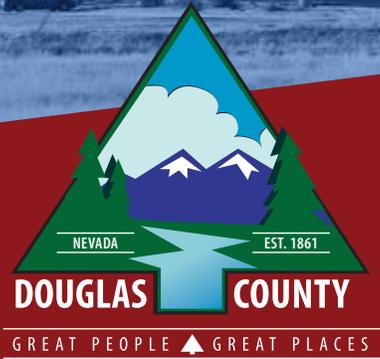


THIRD QUARTER FY2018-19



Terri Willoughby
Chief Financial Officer

1594 Esmeralda Ave.
Minden, NV 89423
Phone: (775)7 82-6202
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Hours of Operation:
Monday-Friday
8 a.m.—5p.m.

For More Information

This summary is based on detailed information produced by the County's financial management system. If you would like additional information, or have any questions about the report, please call Terri Willoughby, Chief Financial Officer.

The Finance Department's mission is to provide transparent financial services with integrity and accountability for our community.

Overview

With ¾ of the year completed, we have an excellent opportunity to put together an accurate projection for Fiscal Year 2018-19 and work with Departments to make any necessary adjustments. This report summarizes the County's overall financial position through March 31, 2019. Except as noted, revenues and expenditure, trends are on target based on past trends for the third quarter.

Adjusted Budgets and Revenue Estimates

Any budget augmentations approved by the Board of County Commissioners through March 31, 2019 have been included in the financial information presented. A final round of budget augmentations will be presented to the Board of County Commissioners for their review and approval in June 2019.

General Fund

With 75% of the fiscal year completed, General Fund revenues are at 81% of estimates, and expenditures are at 65% of projections. The major variance in revenues is due to greater than anticipated development revenues, such as building permit revenue with the expenditure variance primarily due to salary savings across General Fund departments. Revenues are \$2.8 million greater than the prior year at the same time, while expenditures are roughly the same. The net of transfers (in and out) is \$5.3 million less than the prior year.

General Fund	Budget	As of 3/31/19	% Completed
Revenues	\$47,189,429	\$38,237,449	81%
Expenditures	47,149,579	30,529,281	65%
Transfers (Net)	(3,853,771)	(1,406,846)	37%
Balance, Start of Year	9,184,745	9,184,745	-
Balance, Year-to-Date	\$5,330,974	\$7,777,899	-

	3/31/18	3/31/19	Variance	% Variance
Revenues	\$35,389,670	\$38,237,449	\$2,847,779	8%
Expenditures	30,451,079	30,529,281	\$78,202	0.3%
Transfers (Net)	(6,679,573)	(1,406,846)	\$5,272,726	21%

Total Full-Time Employees	477
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GENERAL FUND REVENUE



There can only be one General Fund.

The Douglas County General Fund accounts for all financial resources required to fund a variety of public services not accounted for in other funds, including but not limited to the following:

- Public Safety
- General Government
- Judicial
- Public Works
- Recreation

Top Six Revenues

Douglas County's top six revenues account for over 90% of total General Fund revenues. By focusing on these, we can get an excellent understanding of the County's revenue position.

Overall, these key revenues are performing as projected based on revised estimates, payment schedules and past trends for the second quarter. Any significant variances are noted below.

Top Revenues	Budget	YTD Actual @ 3/31/19	% Received
Property tax	21,669,599	\$21,312,702	98%
Consolidated tax	12,501,294	7,633,769	61%
Support & Care	6,190,658	4,397,472	71%
Building Revenue	1,696,026	1,900,098	112%
Gaming licenses/Permits	1,159,900	879,536	76%
Court fines	2,888,329	1,387,885	67%
Other	3,214,381	1,156,725	48%
Total	47,189,429	38,237,449	81%

Consolidated taxes

As of December 31, 2018, 33% of the projected revenues had been received; this is slightly ahead of the percentage received in the prior fiscal year.

Support and Care fees

These revenues, which consist of various fees with restricted uses, appear to be trending slightly above collections in the prior year and are in line with projections.

Building revenues

Actual revenues through December 31, 2018 have already surpassed the initial projection. Projected revenues should be approximately \$1 million above the initial budgeted amounts.

Gaming licenses & permits

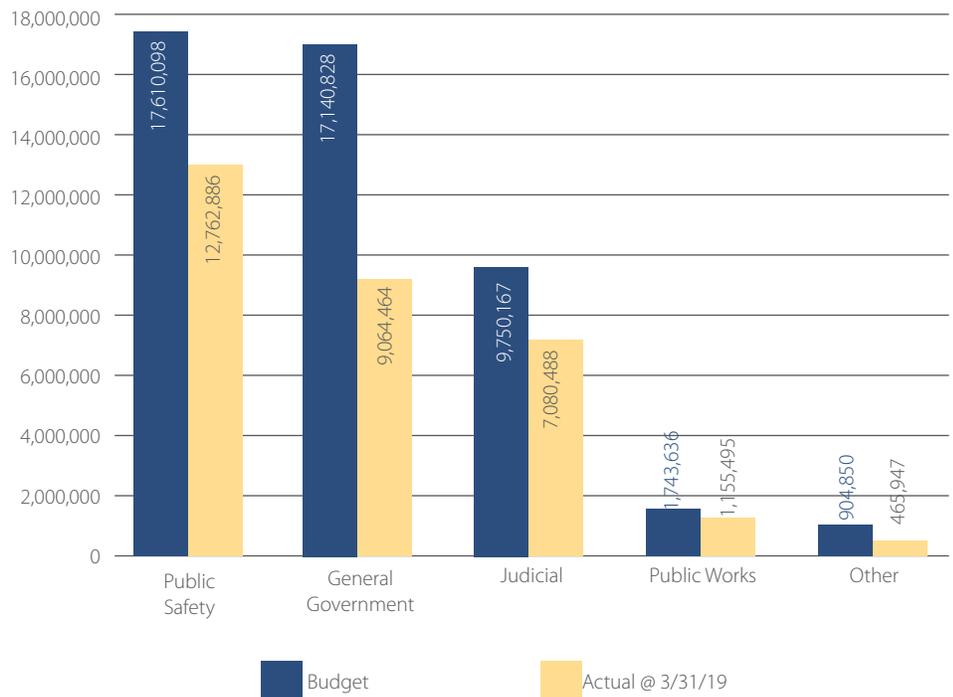
Results to-date are on target with projections.

Court fines

Revenues in this category are on trend with projections.

General Fund Expenditures

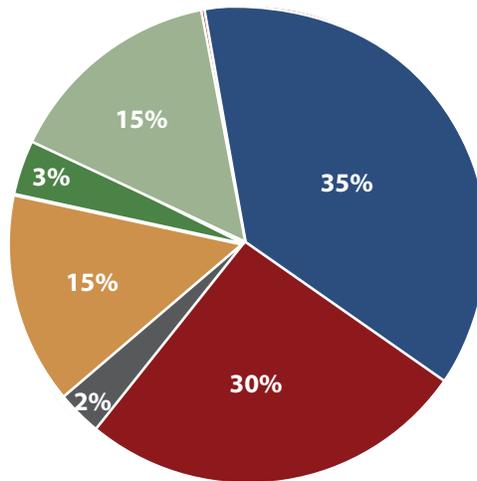
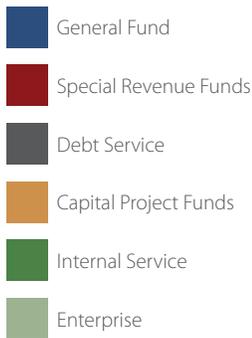
Budget to Actual through 3/31/19



FUND TYPES

Expenditures by Fund Type

Fiscal Year 2017-18 Governmental Fund



Major Fund Activity — Through March 31, 2019

Special Revenue Funds

At this time, special revenue fund revenues and expenditures appear to be consistent with past trends and expectations.

Room Tax Fund

Room Tax fund projects funded in Fiscal Year 2018-19 include improvements to the Topaz Lake Campground as well as the County's Shooting Range.

Room Tax Fund	Budget	As of 3/31/19	% Completed
Revenues	\$14,604,193	\$12,491,857	86%
Expenditures	17,609,686	12,075,724	69%
Transfers (Net)	200,615	(325,907)	-162%
Balance, Start of Year (unaudited)	3,849,631	3,849,631	
Balance, Year-to-Date	\$4,050,246	\$3,523,725	-

Capital Project Funds

In general, capital project fund revenues and expenditures are also consistent with past trends and expectations.

Regional Transportation Fund

Major capital projects underway during Fiscal Year 2018-19 include the reconstruction of Pinenut and Dump Road as well as Tillman Lane Rehabilitation.

Regional Transportation	Budget	As of 3/31/19	% Completed
Revenues	\$3,250,132	\$2,287,369	70%
Expenditures	3,022,590	2,287,369	76%
Transfers (Net)	(905,322)	(1,557,795)	172%
Balance, Start of Year (unaudited)	6,600,007	6,600,007	-
Balance, Year-to-Date	5,694,685	5,042,212	-

Finance Terms

Fund

A fund is a fiscal and accounting entity that has a self-balancing set of accounts, recording all assets and liabilities separately.

Special Revenue Funds

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

Capital Project Funds

Account for financial resources that are restricted, committed or assigned to the improvement, acquisition or constructions of capital assets.

Debt Service Funds

Account for the accumulation of resources for and the payment of principal and interest on any governmental fund long-term debt or medium-term obligation.

Proprietary Fund

A business-like fund of the local government (Enterprise or Internal Service) that is designed to recoup its expenses through charges to its customers.

Fiduciary Fund

A fiduciary fund is used to report assets that are held for others and cannot be used to support the programs of the local government.



AUDIT & UPDATES

Douglas County Audit Committee

The role of the Douglas County Audit Committee is to maintain oversight of the auditing function, for both internal and external audits, resulting in increased integrity and efficiency of the audit processes for the County and the County's system of internal controls and financial reporting. The committee has four primary characteristics for it to successfully fulfill its obligations: independence, communication, accountability, and oversight.

Audit Committee Activities

The Douglas County Audit Committee met on February 27, 2019, and reviewed and accepted the Douglas County Enterprise Risk Assessment as presented by the County's internal auditors, Moss Adams LLP. The next Audit Committee meeting is scheduled for June 12, 2019 and will include a discussion and presentation by the County's external auditor on the audit plan for the Fiscal Year 2018-19 audit.

Audit Committee Members

Douglas County Commissioner
Dave Nelson

Chair David Maxwell

Vice Chair Maureen Casey

Pamela Garber

Teresa Rankin

The Douglas County Audit Committee plays a key role with respect to the integrity of the County's financial information, including the systems of internal controls, and the legal and ethical conduct of management employees.

Reporting Fraud, Waste or Abuse

Douglas County provides a third-party reporting hotline to anonymously report any incidents of fraud, waste or abuse.

Call 833-430-0004 or email reports@ligthouse-services.com

Finance Department Updates

The County's Fiscal Year 2019-20 Operating and Capital Budget is scheduled for final adoption on May 20, 2019. The tentative budget was presented over multiple meetings in April, with presentations by all County Departments.

The Finance Department is gearing up for closing out Fiscal Year 2018-19 and planning for the annual financial audit. The County's external auditors will be on site during the first two weeks of June for interim audit activities, including internal control testing. The final audit is scheduled for early September.

