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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, effective for periods beginning after June 15, 2018. The objective of this statement is to address the information to be disclosed related to debt, including direct borrowings and direct placements and clarifies which liabilities governments should include when disclosing information related to debt. Management has not yet completed its assessment of this statement.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for periods beginning after December 15, 2019. The objective of this statement is to establish accounting requirements for interest cost incurred before the end of a construction period and requires that such interest costs be recognized as an expense in the period in which the cost is incurred. Management has not yet completed its assessment of this statement.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests*, effective for periods beginning after December 15, 2018. The objective of this statement is to address the reporting of a majority equity interest in a legally separate organization and requires that such majority equity interest be reported as an investment. Management has not yet completed its assessment of this statement.

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, 2018, the County's carrying amount of deposits was \$14,605,151 and the bank balance was \$15,784,041. 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, 2018, total cash, cash equivalents and investments (including restricted amounts) were presented in the County's financial statements as follows:

Governmental activities	\$ 72,434,847
Business-type activities	29,206,918
Fiduciary funds	<u>1,740,173</u>
Total cash, cash equivalents and investments	<u>\$ 103,381,938</u>

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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 and corporate bonds) 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, 2018, 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)	\$ 23,759,367	\$ 6,094,076	\$ 17,665,291
U.S. Agency securities (Level 2)			
Federal Home Loan Bank	6,409,515	498,215	5,911,300
Federal Farm Credit Bank	5,020,503	2,020,068	3,000,435
Federal Home Loan Mortgage Corporation	1,946,630		1,946,630
Federal National Mortgage Association	8,600,201	2,982,325	5,617,876
Chevron Corporation corporate bonds (Level 2)	987,310		987,310
Microsoft Corporation corporate bonds (Level 2)	1,476,345		1,476,345
Apple Incorporated corporate bonds (Level 2)	485,510		485,510
Berkshire Hathaway Incorporated corporate bonds (Level 2)	978,610		978,610
Local Government Investment Pool (Level 3)	<u>21,360,933</u>	<u>21,360,933</u>	
 Total investments	 71,024,924	 <u>\$ 32,955,617</u>	 <u>\$ 38,069,307</u>
Total cash and cash equivalents	<u>32,357,008</u>		
 Total cash, cash equivalents and investments	 <u>\$ 103,381,932</u>		

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

At June 30, 2018, the County's cash equivalents and investments were rated by Moody's Investors Service as follows:

	Reported Amount (Fair Value)	Quality Rating *
U.S. Treasury obligations (Level 1)	\$ 23,759,367	AAA
U.S. Agency securities (Level 2)		
Federal Home Loan Bank	6,409,515	AAA
Federal Farm Credit Bank	5,020,503	AAA
Federal Home Loan Mortgage Corporation	1,946,630	AAA
Federal National Mortgage Association	8,600,201	AAA
Chevron Corporation corporate bonds (Level 2)	987,310	AA2
Microsoft Corporation corporate bonds (Level 2)	1,476,345	AAA
Apple Incorporated corporate bonds (Level 2)	485,510	AA1
Berkshire Hathaway Incorporated corporate bonds (Level 2)	978,610	AA2
Local Government Investment Pool (Level 3)	<u>21,360,933</u>	Unrated
 Total investments	 <u>\$ 71,024,924</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, 2018, were as follows:

	Percentage of Portfolio
U.S. Treasury obligations	33.45 %
Federal Home Loan Bank	9.02 %
Federal Farm Credit Bank	7.07 %
Federal National Mortgage Association	12.11 %

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

Capital Assets

For the year ended June 30, 2018, capital asset activity was as follows:

	Balance July 1, 2017 (Restated)	Increases	Decreases	Completed Construction	Balance June 30, 2018
Governmental activities					
Capital assets not being depreciated or amortized					
Land	\$ 17,135,358			\$ 30,156	\$ 17,165,514
Construction in progress	<u>10,648,737</u>	<u>11,847,924</u>	<u>(239,990)</u>	<u>(6,631,675)</u>	<u>15,624,996</u>
Total capital assets not being depreciated or amortized	<u>27,784,095</u>	<u>11,847,924</u>	<u>(239,990)</u>	<u>(6,601,519)</u>	<u>32,790,510</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	77,183,392	146,520			77,329,912
Machinery, equipment and software	25,078,729	861,323	(930,511)	962,737	25,972,278
Infrastructure	<u>234,854,911</u>		<u>(52,573)</u>	<u>5,638,782</u>	<u>240,441,120</u>
Total capital assets being depreciated or amortized	<u>337,117,032</u>	<u>1,007,843</u>	<u>(983,084)</u>	<u>6,601,519</u>	<u>343,743,310</u>
Accumulated depreciation and amortization					
Buildings and building improvements	(31,156,396)	(1,978,038)			(33,134,434)
Machinery, equipment and software	(18,474,791)	(1,575,260)	916,156		(19,133,895)
Infrastructure	<u>(198,232,231)</u>	<u>(3,695,227)</u>	<u>44,833</u>		<u>(201,882,625)</u>
Total accumulated depreciation and amortization	<u>(247,863,418)</u>	<u>(7,248,525)</u>	<u>960,989</u>		<u>(254,150,954)</u>
Total capital assets being depreciated or amortized, net	<u>89,253,614</u>	<u>(6,240,682)</u>	<u>(22,095)</u>	<u>6,601,519</u>	<u>89,592,356</u>
Total governmental activities	<u>\$ 117,037,709</u>	<u>\$ 5,607,242</u>	<u>\$ (262,085)</u>	<u>\$</u>	<u>\$ 122,382,866</u>

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

For the year ended June 30, 2018, capital asset activity was as follows:

	Balance July 1, 2017 (Restated)	Increases	Decreases	Completed Construction	Balance June 30, 2018
Business-type activities					
Capital assets not being depreciated or amortized					
Land	\$ 2,831,609				\$ 2,831,609
Construction in progress	4,440,434	1,933,000		(675,293)	5,698,141
Water rights	<u>5,772,013</u>				<u>5,772,013</u>
Total capital assets not being depreciated or amortized	<u>13,044,056</u>	<u>1,933,000</u>		<u>(675,293)</u>	<u>14,301,763</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	2,787,650				2,787,650
Machinery, equipment and software	3,357,048			144,153	3,501,201
Water and sewer systems	<u>123,345,854</u>		<u>(333,675)</u>	<u>531,140</u>	<u>123,543,319</u>
Total capital assets being depreciated or amortized	<u>129,490,552</u>		<u>(333,675)</u>	<u>675,293</u>	<u>129,832,170</u>
Accumulated depreciation and amortization					
Buildings and building improvements	(869,249)	(70,004)			(939,253)
Machinery, equipment and software	(2,389,690)	(153,800)			(2,543,490)
Water and sewer systems	<u>(37,038,325)</u>	<u>(3,287,041)</u>	<u>307,495</u>		<u>(40,017,871)</u>
Total accumulated depreciation and amortization	<u>(40,297,264)</u>	<u>(3,510,845)</u>	<u>307,495</u>		<u>(43,500,614)</u>
Total capital assets being depreciated or amortized, net	<u>89,193,288</u>	<u>(3,510,845)</u>	<u>(26,180)</u>	<u>675,293</u>	<u>86,331,556</u>
Total business-type activities	<u>\$ 102,237,344</u>	<u>\$ (1,577,845)</u>	<u>\$ (26,180)</u>	<u>\$</u>	<u>\$ 100,633,319</u>

For the year ended June 30, 2018, charges, by function, for depreciation expense were as follows:

Governmental activities	
General government	\$ 1,370,141
Judicial	317,632
Public safety	602,244
Public works	2,440,126
Community development	82,961
Culture and recreation	2,193,620
Health and sanitation	78,663
Welfare	2,352
Internal service fund depreciation expense is charged to specific functions based on asset usage	<u>160,786</u>
Total depreciation expense, governmental activities	<u>\$ 7,248,525</u>
Business-type activities	
Water	\$ 2,543,284
Sewer	848,863
Trash	<u>118,698</u>
Total depreciation expense, business-type activities	<u>\$ 3,510,845</u>

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

Expenditures and transfers out for the year ended June 30, 2018, in the ad valorem capital projects funds, were as follows:

	Ad Valorem Capital Projects Fund	Town of Gardnerville Ad Valorem Capital Projects Fund	Town of Minden Ad Valorem Capital Projects Fund
Landscape equipment	\$	\$ 58,236	\$ 20,916
HVAC and boiler equipment	861,651		
Generator	626,631		
Transfers out	1,292,500		

Interfund Balances and Activity

Due To and From Other Funds

At June 30, 2018, 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	\$ 10,967	\$ 67,090
Airport Special Revenue Fund		261
Room Tax Special Revenue Fund		5,407
Regional Transportation Capital Projects Fund		1,370
Non-major Governmental Funds	53,500	68,952
Regional Water Utility Enterprise Fund		112
Sewer Utility Enterprise Fund		1,785
Carson Valley Water Utility Enterprise Fund		1,473
Lake Tahoe Water Utility Enterprise Fund		979
Town of Minden Wholesale Water Utility Enterprise Fund		634
Town of Minden Water Company Enterprise Fund		855
Non-major Enterprise Funds		926
Internal Service Funds	87,176	1,799
	\$ 151,643	\$ 151,643

Advances To and From Other Funds

At June 30, 2018, amounts due to and from other funds resulting from lending or borrowing transactions, were as follows:

	Receivable	Payable
Non-major Governmental Funds	\$ 410,000	\$ 410,000

This interfund loan is non-interest bearing and is to be repaid in full no later than August 31, 2018.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

For the year ended June 30, 2018, interfund transfers were as follows:

	Transfers In	Transfers Out
General Fund	\$ 484,857	\$ 8,257,805
Airport Special Revenue Fund	15,000	94,938
Room Tax Special Revenue Fund	1,631,155	1,089,231
Regional Transportation Capital Projects Fund	1,179,125	2,261,746
Non-major Governmental Funds	15,460,128	9,716,455
Regional Water Utility Enterprise Fund		125,000
Sewer Utility Enterprise Fund	2,700,000	
Carson Valley Water Utility Enterprise Fund	197,394	
Lake Tahoe Water Utility Enterprise Fund	37,500	
Town of Minden Wholesale Water Utility Enterprise Fund	700,000	
Town of Minden Water Company Enterprise Fund		700,000
Non-major Enterprise Funds		10,763
Internal Service Funds		149,221
	\$ 22,405,159	\$ 22,405,159

Long-term Liabilities

Outstanding long-term debt obligations at June 30, 2018, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2018
Governmental activities				
General obligation medium term financing bonds and notes				
Community Center Medium Term Bonds, Series 2013	March 2013 - March 2023	2.05%	\$ 7,800,000	\$ 5,025,000
Revenue bonds				
Highway Revenue Improvement Bonds, Series 2016	November 2016 - November 2036	3.00 - 5.00%	11,635,000	11,275,000
Airport Revenue Bonds, Series 2014	June 2015 - June 2029	2.95%	1,075,000	880,000
Total revenue bonds			12,710,000	12,155,000
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%	2,009,000	567,000
Total general obligation/pledged revenue bonds			8,759,000	7,017,000
Capital lease				
Vacuum truck lease	October 2014 - October 2020	2.82%	320,000	141,851

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2018</u>
Motorola Dispatch Console System	October 2016 - October 2023	2.78%	\$ <u>410,000</u>	\$ <u>356,138</u>
Total capital lease			<u>730,000</u>	<u>497,989</u>
Land note				
Land note	August 2016 - August 2019	3.5%	<u>150,000</u>	<u>100,000</u>
Total governmental activities			<u>30,149,000</u>	<u>24,794,989</u>
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	789,135
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	May 2014 - August 2024	.32% - 3.28%	2,010,000	1,449,000
State Revolving Fund Water Bonds, Series 2012	July 2012 - July 2032	2.49%	1,300,000	910,428
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	March 2012 - November 2024	2.00 - 4.00%	2,485,000	1,575,000
State Revolving Fund Water Bonds, Series 2011	April 2011 - January 2031	3.21%	1,000,000	776,987
State Revolving Fund Water Bonds, Series 2010	February 2010 - January 2030	2.84%	1,150,000	795,937
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	September 2010 - December 2020	2.00 - 4.00%	2,420,000	890,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	September 2010 - December 2022	2.00 - 4.50%	3,970,000	1,570,000
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	1,691,834

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2018</u>
State Revolving Fund Water Bonds, Series 2005	December 2005 - July 2025	2.99%	\$ <u>674,542</u>	\$ <u>339,738</u>
Total business-type activities			<u>26,629,542</u>	<u>12,411,469</u>
Total long-term debt obligations			<u>\$ 56,778,542</u>	<u>\$ 37,206,458</u>

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, 2018	\$ 1,043,312
Total revenue bond principal and interest paid during the year ended June 30, 2018	94,937
Total pledged revenue for the year ended June 30, 2018	3,743,104
Maturity of revenue bonds issued and revenue pledge Airport Revenue Bonds, Series 2014 ¹	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, 2018	\$ 581,810
Total revenue bond principal and interest paid during the year ended June 30, 2018	291,089
Total pledged revenue for the year ended June 30, 2018	805,126
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, 2018	\$ 8,494,685
Total revenue bond principal and interest paid during the year ended June 30, 2018	197,194
Total pledged revenue for the year ended June 30, 2018	1,810,107
Maturity of revenue bond issued and revenue pledge Community Center Bonds, Series 2012	August 2032

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018	\$ 16,200,669
Total revenue bond principal and interest paid during the year ended June 30, 2018	850,913
Total pledged revenue for the year ended June 30, 2018	2,976,411
Maturity of revenue bond issued and revenue pledge	
Highway Revenue Improvement Bonds, Series 2016	November 2036

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, 2018	\$ 12,130,650
Total revenue bond principal and interest paid during the year ended June 30, 2018	1,345,814
Total pledged revenue for the year ended June 30, 2018	3,049,288
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

Pledged revenue – Revenues generated from sewer utility customer net revenues.

Total revenue bond principal and interest remaining to be paid at June 30, 2018	\$ 2,586,690
Total revenue bond principal and interest paid during the year ended June 30, 2018	534,701
Total pledged revenue for the year ended June 30, 2018	1,567,589
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, 2018, was as follows:

	Balance July 1, 2017 (Restated)	Increases	Decreases	Balance June 30, 2018	Due Within One Year
Governmental activities					
General obligation medium term financing bonds and notes					
Community Center Medium Term Bonds, Series 2013	\$ 5,970,000	\$ _____	\$ (945,000)	\$ 5,025,000	\$ 965,000

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018	Due Within One Year
Revenue bonds					
Highway Revenue Improvement Bonds, Series 2016	\$ 11,635,000	\$	\$ (360,000)	\$ 11,275,000	\$ 380,000
Airport Revenue Bond, Series 2014	<u>947,000</u>	<u> </u>	<u>(67,000)</u>	<u>880,000</u>	<u>69,000</u>
Total revenue bonds	<u>12,582,000</u>	<u> </u>	<u>(427,000)</u>	<u>12,155,000</u>	<u>449,000</u>
General obligation/pledged revenue bonds					
Community Center Bonds, Series 2012	6,450,000			6,450,000	
Transportation Refunding Bonds, Series 2012	<u>842,000</u>	<u> </u>	<u>(275,000)</u>	<u>567,000</u>	<u>281,000</u>
Total general obligation/pledged revenue bonds	<u>7,292,000</u>	<u> </u>	<u>(275,000)</u>	<u>7,017,000</u>	<u>281,000</u>
Capital lease					
Vacuum truck lease	186,561		(44,710)	141,851	45,973
Motorola Dispatch Console System	<u>410,000</u>	<u> </u>	<u>(53,862)</u>	<u>356,138</u>	<u>55,361</u>
Total capital lease	<u>596,561</u>	<u> </u>	<u>(98,572)</u>	<u>497,989</u>	<u>101,334</u>
Land note					
Land note	<u>150,000</u>	<u> </u>	<u>(50,000)</u>	<u>100,000</u>	<u>50,000</u>
Unamortized bond premiums and discounts, net					
	895,597		(79,834)	815,763	
Claims and judgments, estimated					
	46,162			46,162	
Compensated absences					
	3,244,238	3,482,425	(3,118,337)	3,608,326	2,923,607
Postemployment benefits other than pensions					
	9,602,447	228,519	(561,967)	9,268,999	
Net pension liability					
	<u>62,128,837</u>	<u>1,326,416</u>	<u>(6,543,996)</u>	<u>56,911,257</u>	<u> </u>
Total governmental activities	<u>102,507,842</u>	<u>5,037,360</u>	<u>(12,099,706)</u>	<u>95,445,496</u>	<u>4,769,941</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	537,955	263,415	(12,235)	789,135	40,334

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018	Due Within One Year
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	\$ 1,637,000		\$ (188,000)	\$ 1,449,000	\$ 193,000
State Revolving Fund Water Bonds, Series 2012	961,990		(51,562)	910,428	52,853
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	1,825,000		(250,000)	1,575,000	255,000
State Revolving Fund Water Bonds, Series 2011	824,475		(47,488)	776,987	49,024
State Revolving Fund Water Bonds, Series 2010	850,895		(54,958)	795,937	56,530
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	1,160,000		(270,000)	890,000	280,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	1,950,000		(380,000)	1,570,000	395,000
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	1,570,000			1,570,000	
State Revolving Fund Water Bonds, Series 2009	1,817,774		(125,940)	1,691,834	130,092
State Revolving Fund Water Bonds, Series 2005	<u>379,588</u>		<u>(39,850)</u>	<u>339,738</u>	<u>41,050</u>
Total general obligation/pledged revenue bonds	<u>13,568,087</u>	<u>263,415</u>	<u>(1,420,033)</u>	<u>12,411,469</u>	<u>1,492,883</u>
Unamortized bond premiums and discounts, net	272,989		(59,249)	213,740	
Compensated absences	243,014	160,130	(190,877)	212,267	212,267
Postemployment benefits other than pensions	362,715	8,825	(4,682)	366,858	
Net pension liability	<u>3,654,984</u>	<u>106,253</u>	<u>(237,795)</u>	<u>3,523,442</u>	
Total business-type activities	<u>18,101,789</u>	<u>538,623</u>	<u>(1,912,636)</u>	<u>16,727,776</u>	<u>1,705,150</u>
Total long-term liabilities	<u>\$ 120,609,631</u>	<u>\$ 5,575,983</u>	<u>\$ (14,012,342)</u>	<u>\$ 112,173,272</u>	<u>\$ 6,475,091</u>

Compensated absences, net pension liability and postemployment benefits other than pensions are liquidated by the fund (primarily the general and various water utility funds) incurring the related salaries and wages.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

At June 30, 2018, 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																																																		
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	1,045,000	21,423	542,000	405,752		197,194																																												
2024 - 2028			3,133,000	1,612,531	2,930,000	772,519																																												
2029 - 2033			3,402,000	952,058	3,520,000	286,197																																												
2034 - 2038			3,150,000	258,400																																														
	5,025,000	313,139	12,155,000	5,088,783	7,017,000	2,059,495																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="text-align: left; vertical-align: bottom;">For the Year Ended June 30,</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Capital lease</th> <th colspan="2" style="text-align: center; border-bottom: 1px solid black;">Land Note</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Principal</th> <th style="text-align: center; border-bottom: 1px solid black;">Interest</th> <th style="text-align: center; border-bottom: 1px solid black;">Principal</th> <th style="text-align: center; border-bottom: 1px solid black;">Interest</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td style="text-align: right;">101,334</td> <td style="text-align: right;">13,912</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">3,500</td> </tr> <tr> <td>2020</td> <td style="text-align: right;">104,172</td> <td style="text-align: right;">11,074</td> <td style="text-align: right;">50,000</td> <td style="text-align: right;">1,750</td> </tr> <tr> <td>2021</td> <td style="text-align: right;">107,090</td> <td style="text-align: right;">8,156</td> <td></td> <td></td> </tr> <tr> <td>2022</td> <td style="text-align: right;">60,110</td> <td style="text-align: right;">5,157</td> <td></td> <td></td> </tr> <tr> <td>2023</td> <td style="text-align: right;">61,782</td> <td style="text-align: right;">3,485</td> <td></td> <td></td> </tr> <tr> <td>2024 - 2028</td> <td style="text-align: right;">63,501</td> <td style="text-align: right;">1,766</td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 497,989</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 43,550</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 100,000</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$ 5,250</td> </tr> </tbody> </table>							For the Year Ended June 30,	Capital lease		Land Note		Principal	Interest	Principal	Interest	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	61,782	3,485			2024 - 2028	63,501	1,766				\$ 497,989	\$ 43,550	\$ 100,000	\$ 5,250
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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, 2018

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, 2018, were as follows:

	<u>Issuance Date</u>	<u>Original Amount</u>	<u>Balance June 30, 2018</u>
Washoe Barton Medical Clinic Project, Hospital Revenue and Refunding Bonds, Series 2013	April 2013	\$ <u>8,700,000</u>	\$ <u>6,164,677</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, 2018, were \$98,572.

At June 30, 2018, 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, 2018

At June 30, 2018, future minimum capital lease payments were as follows:

<u>For the Year Ended June 30,</u>	
2019	\$ 115,246
2020	115,246
2021	115,246
2022	65,267
2023	65,267
2024 - 2028	<u>65,267</u>
Total future minimum capital lease payments	541,539
Less portion of payment representing interest	<u>(43,550)</u>
Present value of total future minimum capital lease payments	<u>\$ 497,989</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 and a beneficial use assignment of water rights. Such leases expire at various times through July 2022 and the beneficial use assignment of water rights expires in 2037.

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>	
2019	\$ 421,366
2020	383,681
2021	169,721
2022	66,868
2023	49,615
2024 - 2028	200,921
2029 - 2033	200,000
2034 - 2038	<u>200,000</u>
	<u>\$ 1,692,172</u>

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018</u>	<u>Commitment Remaining at June 30, 2018</u>
Governmental activities			
General government projects	\$ 5,185,692	\$ 2,727,926	\$ 2,457,766
Airport projects	5,277,590	4,360,479	917,111
Erosion control projects	410,000	82,408	327,592
Judicial facilities projects	48,087	38,492	9,595
Public safety projects	840	259	581
Public works projects	<u>3,300,904</u>	<u>2,208,197</u>	<u>1,092,707</u>
Total governmental activities	<u>\$ 14,223,113</u>	<u>\$ 9,417,761</u>	<u>\$ 4,805,352</u>
Business-type activities			
Water system projects	\$ 1,145,623	\$ 702,252	\$ 443,371
Sewer system projects	<u>1,396,542</u>	<u>1,334,712</u>	<u>61,830</u>
Total business-type activities	<u>\$ 2,542,165</u>	<u>\$ 2,036,964</u>	<u>\$ 505,201</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, 2018

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, 2018, 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	\$	3,000,000	Per event and 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, 2018

Defined Benefit Pension Plans

Aggregate Balances

At June 30, 2018, 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	\$ 8,877,785	\$ 96,191	\$ 8,973,976
Net pension liability	60,221,670	213,029	60,434,699
Net unamortized deferred inflows of resources related to pensions	9,122,134	37,695	9,159,829
Pension expense	3,486,334	49,398	3,535,732

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, this multiplier is 2.5% for all years of service. Regular members entering PERS on or after July 1, 2015, have a 2.25% 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, 2018

2) The average percentage increase in the Consumer Price Index (or other PERS 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 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 and before July 1, 2015, 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 ten 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, at age 62 with ten years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, at age 55 with 30 years of service, or at any age with 33 1/3 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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

For the fiscal year ended June 30, 2018, 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.

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 under publications.

PERS collective net pension liability was measured as of June 30, 2017, 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 2017), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2017
Inflation rate	2.75%
Payroll growth	5.00%, including inflation
Investment rate of return	7.50%
Discount rate	7.50%
Productivity pay increase	0.50%
Consumer price index	2.75%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.25% to 9.15%, depending on service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases

Since the last measurement date of June 30, 2016, several assumption changes were made resulting from the experience review completed in 2017. These changes include a decrease in the inflation rate and the consumer price index from 3.50% to 2.75%, a decrease in the investment rate of return and discount rate from 8.00% to 7.50%, and a decrease in productivity pay from 0.75% to 0.50%. Lastly, projected salary decreased from a range of 4.60% - 9.75% to 4.25% - 9.15% for regular and 5.25% - 14.50% to 4.55% - 13.90% for police/fire.

At June 30, 2017, assumed mortality rates and projected life expectancies for selected ages were as follows:

Age	Mortality Rates		Expected Years of Life Remaining	
	Males	Females	Males	Females
40	0.20 %	0.14 %	40.4	43.6
50	0.49 %	0.38 %	31.4	34.5
60	0.90 %	0.59 %	23.2	25.9
70	1.81 %	1.26 %	15.6	17.7
80	4.55 %	3.42 %	9.1	10.5

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

Healthy	Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries. For ages less than 50 (the RP-2014 Healthy Annuitant Mortality Tables have rates only for ages 50 and later), mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016.
Disabled	Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years.
Pre-Retirement	Headcount-Weighted RP-2014 Employee Table, projected to 2020 with Scale MP-2016.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

The RP-2014 Headcount-Weighted Mortality Tables, set forward one year for spouses and beneficiaries, reasonably reflect the projected mortality experience of the Plan as of the measurement date. The additional projection of 6 years is a provision made for future mortality improvement.

For the measurement date of June 30, 2016, the RP-2000 Combined Health Mortality Table projected to 2013 with Scale AA, set back one year for females (no setback for males) was used for non-disabled regular male and female members. For all non-disabled police/fire members, the RP-2000 Combined Health mortality Table projected to 2013 with Scale AA, set forward one year were used. Lastly, for all disabled regular members and disabled police/fire members, the RP-2000 Combined Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years were used.

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, 2017:

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 2.75%.

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2017. 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, 2017, 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 (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

The County's proportionate share of the net pension liability at June 30, 2017, calculated using the discount rate of 7.50%, 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 or 1% higher than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 91,038,354	\$ 60,221,670	\$ 34,627,935

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

Detailed information about PERS fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website, 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 \$60,221,670, which represents 0.45280% of the collective PERS net pension liability. Contributions for employer pay dates within the fiscal year ending June 30, 2017, 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 employer contributions relative to the total employer contributions for all employers for the period ended June 30, 2017.

For the period ended June 30, 2018, the County's PERS pension expense was \$3,486,334 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	\$	\$ 3,951,759
Changes of assumptions	3,995,135	
Net difference between projected and actual earnings on investments	391,008	
Changes in proportion and differences between actual contributions and proportionate share of contributions		5,170,371
Contributions made subsequent to the measurement date	4,491,642	

At June 30, 2017, the average expected remaining service life is 6.39 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$4,491,642 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. 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,			
2019		\$	11,774,634
2020			(15,242,356)
2021			(3,936,380)
2022			10,732,736
2023			(5,549,669)
Thereafter			(2,514,951)

Changes in the County's net pension liability (with the beginning amount adjusted as discussed in Note 2) were as follows:

Net pension liability, beginning of year	\$	65,540,083
Pension expense		3,486,334
Employer contributions		(4,064,296)
Change in net deferred inflows and outflows of resources		(4,740,451)
Net pension liability, end of year	\$	60,221,670

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

At June 30, 2018, approximately \$621,000 was payable to PERS, for the June 2018 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, 2018

- 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.

For JRS members entering the system on or after July 1, 2015, the post-retirement increases will be 2.0% per year following the third through fifth anniversaries of the commencement of benefit and 2.5% per year following the sixth through eighth anniversaries. On succeeding anniversaries, the annual increase shall be the lessor of 3.0% or the Consumer Price Index (All Items) for the preceding calendar 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, 2017, JRS membership consisted of:

Active members	113
Inactive vested members	2
Retired members and beneficiaries	<u>76</u>
	<u><u>191</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, 2017, 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, 2017, census data.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

The total JRS pension liability was determined using the following actuarial assumptions (based on the results of an experience study completed in 2017):

Actuarial valuation date	June 30, 2017
Inflation rate	2.75%
Payroll growth	3.00% to 8.00%
Investment rate of return	7.50%, including inflation
Discount rate	7.50%, net of pension plan investment expense, including inflation
Consumer price index	2.75%
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	Post-retirement: Headcount-Weighted RP-2014 Healthy Annuitant Mortality Tables, projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries ³
	For ages less than 50, mortality rates are based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for members at age 50 to the mortality rate at age 50 from the Employee mortality tables listed above. The mortality rates are then projected to 2020 with Scale MP-2016.
	Pre-retirement: Headcount-Weighted RP- 2014 Employee Mortality Tables projected to 2020 with Scale MP-2016

Since the last measurement date of June 30, 2016, several assumption changes were made resulting from the experience review completed in October 2017. These changes include a decrease in the inflation rate and the consumer price index from 3.50% to 2.75% and a decrease in the investment rate of return and discount rate from 8.00% to 7.50%. Also, the mortality rates were updated to Headcount-Weighted RP2014 from the RP-2000 Combined Healthy 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, 2017:

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

* These geometric return rates are combined to produce the long-term expected rate of return by adding the long-term expected inflation rate of 2.75%.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

The discount rate used to measure the total pension liability was 7.50% as of June 30, 2017 and 8.00% as of June 30, 2016. The projection of cash flows used to determine the discount rate assumed that contributions will be made monthly at the current contribution rate and the payment to amortize the unfunded actuarial liability is assumed to be paid annually, at the end of the year, for Supreme Court justices and district judges and monthly for municipal court judges and justices of the peace. Based on those assumptions, JRS's fiduciary net position at June 30, 2017, was projected to be available to make all projected future benefit payments of current active and inactive JRS members. Therefore, the long-term expected rate of return on pension plan investments (7.50%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

The County's JRS net pension liability at June 30, 2017, calculated using the discount rate of 7.50%, 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 or 1% higher than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 384,969	\$ 213,029	\$ 67,327

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. 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, 2018, 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, 2018, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,185	\$ 34,418
Changes of assumptions	681	
Net difference between projected and actual earnings on investments	4,433	
Changes in proportion and differences between actual contributions and proportionate share of contributions	10,005	3,277
Contributions made subsequent to the measurement date	65,887	

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

At June 30, 2016, the average expected remaining service life is 4.48 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:

<u>For the Year Ended June 30,</u>		
2019	\$	(7,156)
2020		4,456
2021		(256)
2022		(4,435)

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

Net pension liability, beginning of year	\$	<u>243,738</u>
Pension expense		
Service cost		41,547
Interest on JRS pension liability		111,685
Net change in assumptions and other inputs		(104,892)
Administrative expense		<u>1,058</u>
		49,398
Subsequent contributions		(64,662)
Other changes		<u>(15,445)</u>
Net pension liability, end of year	\$	<u><u>213,029</u></u>

At June 30, 2018, approximately \$5,000 was payable to JRS, for the June 2018 required contribution.

Postemployment Benefits Other Than Pensions (OPEB)

Aggregate Balances

At June 30, 2018, the County's aggregate OPEB plan balances were as follows:

		Douglas County		
		Public Employee	Health Benefits	
		<u>Benefit Program</u>	<u>Plan</u>	<u>Aggregate Total</u>
Net OPEB assets administered through a qualifying trust		None	None	None
Total OPEB liability	\$	5,528,034	\$ 4,107,823	\$ 9,635,857
Net unamortized deferred inflows of resources related to OPEB			109,610	109,610
Net OPEB expense		(476,872)	257,178	(219,694)

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

Plan Information

In accordance with NRS, the County provides other postemployment benefits to eligible retirees through the following plans:

The Nevada Public Employee Benefit Program (PEBP), a multiple-employer cost sharing plan, administered by a ten member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board.

The Douglas County Health Benefits Plan (County Plan), a single-employer defined benefit healthcare plan, administered by County management.

Both plans provide healthcare, dental, vision and life insurance benefits.

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

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 December 1, 2008. No future retirees are eligible for this benefit.

The County is required to provide a subsidy, based on years of service for a closed group of its retirees that have enrolled in PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. For 2018, this subsidy ranged from \$3 to \$1,150 per retiree, per month.

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.

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.

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

At June 30, 2018, employees covered by OPEB benefit terms consisted of:

	Public Employee Benefit Program	Douglas County Health Benefits Plan	Aggregate Total
Active members		409	409
Inactive employees currently receiving benefit payments	147	42	189
	147	451	598

Assumptions and Other Inputs

The total OPEB liability was determined using the following actuarial assumptions (based on the results of an experience review completed in 2018), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2016
Measurement date	June 30, 2018
Inflation rate	2.75% per year
Salary changes	County Plan - 4.0% per year; since benefits do not depend on pay, this is used only to allocate the cost of benefits between service years
	PEBP - not applicable, there are no active employees in this plan
Discount rate	3.53% as of June 30, 2017
	3.89% as of June 30, 2018
Discount rate source	Bond Buyer GO 20 Bond Index
Postemployment benefit changes	None
Actuarial cost method	Entry Age Normal Cost, closed group, level percent of pay
Healthcare cost trend rates	6.5%, decreasing to an ultimate rate of 5% for 2023 and subsequent years

There were no changes in OPEB benefit terms that affected the measurement of the County's total OPEB liability during the period ended June 30, 2018.

The mortality rates were based on the following:

Males - RP-2000 Combined Healthy Table

Females - RP-2000 Combined Healthy Table set back 1 year

The mortality rates described above were then adjusted to anticipate future mortality improvement by applying MacLeod Watts Scale 2017 on a generational basis from 2015 forward.

The County's total OPEB liability at June 30, 2018, calculated using the discount rate of 3.89%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current discount rate was as follows:

		1% Decrease in Discount Rate		Discount Rate		1% Increase in Discount Rate
Total OPEB liability	\$	10,620,486	\$	9,635,857	\$	8,789,084

(Continued)

DOUGLAS COUNTY

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

The County's total OPEB liability at June 30, 2018, calculated using the healthcare trend rate of 6.5%, decreasing to an ultimate rate of 5% for 2023 and subsequent years, as well as what the County's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1.00% lower or 1.00% higher than the current healthcare trend rate was as follows:

	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	\$ 8,543,319	\$ 9,635,857	\$ 11,018,962

At June 30, 2018, changes in the County's total OPEB liability were as follows:

	Douglas County Public Employee Benefit Program	Douglas County Health Benefits Plan	Aggregate Total
Service cost	\$	\$ 307,507	\$ 307,507
Interest on total OPEB liability	203,762	147,376	351,138
Changes in benefit terms			
Differences between expected and actual experience			
Changes of assumptions or other inputs	(215,398)	(121,708)	(337,106)
Benefit payments	(465,237)	(185,607)	(650,844)
Net change in total OPEB liability	(476,873)	147,568	(329,305)
Total OPEB liability, beginning of year	6,004,907	3,960,255	9,965,162
Total OPEB liability, end of year	\$ 5,528,034	\$ 4,107,823	\$ 9,635,857

For the period ended June 30, 2018, the County's net OPEB expense was (\$219,694) and its reported deferred outflows and inflows of resources related to OPEB as of June 30, 2018, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions and other inputs	\$	\$ 109,610

Amounts reported as deferred inflows of resources related to OPEB will be recognized in employee benefit expense as follows:

For the Year Ended June 30,		
2019	\$	(12,098)
2020		(12,098)
2021		(12,098)
2022		(12,098)
2023		(12,098)
Thereafter		(49,120)

**REQUIRED SUPPLEMENTARY
INFORMATION**

DOUGLAS COUNTY

**POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2018 AND LAST NINE FISCAL YEARS¹**

	<u>Service Cost</u>	<u>Interest on Total OPEB Liability</u>	<u>Changes in Benefit Terms</u>	<u>Differences Between Expected and Actual Experience</u>	<u>Changes in Assumptions or Other Inputs</u>	<u>Benefit Payments</u>	<u>Net Change in Total OPEB Liability</u>	<u>Total OPEB Liability, Beginning of Year</u>	<u>Total OPEB Liability, End of Year</u>	<u>Covered- Employee Payroll</u>	<u>Total OPEB Liability, End of Year as a Percentage of Covered- Employee Payroll</u>
Public Employee Benefit Program 2018	\$	² \$ 203,762	\$	\$	\$(215,398)	\$(465,237)	\$(476,873)	\$ 6,004,907	\$ 5,528,034	\$ ²	% ²
Douglas County Health Benefits Plan 2018		307,507	147,376		\$(121,708)	\$(185,607)	147,568	3,960,255	4,107,823	28,009,746	14.67 %

1. Information for Postemployment Benefits Other Than Pension is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years
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 MEASUREMENT YEAR ENDED JUNE 30, 2017 AND LAST NINE FISCAL YEARS¹

<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 %
2017	0.45280 %	60,221,671	29,782,711	202.20346 %	74.44100 %

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, 2018 AND LAST NINE FISCAL YEARS¹

<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 %
2018	8,983,283	8,983,283		29,273,274	30.68766 %

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 MEASUREMENT YEAR ENDED JUNE 30, 2017 AND LAST NINE FISCAL YEARS¹

<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
2017	243,738	49,398	(64,662)	(15,445)	213,029

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 MEASUREMENT YEAR ENDED JUNE 30, 2017 AND LAST NINE FISCAL YEARS¹

<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 %
2017	133,560,566	114,498,900	19,061,666	85.72807 %	20,995,038	90.79129 %

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, 2018 AND LAST NINE FISCAL YEARS¹

<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 %
2018	66,029	65,887	(142)	269,504	24.44750 %

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, 2018

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 19,986,655	\$ 19,986,655	\$ 19,346,624	\$ (640,031)
Real property taxes, delinquent			70,144	70,144
Real property taxes, deferred			18,892	18,892
Personal property taxes, current			611,603	611,603
Personal property taxes, delinquent			19,782	19,782
Total taxes	19,986,655	19,986,655	20,067,045	80,390
Business licenses, permits, franchise and other fees				
Liquor licenses	305,000	305,000	305,674	674
Local county gaming licenses	250,000	250,000	218,304	(31,696)
Cable television franchise fees	445,000	445,000	515,828	70,828
Southwest gas franchise fee	340,000	340,000	401,902	61,902
Vacation home rental permits	30,000	30,000	42,486	12,486
Utility operator fees	1,500,000	1,500,000	1,589,871	89,871
Building permits	950,000	1,044,500	1,637,615	593,115
Marriage licenses	20,000	20,000	16,359	(3,641)
Animal fees	25,700	25,700	23,568	(2,132)
School construction reserve	2,000	2,000	7,120	5,120
Other licenses, permits and fees	900	900	4,350	3,450
Total business licenses, permits, franchise and other fees	3,868,600	3,963,100	4,763,077	799,977
Intergovernmental shared revenues				
Federal, state and local grants				
Traffic safety	75,000	75,000	54,912	(20,088)
Title IV, URESA	6,990	6,990		(6,990)
USDOT		145,502	72,751	(72,751)
SERC		61,623	62,677	1,054
DOJ block grant	55,000	55,000	29,310	(25,690)
Domestic violence	235,000	235,000	214,475	(20,525)
PY grant revenue		42,929	71,946	29,017
Social Security inmate incentive	2,500	2,500	400	(2,100)
DEA			3,387	3,387
FEMA		210	57,281	57,071
Homeland Security		14,615	23,347	8,732
Emergency management			14,310	14,310
Grant-in-aid			231,664	231,664
AOC		11,000	12,052	1,052
Tri-net	41,850	41,850	63,725	21,875
Other grants	9,480	138,480	279,662	141,182
Payments in lieu of taxes	600,000	600,000	695,029	95,029
State gaming table taxes	140,000	140,000	134,621	(5,379)
State consolidated tax distribution	11,650,581	11,650,581	12,067,377	416,796
NRS county gaming licenses	575,000	575,000	585,092	10,092
Other		5,259	6,562	1,303
Total intergovernmental shared revenues	13,391,401	13,801,539	14,680,580	879,041
Charges for services				
General government				
Clerk's fees	189,500	189,500	270,783	81,283
Recorder's fees	310,000	310,000	381,409	71,409
Treasurer's fees	7,500	7,500	1,771	(5,729)
Recorder's technology fees			65,478	65,478
Assessor's fees	2,000	2,000	1,410	(590)
Assessor's commissions	175,000	175,000	172,287	(2,713)
Assessor's technology fees	58,000	58,000	115,296	57,296
Administration and overhead	1,792,853	1,681,915	1,709,650	27,735
GIS services	50,000	50,000	50,000	
Radio user fees	157,859	201,859	158,730	(43,129)

(Continued)

DOUGLAS COUNTY

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
Applicant license fees	\$ 15,000	\$ 15,000	\$ 13,742	\$ (1,258)
Sale of film	18,000	18,000	15,472	(2,528)
Reimbursement for services	5,000	5,000	8,634	3,634
USFS co-op agreement		5,000	5,000	
DMV 5%	60,000	60,000	66,124	6,124
DMV \$2 license	20,000	20,000	20,881	881
Administration, flex spending fee	350	350		(350)
Administration, garnishment fee	500	500	249	(251)
Administration, RPTT fee	18,000	18,000	24,206	6,206
Allocation permits	15,000	15,000	26,092	11,092
Late charges			5,382	5,382
GIS maps	5,000	5,000	6,108	1,108
Code enforcement		15,000	38,804	23,804
1/2 mobile home			13	13
Other	172,240	283,178	232,050	(51,128)
Judicial				
East Fork constable fees	34,000	34,000	22,729	(11,271)
JPO detention fees	1,000	1,000	1,810	810
Guardian fees	20,000	20,000	21,082	1,082
Tahoe constable fees	3,000	3,000	1,233	(1,767)
Support and care fees	5,500	5,500	10,513	5,013
House arrest fees	70,000	70,000	70,629	629
Probation supervision fees	35,000	35,000	34,620	(380)
Probation drug testing fees	22,000	22,000	27,542	5,542
Court fees			33,792	33,792
Other			192,658	192,658
Public safety				
Sheriff's fees	270,000	270,532	272,163	1,631
Jail processing fees	10,000	10,000	12,825	2,825
Animal adoption fees	3,200	3,200	3,066	(134)
Public works				
Engineering fees	220,000	220,000	333,740	113,740
Planning fees	150,000	150,000	241,242	91,242
Ditch review application fee	1,700	1,700	2,640	940
Health and sanitation				
Weed spraying, private	255,000	255,000	163,919	(91,081)
Weed spraying, interlocal	95,000	95,000	48,660	(46,340)
Chemical sales	220,000	220,000	283,743	63,743
Total charges for services	<u>4,487,202</u>	<u>4,551,734</u>	<u>5,168,177</u>	<u>616,443</u>
Fines and forfeitures				
Judicial				
East Fork Justice Court fines	680,000	680,000	539,040	(140,960)
Tahoe Justice Court fines	400,000	400,000	392,176	(7,824)
District Court fines and fees	200	200	118,580	118,380
Chemical analysis fine	15,000	15,000	9,880	(5,120)
Administration assessment JPO \$2	15,000	15,000	16,777	1,777
Public Defender restitution	5,000	5,000	2,705	(2,295)
JPO fines	25,000	25,000	20,919	(4,081)
Reimburse counsel	5,000	5,000	4,145	(855)
Administration assessment JPO \$10	5,000	5,000	2,950	(2,050)
Controlled substance	2,500	2,500	6,064	3,564
Sheriff restitution	3,500	3,500	2,111	(1,389)
Other			1,404	1,404
Public safety				
Animal control fees	12,500	12,500	12,155	(345)
Total fines and forfeitures	<u>1,168,700</u>	<u>1,168,700</u>	<u>1,128,906</u>	<u>(39,794)</u>
Miscellaneous				
Triad donations			2,360	2,360

(Continued)

DOUGLAS COUNTY

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
Other donations	\$	\$ 28,911	\$ 70,787	\$ 41,876
Other reimbursements and restitutions	52,000	152,245	158,342	6,097
Other rent and lease income	28,000	28,000	9,516	(18,484)
Pay phone	18,000	18,000	12,980	(5,020)
Proceeds from tax sale		51,759	51,759	
Rebates	20,000	20,000	17,447	(2,553)
Cash over and short			132	132
Property tax penalties and interest	408,500	423,953	439,983	16,030
Investment income	100,000	100,000	97,488	(2,512)
Other	5,000	5,052	8,017	2,965
Total miscellaneous	631,500	827,920	868,811	40,891
Total revenues	43,534,058	44,299,648	46,676,596	2,376,948
EXPENDITURES				
General government				
County commission				
Salaries and wages	343,355	166,899	150,870	16,029
Employee benefits	87,933	87,933	121,777	(33,844)
Services and supplies	249,829	234,829	230,134	4,695
Total county commission	681,117	489,661	502,781	(13,120)
County manager				
Salaries and wages	308,486	426,559	233,829	192,730
Employee benefits	126,502	174,435	97,421	77,014
Services and supplies	551,310	600,105	876,775	(276,670)
Total county manager	986,298	1,201,099	1,208,025	(6,926)
Finance and comptroller				
Salaries and wages	682,051	682,051	603,918	78,133
Employee benefits	296,586	296,586	260,044	36,542
Services and supplies	156,250	187,362	243,815	(56,453)
Total finance and comptroller	1,134,887	1,165,999	1,107,777	58,222
Treasurer				
Salaries and wages	380,052	380,052	378,987	1,065
Employee benefits	170,089	178,589	178,593	(4)
Services and supplies	74,793	94,589	89,148	5,441
Total treasurer	624,934	653,230	646,728	6,502
Geographic information systems				
Salaries and wages	200,530	277,116	282,054	(4,938)
Employee benefits	98,612	123,924	122,265	1,659
Services and supplies	123,952	178,512	134,517	43,995
Total geographic information systems	423,094	579,552	538,836	40,716
Economic Development				
Salaries and wages	70,654	70,654	73,473	(2,819)
Employee benefits	27,909	27,909	30,412	(2,503)
Services and supplies	98,000	88,000	73,536	14,464
Total economic development	196,563	186,563	177,421	9,142
Assessor				
Salaries and wages	542,300	542,300	517,976	24,324
Employee benefits	267,057	267,057	250,004	17,053
Services and supplies	51,400	51,400	48,101	3,299
Total assessor	860,757	860,757	816,081	44,676

(Continued)

DOUGLAS COUNTY

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
Tahoe, general services				
Salaries and wages	\$ 200,655	\$ 206,453	\$ 206,275	\$ 178
Employee benefits	81,274	81,274	79,634	1,640
Services and supplies	7,900	4,195	3,210	985
Total Tahoe, general services	289,829	291,922	289,119	2,803
Recorder				
Salaries and wages	287,784	287,784	237,997	49,787
Employee benefits	140,043	140,043	126,031	14,012
Services and supplies	17,910	54,309	48,646	5,663
Total recorder	445,737	482,136	412,674	69,462
Clerk				
Salaries and wages	268,754	274,254	290,656	(16,402)
Employee benefits	109,103	109,103	104,529	4,574
Services and supplies	16,130	34,663	12,122	22,541
Total clerk	393,987	418,020	407,307	10,713
Clerk, elections				
Salaries and wages	25,924	25,924	48,045	(22,121)
Employee benefits	9,637	9,637	8,697	940
Services and supplies	77,300	101,800	78,503	23,297
Total clerk, elections	112,861	137,361	135,245	2,116
Communications				
Salaries and wages	2,000	117,400	105,148	12,252
Employee benefits		51,070	44,474	6,596
Services and supplies	62,740	62,740	66,613	(3,873)
Total communications	64,740	231,210	216,235	14,975
General services				
Salaries and wages	32,509	32,509	20,094	12,415
Employee benefits	409,190	409,190	406,521	2,669
Services and supplies	1,502,015	1,500,015	1,549,496	(49,481)
Total general services	1,943,714	1,941,714	1,976,111	(34,397)
Information services				
Salaries and wages	845,025	653,039	624,527	28,512
Employee benefits	369,850	293,468	263,920	29,548
Services and supplies	887,008	892,168	890,297	1,871
Capital outlay			17,381	(17,381)
Total information services	2,101,883	1,838,675	1,796,125	42,550
Human resources				
Salaries and wages	247,397	247,397	251,126	(3,729)
Employee benefits	111,085	111,085	110,754	331
Services and supplies	179,976	183,309	172,789	10,520
Total human resources	538,458	541,791	534,669	7,122
Records management				
Salaries and wages	96,111	96,111	96,418	(307)
Employee benefits	47,557	47,557	48,582	(1,025)
Services and supplies	32,945	32,945	27,434	5,511
Total records management	176,613	176,613	172,434	4,179

(Continued)

DOUGLAS COUNTY

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
Project management				
Salaries and wages	\$ 93,087	\$ 93,087	\$ 95,910	\$ (2,823)
Employee benefits	36,561	36,561	39,326	(2,765)
Services and supplies	12,288	12,288	2,398	9,890
Total project management	<u>141,936</u>	<u>141,936</u>	<u>137,634</u>	<u>4,302</u>
Other				
Services and supplies		246,121		246,121
Capital outlay		275,000		275,000
Total other		<u>521,121</u>		<u>521,121</u>
Total general government	<u>11,117,408</u>	<u>11,859,360</u>	<u>11,075,202</u>	<u>784,158</u>
Judicial				
Court clerk				
Salaries and wages	213,171	213,171	206,364	6,807
Employee benefits	90,192	90,192	91,488	(1,296)
Services and supplies	15,002	42,231	41,638	593
Total court clerk	<u>318,365</u>	<u>345,594</u>	<u>339,490</u>	<u>6,104</u>
District court I				
Salaries and wages	154,646	166,646	170,133	(3,487)
Employee benefits	61,343	61,343	64,592	(3,249)
Services and supplies	50,300	77,294	105,858	(28,564)
Total District court I	<u>266,289</u>	<u>305,283</u>	<u>340,583</u>	<u>(35,300)</u>
District court II				
Salaries and wages	160,328	148,328	167,280	(18,952)
Employee benefits	57,131	57,131	53,654	3,477
Services and supplies	68,500	107,259	134,734	(27,475)
Total District court II	<u>285,959</u>	<u>312,718</u>	<u>355,668</u>	<u>(42,950)</u>
CASA				
Salaries and wages	114,964	114,964	110,491	4,473
Employee benefits	61,443	61,443	51,476	9,967
Services and supplies	20,000	25,400	14,090	11,310
Total CASA	<u>196,407</u>	<u>201,807</u>	<u>176,057</u>	<u>25,750</u>
Public guardian and administration				
Salaries and wages	153,261	153,261	145,984	7,277
Employee benefits	69,899	69,899	93,222	(23,323)
Services and supplies	47,155	47,590	45,168	2,422
Total public guardian and administration	<u>270,315</u>	<u>270,750</u>	<u>284,374</u>	<u>(13,624)</u>
Bailiff				
Salaries and wages	206,948	207,803	206,759	1,044
Employee benefits	101,599	101,599	105,990	(4,391)
Total bailiff	<u>308,547</u>	<u>309,402</u>	<u>312,749</u>	<u>(3,347)</u>
District attorney				
Salaries and wages	1,521,878	1,630,733	1,575,403	55,330
Employee benefits	618,475	661,096	699,960	(38,864)
Services and supplies	207,405	215,177	220,660	(5,483)
Total district attorney	<u>2,347,758</u>	<u>2,507,006</u>	<u>2,496,023</u>	<u>10,983</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
District attorney, child support				
Salaries and wages	\$ 14,326	\$	\$	\$
Employee benefits	8,097			
Total district attorney, child support	<u>22,423</u>			
Public defender				
Services and supplies	<u>828,334</u>	<u>828,334</u>	<u>785,393</u>	<u>42,941</u>
Juvenile probation				
Salaries and wages	712,262	712,262	647,620	64,642
Employee benefits	311,070	311,070	319,309	(8,239)
Services and supplies	147,362	173,687	168,846	4,841
Capital outlay		4,972	4,972	
Total juvenile probation	<u>1,170,694</u>	<u>1,201,991</u>	<u>1,140,747</u>	<u>61,244</u>
JPO detention center				
Salaries and wages	348,460	348,460	290,689	57,771
Employee benefits	129,456	129,456	127,061	2,395
Services and supplies	18,950	18,950	18,944	6
Total JPO detention center	<u>496,866</u>	<u>496,866</u>	<u>436,694</u>	<u>60,172</u>
Court computer system				
Salaries and wages	97,990	97,990	147,974	(49,984)
Employee benefits	41,573	41,573	44,406	(2,833)
Services and supplies	114,241	117,081	98,631	18,450
Total court computer system	<u>253,804</u>	<u>256,644</u>	<u>291,011</u>	<u>(34,367)</u>
East Fork justice court				
Salaries and wages	399,856	399,856	385,053	14,803
Employee benefits	169,250	169,250	173,889	(4,639)
Services and supplies	36,725	87,568	75,898	11,670
Total East Fork justice court	<u>605,831</u>	<u>656,674</u>	<u>634,840</u>	<u>21,834</u>
Tahoe justice court				
Salaries and wages	306,232	306,232	296,244	9,988
Employee benefits	142,178	142,178	141,378	800
Services and supplies	36,175	54,314	39,699	14,615
Total Tahoe justice court	<u>484,585</u>	<u>502,724</u>	<u>477,321</u>	<u>25,403</u>
East Fork constable				
Salaries and wages	116,910	116,910	123,866	(6,956)
Employee benefits	42,473	42,473	45,284	(2,811)
Services and supplies	1,875	1,875		1,875
Total East Fork constable	<u>161,258</u>	<u>161,258</u>	<u>169,150</u>	<u>(7,892)</u>
Tahoe constable				
Salaries and wages	161,456	164,464	102,877	61,587
Employee benefits	19,249	19,249	11,523	7,726
Services and supplies	2,360	2,360	755	1,605
Total Tahoe constable	<u>183,065</u>	<u>186,073</u>	<u>115,155</u>	<u>70,918</u>
Alternative sentencing				
Salaries and wages	346,134	348,582	333,810	14,772
Employee benefits	135,448	135,448	169,372	(33,924)
Services and supplies	160,792	198,061	162,948	35,113
Total alternative sentencing	<u>642,374</u>	<u>682,091</u>	<u>666,130</u>	<u>15,961</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, 2018

	Original Budget	Final Budget	Actual	Variance
Security				
Salaries and wages	\$ 110,021	\$ 114,593	\$ 99,704	\$ 14,889
Employee benefits	14,098	14,098	11,987	2,111
Services and supplies	1,175	10,175	9,291	884
Total security	125,294	138,866	120,982	17,884
Administrative assessment				
Services and supplies		906		906
Other				
Salaries and wages	170,212	170,212	170,213	(1)
Employee benefits	65,763	65,763	68,749	(2,986)
Services and supplies	92,605	1,014,198	63,317	950,881
Total other	328,580	1,250,173	302,279	947,894
Total judicial	9,296,748	10,615,160	9,444,646	1,170,514
Public safety				
Sheriff, administration				
Salaries and wages	418,494	422,064	421,238	826
Employee benefits	234,696	234,696	251,039	(16,343)
Services and supplies	487,791	543,080	543,750	(670)
Total sheriff, administration	1,140,981	1,199,840	1,216,027	(16,187)
Sheriff, administrative services				
Salaries and wages	340,546	347,132	370,858	(23,726)
Employee benefits	170,292	170,292	176,268	(5,976)
Services and supplies	650,437	692,633	708,278	(15,645)
Total sheriff, administrative services	1,161,275	1,210,057	1,255,404	(45,347)
Sheriff, records				
Salaries and wages	344,288	344,288	336,822	7,466
Employee benefits	161,080	161,080	157,375	3,705
Total sheriff, records	505,368	505,368	494,197	11,171
Sheriff, jail				
Salaries and wages	2,065,599	2,149,059	2,550,305	(401,246)
Employee benefits	1,122,591	1,122,591	1,487,738	(365,147)
Services and supplies	478,000	480,632	449,005	31,627
Total sheriff, jail	3,666,190	3,752,282	4,487,048	(734,766)
Sheriff, COPS grant				
Salaries and wages	153,371	159,494	161,684	(2,190)
Employee benefits	86,471	86,471	87,260	(789)
Total sheriff, COPS grant	239,842	245,965	248,944	(2,979)
Sheriff, general investigation				
Salaries and wages	1,275,938	1,306,186	1,247,387	58,799
Employee benefits	605,416	605,416	666,638	(61,222)
Services and supplies	10,500	13,868	16,787	(2,919)
Total sheriff, general investigation	1,891,854	1,925,470	1,930,812	(5,342)
Sheriff, traffic patrol				
Salaries and wages	445,756	451,211	456,390	(5,179)
Employee benefits	270,081	270,081	239,709	30,372
Services and supplies	1,500	2,367	4,144	(1,777)
Total sheriff, traffic patrol	717,337	723,659	700,243	23,416

(Continued)

DOUGLAS COUNTY

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
Sheriff, vehicle maintenance				
Services and supplies	\$ 625,538	\$ 793,433	\$ 675,098	\$ 118,335
Capital outlay	305,000	308,836	271,344	37,492
Total sheriff, vehicle maintenance	<u>930,538</u>	<u>1,102,269</u>	<u>946,442</u>	<u>155,827</u>
Sheriff, grants				
Salaries and wages	113,331	116,026	73,726	42,300
Employee benefits	71,332	71,332	43,148	28,184
Services and supplies			9,337	(9,337)
Total sheriff, grants	<u>184,663</u>	<u>187,358</u>	<u>126,211</u>	<u>61,147</u>
Sheriff, coroner				
Services and supplies	<u>100,000</u>	<u>160,000</u>	<u>169,794</u>	<u>(9,794)</u>
Sheriff, patrol operations				
Salaries and wages	3,555,606	3,701,473	3,289,056	412,417
Employee benefits	1,947,635	1,947,635	1,770,237	177,398
Services and supplies	22,500	46,606	35,551	11,055
Total sheriff, patrol operations	<u>5,525,741</u>	<u>5,695,714</u>	<u>5,094,844</u>	<u>600,870</u>
Sheriff, tri-net				
Salaries and wages	78,220	78,405	70,438	7,967
Employee benefits	35,405	35,405	38,626	(3,221)
Services and supplies	11,500	11,500	8,346	3,154
Total sheriff, tri-net	<u>125,125</u>	<u>125,310</u>	<u>117,410</u>	<u>7,900</u>
Animal care and services				
Salaries and wages	198,630	251,986	246,964	5,022
Employee benefits	92,059	112,244	108,962	3,282
Services and supplies	27,100	418,524	48,120	370,404
Total animal care and services	<u>317,789</u>	<u>782,754</u>	<u>404,046</u>	<u>378,708</u>
East Fork paramedics				
Services and supplies		<u>119,167</u>	<u>181,283</u>	<u>(62,116)</u>
Other				
Services and supplies		<u>133,480</u>	<u>428</u>	<u>133,052</u>
Total public safety	<u>16,506,703</u>	<u>17,868,693</u>	<u>17,373,133</u>	<u>495,560</u>
Public works				
Building				
Salaries and wages	162,407	162,407	144,824	17,583
Employee benefits	64,295	64,295	62,094	2,201
Services and supplies	710,300	780,138	665,548	114,590
Total building	<u>937,002</u>	<u>1,006,840</u>	<u>872,466</u>	<u>134,374</u>
Engineering				
Salaries and wages	13,152	13,152	8,737	4,415
Employee benefits	4,798	4,798	1,269	3,529
Total engineering	<u>17,950</u>	<u>17,950</u>	<u>10,006</u>	<u>7,944</u>
Total public works	<u>954,952</u>	<u>1,024,790</u>	<u>882,472</u>	<u>142,318</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, 2018

	Original Budget	Final Budget	Actual	Variance
Community development				
Administration				
Salaries and wages	\$ 277,491	\$ 277,491	\$ 279,584	\$ (2,093)
Employee benefits	110,541	110,541	115,280	(4,739)
Services and supplies	243,671	204,404	142,426	61,978
Total administration	631,703	592,436	537,290	55,146
Building				
Salaries and wages	414,661	414,661	403,613	11,048
Employee benefits	189,623	189,623	194,782	(5,159)
Services and supplies	13,400	16,385	12,494	3,891
Total building	617,684	620,669	610,889	9,780
Planning				
Salaries and wages	373,348	368,348	331,357	36,991
Employee benefits	156,607	156,607	148,075	8,532
Services and supplies	21,050	114,944	100,820	14,124
Total planning	551,005	639,899	580,252	59,647
Engineering				
Salaries and wages	444,065	444,275	440,830	3,445
Employee benefits	180,979	180,979	185,570	(4,591)
Services and supplies	17,700	84,517	73,499	11,018
Total engineering	642,744	709,771	699,899	9,872
Total community development	2,443,136	2,562,775	2,428,330	134,445
Health and sanitation				
Weed control				
Salaries and wages	340,899	340,899	291,915	48,984
Employee benefits	121,674	121,674	116,367	5,307
Services and supplies	338,250	349,250	343,861	5,389
Capital outlay	47,000	36,000	36,433	(433)
Total weed control	847,823	847,823	788,576	59,247
Total health and sanitation	847,823	847,823	788,576	59,247
Total expenditures	41,166,770	44,778,601	41,992,359	2,786,242
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,367,288	(478,953)	4,684,237	5,163,190
OTHER FINANCING SOURCES (USES)				
Contingencies	(824,084)	(824,084)		824,084
Proceeds from capital asset disposal			16,316	16,316
Transfers in	988,424	809,857	484,857	(325,000)
Transfers out	(7,992,362)	(8,257,805)	(8,257,805)	
Total other financing sources (uses)	(7,828,022)	(8,272,032)	(7,756,632)	515,400
CHANGE IN FUND BALANCE	(5,460,734)	(8,750,985)	(3,072,395)	5,678,590
FUND BALANCE, BEGINNING OF YEAR	8,877,576	12,256,767	12,257,140	373
FUND BALANCE, END OF YEAR	\$ 3,416,842	\$ 3,505,782	\$ 9,184,745	\$ 5,678,963

SPECIAL REVENUE FUNDS

DOUGLAS COUNTY
MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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.

Airport

Accounts for the operations of the Minden-Tahoe Airport.

Room Tax

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

AIRPORT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental shared revenues				
Federal, state and local grants				
PY grant revenue	\$	\$ 13,242	\$ 13,242	\$
DOT		2,425,717	2,425,718	1
Aviation fuel taxes	9,000	9,000	9,572	572
Jet fuel taxes	8,000	8,000	3,911	(4,089)
Charges for services				
General government				
Late charges	2,000	2,000	850	(1,150)
Hutt aviation 1%	2,000	2,000	1,930	(70)
Airport Tie Downs	20,000	20,000	15,916	(4,084)
Commercial operator	1,500	4,000	2,350	(1,650)
Fuel flowage fees	13,000	16,000	18,712	2,712
Airport administration fee	4,000	9,000	6,000	(3,000)
P-51 maintenance fee		11,604	11,478	(126)
Telephone fees	650	650	(98)	(748)
Camping fees	100	100	600	500
Miscellaneous				
Building rental income	80,000	150,000	158,670	8,670
Land lease income	480,000	500,000	505,784	5,784
Other rent and lease income	280,000	304,000	302,721	(1,279)
Investment income	15,000	16,000	8,082	(7,918)
Other	129,500	225,890	240,537	14,647
Total revenues	1,044,750	3,717,203	3,725,975	8,772
EXPENDITURES				
Culture and recreation				
Airport				
Services and supplies	834,615	1,229,630	968,305	261,325
Capital outlay	309,559	3,143,842	2,620,748	523,094
Total expenditures	1,144,174	4,373,472	3,589,053	784,419
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(99,424)	(656,269)	136,922	793,191
OTHER FINANCING SOURCES (USES)				
Contingencies	(25,037)	(25,037)		25,037
Transfers in		415,000	15,000	(400,000)
Transfers out	(94,938)	(94,938)	(94,938)	
Total other financing sources (uses)	(119,975)	295,025	(79,938)	(374,963)
CHANGE IN FUND BALANCE	(219,399)	(361,244)	56,984	418,228
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			1,675,549	
Adjustment			(77,066)	
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	1,533,704	1,675,549	1,598,483	(77,066)
FUND BALANCE, END OF YEAR	\$ 1,314,305	\$ 1,314,305	\$ 1,655,467	\$ 341,162

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
TOT-Valley 5%	\$ 423,077	\$ 607,252	\$ 644,906	\$ 37,654
TOT-Valley 3%	247,754	359,515	380,837	21,322
TOT-Lake 7/8 of 8%	3,838,154	5,118,395	5,580,716	462,321
TOT-Valley 5/8 of 1%	52,885	75,893	80,624	4,731
TOT-Lake 5/8 of 1%	346,154	461,471	503,054	41,583
TOT-Lake 1/8 of 8%	548,308	731,146	797,153	66,007
TOT-Lake 1% Admin	44,308	59,691	65,516	5,825
Other	6,092	6,092	6,092	
Business licenses, permits, franchise and other fees				
Utility operator fees	400,000	400,000	397,468	(2,532)
TLLT-Valley 2%	169,231	242,874	257,900	15,026
TLLT-Valley 1%	84,615	121,437	128,950	7,513
TLLT-Lake 2%	1,107,692	1,476,975	1,610,249	133,274
TLLT-Lake 1%	553,846	1,475,417	1,608,693	133,276
Intergovernmental shared revenues				
Federal, state and local grants				
LSTA		3,000	3,000	
Grant-in-aid		12,289	12,289	
State optional sales taxes	1,739,389	1,739,389	1,868,110	128,721
Charges for services				
Culture and recreation				
Park fees	40,000	40,000	35,775	(4,225)
Tennis court lights	500	500	164	(336)
Recreation fees	105,000	107,950	117,972	10,022
Softball, lake	3,000	3,000	1,975	(1,025)
Softball, valley	20,000	20,000	14,580	(5,420)
Basketball, lake	9,000	9,000	8,375	(625)
Youth sports, lake	13,000	13,000	14,528	1,528
Youth basketball, valley	38,000	46,500	46,448	(52)
Topaz park	120,000	120,000	154,352	34,352
Shooting range fees	13,000	13,000	16,684	3,684
Kids club	300,000	300,000	297,569	(2,431)
Recreation contract classes	20,000	20,000	14,435	(5,565)
Kahle programs	60,000	60,585	74,031	13,446
Kahle drop-ins	45,000	45,000	47,022	2,022
Kahle rentals	14,000	14,383	15,616	1,233
Kahle concessions	15,000	15,000	17,222	2,222
Volleyball, valley	30,000	30,000	25,319	(4,681)
Fairground fees	10,000	10,000	19,767	9,767
Kahle passes	150,000	150,886	161,160	10,274
Football, lake			1,429	1,429
Football, valley	28,000	28,000	25,877	(2,123)
Kahle preschool	54,000	68,000	71,857	3,857
Kahle kids club	14,000	14,000	17,018	3,018
Kahle contract class	30,000	30,000	40,981	10,981
Preschool	55,000	160,000	180,475	20,475
DCCSC Fees	412,000	492,000	547,018	55,018
Other	2,000	2,000	5,329	3,329
Miscellaneous				
Other donations		33,531	26,983	(6,548)
Other reimbursements and restitutions		51,343	66,236	14,893
Other rent and lease income	38,000	38,000	29,804	(8,196)
Cash over and short			94	94
Room tax penalties and interest	10,000	10,000	19,555	9,555
Investment income	8,000	8,000	25,232	17,232
Other			914	914
Total revenues	11,218,005	14,844,514	16,087,353	1,242,839

(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, 2018

	Original Budget	Final Budget	Actual	Variance
EXPENDITURES				
Culture and recreation				
Administration				
Services and supplies	\$ 543,929	\$ 1,053,446	\$ 543,929	\$ 509,517
Promotional room tax				
Services and supplies	4,966,823	7,386,759	8,060,840	(674,081)
Library				
Salaries and wages	821,160	821,160	777,674	43,486
Employee benefits	354,512	354,512	366,932	(12,420)
Services and supplies	340,672	504,824	516,583	(11,759)
Capital outlay	730,000	967,783	83,751	884,032
Total library	2,246,344	2,648,279	1,744,940	903,339
Parks operations				
Salaries and wages	490,531	490,531	461,154	29,377
Employee benefits	231,404	231,404	237,686	(6,282)
Services and supplies	645,505	790,232	821,711	(31,479)
Capital outlay	260,196	1,349,797	901,479	448,318
Total parks operations	1,627,636	2,861,964	2,422,030	439,934
Parks development				
Capital outlay		35,510	31,749	3,761
Parks, temporary and seasonal				
Salaries and wages	110,134	110,134	101,468	8,666
Employee benefits	41,671	14,671	7,906	6,765
Total parks, temporary and seasonal	151,805	124,805	109,374	15,431
Recreation				
Salaries and wages	305,465	325,465	321,875	3,590
Employee benefits	141,140	158,140	152,540	5,600
Services and supplies	319,183	412,028	401,029	10,999
Capital outlay		54,797	55,037	(240)
Total recreation	765,788	950,430	930,481	19,949
Recreation, temporary and seasonal				
Salaries and wages	376,435	301,435	292,491	8,944
Employee benefits	93,459	78,459	72,912	5,547
Services and supplies			54	(54)
Total recreation, temporary and seasonal	469,894	379,894	365,457	14,437
Kahle community center				
Salaries and wages	403,599	403,599	396,011	7,588
Employee benefits	102,610	102,610	91,691	10,919
Services and supplies	225,662	304,667	224,170	80,497
Capital outlay		609,774	125,409	484,365
Total Kahle community center	731,871	1,420,650	837,281	583,369
Other				
Salaries and wages	479,508	399,508	383,760	15,748
Employee benefits	169,989	144,989	136,134	8,855
Services and supplies	339,833	585,057	491,904	93,153
Total other	989,330	1,129,554	1,011,798	117,756
Total culture and recreation	12,493,420	17,991,291	16,057,879	1,933,412

(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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total expenditures	\$ <u>12,493,420</u>	\$ <u>17,991,291</u>	\$ <u>16,057,879</u>	\$ <u>1,933,412</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,275,415)</u>	<u>(3,146,777)</u>	<u>29,474</u>	<u>3,176,251</u>
OTHER FINANCING USES				
Contingencies	(92,041)	(92,041)		92,041
Proceeds from capital asset disposal			2,043	2,043
Transfers in	1,631,155	1,631,155	1,631,155	
Transfers out	<u>(390,210)</u>	<u>(1,089,231)</u>	<u>(1,089,231)</u>	
Total other financing uses	<u>1,148,904</u>	<u>449,883</u>	<u>543,967</u>	<u>94,084</u>
CHANGE IN FUND BALANCE	(126,511)	(2,696,894)	573,441	3,270,335
FUND BALANCE, BEGINNING OF YEAR	<u>705,807</u>	<u>3,276,190</u>	<u>3,276,190</u>	
FUND BALANCE, END OF YEAR	<u>\$ 579,296</u>	<u>\$ 579,296</u>	<u>\$ 3,849,631</u>	<u>\$ 3,270,335</u>

DOUGLAS COUNTY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2018

Note 1. Postemployment Benefits Other Than Pensions

For the year ended June 30, 2018, no significant events occurred that had an effect on the benefit provision, size or composition of those covered by the postemployment benefit plans. The only significant change in actuarial methods and assumptions used was a change in the discount rate from 3.53% at the beginning of the year to 3.89% at the end of the year.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2018. As information becomes available this schedule will ultimately present information for the ten most recent fiscal years.

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 accounting principles generally accepted in the United States (GAAP). 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, 2018

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.

Regional Transportation

Accounts for major transportation projects.

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,028,628	\$ 1,028,628	\$ 987,933	\$ (40,695)
Real property taxes, delinquent			2,889	2,889
Real property taxes, deferred			817	817
Personal property taxes, current			38,756	38,756
Personal property taxes, delinquent			1,223	1,223
Construction taxes	100,000	100,000	505,074	405,074
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants			9,408	9,408
Motor vehicle fuel taxes	1,915,137	1,915,137	1,978,804	63,667
Miscellaneous				
Other donations			54,367	54,367
Investment income	10,000	10,000	21,727	11,727
Total revenues	<u>3,053,765</u>	<u>3,053,765</u>	<u>3,600,998</u>	<u>547,233</u>
EXPENDITURES				
Public works				
Regional transportation				
Salaries and wages	125,526	125,526	110,644	14,882
Employee benefits	48,198	48,198	43,266	4,932
Services and supplies	1,308,591	1,388,546	657,869	730,677
Capital outlay	2,500,000	3,760,602	2,191,320	1,569,282
Total expenditures	<u>3,982,315</u>	<u>5,322,872</u>	<u>3,003,099</u>	<u>2,319,773</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(928,550)</u>	<u>(2,269,107)</u>	<u>597,899</u>	<u>2,867,006</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,179,125	1,179,125	1,179,125	
Transfers out	(2,261,746)	(2,261,746)	(2,261,746)	
Total other financing sources (uses)	<u>(1,082,621)</u>	<u>(1,082,621)</u>	<u>(1,082,621)</u>	
CHANGE IN FUND BALANCE	(2,011,171)	(3,351,728)	(484,722)	2,867,006
FUND BALANCE, BEGINNING OF YEAR	<u>4,564,991</u>	<u>7,084,728</u>	<u>7,084,729</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,553,820</u>	<u>\$ 3,733,000</u>	<u>\$ 6,600,007</u>	<u>\$ 2,867,007</u>

**NON-MAJOR
GOVERNMENTAL FUNDS**

DOUGLAS COUNTY

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2018

	<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>
ASSETS				
Cash, cash equivalents and investments	\$ 14,598,321	\$ 1,522,771	\$ 13,447,936	\$ 29,569,028
Cash, cash equivalents and investments, restricted			8,241,167	8,241,167
Accounts receivable, net	245,483			245,483
Taxes receivable	97,704		13,920	111,624
Interest receivable	42,049	344	50,488	92,881
Due from other governments	769,734		14,050	783,784
Due from other funds	53,500			53,500
Prepaid items	183,079	53,500		236,579
Advances to other funds			400,000	400,000
Other assets	500		7,156	7,656
Total assets	<u>\$ 15,990,370</u>	<u>\$ 1,576,615</u>	<u>\$ 22,174,717</u>	<u>\$ 39,741,702</u>
LIABILITIES				
Accounts payable	\$ 656,054		\$ 952,193	\$ 1,608,247
Accrued salaries, wages and benefits	430,345			430,345
Due to other funds	13,736	53,500	1,716	68,952
Unearned revenue, current	282,619	15	809,523	1,092,157
Contract retentions payable	39,989			39,989
Deposits	17,288			17,288
Due to other governments	100,024		1,859	101,883
Total liabilities	<u>1,540,055</u>	<u>53,515</u>	<u>1,765,291</u>	<u>3,358,861</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, taxes and penalties	68,728		10,403	79,131
Unavailable revenue, special assessments		378		378
Total deferred inflows of resources	<u>68,728</u>	<u>378</u>	<u>10,403</u>	<u>79,509</u>
Total liabilities and deferred inflows of resources	<u>1,608,783</u>	<u>53,893</u>	<u>1,775,694</u>	<u>3,438,370</u>
FUND BALANCES				
Nonspendable				
Prepaid items	183,079			183,079
Deposits	500		7,156	7,656
Restricted for				
Debt service		1,522,722		1,522,722
Capital improvement projects			12,216,569	12,216,569
General, town and district redevelopment programs	1,686,271			1,686,271
Youth and other judicial programs	2,071,112			2,071,112
Fire, police and other public safety programs	1,274,286			1,274,286
Streets and other public works programs	4,981,177			4,981,177
Cultural and community development programs	3,976,347			3,976,347
Assigned to				
Capital improvement projects			8,175,298	8,175,298
Cultural and community development programs	208,815			208,815
Total fund balances	<u>14,381,587</u>	<u>1,522,722</u>	<u>20,399,023</u>	<u>36,303,332</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,990,370</u>	<u>\$ 1,576,615</u>	<u>\$ 22,174,717</u>	<u>\$ 39,741,702</u>

DOUGLAS COUNTY

NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2018

	<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>
REVENUES				
Taxes	\$ 10,367,555	\$	\$ 1,364,443	\$ 11,731,998
Licenses, permits, franchise and other fees	991,090		300,000	1,291,090
Intergovernmental shared revenues	7,642,970		409,519	8,052,489
Charges for services	1,579,252			1,579,252
Fines and forfeitures	177,601			177,601
Miscellaneous	715,335	5,082	159,939	880,356
Total revenues	<u>21,473,803</u>	<u>5,082</u>	<u>2,233,901</u>	<u>23,712,786</u>
EXPENDITURES				
Current				
General government	1,115,092		840,267	1,955,359
Judicial	5,184,736			5,184,736
Public safety	1,947,496			1,947,496
Public works	2,624,607			2,624,607
Community development	2,557,058			2,557,058
Culture and recreation	581,305		14,455	595,760
Health and sanitation	340,098			340,098
Welfare	3,011,835			3,011,835
Total current	<u>17,362,227</u>		<u>854,722</u>	<u>18,216,949</u>
Capital outlay				
General government			4,406,867	4,406,867
Judicial	10,212			10,212
Public works	1,633,649			1,633,649
Community development	55,660			55,660
Culture and recreation			264,743	264,743
Total capital outlay	<u>1,699,521</u>		<u>4,671,610</u>	<u>6,371,131</u>
Debt service				
Principal payments		1,795,573		1,795,573
Interest expense		876,440		876,440
Fiscal charges		850		850
Total debt service		<u>2,672,863</u>		<u>2,672,863</u>
Total expenditures	<u>19,061,748</u>	<u>2,672,863</u>	<u>5,526,332</u>	<u>27,260,943</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,412,055</u>	<u>(2,667,781)</u>	<u>(3,292,431)</u>	<u>(3,548,157)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal	27,386			27,386
Transfers in	5,686,826	2,541,120	7,232,182	15,460,128
Transfers out	(5,723,955)		(3,992,500)	(9,716,455)
Total other financing sources (uses)	<u>(9,743)</u>	<u>2,541,120</u>	<u>3,239,682</u>	<u>5,771,059</u>
CHANGE IN FUND BALANCE	<u>2,402,312</u>	<u>(126,661)</u>	<u>(52,749)</u>	<u>2,222,902</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	11,979,275	1,649,383	22,511,602	36,140,260
Adjustment			(2,059,830)	(2,059,830)
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>11,979,275</u>	<u>1,649,383</u>	<u>20,451,772</u>	<u>34,080,430</u>
FUND BALANCE, END OF YEAR	<u>\$ 14,381,587</u>	<u>\$ 1,522,722</u>	<u>\$ 20,399,023</u>	<u>\$ 36,303,332</u>

SPECIAL REVENUE FUNDS

DOUGLAS COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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.

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.

Town of Gardnerville

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

(Continued)

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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.

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2018

	Nevada Cooperative Extension	Solid Waste Management	Landscape Maintenance Districts	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents
ASSETS					
Cash, cash equivalents and investments	\$ 273,068	\$ 996,565	\$ 6,913	\$ 7,631	\$ 1,591,511
Accounts receivable, net		67,711			
Taxes receivable	2,784			4,168	16,641
Interest receivable	814	4,012	23		12,462
Due from other governments					
Due from other funds					
Prepaid items	973				
Other assets					
Total assets	\$ 277,639	\$ 1,068,288	\$ 6,936	\$ 11,799	\$ 1,620,614
LIABILITIES					
Accounts payable	\$ 30,106	\$ 18,904			\$ 27,833
Accrued salaries, wages and benefits	5,060	1,895			
Due to other funds	159	176	2		274
Unearned revenue, current					
Contract retentions payable					
Deposits					
Due to other governments				7,631	62,500
Total liabilities	35,325	20,975	2	7,631	90,607
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue, taxes and penalties	2,081			(1,055)	12,609
Total liabilities and deferred inflows of resources	37,406	20,975	2	6,576	103,216
FUND BALANCES					
Nonspendable					
Prepaid items	973				
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					
Cultural and community development programs					
	239,260	1,047,313	6,934	5,223	1,517,398
Assigned to					
Cultural and community development programs					
Total fund balances	240,233	1,047,313	6,934	5,223	1,517,398
Total liabilities, deferred inflows of resources and fund balances	\$ 277,639	\$ 1,068,288	\$ 6,936	\$ 11,799	\$ 1,620,614

(Continued)

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2018

	Social Services	Law Library	Road Operating	Library Gifts
ASSETS				
Cash, cash equivalents and investments	\$ 2,047,896	\$ 40,523	\$ 2,290,978	\$ 107,821
Accounts receivable, net	36,416		14,881	
Taxes receivable	8,680			
Interest receivable	1,208	148	4,415	187
Due from other governments	71,992		322,164	
Due from other funds				
Prepaid items	8,133		6,213	33
Other assets				
Total assets	\$ 2,174,325	\$ 40,671	\$ 2,638,651	\$ 108,041
LIABILITIES				
Accounts payable	\$ 28,365	\$ 1,938	\$ 31,691	\$ 502
Accrued salaries, wages and benefits	61,506		29,922	
Due to other funds	1,590	6	1,035	13
Unearned revenue, current			111,842	
Contract retentions payable				
Deposits				
Due to other governments				
Total liabilities	91,461	1,944	174,490	515
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, taxes and penalties	6,485			
Total liabilities and deferred inflows of resources	97,946	1,944	174,490	515
FUND BALANCES				
Nonspendable				
Prepaid items	8,133		6,213	33
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			2,457,948	
Cultural and community development programs	2,068,246	38,727		107,493
Assigned to				
Cultural and community development programs				
Total fund balances	2,076,379	38,727	2,464,161	107,526
Total liabilities, deferred inflows of resources and fund balances	\$ 2,174,325	\$ 40,671	\$ 2,638,651	\$ 108,041

(Continued)

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2018

	Tahoe-Douglas Transportation District	Justice Court Administrative Assessment	China Spring Youth Camp	Western Nevada Regional Youth Center
ASSETS				
Cash, cash equivalents and investments	\$ 841,319	\$ 1,037,185	\$ 662,443	\$ 480,007
Accounts receivable, net	114,460			
Taxes receivable			1,037	3,710
Interest receivable	1,655	2,470	2,147	743
Due from other governments			79,707	
Due from other funds				
Prepaid items		15,260	64,638	
Other assets				
Total assets	\$ 957,434	\$ 1,054,915	\$ 809,972	\$ 484,460
LIABILITIES				
Accounts payable	\$	\$ 2,619	\$ 25,308	\$
Accrued salaries, wages and benefits	954		162,240	
Due to other funds	140	139	4,110	73
Unearned revenue, current		(10)		
Contract retentions payable				
Deposits				
Due to other governments				
Total liabilities	1,094	2,748	191,658	73
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, taxes and penalties			777	3,082
Total liabilities and deferred inflows of resources	1,094	2,748	192,435	3,155
FUND BALANCES				
Nonspendable				
Prepaid items		15,260	64,637	
Deposits				
Restricted for				
General, town and district redevelopment programs				
Youth and other judicial programs		1,036,907	552,900	481,305
Fire, police and other public safety programs				
Streets and other public works programs	956,340			
Cultural and community development programs				
Assigned to				
Cultural and community development programs				
Total fund balances	956,340	1,052,167	617,537	481,305
Total liabilities, deferred inflows of resources and fund balances	\$ 957,434	\$ 1,054,915	\$ 809,972	\$ 484,460

(Continued)

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2018

	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency
ASSETS				
Cash, cash equivalents and investments	\$ 513,523	\$ 1,336,031	\$ 160,447	\$ 528,865
Accounts receivable, net		11,265		
Taxes receivable		13,223		13,115
Interest receivable	897	2,902	268	2,088
Due from other governments			169,765	
Due from other funds				
Prepaid items	200	9,329	9,874	
Other assets				
Total assets	<u>\$ 514,620</u>	<u>\$ 1,372,750</u>	<u>\$ 340,354</u>	<u>\$ 544,068</u>
LIABILITIES				
Accounts payable	\$ 1,705	\$ 6,380	\$ 39,769	\$ 4,077
Accrued salaries, wages and benefits		71,093	49,750	283
Due to other funds	73	1,779	2,253	
Unearned revenue, current				
Contract retentions payable				
Deposits				
Due to other governments			29,893	
Total liabilities	<u>1,778</u>	<u>79,252</u>	<u>121,665</u>	<u>4,360</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, taxes and penalties		9,883		13,115
Total liabilities and deferred inflows of resources	<u>1,778</u>	<u>89,135</u>	<u>121,665</u>	<u>17,475</u>
FUND BALANCES				
Nonspendable				
Prepaid items	200	9,329	9,874	
Deposits				
Restricted for				
General, town and district redevelopment programs				526,593
Youth and other judicial programs				
Fire, police and other public safety programs		1,274,286		
Streets and other public works programs	512,642			
Cultural and community development programs				
Assigned to				
Cultural and community development programs			208,815	
Total fund balances	<u>512,842</u>	<u>1,283,615</u>	<u>218,689</u>	<u>526,593</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 514,620</u>	<u>\$ 1,372,750</u>	<u>\$ 340,354</u>	<u>\$ 544,068</u>

(Continued)

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2018

	Town of <u>Gardnerville</u>	Town of Genoa	Town of Minden	Total Non-major Special Revenue Funds
ASSETS				
Cash, cash equivalents and investments	\$ 662,042	\$ 325,738	\$ 687,815	\$ 14,598,321
Accounts receivable, net		750		245,483
Taxes receivable	22,018	42	12,286	97,704
Interest receivable	1,886	786	2,938	42,049
Due from other governments	51,290	7,094	67,722	769,734
Due from other funds	53,500			53,500
Prepaid items	31,676	9,028	27,722	183,079
Other assets		500		500
Total assets	<u>\$ 822,412</u>	<u>\$ 343,938</u>	<u>\$ 798,483</u>	<u>\$ 15,990,370</u>
LIABILITIES				
Accounts payable	\$ 375,548	\$ 26,423	\$ 38,963	\$ 656,054
Accrued salaries, wages and benefits	23,107	5,151	15,590	430,345
Due to other funds	801	155	675	13,736
Unearned revenue, current	981	169,806		282,619
Contract retentions payable			39,989	39,989
Deposits		4,688	12,600	17,288
Due to other governments				100,024
Total liabilities	<u>400,437</u>	<u>206,223</u>	<u>107,817</u>	<u>1,540,055</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue, taxes and penalties	14,791	42	6,918	68,728
Total liabilities and deferred inflows of resources	<u>415,228</u>	<u>206,265</u>	<u>114,735</u>	<u>1,608,783</u>
FUND BALANCES				
Nonspendable				
Prepaid items	31,676	9,028	27,723	183,079
Deposits		500		500
Restricted for				
General, town and district redevelopment programs	375,508	128,145	656,025	1,686,271
Youth and other judicial programs				2,071,112
Fire, police and other public safety programs				1,274,286
Streets and other public works programs				4,981,177
Cultural and community development programs				3,976,347
Assigned to				
Cultural and community development programs				208,815
Total fund balances	<u>407,184</u>	<u>137,673</u>	<u>683,748</u>	<u>14,381,587</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 822,412</u>	<u>\$ 343,938</u>	<u>\$ 798,483</u>	<u>\$ 15,990,370</u>

DOUGLAS COUNTY

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2018

	Nevada Cooperative Extension	Douglas County Water District	Solid Waste Management	Landscape Maintenance Districts	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents
REVENUES						
Taxes fees	\$ 262,977	\$	\$ 581,090	\$	\$ 395,345	\$ 1,501,058
Intergovernmental shared revenues						
Charges for services						
Fines and forfeitures						
Miscellaneous	<u>1,360</u>		<u>51,842</u>	<u>20,436</u>		<u>28,767</u>
Total revenues	<u>264,337</u>		<u>632,932</u>	<u>20,436</u>	<u>395,345</u>	<u>1,529,825</u>
EXPENDITURES						
Current						
General government						
Judicial						
Public safety						
Public works						
Community development	252,696					
Culture and recreation				20,477		
Health and sanitation			340,098			
Welfare					394,174	451,754
Total current	<u>252,696</u>		<u>340,098</u>	<u>20,477</u>	<u>394,174</u>	<u>451,754</u>
Capital outlay						
Judicial						
Public works						
Community development						
Total capital outlay						
Total expenditures	<u>252,696</u>		<u>340,098</u>	<u>20,477</u>	<u>394,174</u>	<u>451,754</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>11,641</u>		<u>292,834</u>	<u>(41)</u>	<u>1,171</u>	<u>1,078,071</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital asset disposal						
Transfers in		10,763				
Transfers out		<u>(72,395)</u>				<u>(2,863,917)</u>
Total other financing sources (uses)		<u>(61,632)</u>				<u>(2,863,917)</u>
CHANGE IN FUND BALANCE	11,641	(61,632)	292,834	(41)	1,171	(1,785,846)
FUND BALANCE, BEGINNING OF YEAR	<u>228,592</u>	<u>61,632</u>	<u>754,479</u>	<u>6,975</u>	<u>4,052</u>	<u>3,303,244</u>
FUND BALANCE, END OF YEAR	<u>\$ 240,233</u>	<u>\$</u>	<u>\$ 1,047,313</u>	<u>\$ 6,934</u>	<u>\$ 5,223</u>	<u>\$ 1,517,398</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, 2018

	Social Services	Law Library	Road Operating	Library Gifts	Tahoe-Douglas Transportation District	Justice Court Administrative Assessment
REVENUES						
Taxes	\$ 815,561		\$ 349,294		\$ 805,126	
Licenses, permits, franchise and other fees						
Intergovernmental shared revenues	239,161		1,009,636			
Charges for services	226,972	18,635	11,332			21,886
Fines and forfeitures						177,601
Miscellaneous	<u>(12,984)</u>	<u>(412)</u>	<u>9,792</u>	<u>32,801</u>	<u>1,698</u>	<u>3,517</u>
Total revenues	<u>1,268,710</u>	<u>18,223</u>	<u>1,380,054</u>	<u>32,801</u>	<u>806,824</u>	<u>203,004</u>
EXPENDITURES						
Current						
General government						
Judicial		26,680				28,042
Public safety						
Public works			1,443,741		114,804	
Community development						
Culture and recreation				12,692		
Health and sanitation						
Welfare	<u>2,165,907</u>					
Total current	<u>2,165,907</u>	<u>26,680</u>	<u>1,443,741</u>	<u>12,692</u>	<u>114,804</u>	<u>28,042</u>
Capital outlay						
Judicial						
Public works			152,130			
Community development						
Total capital outlay			<u>152,130</u>			
Total expenditures	<u>2,165,907</u>	<u>26,680</u>	<u>1,595,871</u>	<u>12,692</u>	<u>114,804</u>	<u>28,042</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(897,197)</u>	<u>(8,457)</u>	<u>(215,817)</u>	<u>20,109</u>	<u>692,020</u>	<u>174,962</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital asset disposal			24,986			
Transfers in	2,894,912		1,614,343			
Transfers out	<u>(3,500)</u>		<u>(49,979)</u>		<u>(321,440)</u>	<u>(38,631)</u>
Total other financing sources (uses)	<u>2,891,412</u>		<u>1,589,350</u>		<u>(321,440)</u>	<u>(38,631)</u>
CHANGE IN FUND BALANCE	1,994,215	(8,457)	1,373,533	20,109	370,580	136,331
FUND BALANCE, BEGINNING OF YEAR	<u>82,164</u>	<u>47,184</u>	<u>1,090,628</u>	<u>87,417</u>	<u>585,760</u>	<u>915,836</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,076,379</u>	<u>\$ 38,727</u>	<u>\$ 2,464,161</u>	<u>\$ 107,526</u>	<u>\$ 956,340</u>	<u>\$ 1,052,167</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, 2018

	China Spring Youth Camp	Western Nevada Regional Youth Center	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency
REVENUES						
Taxes	\$ 96,968	\$ 211,660	\$	\$ 1,249,135	\$	\$ 2,518,408
Licenses, permits, franchise and other fees			410,000			
Intergovernmental shared revenues	4,806,773				737,884	
Charges for services				1,110,651	171,409	
Fines and forfeitures						
Miscellaneous	<u>56,482</u>	<u>3,802</u>	<u>(245)</u>	<u>5,735</u>	<u>64,147</u>	<u>14,043</u>
Total revenues	<u>4,960,223</u>	<u>215,462</u>	<u>409,755</u>	<u>2,365,521</u>	<u>973,440</u>	<u>2,532,451</u>
EXPENDITURES						
Current						
General government						104,611
Judicial	4,755,660	374,354				
Public safety				1,947,496		
Public works			201			
Community development					2,304,362	
Culture and recreation						
Health and sanitation						
Welfare						
Total current	<u>4,755,660</u>	<u>374,354</u>	<u>201</u>	<u>1,947,496</u>	<u>2,304,362</u>	<u>104,611</u>
Capital outlay						
Judicial	10,212					
Public works			82,408			
Community development					55,660	
Total capital outlay	<u>10,212</u>	<u></u>	<u>82,408</u>	<u></u>	<u>55,660</u>	<u></u>
Total expenditures	<u>4,765,872</u>	<u>374,354</u>	<u>82,609</u>	<u>1,947,496</u>	<u>2,360,022</u>	<u>104,611</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>194,351</u>	<u>(158,892)</u>	<u>327,146</u>	<u>418,025</u>	<u>(1,386,582)</u>	<u>2,427,840</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from capital asset disposal					1,900	
Transfers in	19,822		5,000		1,141,986	
Transfers out				(65,267)		(2,253,576)
Total other financing sources (uses)	<u>19,822</u>	<u></u>	<u>5,000</u>	<u>(65,267)</u>	<u>1,143,886</u>	<u>(2,253,576)</u>
CHANGE IN FUND BALANCE	214,173	(158,892)	332,146	352,758	(242,696)	174,264
FUND BALANCE, BEGINNING OF YEAR	<u>403,364</u>	<u>640,197</u>	<u>180,696</u>	<u>930,857</u>	<u>461,385</u>	<u>352,329</u>
FUND BALANCE, END OF YEAR	<u>\$ 617,537</u>	<u>\$ 481,305</u>	<u>\$ 512,842</u>	<u>\$ 1,283,615</u>	<u>\$ 218,689</u>	<u>\$ 526,593</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, 2018

	Town of <u>Gardnerville</u>	Town of Genoa	Town of Minden	Total Non-major Special Revenue Funds
REVENUES				
Taxes	\$ 1,114,566	\$ 42,019	\$ 1,005,438	\$ 10,367,555
Licenses, permits, franchise and other fees				991,090
Intergovernmental shared revenues	377,010	18,114	454,392	7,642,970
Charges for services	200	13,602	4,565	1,579,252
Fines and forfeitures				177,601
Miscellaneous	<u>23,172</u>	<u>341,754</u>	<u>69,628</u>	<u>715,335</u>
Total revenues	<u>1,514,948</u>	<u>415,489</u>	<u>1,534,023</u>	<u>21,473,803</u>
EXPENDITURES				
Current				
General government	355,316	422,053	233,112	1,115,092
Judicial				5,184,736
Public safety				1,947,496
Public works	745,150		320,711	2,624,607
Community development				2,557,058
Culture and recreation	88,791		459,345	581,305
Health and sanitation				340,098
Welfare				<u>3,011,835</u>
Total current	<u>1,189,257</u>	<u>422,053</u>	<u>1,013,168</u>	<u>17,362,227</u>
Capital outlay				
Judicial				10,212
Public works	521,780		877,331	1,633,649
Community development				<u>55,660</u>
Total capital outlay	<u>521,780</u>	<u></u>	<u>877,331</u>	<u>1,699,521</u>
Total expenditures	<u>1,711,037</u>	<u>422,053</u>	<u>1,890,499</u>	<u>19,061,748</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(196,089)</u>	<u>(6,564)</u>	<u>(356,476)</u>	<u>2,412,055</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal	500			27,386
Transfers in				5,686,826
Transfers out	<u>(55,250)</u>	<u></u>	<u></u>	<u>(5,723,955)</u>
Total other financing sources (uses)	<u>(54,750)</u>	<u></u>	<u></u>	<u>(9,743)</u>
CHANGE IN FUND BALANCE	(250,839)	(6,564)	(356,476)	2,402,312
FUND BALANCE, BEGINNING OF YEAR	<u>658,023</u>	<u>144,237</u>	<u>1,040,224</u>	<u>11,979,275</u>
FUND BALANCE, END OF YEAR	<u>\$ 407,184</u>	<u>\$ 137,673</u>	<u>\$ 683,748</u>	<u>\$ 14,381,587</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 261,829	\$ 261,829	\$ 254,478	\$ (7,351)
Real property taxes, delinquent			1,008	1,008
Real property taxes, deferred			218	218
Personal property taxes, current	6,000	6,000	7,046	1,046
Personal property taxes, delinquent			227	227
Miscellaneous				
Investment income	1,000	1,000	1,360	360
Total revenues	268,829	268,829	264,337	(4,492)
EXPENDITURES				
Community development				
Cooperative extension				
Salaries and wages	75,623	81,623	71,964	9,659
Employee benefits	30,801	30,801	30,873	(72)
Services and supplies	160,060	197,060	149,859	47,201
Capital outlay	154,653	154,653		154,653
Total expenditures	421,137	464,137	252,696	211,441
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(152,308)	(195,308)	11,641	206,949
OTHER FINANCING USES				
Contingencies	(7,994)	(11,166)		11,166
CHANGE IN FUND BALANCE	(160,302)	(206,474)	11,641	218,115
FUND BALANCE, BEGINNING OF YEAR	182,420	228,592	228,592	
FUND BALANCE, END OF YEAR	\$ 22,118	\$ 22,118	\$ 240,233	\$ 218,115

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, 2018

	Original Budget	Final Budget	Actual	Variance
OTHER FINANCING SOURCES (USES)				
Transfers in	\$	\$ 10,763	\$ 10,763	\$
Transfers out	(44,084)	(72,395)	(72,395)	
Total other financing sources (uses)	(44,084)	(61,632)	(61,632)	
CHANGE IN FUND BALANCE	(44,084)	(61,632)	(61,632)	
FUND BALANCE, BEGINNING OF YEAR	44,084	61,632	61,632	
FUND BALANCE, END OF YEAR	\$	\$	\$	\$

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Business licenses, permits, franchise and other fees				
DDI franchise fees	\$ 423,500	\$ 423,500	\$ 492,471	\$ 68,971
STR franchise fees	77,798	77,798	86,619	8,821
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>1,842</u>	<u>(3,158)</u>
Total revenues	<u>558,298</u>	<u>558,298</u>	<u>632,932</u>	<u>74,634</u>
EXPENDITURES				
Health and sanitation				
Joint powers authority				
Services and supplies	40,000	40,000	64	39,936
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>64</u>	<u>120,742</u>
General				
Salaries and wages	38,952	48,952	37,450	11,502
Employee benefits	15,437	15,437	13,355	2,082
Services and supplies	262,265	264,265	289,229	(24,964)
Capital outlay	<u>791,449</u>	<u>822,859</u>		<u>822,859</u>
Total general	<u>1,108,103</u>	<u>1,151,513</u>	<u>340,034</u>	<u>811,479</u>
Total expenditures	<u>1,188,909</u>	<u>1,272,319</u>	<u>340,098</u>	<u>932,221</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(630,611)</u>	<u>(714,021)</u>	<u>292,834</u>	<u>1,006,855</u>
OTHER FINANCING USES				
Contingencies	<u>(9,510)</u>	<u>(9,860)</u>		<u>9,860</u>
CHANGE IN FUND BALANCE	(640,121)	(723,881)	292,834	1,016,715
FUND BALANCE, BEGINNING OF YEAR	<u>669,753</u>	<u>754,479</u>	<u>754,479</u>	
FUND BALANCE, END OF YEAR	<u>\$ 29,632</u>	<u>\$ 30,598</u>	<u>\$ 1,047,313</u>	<u>\$ 1,016,715</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Special assessments	\$ 20,500	\$ 20,500	\$ 20,323	\$ (177)
Investment income			113	113
Total revenues	20,500	20,500	20,436	(64)
EXPENDITURES				
Culture and recreation				
Parks operations				
Salaries and wages	20,500	20,500	10,018	10,482
Services and supplies		6,975	10,459	(3,484)
Total expenditures	20,500	27,475	20,477	6,998
CHANGE IN FUND BALANCE		(6,975)	(41)	6,934
FUND BALANCE, BEGINNING OF YEAR		6,975	6,975	
FUND BALANCE, END OF YEAR	\$	\$	\$ 6,934	\$ 6,934

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 392,740	\$ 392,740	\$ 383,770	\$ (8,970)
Real property taxes, delinquent			127	127
Real property taxes, deferred			327	327
Personal property taxes, current			11,116	11,116
Personal property taxes, delinquent			5	5
Total revenues	<u>392,740</u>	<u>392,740</u>	<u>395,345</u>	<u>2,605</u>
EXPENDITURES				
Welfare				
Vehicle accident, indigent				
Services and supplies	<u>392,740</u>	<u>396,792</u>	<u>394,174</u>	<u>2,618</u>
CHANGE IN FUND BALANCE		(4,052)	1,171	5,223
FUND BALANCE, BEGINNING OF YEAR	<u> </u>	<u>4,052</u>	<u>4,052</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ </u>	<u>\$ </u>	<u>\$ 5,223</u>	<u>\$ 5,223</u>

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 1,492,046	\$ 1,492,046	\$ 1,450,367	\$ (41,679)
Real property taxes, delinquent			5,763	5,763
Real property taxes, deferred			1,497	1,497
Personal property taxes, current			42,091	42,091
Personal property taxes, delinquent			1,340	1,340
Miscellaneous				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>28,767</u>	<u>18,767</u>
Total revenues	<u>1,502,046</u>	<u>1,502,046</u>	<u>1,529,825</u>	<u>27,779</u>
EXPENDITURES				
Welfare				
Medical assistance to indigents				
Services and supplies	<u>777,027</u>	<u>777,027</u>	<u>451,754</u>	<u>325,273</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>725,019</u>	<u>725,019</u>	<u>1,078,071</u>	<u>353,052</u>
OTHER FINANCING USES				
Transfers out	<u>(1,578,039)</u>	<u>(2,863,917)</u>	<u>(2,863,917)</u>	
CHANGE IN FUND BALANCE	(853,020)	(2,138,898)	(1,785,846)	353,052
FUND BALANCE, BEGINNING OF YEAR	<u>2,017,366</u>	<u>3,303,244</u>	<u>3,303,244</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,164,346</u>	<u>\$ 1,164,346</u>	<u>\$ 1,517,398</u>	<u>\$ 353,052</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 812,006	\$ 812,006	\$ 787,347	\$ (24,659)
Real property taxes, delinquent			3,090	3,090
Real property taxes, deferred			736	736
Personal property taxes, current			23,624	23,624
Personal property taxes, delinquent			764	764
Intergovernmental shared revenues				
Federal, state and local grants				
PY grant revenue		36,092	38,906	2,814
CSBG	145,300	116,949	86,918	(30,031)
USDA			1,020	1,020
Other grants	43,500	66,262	112,317	46,055
Charges for services				
General government				
Reimbursement for services	150,000			
Community support				
Indigent repay			2,475	2,475
Other	250,000	400,000	224,497	(175,503)
Miscellaneous				
Cash over and short			(12)	(12)
Investment income	1,000	1,000	(13,172)	(14,172)
Other			200	200
Total revenues	1,401,806	1,432,309	1,268,710	(163,599)
EXPENDITURES				
Welfare				
Medical				
Services and supplies	351,087	351,087	352,587	(1,500)
General				
Salaries and wages	475,755	475,755	365,407	110,348
Employee benefits	223,223	223,223	174,457	48,766
Services and supplies	433,242	415,983	342,670	73,313
Capital outlay	510,000	1,687,994		1,687,994
Total general	1,642,220	2,802,955	882,534	1,920,421
Community health nurse				
Salaries and wages	524,597	547,359	456,612	90,747
Employee benefits	197,887	197,887	180,479	17,408
Services and supplies	274,888	274,888	269,178	5,710
Total community health nurse	997,372	1,020,134	906,269	113,865
Other				
Salaries and wages		3,000	2,271	729
Services and supplies		22,000	22,246	(246)
Total other		25,000	24,517	483
Total expenditures	2,990,679	4,199,176	2,165,907	2,033,269
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,588,873)	(2,766,867)	(897,197)	1,869,670

DOUGLAS COUNTY

SOCIAL SERVICES SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	\$ (36,001)	\$ (36,001)	\$	\$ 36,001
Transfers in	1,009,034	2,894,912	2,894,912	
Transfers out	<u>(3,500)</u>	<u>(3,500)</u>	<u>(3,500)</u>	
Total other financing sources (uses)	<u>969,533</u>	<u>2,855,411</u>	<u>2,891,412</u>	<u>36,001</u>
CHANGE IN FUND BALANCE	(619,340)	88,544	1,994,215	1,905,671
FUND BALANCE, BEGINNING OF YEAR	<u>790,048</u>	<u>82,164</u>	<u>82,164</u>	
FUND BALANCE, END OF YEAR	<u>\$ 170,708</u>	<u>\$ 170,708</u>	<u>\$ 2,076,379</u>	<u>\$ 1,905,671</u>

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services				
General government				
Clerk's fees	\$ 20,000	\$ 20,000	\$ 18,635	\$ (1,365)
Miscellaneous				
Investment income	<u>250</u>	<u>250</u>	<u>(412)</u>	<u>(662)</u>
Total revenues	<u>20,250</u>	<u>20,250</u>	<u>18,223</u>	<u>(2,027)</u>
EXPENDITURES				
Judicial				
Law library				
Services and supplies	<u>20,487</u>	<u>65,119</u>	<u>26,680</u>	<u>38,439</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(237)</u>	<u>(44,869)</u>	<u>(8,457)</u>	<u>36,412</u>
OTHER FINANCING USES				
Contingencies	<u>(615)</u>	<u>(615)</u>		<u>615</u>
CHANGE IN FUND BALANCE	(852)	(45,484)	(8,457)	37,027
FUND BALANCE, BEGINNING OF YEAR	<u>2,552</u>	<u>47,184</u>	<u>47,184</u>	
FUND BALANCE, END OF YEAR	<u><u>\$ 1,700</u></u>	<u><u>\$ 1,700</u></u>	<u><u>\$ 38,727</u></u>	<u><u>\$ 37,027</u></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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
County gas tax	\$ 256,372	\$ 256,372	\$ 220,344	\$ (36,028)
1% Valley Rm Tx (Rd)	84,615	84,615	128,950	44,335
Intergovernmental shared revenues				
Federal, state and local grants			12,028	12,028
Other grants			997,608	11,905
Motor vehicle fuel taxes	985,703	985,703		
Charges for services				
Public works				
Repay for road work			11,332	11,332
Miscellaneous				
Investment income	3,000	3,000	8,351	5,351
Other			1,441	1,441
Total revenues	1,329,690	1,329,690	1,380,054	50,364
EXPENDITURES				
Public works				
Roads				
Salaries and wages	580,648	580,648	503,423	77,225
Employee benefits	236,531	236,531	228,217	8,314
Services and supplies	908,567	908,896	712,101	196,795
Capital outlay	1,814,842	1,612,661	152,130	1,460,531
Total expenditures	3,540,588	3,338,736	1,595,871	1,742,865
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,210,898)	(2,009,046)	(215,817)	1,793,229
OTHER FINANCING SOURCES (USES)				
Contingencies	(51,772)	(63,936)		63,936
Proceeds from capital asset disposal			24,986	24,986
Transfers in	1,614,343	1,614,343	1,614,343	
Transfers out	(49,979)	(49,979)	(49,979)	
Total other financing sources (uses)	1,512,592	1,500,428	1,589,350	88,922
CHANGE IN FUND BALANCE	(698,306)	(508,618)	1,373,533	1,882,151
FUND BALANCE, BEGINNING OF YEAR	850,322	1,090,628	1,090,628	
FUND BALANCE, END OF YEAR	\$ 152,016	\$ 582,010	\$ 2,464,161	\$ 1,882,151

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Other donations	\$	\$	\$ 32,693	\$ 32,693
Investment income			108	108
Total revenues			32,801	32,801
EXPENDITURES				
Culture and recreation				
Library				
Services and supplies		87,417	12,692	74,725
CHANGE IN FUND BALANCE		(87,417)	20,109	107,526
FUND BALANCE, BEGINNING OF YEAR		87,417	87,417	
FUND BALANCE, END OF YEAR	\$	\$	\$ 107,526	\$ 107,526

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
1% Lake Rm Tx (Rd)	\$ 553,846	\$ 553,846	\$ 805,126	\$ 251,280
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>1,698</u>	<u>698</u>
Total revenues	<u>554,846</u>	<u>554,846</u>	<u>806,824</u>	<u>251,978</u>
EXPENDITURES				
Public works				
Tahoe-Douglas transportation				
Salaries and wages	36,522	36,522	19,810	16,712
Employee benefits	8,402	8,402	5,607	2,795
Services and supplies	127,935	127,935	89,387	38,548
Capital outlay	<u>459,540</u>	<u>626,774</u>	<u> </u>	<u>626,774</u>
Total expenditures	<u>632,399</u>	<u>799,633</u>	<u>114,804</u>	<u>684,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(77,553)</u>	<u>(244,787)</u>	<u>692,020</u>	<u>936,807</u>
OTHER FINANCING USES				
Contingencies	(5,186)	(5,186)		5,186
Transfers out	<u>(321,440)</u>	<u>(321,440)</u>	<u>(321,440)</u>	<u> </u>
Total other financing uses	<u>(326,626)</u>	<u>(326,626)</u>	<u>(321,440)</u>	<u>5,186</u>
CHANGE IN FUND BALANCE	(404,179)	(571,413)	370,580	941,993
FUND BALANCE, BEGINNING OF YEAR	<u>418,526</u>	<u>585,760</u>	<u>585,760</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 14,347</u>	<u>\$ 14,347</u>	<u>\$ 956,340</u>	<u>\$ 941,993</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services				
Judicial				
Other	\$	\$	\$ 21,886	\$ 21,886
Fines and forfeitures				
Judicial				
East Fork Justice Court fines	37,000	37,000	100,447	63,447
Tahoe Justice Court fines	20,792	20,792	77,154	56,362
Miscellaneous				
Investment income	<u>2,500</u>	<u>2,500</u>	<u>3,517</u>	<u>1,017</u>
Total revenues	<u>60,292</u>	<u>60,292</u>	<u>203,004</u>	<u>142,712</u>
EXPENDITURES				
Judicial				
East Fork justice court				
Services and supplies		<u>533,530</u>	<u>8,004</u>	<u>525,526</u>
Tahoe justice court				
Services and supplies		<u>333,322</u>	<u>3,745</u>	<u>329,577</u>
Administrative assessment				
Services and supplies	<u>58,290</u>	<u>56,073</u>	<u>16,293</u>	<u>39,780</u>
Total expenditures	<u>58,290</u>	<u>922,925</u>	<u>28,042</u>	<u>894,883</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,002</u>	<u>(862,633)</u>	<u>174,962</u>	<u>1,037,595</u>
OTHER FINANCING USES				
Contingencies	(1,749)	(1,749)		1,749
Transfers out		<u>(38,631)</u>	<u>(38,631)</u>	
Total other financing uses	<u>(1,749)</u>	<u>(40,380)</u>	<u>(38,631)</u>	<u>1,749</u>
CHANGE IN FUND BALANCE	253	(903,013)	136,331	1,039,344
FUND BALANCE, BEGINNING OF YEAR	<u>12,570</u>	<u>915,836</u>	<u>915,836</u>	
FUND BALANCE, END OF YEAR	<u>\$ 12,823</u>	<u>\$ 12,823</u>	<u>\$ 1,052,167</u>	<u>\$ 1,039,344</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 95,346	\$ 95,346	\$ 93,684	\$ (1,662)
Real property taxes, delinquent			368	368
Real property taxes, deferred			88	88
Personal property taxes, current			2,739	2,739
Personal property taxes, delinquent			89	89
Intergovernmental shared revenues				
Federal, state and local grants				
SAPTA	512,000	748,021	823,687	75,666
USDA			11,373	11,373
Child nutrition	90,124	90,124	93,989	3,865
Other grants			29,181	29,181
Interim funding	3,848,543	3,848,543	3,848,543	
Charges for services				
Judicial				
Support and care fees	2,500	2,500		(2,500)
Miscellaneous				
Other donations			53,711	53,711
Investment income	5,000	5,000	2,696	(2,304)
Other			75	75
Total revenues	4,553,513	4,789,534	4,960,223	170,689
EXPENDITURES				
Judicial				
China Spring youth camp				
Salaries and wages	2,395,436	2,519,686	2,434,438	85,248
Employee benefits	1,186,499	1,186,499	1,107,399	79,100
Services and supplies	991,400	1,130,424	1,213,823	(83,399)
Capital outlay		126,111	10,212	115,899
Total expenditures	4,573,335	4,962,720	4,765,872	196,848
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,822)	(173,186)	194,351	367,537
OTHER FINANCING SOURCES				
Transfers in	19,822	19,822	19,822	
CHANGE IN FUND BALANCE		(153,364)	214,173	367,537
FUND BALANCE, BEGINNING OF YEAR	250,000	403,364	403,364	
FUND BALANCE, END OF YEAR	\$ 250,000	\$ 250,000	\$ 617,537	\$ 367,537

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 212,231	\$ 212,231	\$ 203,581	\$ (8,650)
Real property taxes, delinquent			1,708	1,708
Real property taxes, deferred			480	480
Personal property taxes, current			5,637	5,637
Personal property taxes, delinquent			254	254
Miscellaneous				
Investment income			3,802	3,802
Total revenues	<u>212,231</u>	<u>212,231</u>	<u>215,462</u>	<u>3,231</u>
EXPENDITURES				
Judicial				
Western Nevada regional youth center				
Services and supplies	<u>374,354</u>	<u>374,354</u>	<u>374,354</u>	
CHANGE IN FUND BALANCE	(162,123)	(162,123)	(158,892)	3,231
FUND BALANCE, BEGINNING OF YEAR	<u>639,355</u>	<u>640,197</u>	<u>640,197</u>	
FUND BALANCE, END OF YEAR	<u>\$ 477,232</u>	<u>\$ 478,074</u>	<u>\$ 481,305</u>	<u>\$ 3,231</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Business licenses, permits, franchise and other fees				
Other licenses, permits and fees	\$	\$ 410,000	\$ 410,000	\$
Miscellaneous				
Investment income			(245)	(245)
Total revenues		<u>410,000</u>	<u>409,755</u>	<u>(245)</u>
EXPENDITURES				
Public works				
Erosion control (TRPA) mitigation				
Services and supplies	5,000	6,404	201	6,203
Capital outlay		410,000	82,408	327,592
Total expenditures	<u>5,000</u>	<u>416,404</u>	<u>82,609</u>	<u>333,795</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,000)</u>	<u>(6,404)</u>	<u>327,146</u>	<u>333,550</u>
OTHER FINANCING SOURCES				
Transfers in	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	
CHANGE IN FUND BALANCE		(1,404)	332,146	333,550
FUND BALANCE, BEGINNING OF YEAR	<u>179,292</u>	<u>180,696</u>	<u>180,696</u>	
FUND BALANCE, END OF YEAR	<u>\$ 179,292</u>	<u>\$ 179,292</u>	<u>\$ 512,842</u>	<u>\$ 333,550</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,243,681	\$ 1,243,681	\$ 1,208,766	\$ (34,915)
Real property taxes, delinquent			4,785	4,785
Real property taxes, deferred			1,037	1,037
Personal property taxes, current			33,470	33,470
Personal property taxes, delinquent			1,077	1,077
Charges for services				
Public safety				
Other	1,124,088	1,124,088	1,110,651	(13,437)
Miscellaneous				
Investment income	500	500	5,550	5,050
Other			185	185
Total revenues	<u>2,368,269</u>	<u>2,368,269</u>	<u>2,365,521</u>	<u>(2,748)</u>
EXPENDITURES				
Public safety				
Technology services (911)				
Salaries and wages	1,134,356	1,134,356	1,009,972	124,384
Employee benefits	493,512	493,512	425,966	67,546
Services and supplies	615,420	623,633	511,558	112,075
Capital outlay	80,502	80,502		80,502
Total expenditures	<u>2,323,790</u>	<u>2,332,003</u>	<u>1,947,496</u>	<u>384,507</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>44,479</u>	<u>36,266</u>	<u>418,025</u>	<u>381,759</u>
OTHER FINANCING USES				
Contingencies	(60,650)	(60,650)		60,650
Transfers out	(390,267)	(390,267)	(65,267)	325,000
Total other financing uses	<u>(450,917)</u>	<u>(450,917)</u>	<u>(65,267)</u>	<u>385,650</u>
CHANGE IN FUND BALANCE	(406,438)	(414,651)	352,758	767,409
FUND BALANCE, BEGINNING OF YEAR	<u>922,644</u>	<u>930,857</u>	<u>930,857</u>	
FUND BALANCE, END OF YEAR	<u>\$ 516,206</u>	<u>\$ 516,206</u>	<u>\$ 1,283,615</u>	<u>\$ 767,409</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental shared revenues				
Federal, state and local grants				
USDOT	\$ 527,207	\$ 527,207	\$ 411,481	\$ (115,726)
PY grant revenue			10,618	10,618
CSBG	61,603	61,603	30,000	(31,603)
USDA	35,000	35,000	49,827	14,827
IIIc1	72,701	72,701	67,955	(4,746)
IIIc2	70,709	70,709	77,383	6,674
IIIb, homemaker	34,875		1	1
Grant-in-aid	53,044	87,919	90,619	2,700
Charges for services				
Community support				
Client fees	9,157	9,157	9,698	541
Transit fees	11,500	11,500	7,001	(4,499)
Program income	125,000	125,000	131,814	6,814
Culture and recreation				
Recreation fees	35,700	35,700	22,896	(12,804)
Miscellaneous				
Yah donations	35,000	35,000	46,900	11,900
Other donations	50,000	50,000	9,057	(40,943)
Other reimbursements and restitutions		6,000	6,045	45
Cash over and short			(20)	(20)
Investment income			2,084	2,084
Other			81	81
Total revenues	1,121,496	1,127,496	973,440	(154,056)
EXPENDITURES				
Community development				
Senior services				
Salaries and wages	864,491	870,491	873,368	(2,877)
Employee benefits	410,026	410,026	400,084	9,942
Services and supplies	899,655	1,244,777	1,030,910	213,867
Capital outlay	58,008	58,008	55,660	2,348
Total expenditures	2,232,180	2,583,302	2,360,022	223,280
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,110,684)	(1,455,806)	(1,386,582)	69,224
OTHER FINANCING SOURCES (USES)				
Contingencies	(30,134)	(30,134)		30,134
Proceeds from capital asset disposal			1,900	1,900
Transfers in	1,128,986	1,141,986	1,141,986	
Total other financing sources (uses)	1,098,852	1,111,852	1,143,886	32,034
CHANGE IN FUND BALANCE	(11,832)	(343,954)	(242,696)	101,258
FUND BALANCE, BEGINNING OF YEAR	129,263	461,385	461,385	
FUND BALANCE, END OF YEAR	\$ 117,431	\$ 117,431	\$ 218,689	\$ 101,258

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 2,122,489	\$ 2,122,489	\$ 2,393,954	\$ 271,465
Real property taxes, delinquent			3,243	3,243
Personal property taxes, current			119,845	119,845
Personal property taxes, delinquent			1,366	1,366
Miscellaneous				
Investment income	<u>2,000</u>	<u>2,000</u>	<u>14,043</u>	<u>12,043</u>
Total revenues	<u>2,124,489</u>	<u>2,124,489</u>	<u>2,532,451</u>	<u>407,962</u>
EXPENDITURES				
General government				
Redevelopment agency administrative				
Salaries and wages	76,119	76,119	56,078	20,041
Employee benefits	28,396	28,396	24,467	3,929
Services and supplies	<u>96,166</u>	<u>96,166</u>	<u>24,066</u>	<u>72,100</u>
Total expenditures	<u>200,681</u>	<u>200,681</u>	<u>104,611</u>	<u>96,070</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,923,808</u>	<u>1,923,808</u>	<u>2,427,840</u>	<u>504,032</u>
OTHER FINANCING USES				
Contingencies	(5,905)	(5,905)		5,905
Transfers out	<u>(1,931,227)</u>	<u>(2,253,576)</u>	<u>(2,253,576)</u>	
Total other financing uses	<u>(1,937,132)</u>	<u>(2,259,481)</u>	<u>(2,253,576)</u>	<u>5,905</u>
CHANGE IN FUND BALANCE	(13,324)	(335,673)	174,264	509,937
FUND BALANCE, BEGINNING OF YEAR	<u>29,981</u>	<u>352,330</u>	<u>352,329</u>	<u>(1)</u>
FUND BALANCE, END OF YEAR	<u>\$ 16,657</u>	<u>\$ 16,657</u>	<u>\$ 526,593</u>	<u>\$ 509,936</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 1,145,091	\$ 1,145,091	\$ 1,052,079	\$ (93,012)
Real property taxes, delinquent			6,043	6,043
Personal property taxes, current		54,554	55,153	599
Personal property taxes, delinquent			1,291	1,291
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants	539,350	598,541	62,262	(536,279)
State consolidated tax distribution	278,108	278,108	290,470	12,362
NRS county gaming licenses	26,000	26,000	24,278	(1,722)
Charges for services				
General government				
Applicant license fees	5,000	5,000	200	(4,800)
Miscellaneous				
Other donations		5,100	8,350	3,250
Other reimbursements and restitutions		6,500	6,508	8
Other rent and lease income			2,650	2,650
Investment income			5,060	5,060
Other			604	604
Total revenues	1,993,549	2,118,894	1,514,948	(603,946)
EXPENDITURES				
General government				
Town of Gardnerville				
Salaries and wages	159,288	174,058	171,973	2,085
Employee benefits	61,628	61,628	57,711	3,917
Services and supplies	127,705	128,186	125,632	2,554
Total general government	348,621	363,872	355,316	8,556
Public works				
Town of Gardnerville				
Salaries and wages	255,301	275,321	277,677	(2,356)
Employee benefits	127,334	130,769	129,265	1,504
Services and supplies	454,482	655,107	338,208	316,899
Capital outlay	726,350	1,031,578	521,780	509,798
Total public works	1,563,467	2,092,775	1,266,930	825,845
Culture and recreation				
Town of Gardnerville				
Services and supplies	77,350	97,900	88,791	9,109
Capital outlay		20,600		20,600
Total culture and recreation	77,350	118,500	88,791	29,709
Total expenditures	1,989,438	2,575,147	1,711,037	864,110
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,111	(456,253)	(196,089)	260,164
OTHER FINANCING SOURCES (USES)				
Contingencies	(38,899)	(38,899)		38,899
Proceeds from capital asset disposal			500	500
Transfers out	(55,250)	(55,250)	(55,250)	
Total other financing sources (uses)	(94,149)	(94,149)	(54,750)	39,399

(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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CHANGE IN FUND BALANCE	\$ (90,038)	\$ (550,402)	\$ (250,839)	\$ 299,563
FUND BALANCE, BEGINNING OF YEAR	<u>197,658</u>	<u>658,022</u>	<u>658,023</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 107,620</u>	<u>\$ 107,620</u>	<u>\$ 407,184</u>	<u>\$ 299,564</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 42,780	\$ 42,780	\$ 41,210	\$ (1,570)
Real property taxes, delinquent			1	1
Personal property taxes, current	600	600	808	208
Intergovernmental shared revenues				
Federal, state and local grants				
Grant-in-aid			5,000	5,000
State consolidated tax distribution	11,460	11,460	11,876	416
NRS county gaming licenses	600	600	1,238	638
Charges for services				
General government				
Applicant license fees			305	305
Culture and recreation				
Recreation fees	14,000	14,000	13,297	(703)
Miscellaneous				
Candy dance	272,000	272,000	300,885	28,885
Cowboy poetry and music festival	90,000		50	50
Other reimbursements and restitutions	1,800	1,800	1,800	
Other rent and lease income	24,000	24,000	32,630	8,630
Investment income	1,320	1,320	1,378	58
Other			5,011	5,011
Total revenues	458,560	368,560	415,489	46,929
EXPENDITURES				
General government				
Town of Genoa				
Salaries and wages	102,457	102,457	82,708	19,749
Employee benefits	46,125	46,125	38,755	7,370
Services and supplies	310,490	314,633	300,590	14,043
Total expenditures	459,072	463,215	422,053	41,162
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(512)	(94,655)	(6,564)	88,091
OTHER FINANCING USES				
Contingencies	(11,477)	(11,477)		11,477
CHANGE IN FUND BALANCE	(11,989)	(106,132)	(6,564)	99,568
FUND BALANCE, BEGINNING OF YEAR	50,092	144,235	144,237	2
FUND BALANCE, END OF YEAR	\$ 38,103	\$ 38,103	\$ 137,673	\$ 99,570

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 966,962	\$ 966,962	\$ 971,655	\$ 4,693
Real property taxes, delinquent			903	903
Personal property taxes, current			28,990	28,990
Personal property taxes, delinquent			3,890	3,890
Intergovernmental shared revenues				
State consolidated tax distribution	369,995	369,995	383,764	13,769
NRS county gaming licenses	70,000	70,000	70,628	628
Charges for services				
General government				
Professional fees			3,965	3,965
Other			600	600
Miscellaneous				
Other rent and lease income	33,000	33,000	35,029	2,029
Investment income			11,189	11,189
Other			23,410	23,410
Total revenues	1,439,957	1,439,957	1,534,023	94,066
EXPENDITURES				
General government				
Town of Minden				
Salaries and wages	91,868	116,868	85,389	31,479
Employee benefits	37,464	37,464	24,009	13,455
Services and supplies	182,400	232,400	123,714	108,686
Total general government	311,732	386,732	233,112	153,620
Public works				
Town of Minden				
Salaries and wages	90,952	140,952	79,025	61,927
Employee benefits	44,278	44,278	38,007	6,271
Services and supplies	483,620	1,179,219	203,679	975,540
Capital outlay			877,331	(877,331)
Total public works	618,850	1,364,449	1,198,042	166,407
Culture and recreation				
Town of Minden				
Salaries and wages	216,742	241,742	194,541	47,201
Employee benefits	106,352	106,352	85,786	20,566
Services and supplies	139,000	223,534	179,018	44,516
Total culture and recreation	462,094	571,628	459,345	112,283
Total expenditures	1,392,676	2,322,809	1,890,499	432,310
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	47,281	(882,852)	(356,476)	526,376
OTHER FINANCING USES				
Contingencies	(41,780)	(41,780)		41,780
CHANGE IN FUND BALANCE	5,501	(924,632)	(356,476)	568,156
FUND BALANCE, BEGINNING OF YEAR	110,091	1,040,224	1,040,224	
FUND BALANCE, END OF YEAR	\$ 115,592	\$ 115,592	\$ 683,748	\$ 568,156

DEBT SERVICE FUNDS

DOUGLAS COUNTY

NON-MAJOR DEBT SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

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.

Town of Gardnerville

Accounts for the accumulation of monies for and the payment of the debt obligations of the Town of Gardnerville.

DOUGLAS COUNTY
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2018

	<u>Douglas County Operating Resources</u>	<u>Town of Gardnerville</u>	<u>Total Non-major Debt Service Funds</u>
ASSETS			
Cash, cash equivalents and investments	\$ 1,522,771	\$	\$ 1,522,771
Interest receivable	344		344
Prepaid items		<u>53,500</u>	<u>53,500</u>
Total assets	<u>\$ 1,523,115</u>	<u>\$ 53,500</u>	<u>\$ 1,576,615</u>
LIABILITIES			
Due to other funds	\$	\$ 53,500	\$ 53,500
Unearned revenue, current	<u>15</u>		<u>15</u>
Total liabilities	<u>15</u>	<u>53,500</u>	<u>53,515</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue, special assessments	<u>378</u>		<u>378</u>
Total liabilities and deferred inflows of resources	<u>393</u>	<u>53,500</u>	<u>53,893</u>
FUND BALANCES			
Restricted for			
Debt service	<u>1,522,722</u>		<u>1,522,722</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,523,115</u>	<u>\$ 53,500</u>	<u>\$ 1,576,615</u>

DOUGLAS COUNTY

NON-MAJOR DEBT SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2018

	<u>Douglas County Operating Resources</u>	<u>Town of Gardnerville</u>	<u>Total Non-major Debt Service Funds</u>
REVENUES			
Miscellaneous	\$ 5,082	\$	\$ 5,082
EXPENDITURES			
Debt service			
Principal payments	1,745,573	50,000	1,795,573
Interest expense	871,190	5,250	876,440
Fiscal charges	850		850
Total expenditures	<u>2,617,613</u>	<u>55,250</u>	<u>2,672,863</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(2,612,531)</u>	<u>(55,250)</u>	<u>(2,667,781)</u>
OTHER FINANCING SOURCES			
Transfers in	<u>2,485,870</u>	<u>55,250</u>	<u>2,541,120</u>
CHANGE IN FUND BALANCE	(126,661)		(126,661)
FUND BALANCE, BEGINNING OF YEAR	<u>1,649,383</u>	<u></u>	<u>1,649,383</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,522,722</u>	<u>\$</u>	<u>\$ 1,522,722</u>

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 5,082	\$ 5,082
EXPENDITURES				
Debt service				
Principal payments	1,745,573	1,745,573	1,745,573	
Interest expense	871,190	871,190	871,190	
Fiscal charges	<u>1,500</u>	<u>1,500</u>	<u>850</u>	<u>650</u>
Total expenditures	<u>2,618,263</u>	<u>2,618,263</u>	<u>2,617,613</u>	<u>650</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(2,618,263)</u>	<u>(2,618,263)</u>	<u>(2,612,531)</u>	<u>5,732</u>
OTHER FINANCING SOURCES				
Transfers in	<u>2,485,870</u>	<u>2,485,870</u>	<u>2,485,870</u>	
CHANGE IN FUND BALANCE	(132,393)	(132,393)	(126,661)	5,732
FUND BALANCE, BEGINNING OF YEAR	<u>1,444,050</u>	<u>1,649,383</u>	<u>1,649,383</u>	
FUND BALANCE, END OF YEAR	<u><u>\$ 1,311,657</u></u>	<u><u>\$ 1,516,990</u></u>	<u><u>\$ 1,522,722</u></u>	<u><u>\$ 5,732</u></u>

DOUGLAS COUNTY

TOWN OF GARDNERVILLE DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance
EXPENDITURES				
Debt service				
Principal payments	\$ 50,000	\$ 50,000	\$ 50,000	\$
Interest expense	5,250	5,250	5,250	
Total expenditures	55,250	55,250	55,250	
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(55,250)	(55,250)	(55,250)	
OTHER FINANCING SOURCES				
Transfers in	55,250	55,250	55,250	
CHANGE IN FUND BALANCE				
FUND BALANCE, BEGINNING OF YEAR	_____	_____	_____	_____
FUND BALANCE, END OF YEAR	\$ _____	\$ _____	\$ _____	\$ _____

CAPITAL PROJECTS FUNDS

DOUGLAS COUNTY
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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.

Debt Financed

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

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, 2018

	Extraordinary Maintenance	Ad Valorem	Douglas County Construction	Park Residential Construction Tax	Debt Financed	Redevelopment Agency
ASSETS						
Cash, cash equivalents and investments	\$ 461,284	\$ 1,758,088	\$ 5,395,741	\$ 818,050	\$ 296,217	\$ 3,507,805
Cash, cash equivalents and investments, restricted					8,241,167	
Taxes receivable		13,920				
Interest receivable	1,343	9,418	10,018	3,834	13,559	7,516
Due from other governments			12,191			
Advances to other funds			400,000			
Other assets						
Total assets	\$ 462,627	\$ 1,781,426	\$ 5,817,950	\$ 821,884	\$ 8,550,943	\$ 3,515,321
LIABILITIES						
Accounts payable	\$ 8,610	\$ 55,895	\$ 457,164		\$ 375,645	
Due to other funds	68	284	729	107		362
Unearned revenue, current			(11,796)	821,319		
Due to other governments		1,859				
Total liabilities	8,678	58,038	446,097	821,426	375,645	362
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, taxes and penalties		10,403				
Total liabilities and deferred inflows of resources	8,678	68,441	446,097	821,426	375,645	362
FUND BALANCES						
Nonspendable						
Deposits						
Restricted for						
Capital improvement projects	453,949	1,712,985	5,371,853	458		3,514,959
Assigned to						
Capital improvement projects					8,175,298	
Total fund balances	453,949	1,712,985	5,371,853	458	8,175,298	3,514,959
Total liabilities, deferred inflows of resources and fund balances	\$ 462,627	\$ 1,781,426	\$ 5,817,950	\$ 821,884	\$ 8,550,943	\$ 3,515,321

(Continued)

DOUGLAS COUNTY

NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2018

	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
ASSETS						
Cash, cash equivalents and investments	\$ 125,651	\$ 19,006	\$ 38,005	\$ 85,049	\$ 943,040	\$ 13,447,936
Cash, cash equivalents and investments, restricted						8,241,167
Taxes receivable						13,920
Interest receivable	384	42	114	241	4,019	50,488
Due from other governments	931	33		895		14,050
Advances to other funds						400,000
Other assets			7,156			7,156
Total assets	<u>\$ 126,966</u>	<u>\$ 19,081</u>	<u>\$ 45,275</u>	<u>\$ 86,185</u>	<u>\$ 947,059</u>	<u>\$ 22,174,717</u>
LIABILITIES						
Accounts payable	\$ 32,835	\$	\$	\$	\$ 22,044	\$ 952,193
Due to other funds	17	3	5	11	130	1,716
Unearned revenue, current						809,523
Due to other governments						1,859
Total liabilities	<u>32,852</u>	<u>3</u>	<u>5</u>	<u>11</u>	<u>22,174</u>	<u>1,765,291</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue, taxes and penalties						10,403
Total liabilities and deferred inflows of resources	<u>32,852</u>	<u>3</u>	<u>5</u>	<u>11</u>	<u>22,174</u>	<u>1,775,694</u>
FUND BALANCES						
Nonspendable						
Deposits			7,156			7,156
Restricted for						
Capital improvement projects	94,114	19,078	38,114	86,174	924,885	12,216,569
Assigned to						
Capital improvement projects						8,175,298
Total fund balances	<u>94,114</u>	<u>19,078</u>	<u>45,270</u>	<u>86,174</u>	<u>924,885</u>	<u>20,399,023</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 126,966</u>	<u>\$ 19,081</u>	<u>\$ 45,275</u>	<u>\$ 86,185</u>	<u>\$ 947,059</u>	<u>\$ 22,174,717</u>

DOUGLAS COUNTY

NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2018

	Extraordinary Maintenance	Ad Valorem	Douglas County Construction	Park Residential Construction Tax	Debt Financed	Redevelopment Agency
REVENUES						
Taxes	\$	\$ 1,219,019	\$	\$ 49,563	\$	\$
Licenses, permits, franchise and other fees			300,000			
Intergovernmental shared revenues			409,519			
Miscellaneous	2,537	22,606	6,048	(5,649)	128,017	58
Total revenues	<u>2,537</u>	<u>1,241,625</u>	<u>715,567</u>	<u>43,914</u>	<u>128,017</u>	<u>58</u>
EXPENDITURES						
Current						
General government			608,407			1,736
Culture and recreation				14,455		
Total current			<u>608,407</u>	<u>14,455</u>		<u>1,736</u>
Capital outlay						
General government	64,122	1,488,282	1,379,482		1,384,613	
Culture and recreation				264,743		
Total capital outlay	<u>64,122</u>	<u>1,488,282</u>	<u>1,379,482</u>	<u>264,743</u>	<u>1,384,613</u>	
Total expenditures	<u>64,122</u>	<u>1,488,282</u>	<u>1,987,889</u>	<u>279,198</u>	<u>1,384,613</u>	<u>1,736</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(61,585)</u>	<u>(246,657)</u>	<u>(1,272,322)</u>	<u>(235,284)</u>	<u>(1,256,596)</u>	<u>(1,678)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in			4,978,605			2,253,577
Transfers out		(1,292,500)				(2,700,000)
Total other financing sources (uses)		<u>(1,292,500)</u>	<u>4,978,605</u>			<u>(446,423)</u>
CHANGE IN FUND BALANCE	<u>(61,585)</u>	<u>(1,539,157)</u>	<u>3,706,283</u>	<u>(235,284)</u>	<u>(1,256,596)</u>	<u>(448,101)</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	515,534	3,252,142	1,665,570	235,742	11,491,724	3,963,060
Adjustment					(2,059,830)	
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>515,534</u>	<u>3,252,142</u>	<u>1,665,570</u>	<u>235,742</u>	<u>9,431,894</u>	<u>3,963,060</u>
FUND BALANCE, END OF YEAR	<u>\$ 453,949</u>	<u>\$ 1,712,985</u>	<u>\$ 5,371,853</u>	<u>\$ 458</u>	<u>\$ 8,175,298</u>	<u>\$ 3,514,959</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, 2018

	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
REVENUES						
Taxes	\$ 47,996	\$ 1,705	\$	\$ 46,160	\$	\$ 1,364,443
Licenses, permits, franchise and other fees						300,000
Intergovernmental shared revenues						409,519
Miscellaneous	<u>253</u>	<u>101</u>	<u>155</u>	<u>151</u>	<u>5,662</u>	<u>159,939</u>
Total revenues	<u>48,249</u>	<u>1,806</u>	<u>155</u>	<u>46,311</u>	<u>5,662</u>	<u>2,233,901</u>
EXPENDITURES						
Current						
General government		2,600			227,524	840,267
Culture and recreation						14,455
Total current		<u>2,600</u>			<u>227,524</u>	<u>854,722</u>
Capital outlay						
General government	58,236			20,916	11,216	4,406,867
Culture and recreation						264,743
Total capital outlay	<u>58,236</u>			<u>20,916</u>	<u>11,216</u>	<u>4,671,610</u>
Total expenditures	<u>58,236</u>	<u>2,600</u>		<u>20,916</u>	<u>238,740</u>	<u>5,526,332</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(9,987)</u>	<u>(794)</u>	<u>155</u>	<u>25,395</u>	<u>(233,078)</u>	<u>(3,292,431)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in						7,232,182
Transfers out						(3,992,500)
Total other financing sources (uses)						<u>3,239,682</u>
CHANGE IN FUND BALANCE	<u>(9,987)</u>	<u>(794)</u>	<u>155</u>	<u>25,395</u>	<u>(233,078)</u>	<u>(52,749)</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	104,101	19,872	45,115	60,779	1,157,963	22,511,602
Adjustment						(2,059,830)
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>104,101</u>	<u>19,872</u>	<u>45,115</u>	<u>60,779</u>	<u>1,157,963</u>	<u>20,451,772</u>
FUND BALANCE, END OF YEAR	<u>\$ 94,114</u>	<u>\$ 19,078</u>	<u>\$ 45,270</u>	<u>\$ 86,174</u>	<u>\$ 924,885</u>	<u>\$ 20,399,023</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 2,537	\$ 2,537
EXPENDITURES				
General government				
Other				
Capital outlay	_____	_____	64,122	(64,122)
CHANGE IN FUND BALANCE			(61,585)	(61,585)
FUND BALANCE, BEGINNING OF YEAR	658,075	515,534	515,534	_____
FUND BALANCE, END OF YEAR	\$ 658,075	\$ 515,534	\$ 453,949	\$ (61,585)

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,214,550	\$ 1,214,550	\$ 1,176,524	\$ (38,026)
Real property taxes, delinquent			5,037	5,037
Real property taxes, deferred			1,092	1,092
Personal property taxes, current			35,232	35,232
Personal property taxes, delinquent			1,134	1,134
Miscellaneous				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>22,606</u>	<u>12,606</u>
Total revenues	<u>1,224,550</u>	<u>1,224,550</u>	<u>1,241,625</u>	<u>17,075</u>
EXPENDITURES				
General government				
Other				
Services and supplies		12,785		12,785
Capital outlay	<u>400,000</u>	<u>2,130,933</u>	<u>1,488,282</u>	<u>642,651</u>
Total expenditures	<u>400,000</u>	<u>2,143,718</u>	<u>1,488,282</u>	<u>655,436</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>824,550</u>	<u>(919,168)</u>	<u>(246,657)</u>	<u>672,511</u>
OTHER FINANCING USES				
Transfers out	<u>(1,042,500)</u>	<u>(1,292,500)</u>	<u>(1,292,500)</u>	
CHANGE IN FUND BALANCE	(217,950)	(2,211,668)	(1,539,157)	672,511
FUND BALANCE, BEGINNING OF YEAR	<u>1,258,424</u>	<u>3,252,142</u>	<u>3,252,142</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,040,474</u>	<u>\$ 1,040,474</u>	<u>\$ 1,712,985</u>	<u>\$ 672,511</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, 2018

	Original Budget	Final Budget	Actual	Variance
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				
FEMA		48,684	60,874	12,190
Grant-in-aid		249,527	249,527	
Other grants		95,118	99,118	4,000
Miscellaneous				
Other reimbursements and restitutions			556	556
Investment income	2,000	2,000	5,492	3,492
Total revenues	302,000	695,329	715,567	20,238
EXPENDITURES				
General government				
Other				
Services and supplies	252,000	921,766	608,407	313,359
Capital outlay	4,025,722	4,950,482	1,379,482	3,571,000
Total expenditures	4,277,722	5,872,248	1,987,889	3,884,359
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,975,722)	(5,176,919)	(1,272,322)	3,904,597
OTHER FINANCING SOURCES (USES)				
Transfers in	4,025,722	4,978,605	4,978,605	
Transfers out		(400,000)		400,000
Total other financing sources (uses)	4,025,722	4,578,605	4,978,605	400,000
CHANGE IN FUND BALANCE	50,000	(598,314)	3,706,283	4,304,597
FUND BALANCE, BEGINNING OF YEAR	1,081,580	1,665,570	1,665,570	
FUND BALANCE, END OF YEAR	\$ 1,131,580	\$ 1,067,256	\$ 5,371,853	\$ 4,304,597

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Construction taxes	\$	\$ 49,563	\$ 49,563	\$
Miscellaneous				
Investment income			(5,649)	(5,649)
Total revenues		<u>49,563</u>	<u>43,914</u>	<u>(5,649)</u>
EXPENDITURES				
Culture and recreation				
Park residential construction			14,455	(14,455)
Services and supplies			264,743	20,563
Capital outlay		<u>285,306</u>		
Total expenditures		<u>285,306</u>	<u>279,198</u>	<u>6,108</u>
CHANGE IN FUND BALANCE		(235,743)	(235,284)	459
FUND BALANCE, BEGINNING OF YEAR		<u>235,743</u>	<u>235,742</u>	<u>(1)</u>
FUND BALANCE, END OF YEAR	\$	\$	\$ 458	\$ 458

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 128,017	\$ 128,017
EXPENDITURES				
General government				
Other				
Capital outlay	<u>6,516,000</u>	<u>7,924,455</u>	<u>1,384,613</u>	<u>6,539,842</u>
CHANGE IN FUND BALANCE	<u>(6,516,000)</u>	<u>(7,924,455)</u>	<u>(1,256,596)</u>	<u>6,667,859</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			11,491,724	
Adjustment			<u>(2,059,830)</u>	
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>12,211,827</u>	<u>11,491,724</u>	<u>9,431,894</u>	<u>(2,059,830)</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,695,827</u>	<u>\$ 3,567,269</u>	<u>\$ 8,175,298</u>	<u>\$ 4,608,029</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ 5,000	\$ 5,000	\$ 58	\$ (4,942)
EXPENDITURES				
General government				
Other				
Services and supplies	1,736	1,736	1,736	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,264	3,264	(1,678)	(4,942)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,931,227	2,253,576	2,253,577	1
Transfers out		(2,700,000)	(2,700,000)	
Total other financing sources (uses)	1,931,227	(446,424)	(446,423)	1
CHANGE IN FUND BALANCE	1,934,491	(443,160)	(448,101)	(4,941)
FUND BALANCE, BEGINNING OF YEAR	3,955,851	3,963,060	3,963,060	
FUND BALANCE, END OF YEAR	\$ 5,890,342	\$ 3,519,900	\$ 3,514,959	\$ (4,941)

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 47,359	\$ 47,359	\$ 47,996	\$ 637
Miscellaneous				
Investment income			253	253
Total revenues	47,359	47,359	48,249	890
EXPENDITURES				
General government				
Other				
Capital outlay	73,000	103,957	58,236	45,721
CHANGE IN FUND BALANCE	(25,641)	(56,598)	(9,987)	46,611
FUND BALANCE, BEGINNING OF YEAR	73,144	104,101	104,101	
FUND BALANCE, END OF YEAR	\$ 47,503	\$ 47,503	\$ 94,114	\$ 46,611

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,682	\$ 1,682	\$ 1,705	\$ 23
Miscellaneous				
Investment income			101	101
Total revenues	<u>1,682</u>	<u>1,682</u>	<u>1,806</u>	<u>124</u>
EXPENDITURES				
General government				
Other				
Services and supplies			2,600	(2,600)
Capital outlay	16,500	16,500		16,500
Total expenditures	<u>16,500</u>	<u>16,500</u>	<u>2,600</u>	<u>13,900</u>
CHANGE IN FUND BALANCE	(14,818)	(14,818)	(794)	14,024
FUND BALANCE, BEGINNING OF YEAR	<u>34,968</u>	<u>19,871</u>	<u>19,872</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ 20,150</u>	<u>\$ 5,053</u>	<u>\$ 19,078</u>	<u>\$ 14,025</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, 2018

	<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>155</u>	\$ <u>(45)</u>
CHANGE IN FUND BALANCE	200	200	155	(45)
FUND BALANCE, BEGINNING OF YEAR	<u>45,264</u>	<u>45,115</u>	<u>45,115</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 45,464</u>	<u>\$ 45,315</u>	<u>\$ 45,270</u>	<u>\$ (45)</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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 45,548	\$ 45,548	\$ 46,160	\$ 612
Miscellaneous				
Investment income			151	151
Total revenues	45,548	45,548	46,311	763
EXPENDITURES				
General government				
Other				
Capital outlay	40,000	40,000	20,916	19,084
CHANGE IN FUND BALANCE	5,548	5,548	25,395	19,847
FUND BALANCE, BEGINNING OF YEAR	49,185	60,779	60,779	
FUND BALANCE, END OF YEAR	\$ 54,733	\$ 66,327	\$ 86,174	\$ 19,847

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, 2018

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 5,662	\$ 5,662
EXPENDITURES				
General government				
Other				
Services and supplies	90,000	90,000	227,524	(137,524)
Capital outlay	_____	500,000	11,216	488,784
Total expenditures	90,000	590,000	238,740	351,260
CHANGE IN FUND BALANCE	(90,000)	(590,000)	(233,078)	356,922
FUND BALANCE, BEGINNING OF YEAR	458,003	1,157,963	1,157,963	_____
FUND BALANCE, END OF YEAR	\$ 368,003	\$ 567,963	\$ 924,885	\$ 356,922

MAJOR ENTERPRISE FUNDS

DOUGLAS COUNTY
MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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, 2018

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ 1,362,187	\$ 1,272,938	\$ 1,285,418	\$ 12,480
OPERATING EXPENSES				
Salaries and wages	28,721	28,721	17,095	11,626
Employee benefits	13,295	13,295	31,613	(18,318)
Services and supplies	1,237,778	1,239,406	1,085,252	154,154
Depreciation	481,327	481,327	455,886	25,441
Total operating expenses	1,761,121	1,762,749	1,589,846	172,903
Operating loss	(398,934)	(489,811)	(304,428)	185,383
NONOPERATING REVENUES				
Investment income			2,615	2,615
Miscellaneous			313	313
Total nonoperating revenues			2,928	2,928
Loss before capital contributions and transfers	(398,934)	(489,811)	(301,500)	188,311
CAPITAL CONTRIBUTIONS				
Water capacity fees	125,000	125,000	125,000	
TRANSFERS				
Transfers out	(125,000)	(125,000)	(125,000)	
CHANGE IN NET POSITION	\$ (398,934)	\$ (489,811)	(301,500)	\$ 188,311
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			15,370,338	
Adjustment			(967)	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			15,369,371	
NET POSITION, END OF YEAR			\$ 15,067,871	

DOUGLAS COUNTY

SEWER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 2,094,000	\$ 2,094,000	\$ 2,217,610	\$ 123,610
OPERATING EXPENSES				
Salaries and wages	318,027	318,027	323,940	(5,913)
Employee benefits	127,184	142,184	172,782	(30,598)
Services and supplies	2,083,713	2,093,021	609,628	1,483,393
Depreciation	864,000	864,000	848,863	15,137
Total operating expenses	<u>3,392,924</u>	<u>3,417,232</u>	<u>1,955,213</u>	<u>1,462,019</u>
Operating income (loss)	<u>(1,298,924)</u>	<u>(1,323,232)</u>	<u>262,397</u>	<u>1,585,629</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	2,567	2,567	23,298	20,731
Interest and fiscal charges	(96,570)	(96,570)	(82,721)	13,849
Miscellaneous			3,000	3,000
Total nonoperating revenues (expenses)	<u>(94,003)</u>	<u>(94,003)</u>	<u>(56,423)</u>	<u>37,580</u>
Income (loss) before capital contributions and transfers	<u>(1,392,927)</u>	<u>(1,417,235)</u>	<u>205,974</u>	<u>1,623,209</u>
CAPITAL CONTRIBUTIONS				
Connection charges			402,618	402,618
TRANSFERS				
Transfers in		<u>2,700,000</u>	<u>2,700,000</u>	
CHANGE IN NET POSITION	<u>\$ (1,392,927)</u>	<u>\$ 1,282,765</u>	<u>3,308,592</u>	<u>\$ 2,025,827</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			25,168,388	
Adjustment			<u>(54,213)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>25,114,175</u>	
NET POSITION, END OF YEAR			<u>\$ 28,422,767</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 2,820,120	\$ 2,820,120	\$ 3,126,085	\$ 305,965
OPERATING EXPENSES				
Salaries and wages	497,679	497,679	379,796	117,883
Employee benefits	201,073	201,073	156,109	44,964
Services and supplies	1,006,476	1,128,838	966,841	161,997
Depreciation	801,000	801,000	750,902	50,098
Total operating expenses	<u>2,506,228</u>	<u>2,628,590</u>	<u>2,253,648</u>	<u>374,942</u>
Operating income	<u>313,892</u>	<u>191,530</u>	<u>872,437</u>	<u>680,907</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	10,000	10,000	21,917	11,917
Interest and fiscal charges	(276,423)	(276,423)	(247,506)	28,917
Intergovernmental shared revenues	39,466	39,466	39,592	126
Miscellaneous	<u> </u>	<u> </u>	<u>347,202</u>	<u>347,202</u>
Total nonoperating revenues (expenses)	<u>(226,957)</u>	<u>(226,957)</u>	<u>161,205</u>	<u>388,162</u>
Income (loss) before capital contributions and transfers	<u>86,935</u>	<u>(35,427)</u>	<u>1,033,642</u>	<u>1,069,069</u>
CAPITAL CONTRIBUTIONS				
Connection charges	<u> </u>	<u> </u>	<u>85,281</u>	<u>85,281</u>
TRANSFERS				
Transfers in	<u>169,084</u>	<u>169,084</u>	<u>197,394</u>	<u>28,310</u>
CHANGE IN NET POSITION	<u>\$ 256,019</u>	<u>\$ 133,657</u>	<u>1,316,317</u>	<u>\$ 1,182,660</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			25,575,885	
Adjustment			<u>(62,424)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>25,513,461</u>	
NET POSITION, END OF YEAR			<u>\$ 26,829,778</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,683,826	\$ 1,683,826	\$ 1,725,707	\$ 41,881
OPERATING EXPENSES				
Salaries and wages	320,950	326,950	309,444	17,506
Employee benefits	130,649	140,149	176,464	(36,315)
Services and supplies	571,629	623,373	549,090	74,283
Depreciation	675,000	675,000	631,640	43,360
Total operating expenses	<u>1,698,228</u>	<u>1,765,472</u>	<u>1,666,638</u>	<u>98,834</u>
Operating income (loss)	<u>(14,402)</u>	<u>(81,646)</u>	<u>59,069</u>	<u>140,715</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,700	1,700	13,165	11,465
Interest and fiscal charges	(133,775)	(133,775)	(121,091)	12,684
Lease revenues	32,480	32,480	38,016	5,536
Gain (loss) on capital asset disposition			(26,180)	(26,180)
Miscellaneous			1,379	1,379
Total nonoperating revenues (expenses)	<u>(99,595)</u>	<u>(99,595)</u>	<u>(94,711)</u>	<u>4,884</u>
Loss before capital contributions and transfers	<u>(113,997)</u>	<u>(181,241)</u>	<u>(35,642)</u>	<u>145,599</u>
CAPITAL CONTRIBUTIONS				
Connection charges			41,020	41,020
TRANSFERS				
Transfers in	<u>37,500</u>	<u>37,500</u>	<u>37,500</u>	
CHANGE IN NET POSITION	<u>\$ (76,497)</u>	<u>\$ (143,741)</u>	<u>42,878</u>	<u>\$ 186,619</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			13,693,303	
Adjustment			<u>(38,973)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>13,654,330</u>	
NET POSITION, END OF YEAR			<u>\$ 13,697,208</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,284,070	\$ 1,284,070	\$ 1,293,001	\$ 8,931
OPERATING EXPENSES				
Salaries and wages	239,031	239,031	217,204	21,827
Employee benefits	107,538	107,538	115,623	(8,085)
Services and supplies	579,666	579,666	468,852	110,814
Depreciation	<u>750,000</u>	<u>750,000</u>	<u>433,732</u>	<u>316,268</u>
Total operating expenses	<u>1,676,235</u>	<u>1,676,235</u>	<u>1,235,411</u>	<u>440,824</u>
Operating income (loss)	<u>(392,165)</u>	<u>(392,165)</u>	<u>57,590</u>	<u>449,755</u>
NONOPERATING REVENUES				
Investment income	<u> </u>	<u> </u>	<u>5,997</u>	<u>5,997</u>
Income (loss) before transfers	<u>(392,165)</u>	<u>(392,165)</u>	<u>63,587</u>	<u>455,752</u>
TRANSFERS				
Transfers in	<u> </u>	<u>700,000</u>	<u>700,000</u>	<u> </u>
CHANGE IN NET POSITION	<u>\$ (392,165)</u>	<u>\$ 307,835</u>	<u>763,587</u>	<u>\$ 455,752</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			13,935,765	
Adjustment			<u>(20,066)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>13,915,699</u>	
NET POSITION, END OF YEAR			<u>\$ 14,679,286</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, 2018

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ 1,062,000	\$ 1,062,000	\$ 1,113,601	\$ 51,601
OPERATING EXPENSES				
Salaries and wages	184,758	184,758	173,957	10,801
Employee benefits	100,260	100,260	122,686	(22,426)
Services and supplies	538,800	538,800	479,846	58,954
Depreciation	350,000	350,000	271,124	78,876
Total operating expenses	1,173,818	1,173,818	1,047,613	126,205
Operating income (loss)	(111,818)	(111,818)	65,988	177,806
NONOPERATING REVENUES				
Investment income			13,198	13,198
Lease revenues			200	200
Gain (loss) on capital asset disposition			550	550
Miscellaneous			548	548
Total nonoperating revenues			14,496	14,496
Income (loss) before capital contributions and transfers	(111,818)	(111,818)	80,484	192,302
CAPITAL CONTRIBUTIONS				
Capital contributions			95,170	95,170
Connection charges			1,218,379	1,218,379
Total capital contributions			1,313,549	1,313,549
TRANSFERS				
Transfers out		(700,000)	(700,000)	
CHANGE IN NET POSITION	\$ (111,818)	\$ (811,818)	694,033	\$ 1,505,851
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			12,537,985	
Adjustment			(104,271)	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			12,433,714	
NET POSITION, END OF YEAR			\$ 13,127,747	

NON-MAJOR ENTERPRISE FUNDS

DOUGLAS COUNTY
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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, 2018

	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
ASSETS			
Current assets			
Cash, cash equivalents and investments	\$ 507,132	\$ 690,406	\$ 1,197,538
Accounts receivable, net	62,606	110,949	173,555
Interest receivable	2,200	1,826	4,026
Prepaid items	<u>16,180</u>	<u>13,318</u>	<u>29,498</u>
Total current assets	<u>588,118</u>	<u>816,499</u>	<u>1,404,617</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation and amortization			
Land	202,376	32,615	234,991
Construction in progress	391,414		391,414
Buildings and building improvements	254,202		254,202
Machinery, equipment and software	<u>407,590</u>	<u>380,204</u>	<u>787,794</u>
Total noncurrent assets	<u>1,255,582</u>	<u>412,819</u>	<u>1,668,401</u>
Total assets	<u>1,843,700</u>	<u>1,229,318</u>	<u>3,073,018</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized amounts related to pensions	<u>80,687</u>	<u>42,617</u>	<u>123,304</u>
LIABILITIES			
Current liabilities			
Accounts payable	77,313	26,603	103,916
Accrued salaries, wages and benefits	27,287	11,835	39,122
Due to other funds	563	364	927
Unearned revenue, current	10,796		10,796
Compensated absences	<u>31,481</u>	<u>5,729</u>	<u>37,210</u>
Total current liabilities	<u>147,440</u>	<u>44,531</u>	<u>191,971</u>
Noncurrent liabilities			
Postemployment benefits other than pensions	27,297	19,561	46,858
Net pension liability	<u>547,332</u>	<u>289,079</u>	<u>836,411</u>
Total noncurrent liabilities	<u>574,629</u>	<u>308,640</u>	<u>883,269</u>
Total liabilities	<u>722,069</u>	<u>353,171</u>	<u>1,075,240</u>
DEFERRED INFLOWS OF RESOURCES			
Unamortized amounts related to pensions	82,907	43,788	126,695
Unamortized amounts related to postemployment benefits other than pensions	<u>311</u>	<u>223</u>	<u>534</u>
Total deferred inflows of resources	<u>83,218</u>	<u>44,011</u>	<u>127,229</u>
NET POSITION			
Net investment in capital assets	1,255,581	412,819	1,668,400
Unrestricted	<u>(136,481)</u>	<u>461,934</u>	<u>325,453</u>
Total net position	<u>\$ 1,119,100</u>	<u>\$ 874,753</u>	<u>\$ 1,993,853</u>

DOUGLAS COUNTY

NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2018

	<u>Ridgeview Water Utility</u>	<u>Town of Gardnerville Health and Sanitation</u>	<u>Town of Minden Trash</u>	<u>Total Non-major Enterprise Funds</u>
OPERATING REVENUES				
Charges for services	\$ _____	\$ 1,073,281	\$ 766,294	\$ 1,839,575
OPERATING EXPENSES				
Salaries and wages		337,205	181,949	519,154
Employee benefits		171,949	68,005	239,954
Services and supplies		563,282	275,357	838,639
Depreciation		72,576	46,122	118,698
Total operating expenses		<u>1,145,012</u>	<u>571,433</u>	<u>1,716,445</u>
Operating income (loss)		<u>(71,731)</u>	<u>194,861</u>	<u>123,130</u>
NONOPERATING REVENUES				
Investment income		6,526	1,598	8,124
Intergovernmental shared revenues			11,475	11,475
Miscellaneous		25		25
Total nonoperating revenues		<u>6,551</u>	<u>13,073</u>	<u>19,624</u>
TRANSFERS				
Transfers out	<u>(10,763)</u>			<u>(10,763)</u>
CHANGE IN NET POSITION	<u>(10,763)</u>	<u>(65,180)</u>	<u>207,934</u>	<u>131,991</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED				
Adjustment	10,763	1,213,486	680,592	1,904,841
		(29,206)	(13,773)	(42,979)
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED	<u>10,763</u>	<u>1,184,280</u>	<u>666,819</u>	<u>1,861,862</u>
NET POSITION, END OF YEAR	<u>\$ _____</u>	<u>\$ 1,119,100</u>	<u>\$ 874,753</u>	<u>\$ 1,993,853</u>

DOUGLAS COUNTY

NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2018

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$	\$ 1,072,600	\$ 762,109	\$ 1,834,709
Cash payments for goods and services		(532,450)	(272,982)	(805,432)
Cash payments for employee services and benefits		(471,214)	(277,182)	(748,396)
Net cash provided by operating activities		<u>68,936</u>	<u>211,945</u>	<u>280,881</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	(10,763)			(10,763)
Intergovernmental shared revenues			11,475	11,475
Net cash used in noncapital financing activities	<u>(10,763)</u>		<u>11,475</u>	<u>712</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition and construction of capital assets		(494,370)		(494,370)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	35	8,174	6,478	14,687
Change in fair value of cash equivalent investments		(2,215)	(5,446)	(7,661)
Net cash provided by investing activities	<u>35</u>	<u>5,959</u>	<u>1,032</u>	<u>7,026</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,728)	(419,475)	224,452	(205,751)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>10,728</u>	<u>926,607</u>	<u>465,954</u>	<u>1,403,289</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$</u>	<u>\$ 507,132</u>	<u>\$ 690,406</u>	<u>\$ 1,197,538</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$	\$ (71,731)	\$ 194,861	\$ 123,130
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization		72,576	46,122	118,698
(Increase) decrease in operating assets				
Accounts receivable		4,161	(7,816)	(3,655)
Due from other funds		15		15
Prepaid expenses		(4,857)	3,631	(1,226)
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses		30,551	4,372	34,923
Accrued salaries and benefits		4,770	1,356	6,126
Due to other funds		13	98	111
Unearned revenue		268	(2,095)	(1,827)
Compensated absences		4,286	(10,676)	(6,390)
Postemployment benefits other than pensions		3,723	3,338	7,061
Net pension liability		25,161	(21,246)	3,915
Total adjustments		<u>140,667</u>	<u>17,084</u>	<u>157,751</u>
Net cash provided by operating activities	<u>\$</u>	<u>\$ 68,936</u>	<u>\$ 211,945</u>	<u>\$ 280,881</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, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
TRANSFERS				
Transfers out	\$ _____	\$ (10,763)	\$ (10,763)	\$ _____
CHANGE IN NET POSITION	<u>\$ _____</u>	<u>\$ (10,763)</u>	(10,763)	<u>\$ _____</u>
NET POSITION, BEGINNING OF YEAR			<u>10,763</u>	
NET POSITION, END OF YEAR			<u>\$ _____</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,035,000	\$ 1,035,000	\$ 1,073,281	\$ 38,281
OPERATING EXPENSES				
Salaries and wages	302,349	324,349	337,205	(12,856)
Employee benefits	153,132	153,132	171,949	(18,817)
Services and supplies	543,894	543,894	563,282	(19,388)
Depreciation	<u>55,000</u>	<u>55,000</u>	<u>72,576</u>	<u>(17,576)</u>
Total operating expenses	<u>1,054,375</u>	<u>1,076,375</u>	<u>1,145,012</u>	<u>(68,637)</u>
Operating loss	<u>(19,375)</u>	<u>(41,375)</u>	<u>(71,731)</u>	<u>(30,356)</u>
NONOPERATING REVENUES				
Investment income			6,526	6,526
Miscellaneous			<u>25</u>	<u>25</u>
Total nonoperating revenues			<u>6,551</u>	<u>6,551</u>
CHANGE IN NET POSITION	<u>\$ (19,375)</u>	<u>\$ (41,375)</u>	<u>(65,180)</u>	<u>\$ (23,805)</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			1,213,486	
Adjustment			<u>(29,206)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>1,184,280</u>	
NET POSITION, END OF YEAR			<u>\$ 1,119,100</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 711,000	\$ 711,000	\$ 766,294	\$ 55,294
OPERATING EXPENSES				
Salaries and wages	209,557	209,557	181,949	27,608
Employee benefits	108,870	108,870	68,005	40,865
Services and supplies	300,450	330,450	275,357	55,093
Depreciation	60,000	60,000	46,122	13,878
Total operating expenses	<u>678,877</u>	<u>708,877</u>	<u>571,433</u>	<u>137,444</u>
Operating income	<u>32,123</u>	<u>2,123</u>	<u>194,861</u>	<u>192,738</u>
NONOPERATING REVENUES				
Investment income			1,598	1,598
Intergovernmental shared revenues			11,475	11,475
CHANGE IN NET POSITION	<u>\$ 32,123</u>	<u>\$ 2,123</u>	<u>207,934</u>	<u>\$ 205,811</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			680,592	
Adjustment			<u>(13,773)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>666,819</u>	
NET POSITION, END OF YEAR			<u>\$ 874,753</u>	

INTERNAL SERVICE FUNDS

DOUGLAS COUNTY

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
ASSETS				
Current assets				
Cash, cash equivalents and investments	\$ 7,350,559	\$ 704,521	\$ 613,911	\$ 8,668,991
Accounts receivable, net			28,752	28,752
Taxes receivable	2,214			2,214
Interest receivable	15,686	2,168	1,564	19,418
Due from other funds	87,176			87,176
Inventories			98,867	98,867
Prepaid items			1,302	1,302
Total current assets	<u>7,455,635</u>	<u>706,689</u>	<u>744,396</u>	<u>8,906,720</u>
Noncurrent assets				
Capital assets, net of accumulated depreciation and amortization				
Machinery, equipment and software			295,670	295,670
Total noncurrent assets			<u>295,670</u>	<u>295,670</u>
Total assets	<u>7,455,635</u>	<u>706,689</u>	<u>1,040,066</u>	<u>9,202,390</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized amounts related to pensions	<u>24,037</u>		<u>88,064</u>	<u>112,101</u>
LIABILITIES				
Current liabilities				
Accounts payable	82,296	2,475	41,524	126,295
Accrued salaries, wages and benefits	9,300		23,919	33,219
Due to other funds	1,080	91	627	1,798
Due to other governments	54			54
Claims and judgments		46,162		46,162
Compensated absences	9,112		20,649	29,761
Total current liabilities	<u>101,842</u>	<u>48,728</u>	<u>86,719</u>	<u>237,289</u>
Noncurrent liabilities				
Postemployment benefits other than pensions	2,740		12,242	14,982
Net pension liability	163,054		597,376	760,430
Total noncurrent liabilities	<u>165,794</u>		<u>609,618</u>	<u>775,412</u>
Total liabilities	<u>267,636</u>	<u>48,728</u>	<u>696,337</u>	<u>1,012,701</u>
DEFERRED INFLOWS OF RESOURCES				
Unamortized amounts related to pensions	24,700		90,489	115,189
Unamortized amounts related to postemployment benefits other than pensions	31		139	170
Total deferred inflows of resources	<u>24,731</u>		<u>90,628</u>	<u>115,359</u>
NET POSITION				
Net investment in capital assets			295,670	295,670
Restricted				
Insurance liabilities	7,187,305	657,961		7,845,266
Unrestricted			45,495	45,495
Total net position	<u>\$ 7,187,305</u>	<u>\$ 657,961</u>	<u>\$ 341,165</u>	<u>\$ 8,186,431</u>

DOUGLAS COUNTY

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2018

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 2,681,125	\$ 349,629	\$ 1,404,418	\$ 4,435,172
OPERATING EXPENSES				
Salaries and wages	108,914		306,275	415,189
Employee benefits	81,693		134,941	216,634
Services and supplies	1,396,493	385,909	813,920	2,596,322
Depreciation			155,337	155,337
Total operating expenses	<u>1,587,100</u>	<u>385,909</u>	<u>1,410,473</u>	<u>3,383,482</u>
Operating income (loss)	<u>1,094,025</u>	<u>(36,280)</u>	<u>(6,055)</u>	<u>1,051,690</u>
NONOPERATING REVENUES				
Investment income	(7,359)	1,433	1,177	(4,749)
Property taxes	197,171			197,171
Gain (loss) on capital asset disposition			2,280	2,280
Miscellaneous	1,902,557		1,216	1,903,773
Total nonoperating revenues	<u>2,092,369</u>	<u>1,433</u>	<u>4,673</u>	<u>2,098,475</u>
Income (loss) before transfers	<u>3,186,394</u>	<u>(34,847)</u>	<u>(1,382)</u>	<u>3,150,165</u>
TRANSFERS				
Transfers out	<u>(149,221)</u>			<u>(149,221)</u>
CHANGE IN NET POSITION	<u>3,037,173</u>	<u>(34,847)</u>	<u>(1,382)</u>	<u>3,000,944</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	4,159,097	692,808	398,623	5,250,528
Adjustment	<u>(8,965)</u>		<u>(56,076)</u>	<u>(65,041)</u>
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED	<u>4,150,132</u>	<u>692,808</u>	<u>342,547</u>	<u>5,185,487</u>
NET POSITION, END OF YEAR	<u>\$ 7,187,305</u>	<u>\$ 657,961</u>	<u>\$ 341,165</u>	<u>\$ 8,186,431</u>

DOUGLAS COUNTY

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2018

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from interfund services	\$ 4,594,967	\$ 349,629	\$ 1,496,165	\$ 6,440,761
Cash payments for interfund goods and services	(1,430,507)	(393,052)	(797,714)	(2,621,273)
Cash payments for interfund employee services and benefits	(422,697)	(445,790)	(445,790)	(868,487)
Net cash provided by (used in) operating activities	2,741,763	(43,423)	252,661	2,951,001
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	(149,221)			(149,221)
Property taxes	197,160			197,160
Net cash provided by noncapital financing activities	47,939			47,939
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES				
Acquisition and construction of capital assets			(20,877)	(20,877)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income received	50,129	6,370	5,591	62,090
Change in fair value of cash equivalent investments	(62,634)	(5,391)	(4,893)	(72,918)
Net cash used in investing activities	(12,505)	979	698	(10,828)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,777,197	(42,444)	232,482	2,967,235
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,573,362	746,965	381,429	5,701,756
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 7,350,559	\$ 704,521	\$ 613,911	\$ 8,668,991
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,094,025	\$ (36,280)	\$ (6,055)	\$ 1,051,690
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization			155,337	155,337
(Increase) decrease in operating assets				
Accounts receivable	1,902,557		(10,079)	1,892,478
Due from other funds	2,984			2,984
Inventories			101,005	101,005
Prepaid expenses	8,301		821	9,122
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses	77,650	(7,234)	16,068	86,484
Accrued salaries and benefits	(262,567)		256	(262,311)
Due to other funds	(111,664)	91	138	(111,435)
Compensated absences	610		(1,256)	(646)
Postemployment benefits other than pensions	547		(39)	508
Net pension liability	29,320		(3,535)	25,785
Total adjustments	1,647,738	(7,143)	258,716	1,899,311
Net cash provided by (used in) operating activities	\$ 2,741,763	\$ (43,423)	\$ 252,661	\$ 2,951,001

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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 3,035,000	\$ 3,035,000	\$ 2,681,125	\$ (353,875)
OPERATING EXPENSES				
Salaries and wages	225,408	225,408	108,914	116,494
Employee benefits	110,052	110,052	81,693	28,359
Services and supplies	<u>2,686,794</u>	<u>2,567,573</u>	<u>1,396,493</u>	<u>1,171,080</u>
Total operating expenses	<u>3,022,254</u>	<u>2,903,033</u>	<u>1,587,100</u>	<u>1,315,933</u>
Operating income	<u>12,746</u>	<u>131,967</u>	<u>1,094,025</u>	<u>962,058</u>
NONOPERATING REVENUES				
Investment income			(7,359)	(7,359)
Property taxes	202,371	202,371	197,171	(5,200)
Miscellaneous		<u>30,000</u>	<u>1,902,557</u>	<u>1,872,557</u>
Total nonoperating revenues	<u>202,371</u>	<u>232,371</u>	<u>2,092,369</u>	<u>1,859,998</u>
Income before transfers	<u>215,117</u>	<u>364,338</u>	<u>3,186,394</u>	<u>2,822,056</u>
TRANSFERS				
Transfers out		<u>(149,221)</u>	<u>(149,221)</u>	
CHANGE IN NET POSITION	<u>\$ 215,117</u>	<u>\$ 215,117</u>	<u>3,037,173</u>	<u>\$ 2,822,056</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			4,159,097	
Adjustment			<u>(8,965)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>4,150,132</u>	
NET POSITION, END OF YEAR			<u>\$ 7,187,305</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ <u>341,500</u>	\$ <u>341,500</u>	\$ <u>349,629</u>	\$ <u>8,129</u>
OPERATING EXPENSES				
Services and supplies	<u>346,500</u>	<u>346,500</u>	<u>385,909</u>	<u>(39,409)</u>
Operating loss	<u>(5,000)</u>	<u>(5,000)</u>	<u>(36,280)</u>	<u>(31,280)</u>
NONOPERATING REVENUES				
Investment income	<u>5,000</u>	<u>5,000</u>	<u>1,433</u>	<u>(3,567)</u>
CHANGE IN NET POSITION	\$ <u> </u>	\$ <u> </u>	(34,847)	\$ <u>(34,847)</u>
NET POSITION, BEGINNING OF YEAR			<u>692,808</u>	
NET POSITION, END OF YEAR			\$ <u>657,961</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,434,040	\$ 1,434,040	\$ 1,404,418	\$ (29,622)
OPERATING EXPENSES				
Salaries and wages	358,452	358,452	306,275	52,177
Employee benefits	152,031	152,031	134,941	17,090
Services and supplies	758,405	759,082	813,920	(54,838)
Depreciation	<u>175,846</u>	<u>175,846</u>	<u>155,337</u>	<u>20,509</u>
Total operating expenses	<u>1,444,734</u>	<u>1,445,411</u>	<u>1,410,473</u>	<u>34,938</u>
Operating loss	<u>(10,694)</u>	<u>(11,371)</u>	<u>(6,055)</u>	<u>5,316</u>
NONOPERATING REVENUES				
Investment income			1,177	1,177
Gain (loss) on capital asset disposition	29,200	29,200	2,280	(26,920)
Miscellaneous			<u>1,216</u>	<u>1,216</u>
Total nonoperating revenues	<u>29,200</u>	<u>29,200</u>	<u>4,673</u>	<u>(24,527)</u>
CHANGE IN NET POSITION	<u>\$ 18,506</u>	<u>\$ 17,829</u>	<u>(1,382)</u>	<u>\$ (19,211)</u>
NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			398,623	
Adjustment			<u>(56,076)</u>	
NET POSITION, BEGINNING OF YEAR, AS ADJUSTED			<u>342,547</u>	
NET POSITION, END OF YEAR			<u>\$ 341,165</u>	

FIDUCIARY FUNDS

DOUGLAS COUNTY

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018

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, 2018**

	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
ASSETS							
Cash, cash equivalents and investments	\$ 131,753	\$ 2,467	\$ 485	\$	\$ 111	\$ 1,131	\$ 244,398
Accounts receivable, net	4,715						
Taxes receivable	208,788	28,669	5,442	1,168		5,522	
Interest receivable							57
Due from other governments							
Special assessments receivable							2,481
Total assets	<u>\$ 345,256</u>	<u>\$ 31,136</u>	<u>\$ 5,927</u>	<u>\$ 1,168</u>	<u>\$ 111</u>	<u>\$ 6,653</u>	<u>\$ 246,936</u>
LIABILITIES							
Due to others	<u>\$ 345,256</u>	<u>\$ 31,136</u>	<u>\$ 5,927</u>	<u>\$ 1,168</u>	<u>\$ 111</u>	<u>\$ 6,653</u>	<u>\$ 246,936</u>

(Continued)

DOUGLAS COUNTY

**AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)
JUNE 30, 2018**

	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
ASSETS								
Cash, cash equivalents and investments	\$ 191	\$ 1,520	\$ 386	\$	\$	\$	\$ 16	\$ 154
Accounts receivable, net								
Taxes receivable	4,721	11,756	6,390	1,992	379		206	877
Interest receivable								
Due from other governments								
Special assessments receivable								
Total assets	<u>\$ 4,912</u>	<u>\$ 13,276</u>	<u>\$ 6,776</u>	<u>\$ 1,992</u>	<u>\$ 379</u>	<u>\$</u>	<u>\$ 222</u>	<u>\$ 1,031</u>
LIABILITIES								
Due to others	<u>\$ 4,912</u>	<u>\$ 13,276</u>	<u>\$ 6,776</u>	<u>\$ 1,992</u>	<u>\$ 379</u>	<u>\$</u>	<u>\$ 222</u>	<u>\$ 1,031</u>

(Continued)

DOUGLAS COUNTY

**AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)
JUNE 30, 2018**

	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
ASSETS								
Cash, cash equivalents and investments	\$ 5,507	\$ 349	\$	\$	\$	\$ 1,758	\$ 74,752	\$ 5,369
Accounts receivable, net								229
Taxes receivable	46,802	5,776		1,201	278	25,048		
Interest receivable								
Due from other governments								
Special assessments receivable								
Total assets	<u>\$ 52,309</u>	<u>\$ 6,125</u>	<u>\$</u>	<u>\$ 1,201</u>	<u>\$ 278</u>	<u>\$ 26,806</u>	<u>\$ 74,752</u>	<u>\$ 5,598</u>
LIABILITIES								
Due to others	<u>\$ 52,309</u>	<u>\$ 6,125</u>	<u>\$</u>	<u>\$ 1,201</u>	<u>\$ 278</u>	<u>\$ 26,806</u>	<u>\$ 74,752</u>	<u>\$ 5,598</u>

(Continued)

DOUGLAS COUNTY

**AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)
JUNE 30, 2018**

	Douglas County Mosquito Abatement District	State of Nevada	Department of Wildlife	Range Improvements	East Fork Fire Protection District	Total Agency Funds
ASSETS						
Cash, cash equivalents and investments	\$ 387	\$ 1,259,377	\$ 2,758	\$ 619	\$ 6,685	\$ 1,740,173
Accounts receivable, net		48,536				53,480
Taxes receivable	5,268	47,373			93,142	500,801
Interest receivable						57
Due from other governments		191				191
Special assessments receivable						2,481
Total assets	<u>\$ 5,655</u>	<u>\$ 1,355,477</u>	<u>\$ 2,758</u>	<u>\$ 619</u>	<u>\$ 99,827</u>	<u>\$ 2,297,183</u>
LIABILITIES						
Due to others	<u>\$ 5,655</u>	<u>\$ 1,355,477</u>	<u>\$ 2,758</u>	<u>\$ 619</u>	<u>\$ 99,827</u>	<u>\$ 2,297,183</u>

DOUGLAS COUNTY

AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
DOUGLAS COUNTY SCHOOL DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 157,259	\$ 20,526,654	\$ 20,552,160	\$ 131,753
Accounts receivable, net	5,357		642	4,715
Taxes receivable	197,859	10,929		208,788
Due from other governments	<u>44,714</u>		<u>44,714</u>	
Total assets	<u>\$ 405,189</u>	<u>\$ 20,537,583</u>	<u>\$ 20,597,516</u>	<u>\$ 345,256</u>
LIABILITIES				
Due to others	<u>\$ 405,189</u>	<u>\$ 20,537,583</u>	<u>\$ 20,597,516</u>	<u>\$ 345,256</u>
DOUGLAS COUNTY SCHOOL DISTRICT DEBT				
ASSETS				
Cash, cash equivalents and investments	\$ 2,785	\$ 2,749,053	\$ 2,749,371	\$ 2,467
Taxes receivable	28,223	940	494	28,669
Due from other governments	<u>782</u>		<u>782</u>	
Total assets	<u>\$ 31,790</u>	<u>\$ 2,749,993</u>	<u>\$ 2,750,647</u>	<u>\$ 31,136</u>
LIABILITIES				
Due to others	<u>\$ 31,790</u>	<u>\$ 2,749,993</u>	<u>\$ 2,750,647</u>	<u>\$ 31,136</u>
CARSON WATER SUB-CONSERVANCY DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 527	\$ 503,869	\$ 503,911	\$ 485
Taxes receivable	5,347	315	220	5,442
Due from other governments	<u>235</u>		<u>235</u>	
Total assets	<u>\$ 6,109</u>	<u>\$ 504,184</u>	<u>\$ 504,366</u>	<u>\$ 5,927</u>
LIABILITIES				
Due to others	<u>\$ 6,109</u>	<u>\$ 504,184</u>	<u>\$ 504,366</u>	<u>\$ 5,927</u>
CAVE ROCK GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 340	\$ 82,230	\$ 82,570	\$
Taxes receivable	<u>577</u>	<u>591</u>		<u>1,168</u>
Total assets	<u>\$ 917</u>	<u>\$ 82,821</u>	<u>\$ 82,570</u>	<u>\$ 1,168</u>
LIABILITIES				
Due to others	<u>\$ 917</u>	<u>\$ 82,821</u>	<u>\$ 82,570</u>	<u>\$ 1,168</u>
DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	<u>\$ 241</u>	<u>\$ 2,102,482</u>	<u>\$ 2,102,612</u>	<u>\$ 111</u>
LIABILITIES				
Due to others	<u>\$ 241</u>	<u>\$ 2,102,481</u>	<u>\$ 2,102,611</u>	<u>\$ 111</u>

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
ELK POINT SANITATION DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$	\$ 2,959	\$ 2,959	\$
Taxes receivable		<u>3</u>		<u>3</u>
Total assets	<u>\$</u>	<u>\$ 2,962</u>	<u>\$ 2,959</u>	<u>\$ 3</u>
LIABILITIES				
Due to others	<u>\$</u>	<u>\$ 2,962</u>	<u>\$ 2,959</u>	<u>\$ 3</u>
GARDNERVILLE RANCHOS GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 1,320	\$ 817,181	\$ 817,370	\$ 1,131
Taxes receivable	<u>6,477</u>		<u>955</u>	<u>5,522</u>
Total assets	<u>\$ 7,797</u>	<u>\$ 817,181</u>	<u>\$ 818,325</u>	<u>\$ 6,653</u>
LIABILITIES				
Due to others	<u>\$ 7,797</u>	<u>\$ 817,181</u>	<u>\$ 818,325</u>	<u>\$ 6,653</u>
GENOA LAKES ASSESSMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 243,618	\$ 780		\$ 244,398
Interest receivable	<u>77</u>	<u>57</u>	<u>77</u>	<u>57</u>
Special assessments receivable	<u>2,481</u>			<u>2,481</u>
Total assets	<u>\$ 246,176</u>	<u>\$ 837</u>	<u>\$ 77</u>	<u>\$ 246,936</u>
LIABILITIES				
Due to others	<u>\$ 246,176</u>	<u>\$ 837</u>	<u>\$ 77</u>	<u>\$ 246,936</u>
INDIAN HILLS GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 672	\$ 799,094	\$ 799,575	\$ 191
Taxes receivable	<u>4,220</u>	<u>501</u>		<u>4,721</u>
Total assets	<u>\$ 4,892</u>	<u>\$ 799,595</u>	<u>\$ 799,575</u>	<u>\$ 4,912</u>
LIABILITIES				
Due to others	<u>\$ 4,892</u>	<u>\$ 798,620</u>	<u>\$ 798,600</u>	<u>\$ 4,912</u>
KINGSBURY GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 785	\$ 806,915	\$ 806,180	\$ 1,520
Taxes receivable	<u>11,260</u>	<u>496</u>		<u>11,756</u>
Total assets	<u>\$ 12,045</u>	<u>\$ 807,411</u>	<u>\$ 806,180</u>	<u>\$ 13,276</u>
LIABILITIES				
Due to others	<u>\$ 12,045</u>	<u>\$ 807,411</u>	<u>\$ 806,180</u>	<u>\$ 13,276</u>

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
LAKERIDGE GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ _____	\$ 28,606	\$ 28,606	\$ _____
LIABILITIES				
Due to others	\$ _____	\$ 28,606	\$ 28,606	\$ _____
LOGAN CREEK GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ _____	\$ 87,743	\$ 87,743	\$ _____
LIABILITIES				
Due to others	\$ _____	\$ 87,743	\$ 87,743	\$ _____
MINDEN-GARDNERVILLE SANITATION DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 522	\$ 389,936	\$ 390,072	\$ 386
Taxes receivable	4,574	1,816		6,390
Due from other governments	270		270	
Total assets	\$ 5,366	\$ 391,752	\$ 390,342	\$ 6,776
LIABILITIES				
Due to others	\$ 5,366	\$ 392,892	\$ 391,482	\$ 6,776
OLIVER PARK GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ _____	\$ 44,928	\$ 44,928	\$ _____
Taxes receivable	1,270	722		1,992
Total assets	\$ 1,270	\$ 45,650	\$ 44,928	\$ 1,992
LIABILITIES				
Due to others	\$ 1,270	\$ 46,363	\$ 45,641	\$ 1,992
ROUND HILL GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ _____	\$ 67,870	\$ 67,870	\$ _____
Taxes receivable	2,347		1,968	379
Total assets	\$ 2,347	\$ 67,870	\$ 69,838	\$ 379
LIABILITIES				
Due to others	\$ 2,347	\$ 65,797	\$ 67,765	\$ 379
SIERRA ESTATES GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 90	\$ 28,139	\$ 28,229	\$ _____
LIABILITIES				
Due to others	\$ 90	\$ 28,139	\$ 28,229	\$ _____

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
SKYLAND GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 148	\$ 51,123	\$ 51,107	\$ 16
Taxes receivable	<u>148</u>	<u>58</u>	<u> </u>	<u>206</u>
Total assets	<u>\$ 148</u>	<u>\$ 51,181</u>	<u>\$ 51,107</u>	<u>\$ 222</u>
LIABILITIES				
Due to others	<u>\$ 148</u>	<u>\$ 51,256</u>	<u>\$ 51,182</u>	<u>\$ 222</u>
TAHOE-DOUGLAS SANITATION DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 182	\$ 170,575	\$ 170,603	\$ 154
Taxes receivable	<u>262</u>	<u>615</u>	<u> </u>	<u>877</u>
Total assets	<u>\$ 444</u>	<u>\$ 171,190</u>	<u>\$ 170,603</u>	<u>\$ 1,031</u>
LIABILITIES				
Due to others	<u>\$ 444</u>	<u>\$ 171,778</u>	<u>\$ 171,191</u>	<u>\$ 1,031</u>
TAHOE-DOUGLAS FIRE PROTECTION DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 5,348	\$ 5,828,305	\$ 5,828,146	\$ 5,507
Taxes receivable	<u>37,808</u>	<u>10,024</u>	<u>1,030</u>	<u>46,802</u>
Total assets	<u>\$ 43,156</u>	<u>\$ 5,838,329</u>	<u>\$ 5,829,176</u>	<u>\$ 52,309</u>
LIABILITIES				
Due to others	<u>\$ 43,156</u>	<u>\$ 5,846,300</u>	<u>\$ 5,837,147</u>	<u>\$ 52,309</u>
TOPAZ RANCH ESTATES GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 485	\$ 169,853	\$ 169,989	\$ 349
Taxes receivable	<u>6,765</u>	<u>30</u>	<u>1,019</u>	<u>5,776</u>
Total assets	<u>\$ 7,250</u>	<u>\$ 169,883</u>	<u>\$ 171,008</u>	<u>\$ 6,125</u>
LIABILITIES				
Due to others	<u>\$ 7,250</u>	<u>\$ 168,728</u>	<u>\$ 169,853</u>	<u>\$ 6,125</u>
ZEPHYR COVE GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 82	\$ 17,728	\$ 17,728	\$ 82
Taxes receivable	<u>82</u>	<u> </u>	<u>82</u>	<u> </u>
Total assets	<u>\$ 82</u>	<u>\$ 17,728</u>	<u>\$ 17,810</u>	<u>\$ 82</u>
LIABILITIES				
Due to others	<u>\$ 82</u>	<u>\$ 17,646</u>	<u>\$ 17,728</u>	<u>\$ 82</u>

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	<u>Balance</u> <u>July 1, 2017</u> <small>(Restated)</small>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
ZEPHYR HEIGHTS GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 311	\$ 90,626	\$ 90,626	\$ 1,201
Taxes receivable	<u>311</u>	<u>890</u>	<u> </u>	<u>1,201</u>
Total assets	<u>\$ 311</u>	<u>\$ 91,516</u>	<u>\$ 90,626</u>	<u>\$ 1,201</u>
LIABILITIES				
Due to others	<u>\$ 311</u>	<u>\$ 92,406</u>	<u>\$ 91,516</u>	<u>\$ 1,201</u>
ZEPHYR KNOLLS GENERAL IMPROVEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 3	\$ 40,766	\$ 40,769	\$ 278
Taxes receivable	<u>2</u>	<u>276</u>	<u> </u>	<u>278</u>
Total assets	<u>\$ 5</u>	<u>\$ 41,042</u>	<u>\$ 40,769</u>	<u>\$ 278</u>
LIABILITIES				
Due to others	<u>\$ 5</u>	<u>\$ 41,315</u>	<u>\$ 41,042</u>	<u>\$ 278</u>
EAST FORK SWIMMING POOL DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 2,221	\$ 2,010,654	\$ 2,011,117	\$ 1,758
Taxes receivable	24,902	1,330	1,184	25,048
Due from other governments	<u>1,099</u>	<u> </u>	<u>1,099</u>	<u> </u>
Total assets	<u>\$ 28,222</u>	<u>\$ 2,011,984</u>	<u>\$ 2,013,400</u>	<u>\$ 26,806</u>
LIABILITIES				
Due to others	<u>\$ 28,222</u>	<u>\$ 2,008,326</u>	<u>\$ 2,009,742</u>	<u>\$ 26,806</u>
INMATE COMMISSARY				
ASSETS				
Cash, cash equivalents and investments	<u>\$ 72,182</u>	<u>\$ 29,433</u>	<u>\$ 26,863</u>	<u>\$ 74,752</u>
LIABILITIES				
Due to others	<u>\$ 72,182</u>	<u>\$ 32,898</u>	<u>\$ 30,328</u>	<u>\$ 74,752</u>
INMATES TRUST				
ASSETS				
Cash, cash equivalents and investments	\$ 1,664	\$ 11,687	\$ 7,982	\$ 5,369
Accounts receivable, net	<u>229</u>	<u> </u>	<u> </u>	<u>229</u>
Total assets	<u>\$ 1,893</u>	<u>\$ 11,687</u>	<u>\$ 7,982</u>	<u>\$ 5,598</u>
LIABILITIES				
Due to others	<u>\$ 1,893</u>	<u>\$ 15,392</u>	<u>\$ 11,687</u>	<u>\$ 5,598</u>

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
DOUGLAS COUNTY MOSQUITO ABATEMENT DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 976,245	\$ 499,797	\$ 1,475,655	\$ 387
Taxes receivable	4,752	516		5,268
Interest receivable	370		370	
Due from other governments	24,576		24,576	
Inventories	32,557		32,557	
Prepaid items	200		200	
	<u>1,038,700</u>	<u>500,313</u>	<u>1,533,358</u>	<u>5,655</u>
Total assets	<u>\$ 1,038,700</u>	<u>\$ 500,313</u>	<u>\$ 1,533,358</u>	<u>\$ 5,655</u>
LIABILITIES				
Due to others	<u>\$ 1,038,700</u>	<u>\$ 500,313</u>	<u>\$ 1,533,358</u>	<u>\$ 5,655</u>
STATE OF NEVADA				
ASSETS				
Cash, cash equivalents and investments	\$ 994,507	\$ 8,948,325	\$ 8,683,455	\$ 1,259,377
Accounts receivable, net	35,566	48,537	35,567	48,536
Taxes receivable	44,764	2,609		47,373
Due from other governments	1,521		1,330	191
Due from other funds		56	56	
	<u>1,076,358</u>	<u>8,999,527</u>	<u>8,720,408</u>	<u>1,355,477</u>
Total assets	<u>\$ 1,076,358</u>	<u>\$ 8,999,527</u>	<u>\$ 8,720,408</u>	<u>\$ 1,355,477</u>
LIABILITIES				
Due to others	<u>\$ 1,076,358</u>	<u>\$ 8,999,527</u>	<u>\$ 8,720,408</u>	<u>\$ 1,355,477</u>
DEPARTMENT OF WILDLIFE				
ASSETS				
Cash, cash equivalents and investments	<u>\$ 8,280</u>	<u>\$</u>	<u>\$ 5,522</u>	<u>\$ 2,758</u>
LIABILITIES				
Due to others	<u>\$ 8,280</u>	<u>\$ 8,070</u>	<u>\$ 13,592</u>	<u>\$ 2,758</u>
RANGE IMPROVEMENTS				
ASSETS				
Cash, cash equivalents and investments	<u>\$ 324</u>	<u>\$ 619</u>	<u>\$ 324</u>	<u>\$ 619</u>
LIABILITIES				
Due to others	<u>\$ 324</u>	<u>\$ 914</u>	<u>\$ 619</u>	<u>\$ 619</u>
EAST FORK FIRE PROTECTION DISTRICT				
ASSETS				
Cash, cash equivalents and investments	\$ 16,163	\$ 7,609,502	\$ 7,618,980	\$ 6,685
Taxes receivable	91,133	12,535	10,526	93,142
Due from other governments	3,820		3,820	
	<u>111,116</u>	<u>7,622,037</u>	<u>7,633,326</u>	<u>99,827</u>
Total assets	<u>\$ 111,116</u>	<u>\$ 7,622,037</u>	<u>\$ 7,633,326</u>	<u>\$ 99,827</u>
LIABILITIES				
Due to others	<u>\$ 111,116</u>	<u>\$ 7,622,038</u>	<u>\$ 7,633,327</u>	<u>\$ 99,827</u>

(Continued)

DOUGLAS COUNTY

AGENCY FUNDS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Balance July 1, 2017 (Restated)	Additions	Deductions	Balance June 30, 2018
TOTAL AGENCY FUNDS				
ASSETS				
Cash, cash equivalents and investments	\$ 2,485,763	\$ 54,517,432	\$ 55,263,022	\$ 1,740,173
Accounts receivable, net	41,152	48,537	36,209	53,480
Taxes receivable	473,083	45,196	17,478	500,801
Interest receivable	447	57	447	57
Due from other governments	77,017		76,826	191
Special assessments receivable	2,481			2,481
Due from other funds		56	56	
Inventories	32,557		32,557	
Prepaid items	200		200	
Total assets	\$ 3,112,700	\$ 54,611,278	\$ 55,426,795	\$ 2,297,183
LIABILITIES				
Due to others	\$ 3,112,700	\$ 54,630,520	\$ 55,446,037	\$ 2,297,183

P B T K

PIERCY BOWLER
TAYLOR & KERN

Certified Public Accountants
Business Advisors

**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, 2018, 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 21, 2018.

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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018 - 001 through 2018 - 011 that we consider 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 21, 2018.

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.



Las Vegas, Nevada
December 21, 2018

STATISTICAL SECTION

DOUGLAS COUNTY
STATISTICAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2018

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, 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	June 30, 2018
Governmental activities										
Net investment in capital assets	\$ 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	\$ 96,767,284
Restricted	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	47,698,077
Unrestricted	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)	(51,244,740)
Total governmental activities	<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>	<u>93,220,621</u>
Business-type activities										
Net investment in capital assets	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	88,193,061
Restricted	6,621	83,689	9,175,026	5,815,718	6,720,290	716,905	684,789	686,457	1,009,199	1,056,623
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	24,539,719
Total business-type activities	<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>	<u>113,789,403</u>
Primary government										
Net investment in capital assets	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	184,960,345
Restricted	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	48,754,700
Unrestricted	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)	(26,705,021)
Total primary government	<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>	<u>\$ 207,010,024</u>

DOUGLAS COUNTY

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
Expenses										
Governmental activities										
General government	\$ 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	\$ 13,960,502
Judicial	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	14,421,793
Public safety	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	18,215,504
Public works	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	6,694,049
Community development	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	4,793,263
Culture and recreation	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	18,051,180
Health and sanitation	744,968	687,494	759,172	851,264	906,878	953,423	496,018	585,814	2,712,113	1,147,215
Welfare	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	2,824,512
Interest on long-term debt	988,093	550,951	535,861	441,282	567,522	600,564	616,123	463,933	974,718	793,210
Total governmental activities	<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>	<u>80,901,228</u>
Business-type activities										
Water	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	8,169,994
Sewer	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	2,033,237
Trash	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	1,705,777
Total business-type activities	<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>	<u>11,909,008</u>
Total primary government expenses	<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>	<u>\$ 92,810,236</u>
Program revenues										
Governmental activities										
Charges for services	\$ 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	\$ 13,304,289
Operating grants and contributions	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	7,513,727
Capital grants and contributions	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	3,075,798
Total governmental activities	<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>	<u>23,893,814</u>
Business-type activities										
Charges for services	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	12,651,054
Operating grants and contributions	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906
Capital grants and contributions	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	1,967,468
Total business-type activities	<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>	<u>14,618,522</u>
Total primary government program revenues	<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>	<u>\$ 38,512,336</u>
Net (expenses) program revenues										
Governmental activities	\$ (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)	\$ (57,007,414)
Business-type activities	(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	2,709,514
Primary government	<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>	<u>\$ (54,297,900)</u>

(Continued)

DOUGLAS COUNTY

CHANGES IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 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	\$ 32,885,805
Room taxes									7,811,600	9,012,529
Construction taxes									857,726	554,637
Intergovernmental shared revenues, unrestricted	26,560,549	25,363,711	23,891,503	24,503,676	26,003,930	26,746,805	28,177,259	31,564,407	23,595,365	24,921,787
Investment income	1,275,728	933,558	469,488	381,394	(79,959)	296,778	312,694	536,416	166,182	390,530
Gain on disposal of capital assets			44,400	25,231	31,100	262,461	45,235		27,154	48,025
Miscellaneous	581,317	201,690	517,316	283,224	362,782	269,635	740,117	35,552	400,616	2,317,223
Transfer of operations to East Fork Fire Protection District									2,251,333	
Transfers	62,325	363,032	(401,424)	566,875	(42,500)	(91,336)	(100,000)	(2,112,500)	(110,346)	(2,799,131)
Total governmental activities	<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>63,454,092</u>	<u>66,397,165</u>	<u>68,013,522</u>	<u>71,438,768</u>	<u>67,331,405</u>
Business-type activities										
Investment income	346,413	935,834	189,116	128,513	(15,250)	64,467	88,283	162,340	35,702	88,314
Gain on disposal of capital assets				2,720	475	(9,227)	238,983		36	550
Gain on disposal of water rights			10,066,948	35,475	6,450					
Miscellaneous	91,625	563,717	69,654	133,186	112,967	107,249	110,505	178,972	129,341	391,693
Transfers	(62,325)	(363,032)	401,424	(566,875)	42,500	91,336	100,000	2,112,500	110,346	2,799,131
Total business-type activities	<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>275,425</u>	<u>3,279,688</u>
Total primary government general revenues and other changes in net position	<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>\$ 63,707,917</u>	<u>\$ 66,934,936</u>	<u>\$ 70,467,334</u>	<u>\$ 71,714,193</u>	<u>\$ 70,611,093</u>
Change in net position										
Governmental activities	\$ (6,279,342)	\$ (9,549,389)	\$ (8,084,672)	\$ (4,673,124)	\$ (2,636,398)	\$ (4,665,036)	\$ 2,045,500	\$ 3,376,233	\$ 6,351,241	\$ 10,323,991
Business-type activities	(109,891)	950,912	15,589,491	5,261,487	8,799,164	5,320,222	7,016,624	3,773,153	1,860,255	5,989,202
Primary government	<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>\$ 655,186</u>	<u>\$ 9,062,124</u>	<u>\$ 7,149,386</u>	<u>\$ 8,211,496</u>	<u>\$ 16,313,193</u>

DOUGLAS COUNTY

FUND BALANCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
General fund										
Reserved	\$ 2,850,000	\$ 550,000	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved	5,071,772	6,813,720								
Nonspendable			200,695	218,660	343,265	274,825	207,410	430,324	790,743	707,836
Restricted						1,218,189	2,532,913	991,494	4,454,583	3,943,908
Committed			1,400,000	600,000	1,294,633	700,000				
Assigned			356,353	359,129	358,767	372,803	741,428	365,055	365,700	
Unassigned			5,048,153	6,222,138	6,472,622	8,032,077	8,644,481	9,504,350	6,646,114	4,533,001
Total general fund	\$ 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	\$ 9,184,745
Other governmental funds										
Reserved	\$ 3,254,800	\$ 1,750,000	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved	27,594,979	29,503,642								
Nonspendable			1,785,489	1,925,518	142,515	471,571	491,191	225,732	197,547	308,449
Restricted			27,467,556	29,947,380	39,036,750	32,644,628	34,667,616	35,082,474	44,285,183	52,322,637
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	12,191,085
Unassigned			(2,702,143)	(2,717,138)	(974,750)			(12,348)		
Total other governmental funds	\$ 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	\$ 64,822,171

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, 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	June 30, 2018
REVENUES										
Taxes	\$ 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	\$ 41,394,633
Licenses, permits, franchise and other fees	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	10,057,427
Intergovernmental shared revenues	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	29,057,123
Charges for services	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	8,778,145
Fines and forfeitures	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	1,306,507
Miscellaneous	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	3,209,873
Total revenues	82,130,458	80,010,459	80,024,929	87,603,832	89,868,582	85,245,961	89,476,366	96,687,958	96,397,605	93,803,708
EXPENDITURES										
Current										
General government	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	13,013,180
Judicial	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	14,624,410
Public safety	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	19,049,285
Public works	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	4,318,858
Community development	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	4,985,388
Culture and recreation	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	16,424,519
Health and sanitation	670,930	687,493	676,597	789,334	830,716	878,651	967,484	972,487	1,102,912	1,092,241
Welfare	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	3,011,835
Total current	72,442,613	75,790,418	74,240,280	78,842,529	82,736,288	75,749,303	78,582,177	83,736,349	80,447,275	76,519,716
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	12,710,754
Debt service										
Principal payments	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	1,795,573
Interest expense	975,383	847,271	646,184	546,522	540,593	640,402	561,859	475,961	625,714	876,440
Debt issuance costs					347,863		74,019		287,735	
Fiscal charges	12,710	8,899	30,682	9,132	5,788	2,800	1,300	900	500	850
Total debt service	2,993,754	2,931,037	2,801,053	2,583,876	4,916,478	2,724,144	3,555,702	2,166,149	2,806,431	2,672,863
Total expenditures	82,801,456	81,834,973	82,134,176	85,518,333	92,777,847	95,278,953	89,641,048	94,068,717	94,661,400	91,903,333
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(670,998)	(1,824,514)	(2,109,247)	2,085,499	(2,909,265)	(10,032,992)	(164,682)	2,619,241	1,736,205	1,900,375
OTHER FINANCING SOURCES (USES)										
Proceeds from capital asset disposal	1,238,029	17,051	50,521	44,388	22,916	262,461	41,530	28,829	13,873	45,745
Issuance of debt		1,115,000			16,559,000		1,395,000		12,206,423	
Proceeds from tax sales	112,192				62,175				848,707	
Transfers in	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	18,770,265
Transfers out	(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)	(21,420,175)
Total other financing sources (uses)	51,610	1,670,325	1,224,677	302,124	16,962,222	25,758,227	1,336,530	(2,128,671)	12,933,657	(2,604,165)
CHANGE IN FUND BALANCE	\$ (619,388)	\$ (154,189)	\$ (884,570)	\$ 2,387,623	\$ 14,052,957	\$ 15,725,235	\$ 1,171,848	\$ 490,570	\$ 14,669,862	\$ (703,790)
Debt service as a percentage of noncapital expenditures	<u>3.95 %</u>	<u>3.71 %</u>	<u>3.60 %</u>	<u>3.16 %</u>	<u>5.21 %</u>	<u>3.47 %</u>	<u>4.24 %</u>	<u>2.52 %</u>	<u>3.06 %</u>	<u>3.49 %</u>

DOUGLAS COUNTY

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE REAL PROPERTY¹ 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 ²
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 %
2018	109,464,416	2,410,101,447	137,929,781	191,246,700	40,007,820	147,577,323	3,036,327,487	1.1680	8,675,221,391	35.00 %

1. Source - Douglas County Assessor's Office

2. Pursuant to NRS 361.227, real property is valued at taxable value, determined by calculating the full cash-value (market value) of land and estimated replacement cost of improvement, less appropriated depreciation. Taxable assessed value is 35% of estimated actual value

DOUGLAS COUNTY

PROPERTY TAX RATES¹ - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$100 OF ASSESSED VALUE²) 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
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
2018	0.8761	0.2919	1.1680	0.1700	1.5000	0.6677	0.6677	0.6496

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		
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	
2018	0.3282	0.1592	5.8891	0.9995	11.0310	12.1990	

1. Source - Douglas County Assessor's Office

DOUGLAS COUNTY
PRINCIPAL PROPERTY TAXPAYERS^{1,2}
CURRENT AND NINE YEARS AGO
(UNAUDITED)

Taxpayer	2018			2009		
	Taxable Assessed	Rank	Percentage of	Taxable Assessed	Rank	Percentage of
	Value ³		Taxable Assessed	Value ³		Taxable Assessed
Caesar's Entertainment	\$ 78,830,207	1	2.60 %	\$		%
Edgewood Companies	49,188,309	2	1.62 %			%
Starbucks	30,951,864	3	1.02 %	10,957,761	6	0.30 %
Harich Tahoe Development	18,618,528	4	0.61 %	29,075,860	3	0.81 %
Clear Creek Residential	13,764,328	5	0.45 %			%
Bently Family Ltd Partnership	12,594,120	6	0.41 %	9,831,122	9	0.27 %
Bently Family LLC (GE)	11,408,223	7	0.38 %	9,939,716	8	0.28 %
Wal-Mart Real Estate Business Trust	10,495,169	8	0.35 %			%
Carson Valley Center LLC/AIG	10,282,784	9	0.34 %			%
Tranquil Investments	9,283,388	10	0.31 %			%
Sierra Sunset LLC				10,259,463	7	0.29 %
Park Cattle Company				49,832,193	2	1.39 %
Harrah's/Harvey's				93,182,861	1	2.59 %
Carson Valley Center, LLC				13,339,110	5	0.37 %
Mulreany Associates				9,157,479	10	0.25 %
Syncon Homes				13,474,096	4	0.37 %
	<u>\$ 245,416,920</u>		<u>8.09 %</u>	<u>\$ 249,049,661</u>		<u>6.92 %</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.
5. In 2005/06, Harrah's and Harvey's merged into one taxpayer. In 2011/12, Sierra Pacific Power became NV Energy. In 2005/06, AIG sold property to Carson Valley Center LLC. In 2011/12, Verizon was bought by Frontier Communication.

DOUGLAS COUNTY
PROPERTY TAX LEVIES AND COLLECTIONS¹
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>
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 %
2018	75,324,471	74,877,810	99.4070 %	384,400	75,262,210	99.9173 %

1. Source - Douglas County Treasurer's Office
2. For fiscal years' 2006 through 2014 delinquent taxes are reported by collection year rather than by levy year. For fiscal year 2015 and forward, delinquent taxes will be reported by levy year

DOUGLAS COUNTY

RATIOS OF OUTSTANDING DEBT¹ BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Governmental Activities						Business-type Activities		Percentage of Douglas County Personal Income ²	Douglas County Per Capita ²
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	General		Obligation/Pledged Revenue Bonds	Total Primary Government			
				Revenue Bonds	Obligation/Pledged Revenue Bonds					
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 %	746
2016	7,490,000		230,043	1,442,000	7,659,000		14,748,400	31,569,443	1.03 %	663
2017	5,970,000		596,561	13,430,707	7,338,890	150,000	13,841,075	41,327,233	1.31 %	861
2018	5,025,000		497,989	12,932,982	7,060,782	100,000	12,625,209	38,241,962	1.14 % ³	792 ³

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 DEBT¹ OUTSTANDING LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	General Obligation Bonds	General Obligation/Pledged Revenue Bonds	Total General Bonded Debt ²	Percentage of Estimated Actual Property Value ³	Douglas County Per Capita ⁴	Amounts Available to Repay General Bonded Debt	Net General Bonded Debt
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	21,179,965	27,149,965	0.32 %	565	1,374,769	25,775,196
2018	5,025,000	19,685,991	24,710,991	0.28 %	512 ⁵	1,441,172	23,269,819

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^{1, 2}

JUNE 30, 2018

IN THOUSANDS

(UNAUDITED)

	<u>General Obligation Debt</u>	<u>Percent Applicable</u>	<u>Applicable General Obligation Debt</u>
Douglas County	\$ 24,951,458	100.00 %	\$ <u>24,951,458</u>
Overlapping governments			
Indian Hills GID	2,136,920	3.76 %	80,348
Kingsbury GID	20,503,153	8.44 %	1,730,466
Round Hill GID	970,890	4.07 %	39,515
Sierra Estates GID	136,513	0.15 %	205
Topaz Ranch Estates GID	370,478	0.73 %	2,704
Douglas County School District	39,874,000	100.00 %	39,874,000
East Fork Fire Protection District	<u>329,000</u>	57.77 %	<u>190,063</u>
Total overlapping governments	<u>64,320,954</u>		<u>41,917,301</u>
Total direct and overlapping debt	<u>\$ 89,272,412</u>		<u>\$ 66,868,759</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."

DOUGLAS COUNTY

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
Total taxable assessed property value	1 <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>	<u>\$ 3,036,327,487</u>
Legal debt Margin										
Legal debt limit (10% of taxable assessed property value)	\$ 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	\$ 303,632,749
Debt applicable to debt limit Net general bonded debt	2 <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>25,775,196</u>	<u>23,269,819</u>
Legal debt margin	<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>\$ 270,354,177</u>	<u>\$ 280,362,930</u>
Total debt applicable to debt limit as a percentage of debt limit	<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>8.70 %</u>	<u>7.66 %</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
PLEGDED REVENUE BOND¹ COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

For the Year Ended June 30,	Gross Pledged		Debt Service		Coverage
	Revenue	²	Principal	Interest	
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 %
2018	2,976,411		360,000	490,913	3.50 %

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 nine 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)

For the Year Ended June 30,	Population		Personal Income		Per Capita	Labor Force	Unemployment
	1	1	1	1	Personal Income	2	Rate
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 %
2018	48,300	3,341,781,400		69,188		23,451	4.0 %

1. Nevada Department of Taxation Publications, Population Statistics and Reports
2. U.S. Department of Commerce, Bureau of Economic Analysis. Data is as of December 31.
3. State of Nevada - Nevada Department of Employment, Training and Rehabilitation- <http://www.nevadaworkforce.com>

DOUGLAS COUNTY
PRINCIPAL EMPLOYERS¹
CURRENT AND NINE YEARS AGO
(UNAUDITED)

Douglas County Employer	2018			2009		
	Employees ¹	Rank	Percentage of Total Douglas County Employment	Employees ¹	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	900 - 999	2	5.55 %	1,000 - 1,499	3	5.46 %
Douglas County	600 - 699	3	2.44 %	600 - 699	7	5.46 %
Montbleu Resort	500 - 599	4	2.44 %	800 - 899	4	2.84 %
Bently, NV	500 - 599	5	2.44 %	600 - 699	5	2.84 %
Harvey's	400 - 499	6	2.00 %	1,000 - 1,499	2	5.46 %
Edgewood Tahoe Golf Course	400 - 499	7	2.00 %			%
Carson Valley Inn	300 - 399	8	1.55 %	500 - 599	8	2.40 %
Wal-Mart Associate, Inc. (Topsy)	300 - 399	9	1.55 %	600 - 699	6	%
Lakeside Inn & Casino	200 - 299	10	1.55 %	300 - 399	9	2.84 %
Heavenly Valley, LTD				200 - 299	10	%

1. Source - State of Nevada, Department of Employment, Training & Rehabilitation, Employment Security Department.
2. Caesar's Tahoe became Monebleu Resort

DOUGLAS COUNTY

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM¹ LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	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	June 30, 2018
Governmental activities										
General government	69	66	65	66	69	68	79	80	80	81
Judicial	116	113	109	104	109	113	123	123	123	125
Public safety	149	139	143	145	141	138	143	143	144	146
Public works	55	45	42	39	38	39	36	29	29	30
Community development	2	2	2	2	2	2	21	24	21	21
Culture and recreation	94	80	75	68	68	70	62	62	62	62
Health and sanitation	4	5	4	4	5	5	6	6	6	8
Welfare	7	7	7	7	8	8	9	9	9	10
Total governmental activities	<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>	<u>483</u>
Business-type activities										
Water	10	12	13	13	13	13	15	15	15	19
Sewer	6	4	4	4	5	5	5	5	5	5
Total business-type activities	<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>	<u>24</u>
Total full-time equivalent employees	<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>	<u><u>507</u></u>

1. Source - Douglas County Finance Department

DOUGLAS COUNTY

OPERATING INDICATORS BY FUNCTION/PROGRAM¹ LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	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	June 30, 2018
Assessor										
Real Estate Trends - Tahoe Township										
Number of Sales	86	92	94	121	142	136	104	121	114	3
Median Sales Price	\$ 500,000	\$ 555,000	\$ 553,000	\$ 474,900	\$ 632,500	\$ 635,750	\$ 650,000	\$ 745,000	\$ 825,000	\$ 3
Average Sales Price	\$ 838,105	\$ 913,510	\$ 1,120,720	\$ 744,327	\$ 1,058,530	\$ 1,123,556	\$ 923,774	\$ 969,092	\$ 1,327,793	\$ 3
Average Residential Square Foot	2,399	2,789	2,724	2,532	2,627	2,476	2,455	2,383	2,651	3
Real Estate Trends - East Fork Township										
Number of Sales	578	595	697	806	805	778	881	941	980	3
Median Sales Price	\$ 240,000	\$ 216,770	\$ 189,900	\$ 195,000	\$ 254,125	\$ 270,000	\$ 302,000	\$ 319,000	\$ 360,923	\$ 3
Average Sales Price	\$ 302,185	\$ 261,821	\$ 233,695	\$ 239,647	\$ 291,407	\$ 305,718	\$ 332,951	\$ 357,227	\$ 403,354	\$ 3
Average Residential Square Foot	2,006	1,940	1,928	1,970	1,901	1,943	1,953	1,957	1,988	3
Real Estate Trends - Combined Douglas County										
Number of Sales	664	687	791	927	947	914	985	1,061	1,094	3
Median Sales Price	\$ 260,000	\$ 240,000	\$ 200,000	\$ 217,000	\$ 272,900	\$ 293,750	\$ 320,000	\$ 339,900	\$ 375,000	\$ 3
Average Sales Price	\$ 371,576	\$ 349,092	\$ 339,106	\$ 305,522	\$ 401,480	\$ 427,825	\$ 395,332	\$ 426,728	\$ 499,685	\$ 3
Average Residential Square Foot	2,056	2,054	2,022	2,044	2,034	2,023	2,004	2,005	2,057	3
Sales of Houses in Same Year as Built										
Number of Sales	17	5	3	28	60	63	78	82	91	3
Median Sales Price	\$ 389,500	\$ 425,000	\$ 512,757	\$ 306,950	\$ 299,500	\$ 364,000	\$ 380,166	\$ 425,410	\$ 443,210	\$ 3
Average Sales Price	\$ 371,576	\$ 462,725	\$ 527,586	\$ 396,664	\$ 389,546	\$ 387,889	\$ 426,251	\$ 444,670	\$ 493,579	\$ 3
Average Residential Square Foot	2,337	2,943	2,926	2,558	2,329	2,308	2,301	2,318	2,306	3
Number of Deeds Filed Listed as										
Trustee's	250	276	224	92	31	64	71	81	24	3
Single Family Dwelling Permits Issued	38	39	36	38	72	70	71	101	101	3
Machinery, Equipment, and Fixtures										
Unsecured	\$ 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	\$ 14,088,063	\$ 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	1,839	1,385	1,270	1,171	1,125	906	1,002	959	949	746
Recorded Documents	20,277	19,954	19,496	19,156	21,444	19,047	20,103	18,074	17,283	15,394
Recording Fees	\$ 367,166	\$ 451,602	\$ 565,376	\$ 424,804	\$ 467,433	\$ 383,306	\$ 341,435	\$ 350,366	\$ 313,032	\$ 374,700
Transfers	5,734	6,100	5,512	6,497	6,268	6,524	6,268	5,801	5,665	5,093
Exempt Transfers	2,272	2,096	2,120	2,106	2,325	1,921	2,068	1,934	1,815	1,702
Real Property Transfer Tax	\$ 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	\$ 3,631,228
Water Rights Deeds	108	33	28	40	40	43	36	38	55	34
Notices of Default	1,030	932	938	797	312	183	194	172	93	75
Records Management										
Number of files delivered	1,476	1,178	863	733	834	754	872	819	740	1,205
Number of boxes received	234	254	283	178	474	189	159	295	188	231
Number of boxes destroyed	583	349	930	642	1,019	1,165	1,326	883	1,148	1,107
Number of boxes scanned	33	141	157	114	180	230	191,087	115,234	65,661	132,496
Number of images scanned	5	5	5	5	5	5	5	5	5	5
Number of film rolls processed	187	207	186	437	467	175	191,087	115,234	65,661	132,496
Number of sealing's processed	177	572	678	243	203	129	183	123	77	70

(Continued)

DOUGLAS COUNTY

OPERATING INDICATORS BY FUNCTION/PROGRAM¹ (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
China Spring Youth Camp										
Number of Residents	175	153	146	149	138	131	193	169	161	155
Successful Releases	128	123	123	121	1,007	109	106	128	97	82
Medical Releases	5	7	7	4	4	4	3	30	7	3
Failure of Program	42	23	16	24	27	18	28	1	29	27
Committing Offense Type										
Drugs and Alcohol	66	65	76	80	77	79	54	41	71	57
Crime Against Property	56	48	33	34	38	25	38	51	57	56
Crime Against Person	33	27	34	30	21	21	32	77	33	42
Other	20	13	10	5	2	6	18			
Sheriff	²									
Calls for service	37,574	40,374	42,557	42,155	36,164	35,753	36,825	42,536	39,806	³
Number of Arrests	2,462	2,426	2,462	2,663	2,495	3,007	2,090	2,031	1,902	³
Number of Permits	3,251	2,752	2,808	3,128	3,443	3,512	3,444	4,003	4,635	³
Coroner	268	240	264	239	299	295	305	329	288	³
Number of Citations	5,588	5,036	5,944	5,966	5,717	5,577	5,879	9,819	5,818	³
Number of Releases from Jail	2,888	2,602	2,482	2,711	2,557	2,583	2,586	2,417	2,161	³
Average Daily Jail Population	84	81	60	63	63	76	62	59	47	³
Number of Investigator Assigned Cases	753	635	722	577	550	638	733	563	531	³
Judicial, Court Appointed Special Advocates										
Number of Cases as of January 1st	35	33	46	44	34	39	32	52	40	45
Number of Children as of January 1st	46	49	72	75	65	66	54	89	62	62
New Cases	40	50	57	55	51	33	25	22	16	21
New Children	61	78	98	97	61	56	44	36	23	28
Closed Cases	39	34	67	64	46	44	29	30	18	20
Closed Children	58	50	92	105	88	75	49	53	32	26
Library										
Circulation of Materials	195,064	190,519	188,363	176,204	177,514	181,406	171,022	179,129	193,081	
Library Patrons	26,623	31,913	33,915	35,556	37,112	38,286	35,216	32,652	32,050	
Library Visits	142,962	143,555	147,207	147,571	148,834	153,699	120,193	117,677	113,119	
Program Attendance	10,759	9,427	11,068	8,542	8,171	8,634	7,495	8,671	7,092	
Summer Reading Participants	1,180	772	1,096	933	1,039	947	829	922	1,019	
Public Safety, 911	²									
Calls For Service	63,171	66,266	70,435	73,602	75,768	76,218	75,512	81,944	77,653	³
Total Case Numbers Issued										
Douglas County Sheriff Office	38,657	41,008	43,134	42,899	36,673	37,188	37,589	43,070	42,116	³
Washoe Tribe Police Department	2,766	1,895	1,940	1,761	2,100	2,161	2,033	2,787	2,794	³
East Fork Fire Protection District	4,903	4,767	5,209	5,510	5,452	6,266	6,033	6,292	6,540	³
Tahoe-Douglas Fire District	1,748	1,677	1,813	1,769	1,982	2,050	2,069	2,132	2,221	³

(Continued)

DOUGLAS COUNTY

OPERATING INDICATORS BY FUNCTION/PROGRAM¹ (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
Community Development and Support										
Single Family Dwelling Permits	43	35	35	49	107	151	137	164	214	³
Single Family Dwelling Valuation	\$ 17,204,657	\$ 16,207,102	\$ 11,106,794	\$ 16,042,805	\$ 38,094,761	\$ 56,185,007	\$ 54,779,818	\$ 62,646,154	\$ 87,789,084	\$ ³
New Commercial Building Permits	8	8	8	10	7	6	16	28	17	³
New Commercial Building Valuation	\$ 2,904,777	\$ 3,434,208	\$ 2,142,620	\$ 6,564,732	\$ 1,858,308	\$ 1,589,077	\$ 26,335,779	\$ 6,192,470	\$ 1,797,591	\$ ³
Multi-Family Residential Permits		2			2					³
Multi-Family Residential Valuation	\$	\$ 3,401,936	\$	\$	\$ 3,765,620	\$	\$	\$	\$	\$ ³
Manufactured Homes Permits	3	1	1		1	2	2	5	8	³
Health and Sanitation, Landfill Tonnages										
Douglas Disposal	2,619	1,539	306	156	186	405	536	478	629	670
Bently Agrowdynamics	317	338	311	350	373	365	408	355	414	439
Carson City	1,721	2,626	3,825	3,677	3,608	3,405	3,456	3,676	3,543	3,655
Social Services										
Number of households seeking assistance with rent, utilities and/or food	2,040	2,128	2,049	2,219	4	4	4	866	855	689
Number of households seeking assistance (includes rent, utilities, food, medical, transitional housing and/or other services)	2,496	2,496	2,846	3,172	4	4	4	866	855	689
Number of households seeking assistance from Social Services for the first time.	426	462	455	434	4	4	4	394	333	150
Animal Care										
Calls for Service	1,409	1,780	1,771	1,763	1,422	1,430	1,462	1,507	1,649	1,459
Cases Submitted to the District Attorney for Prosecution	60	65	58	56	40	57	67	52	57	69
Bite Reports	120	155	111	110	106	110	115	147	134	134
Adoptions	⁵	⁵	⁵	⁵	⁵ 315	⁵ 328	⁵ 320	⁵ 312	⁵ 395	⁵ 329
Impounds	⁵	⁵	⁵	⁵	⁵ 676	⁵ 711	⁵ 677	⁵ 522	⁵ 612	⁵ 656

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/PROGRAM¹ LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	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	June 30, 2018
General Government										
Information technology										
Business applications	69	69	69	71	71	76	76	59	79	79
Networked buildings	21	21	21	21	21	21	21	21	21	22
Networked computers	375	375	375	375	375	375	400	412	476	476
Microwave linear mileage	63	63	63	63	63	63	63	63	63	50
GIS mapped (square miles)	1,860	1,860	4,308	4,308	4,308	4,308	4,308	4,308	4,308	4,308
Equipment services										
Ambulance/emergency vehicles	7	8	8	8	8	9	10	10	10	10
County vehicles	129	146	157	165	177	185	196	209	215	228
Town vehicles	8	8	8	8	8	10	13	16	18	19
East Fork Fire & Paramedic District vehicles	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	1
Public Works										
Paved roads (miles)	169	171	171	171	171	171	177	178	178	178
Grinding roads (miles)	43	43	43	43	43	43	44	46	46	46
Unpaved roads (miles)	17	17	17	17	17	17	14	12	12	12
Traffic Signals	17	17	17	17	18	18	18	18	18	19
Bridges	13	13	13	13	13	14	14	14	14	14
Utilities										
Water mains (miles)	109	109	114	114	117	117	117	117	138	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	50	51
Developed park acreage	177	177	177	177	177	177	196	197	197	197
Storm drains (miles)	4	4	4	4	4	4	4	4	4	4

(Continued)

DOUGLAS COUNTY

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM¹ (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	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	June 30, 2018
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Recreation building	4	4	4	4	4	4	4	4	5	5
Gross park acreage	755	755	755	755	755	755	755	755	755	755
Undeveloped park acreage	578	578	578	578	578	578	559	558	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	193	193	193
Gazebo/group area	10	10	10	10	10	10	10	11	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	16	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, 2018. 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, 2018.

Other Matters. The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018 - 012. Our opinion on the major federal program is not modified with respect to this matter.

The County's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 21, 2018, 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 21, 2018

DOUGLAS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2018

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 State of Nevada, Department of Agriculture Senior Farmers Market Nutrition Program	10.576	N/A	\$	\$ 2,130
Child Nutrition Cluster				
Passed-through State of Nevada, Department of Agriculture School Breakfast Program	10.553	R-305-11		33,908
National School Lunch Program	10.555	R-305-11		60,081
National School Lunch Program - Commodities	10.555	E066		11,373
Subtotal Child Nutrition Cluster				105,362
Passed-through South Tahoe Public Utility District Cooperative Forestry Assistance	10.664	16-DG-11052012-142		10,509
Forest Service Schools and Roads Cluster				
Passed-through State of Nevada, Controller Schools and Roads - Grants to States	10.665	N/A		24,056
Total U.S. Department of Agriculture				142,057
U.S. Department of Housing and Urban Development				
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	16/PCB/02		12,016
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	17/PF/08		79,065
Total U.S. Department of Housing and Urban Development				91,081
U.S. Department of Justice				
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589			193,957
Juvenile Mentoring Program	16.726			5,400
Passed-through State of Nevada, Office of Attorney General Violence Against Women Formula Grants	16.588	2017-VAWA-07		20,518
Passed-through State of Nevada, Department of Motor Vehicle and Public Safety				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-03		1,605
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-06		26,928
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17-JAG		37,911
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17-JAG-05		35,915
Total U.S. Department of Justice				322,234
U.S. Department of Transportation				
Airport Improvement Program	20.106 *			1,788,242
Airport Improvement Program	20.106 *			132,213
Airport Improvement Program	20.106 *			505,263
Passed-through State of Nevada, Department of Transportation				
Formula Grants for Rural Areas	20.509	PR494-17-802		311,377
Formula Grants for Rural Areas	20.509	PR641-16-802		100,104

(Continued)

DOUGLAS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2018

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
Formula Grants for Rural Areas	20.509	N/A		7,760
Highway Planning and Construction Cluster				
Passed-through State of Nevada, Department of Transportation				
Highway Research and Development Program	20.205	P445-17-816		72,751
Passed-through State of Nevada, Division of State Parks Recreational Trails Program	20.219	2015-11		95,118
Subtotal Highway Planning and Construction Cluster				167,869
Passed-through State of Nevada, Department of Public Safety				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	18-HMEP-04-01		6,760
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	17-HMEP-04-03		3,435
Highway Safety Cluster				
Passed-through State of Nevada, Department of Motor Vehicle and Public Safety				
State and Community Highway Safety	20.600	JF-2017-DCSO		10,043
State and Community Highway Safety	20.600	JF-2018-DCSO		46,814
Subtotal Highway Safety Cluster				56,857
Total U.S. Department of Transportation				3,079,880
U.S. Institute of Museum and Library Services				
Passed through the Nevada State Library, Archives and Public Records				
Enter Program Title for Pass-through Grant	45.310	2016-20		3,000
Total U.S. Institute of Museum and Library Services				3,000
U.S Environmental Protection Agency				
Passed-through State of Nevada, Department of Environmental Protection				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW1503		258,196
Total U.S Environmental Protection Agency				258,196
U.S Department of Health and Human Services				
Aging Cluster				
Passed-through State of Nevada, Department of Health and Human Services				
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-07-1X-18		121,363
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-07-13-17		26,287
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-04-24-18		67,406
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-04-24-17		17,880
Nutrition Services Incentive Program	93.053	04-000-57-NX-17		37,851

(Continued)

DOUGLAS COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

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 Agriculture Nutrition Services Incentive Program	93.053	A037		10,866
Subtotal Aging Cluster				281,653
Passed-through Carson City, Department of Nevada Health and Human Services Family Planning Services	93.217	FPHPA096239		36,598
Passed-through State of Nevada, Department of Health and Human Services Child Support Enforcement	93.563	Acc No 3238		9,485
Block Grants for Community Mental Health Services	93.958	15949		110,732
Block Grants for Community Mental Health Services	93.958	16248		566,719
Block Grants for Prevention and Treatment of Substance Abuse	93.959	16326		18,071
Block Grants for Prevention and Treatment of Substance Abuse	93.959	15794		151,603
Block Grants for Prevention and Treatment of Substance Abuse	93.959	15750		5,743
477 Cluster Passed-through State of Nevada, Department of Health and Human Services Community Services Block Grant	93.569	N/A		116,919
Total U.S Department of Health and Human Services				1,297,523
U.S. Social Security Administration				
Social Security Disability Insurance	96.001			400
Total U.S. Social Security Administration				400
U.S. Department of Homeland Security				
Passed-through State of Nevada, Department of Public Safety Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	9703617-0001		63,122
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	9703617-0027		108,967
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	9703618-0027		2,875
Emergency Management Performance Grants	97.042	9704217		14,310
Emergency Management Performance Grants	97.042	9704218		42,929
Pre-disaster Mitigation	97.047	9704715-2506		61,084
Homeland Security Grant Program	97.067	97067-16-3000		17,431
Homeland Security Grant Program	97.067	97067HL5		4,398
Total U.S. Department of Homeland Security				315,116
Total federal expenditures			\$	\$ 5,509,487

* A major program

DOUGLAS COUNTY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2018

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, 2018. 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, 2018

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)	Yes
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, 2018

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*

2018 - 001

Criteria or specific requirement	Accrual cutoff procedures, including holding payables open for a reasonable period of time and analyzing invoices (including construction draw requests) received subsequent to fiscal year end for proper period recognitions, should be documented, reviewed and approved.
Condition and context	During disbursement testing procedures, we noted several items that were improperly accrued in the respective year. Additional procedures resulted in adjustments totalling \$2.4 million for prior year and \$0.5 million for the current year to accrue accounts payable and capital asset expenditures in the appropriate fiscal year.
Effect	Accounts payables and related capital asset expenditures were understated.
Cause	Failure to appropriately analyze invoices received subsequent to fiscal year end for proper period recognition.
Recommendation	Additional analysis procedures should be developed and implemented to ensure that invoices received subsequent to fiscal year end are accrued in the proper year.
Management's response	Management informed us that they are going to implement additional procedures relating to accrual cutoff procedures. Additionally, they will implement more levels of review of invoices and purchase orders that are received shortly before and shortly after the end of the fiscal year.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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

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 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 the active directory. In addition, not all generic, multi-user accounts have been eliminated.

The Tyler (previously 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. 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 an 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

IT management has informed us that Tyler system directed the County to halt it's migration of user accounts to the active directory since the 2018 release will change how the Tyler system will interface with the active directory.

Recommendation

Complete the integration of all systems with the active directory, which will enforce uniform compliance with the approved policy.

Management's response

Management informed us that this finding was not corrected prior to the end of the fiscal year, but that it was completed prior to the end of audit field work.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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	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	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to develop and implement a formal backup restoration and validation process. However, requests to restore specific data have been successful, but such requests do not address critical systems.
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 has been implemented, but has not yet been tested.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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. Where possible key cards are now used to secure and track access to server closets and other sensitive IT areas. In other locations, physical keys to access some of the server closets must be obtained from a specified person at the location and, where possible, sensitive IT equipment in these locations has been placed in a locked cage. However, the access to and use of such keys is not documented; therefore, effectively, access to such areas is not restricted leaving the servers and databases open to an unknown number of employees, program vendors, outside consultants, and potentially others
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 and other critical data.
Cause	IT management has informed us that in some locations, maintenance and other personnel require access to items that are also stored in the server closets; and therefore, these areas cannot be fully secured.
Recommendation	The access to physical keys for server closets and other sensitive IT working areas, in locations that cannot be fully secured, should be controlled, documented and monitored.
Management's response	Management informed us that they will continue to implement procedures to prohibit and/or monitor access to all areas where secure IT servers are located.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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

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 been implemented to control both assigning rights to new users and promptly turning off the rights of terminated users, we continued to note instances where the policy was not being followed. Specifically, of the 14 employees tested for compliance with the onboarding policy, appropriate documentation could not be located for 4 of them and of the 16 employees tested for compliance with the off boarding policy, 13 did not have their user rights terminated within the 24 hour requirement.

Effect

Failure to timely remove the access of terminated employees could result in unauthorized network access, inappropriate modification or loss of financial data and materially misstated financial statements.

Cause

The approved policy governing the employee on/off boarding has not been consistently used 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 only instances where this was not properly documented was when the employee in question was an employee of the IT department. In these instances, management will continue to improve communication and procedures to ensure that proper on and offboarding occurs in a timely manner, even when the employee is within the IT department.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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.

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 administrative 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

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to document and implement critical policies and procedures that should be addressed to ensure proper computing controls.

Recommendation

Complete and document an assessment 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 administrative 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 continue to work to update policies and procedures to better reflect current practices.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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 improved and a vendor account management policy was implemented in September 2017. The IT Department is informed when support for the Tyler system is needed and such support is provided through computer screen shares. For other vendors, accounts are created based on the individual project scope and the IT Department ensures that the proper support agreements are in place. However, we were informed that there are still some shared vendor accounts and the IT Department is in the process of evaluating and modifying these accounts. As a result, some IT service and support vendors continue to have access rights to systems that should be reviewed and modified. We noted that of the 33 new vendor accounts 3 were misclassified employee accounts and 2 were test accounts that should have been deactivated, but had not been.

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

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources which contributed to the failure to completely resolve this finding.

Recommendation

Complete the evaluation and modification of remaining shared vendor accounts to ensure appropriate internal controls over vendor access and to minimize the County's risk.

Management's response

Management informed us that vendor accounts are being properly monitored, but the monitoring is not being adequately documented. They will continue to work to improve documentation.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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

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

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to identify and document the purpose of all legacy services accounts and some services account functions are still unknown.

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 automated service accounts are being properly controlled, but that the procedures that are in place are not being adequately documented. They will continue to work to improve documentation.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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.
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	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to develop and implement formal, written DR and BCP plans to recover IT systems and servers.
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 aware of this finding and continuing to work towards a solution.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 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.

As of April 2018, the County is now using Solar Winds to log specific types of events such as switch, Active Directory, password and server related events. There are also automatically generated reports related to modifications to the administrative groups. However, these logs are only reviewed when it is deemed necessary, generally upon notification of a potential problem.

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

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to fully implement a periodic review of system generated exception logs with possible issues investigated and documented.

Recommendation

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 their system generates exception logs, but that there is still not a system in place to report on the information contained within these exception logs.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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)

2018 - 011

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 house 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, 2018

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.</p> <p>As discussed in prior findings:</p> <p>Password complexity and periodic changes thereof, user accounts (including the use of generic, multi-user accounts), vendor access and system monitoring processes do not meet current industry best practices.</p> <p>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.</p> <p>System logs and exception reporting have not been fully established and implemented.</p> <p>A formal, written change and patch management process does not exist.</p>
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>IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to develop and implement necessary changes to bring the County into compliance with applicable PCI requirements.</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> <p>Security around credentials varies from lax to nonexistent. The use of shared or generic accounts creates a significant risk.</p> <p>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.</p> <p>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.</p> <p>Critical systems, including the lack of formal patch management policy, are either not in place or outdated putting PCI data at risk.</p> <p>Insecure systems contain and/or transmit data in a non-PCI compliant format.</p>
Management's response	<p>Management informed us that they are aware of this finding and will continue to work towards developing a strategy to achieve compliance.</p>

(Continued)

DOUGLAS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

Section III – Findings and questioned costs for federal awards, including audit findings required by 2 CFR 200.516(a)

2018 - 012	
Federal program	U.S. Department of Transportation, Federal Aviation Administration, Airport Improvement Program (CFDA 20.106)
Criteria or specific requirement	Federal Financial Reports (SF-425 form) must be submitted quarterly for each open grant. In addition, this report must be submitted as a final financial report during closeout in accordance with 2 CFR section 200.327.
Condition and context	Quarterly federal financial reports were not submitted during fiscal year 2018.
A statistically valid sample was used	No
Questioned costs	Not applicable.
Effect	Reporting was not in compliance with applicable grant requirements.
Cause	Failure to recognize the requirement for quarterly grant reporting.
Repeat finding	No
Recommendation	Additional procedures should be implemented to ensure the County is in compliance with all applicable grant reporting requirements.
Management's response	Management informed us that they were not aware of the requirements contained within this grant. Now that they are, they will submit quarterly reporting.

DOUGLAS COUNTY

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

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*

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.

Current status

Partially corrected. See finding 2018-002.

Reasons for this finding's recurrence

IT management has informed us that Tyler (previously New World) system directed the County to halt it's migration of user accounts to active directory since the 2018 release will change how the Tyler system will interface with the active directory.

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 or systems.

This policy was applied to the active directory profile in fiscal year 2017, but not to the Tyler system.

In fiscal year 2018, the Core system was a Tyler system module.

Planned corrective action

Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us)

Implementation date: December 31, 2018

With the update for the Tyler system, in fiscal year 2019, 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, 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.
Current status	Uncorrected. See finding 2018-003.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to develop and implement a formal backup restoration and validation process. However, requests to restore specific data have been successful, but such requests do not address critical systems.
Planned corrective action	Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 A data verification and restoration process to meet general computing controls has been implemented. This process still needs to be tested to ensure that the data that has gone through the restoration process is valid.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF PRIOR 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.
Current status	Partially corrected. See finding 2018-004.
Reasons for this finding's recurrence	IT management has informed us that in some locations, maintenance and others require access to items that are also stored in the server closets; and therefore, these areas cannot be fully secured.
Partial corrective action taken	Where possible key cards are now used to secure and track access to server closets and other sensitive IT areas. In other locations, physical keys to access some of the server closets must be obtained from a specified person at the location and, where possible, sensitive IT equipment in these locations has been placed in a locked cage. However, the access to and use of such keys is not documented; therefore, effectively access to such areas is not restricted leaving exposed the servers and databases open to a unknown number of employees, program vendors, outside consultants, and potentially others
Planned corrective action	Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 Access to server closets and other sensitive IT working areas, in locations that cannot be fully secured, will be controlled, documented, and monitored.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF PRIOR 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 - 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.
Current status	Uncorrected, see finding 2018-005.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources, which 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: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 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, 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.

Current status

Uncorrected. See finding 2018-006.

Reasons for this finding's recurrence

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to document and implement critical policies and procedures that should be addressed to ensure proper computing controls.

Planned corrective action

Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us)

Implementation date: June 30, 2019

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, 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.
Current status	Partially corrected. See finding 2018-007.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources which contributed to the failure to completely resolve this finding.
Partial corrective action taken	A vendor account management policy that was implemented in September 2017. The IT Department is informed when support for the Tyler system is needed and such support is provided through computer screen shares. For other vendors, accounts are created based on the individual project scope and the IT Department ensures that the proper support agreements are in place. However, we were also informed that there are still some shared vendor accounts and the IT Department is in the process of evaluating and modifying these accounts. As a result, some IT service and support vendors continue to have access rights to systems that should be reviewed and modified.
Planned corrective action	Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 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, 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 - 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.

Current status

Uncorrected. See finding 2018-008.

Reasons for this finding's recurrence

IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to identify and document of the purpose of all legacy services accounts and some services account functions are still unknown.

Planned corrective action

Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us)

Implementation date: June 30, 2019

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. The department will also strive to improve in documenting the access that is already appropriately being monitored.

(Continued)

DOUGLAS COUNTY

SCHEDULE OF PRIOR 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 - 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.
Current status	Uncorrected. See finding 2018-009.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to to develop and implement a formal, written DR and BCP plans to recover IT systems and servers.
Planned corrective action	Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 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, 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 - 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.
Current status	Partially corrected. See finding 2018-010.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to fully implement a periodic review of system generated exception logs with possible issues investigated and documented.
Partial corrective action taken	As of April 2018, the County is now using Solar Winds to log specific types of events such as switch, Active Directory, password and server related events. There are also automatically generated reports related to modifications to the administrative groups. However, these logs are only reviewed when it is deemed necessary, generally upon notification of a potential problem.
Planned corrective action	Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us) Implementation date: June 30, 2019 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, 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 - 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 PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

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> <p>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</p> <p>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</p> <p>System logs and exception reporting have not been fully established and implemented</p> <p>A formal, written change and patch management process does not exist</p>
Current status	Uncorrected. See finding 2018-011.
Reasons for this finding's recurrence	IT management has informed us that the IT Department lacks sufficient staffing, budget and other resources to to develop and implement necessary changes to bring the County into compliance with applicable PCI requirements.
Planned corrective action	<p>Contact person: Tammy James, Chief Technology Officer (tjames@douglasnv.us)</p> <p>Implementation date: June 30, 2019</p> <p>The Technology Services Department will continue to develop procedures that ensure that exception reports and logs are reviewed, investigated, and documented.</p>

(Continued)

DOUGLAS COUNTY

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2017

Section III – Findings and questioned costs for federal awards, including audit findings required by 2 CFR 200.516(a)

None reported