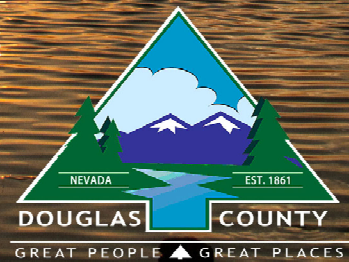
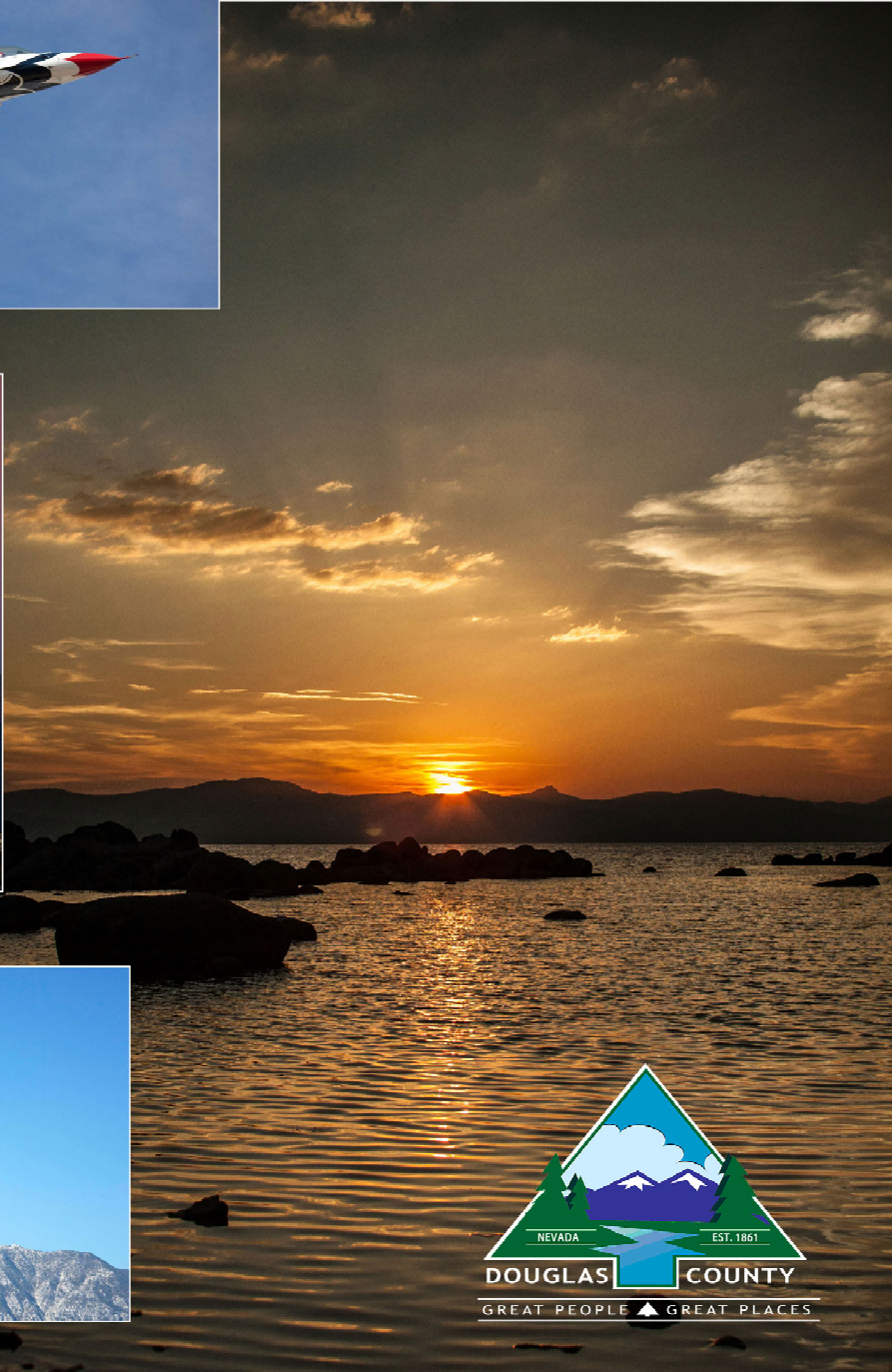


# DOUGLAS COUNTY, NEVADA

## Comprehensive Annual Financial Report

For the Year Ended June 30, 2016





**Douglas County, Nevada**

**Comprehensive Annual  
Financial Report**

**For the Year Ended  
June 30, 2016**

**Prepared By  
Finance Division**

**Vicki Moore  
Interim Chief Financial Officer**



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



# Douglas County

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# **INTRODUCTORY SECTION**





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## BOARD OF COMMISSIONERS

1594 Esmeralda Avenue, Minden, Nevada 89423

Lawrence A. Werner  
COUNTY MANAGER  
775-782-9821

**COMMISSIONERS:**  
Doug N. Johnson, CHAIRMAN  
Nancy McDermid, VICE-CHAIRWOMAN  
Greg Lynn  
Barry Penzel  
Steven Thaler

---

December 8, 2016

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, 2016, 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, 2016, 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, 2016, 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

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

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

County residents elect officials to provide community leadership and administration. The County operates under a commission-manager form of government. The Board of Commissioners, the governing body of the County, is comprised of five members who are elected at-large by district to serve four-year, overlapping terms. The County Commissioners also serve as the governing body for the Douglas County Redevelopment Agency and several other component units of the County. Other elected offices of the County include Assessor, Clerk/Treasurer, Constable, District Attorney, Justice 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, a component unit of 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 4.9% as of September 2016.

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 and the Hard Rock Casinos/Hotels at Lake Tahoe, Heavenly Valley LTD (ski resort), Douglas County School District, Walmart and the Carson Valley Medical Center.

## Long-term Financial Planning

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

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

Community engagement is an important component of the budget process as it assists in the continued support of our residents for the County's programs, and illustrates the difficult choices facing local elected officials, especially in the economic environment of recent years. Citizens are engaged in the Priority Based Budgeting process by actively participating in the Manage the County's Checkbook, an on-line forum in which they have the opportunity to allocate a limited amount of budget dollars amongst the County's strategic priorities. Over the last four years, the outcome of this forum has resulted in a reallocation of existing budget resources into key areas identified by citizens, such as road maintenance.

## Relevant Financial Policies

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

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

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

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

## Major Initiatives

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

The Minden-Tahoe Airport originally built in 1942 as a military training base, serves diverse aviation uses, such as sport aviation, emergency services and corporate flying, and is home to a number of businesses. The East-side Utilities project began in 2015, and includes the construction of electric, water and sewer utilities to serve the currently undeveloped eastern section of the Airport. Constructing the basic utilities will allow for the migration of soaring activity and overall development in this area, which includes an estimated 300 acres. The Airport has completed several planned runway and taxiway rehabilitation projects funded with grants from the Federal Aviation Administration. In the coming year, the Airport has several rehabilitation projects relating to the glider staging area and airfield lighting system as well as updating the Airport Master Plan.

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

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, 2015. This is the second 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,



Vicki Moore  
Interim Chief Financial Officer

# **DOUGLAS COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2016**

---

## **County Commissioners**

**Greg Lynn, District 1**  
**Steve Thaler, District 2**  
**Doug N. Johnson, Chairman, District 3**  
**Nancy McDermid, Vice Chairwoman, District 4**  
**Barry Penzel, District 5**



**Steve Thaler, Doug N. Johnson, Nancy McDermid, Greg Lynn and Barry Penzel**

## **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**

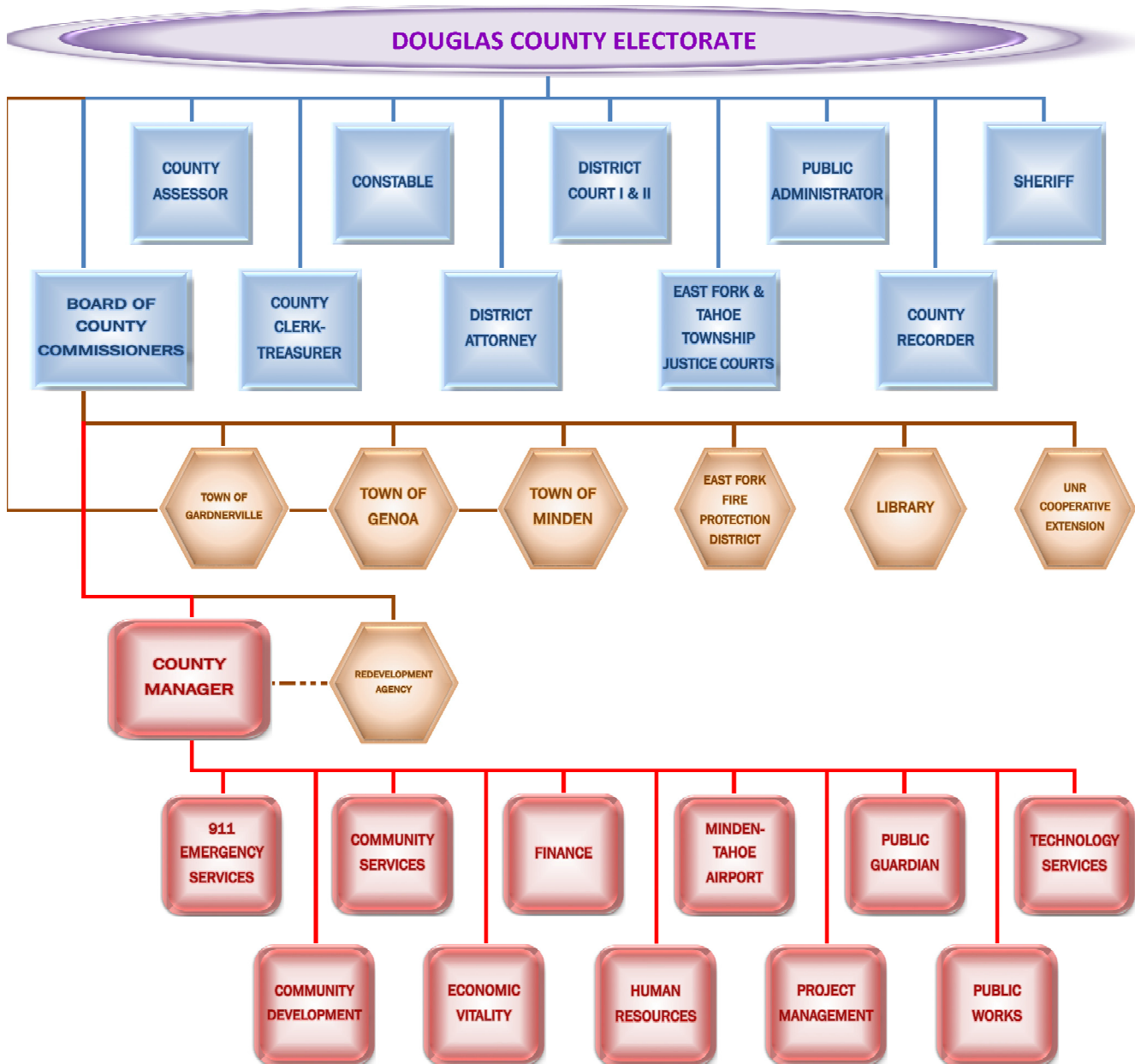
## **Appointed Officials**

**Larry Werner, County Manager**  
**Vicki Moore, Interim Chief Financial Officer**  
**Bobbi Thompson, Minden-Tahoe Airport Manager**  
**Amy Dodson, Library Director**  
**Carl Ruschmeyer, Public Works Director**  
**Mimi Moss, Community Development Director**  
**Scott Morgan, Community Services Director**  
**Tod Carlini, East Fork Fire Protection District Chief**  
**Ron Sagen, 911 Emergency Services Manager**  
**Sherri McGee, Chief Technology Officer**

# DOUGLAS COUNTY

## ORGANIZATION CHART

FOR THE YEAR ENDED JUNE 30, 2016







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, 2015**

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, 2016, 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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters.** Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, postemployment benefits other than pensions, schedule of funding

progress, proportionate share of the collective net pension liability information, proportionate share of statutorily required pension contribution information, budgetary comparison information on pages 11-25 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 8, 2016, 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 8, 2016

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**





# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED June 30, 2016

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, 2016. 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			
	2016	2015	Change	
Cash, cash equivalents and investments	\$ 79,028,342	\$ 76,075,534	\$ 2,952,808	3.88 %
Capital assets, net	224,145,022	226,342,040	(2,197,018)	(0.97)%
Deferred outflows of resources	12,060,418	10,697,829	1,362,589	12.74 %
Postemployment benefits other than pensions	7,102,765	6,842,603	260,162	3.80 %
Net pension liability	71,742,188	65,006,569	6,735,619	10.36 %
Bonds and notes payable, net of unamortized premiums and discounts	31,951,680	35,435,497	(3,483,817)	(9.83)%
Deferred inflows of resources	9,435,075	16,811,344	(7,376,269)	(43.88)%
Total net position	190,534,436	183,385,051	7,149,385	3.90 %
Charges for services	26,382,213	25,155,999	1,226,214	4.87 %
Property taxes	37,989,647	37,221,860	767,787	2.06 %
Intergovernmental consolidated taxes	13,605,461	13,303,618	301,843	2.27 %
Total expenses	100,042,499	96,627,693	3,414,806	3.53 %
Change in net position	7,149,386	8,301,969	(1,152,583)	(13.88)%

### 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, 2016

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Business-type Activities - Functions that recover all or a significant portion of their costs through user fees and charges. The business-type activities of the County include water, sewer, and trash 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 - 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 Project Funds - Accounts 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, 2016

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Internal Service Funds - Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis. 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, 2016

### Government-wide financial analysis

#### Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015 (Restated)	2016	2015	2016	2015 (Restated)
<b>Assets</b>						
Current, restricted and other	\$ 66,050,179	\$ 66,798,450	\$ 25,111,242	\$ 21,388,598	\$ 91,161,421	\$ 88,187,048
Capital	121,795,208	122,103,345	102,349,814	104,238,695	224,145,022	226,342,040
<b>Total assets</b>	<b>187,845,387</b>	<b>188,901,795</b>	<b>127,461,056</b>	<b>125,627,293</b>	<b>315,306,443</b>	<b>314,529,088</b>
Deferred outflows of resources	11,262,302	9,872,635	798,116	825,194	12,060,418	10,697,829
<b>Liabilities</b>						
Current	9,416,812	10,695,006	2,811,064	2,870,533	12,227,876	13,565,539
Long-term	96,417,732	91,163,874	18,751,742	20,301,109	115,169,474	111,464,983
<b>Total liabilities</b>	<b>105,834,544</b>	<b>101,858,880</b>	<b>21,562,806</b>	<b>23,171,642</b>	<b>127,397,350</b>	<b>125,030,522</b>
Deferred inflows of resources	9,014,023	16,032,660	421,052	778,684	9,435,075	16,811,344
<b>Net position</b>						
Net investment in capital assets	104,928,853	103,545,887	87,557,422	87,721,290	192,486,275	191,267,177
Restricted	40,482,940	41,170,332	686,457	684,789	41,169,397	41,855,121
Unrestricted	(61,152,671)	(63,833,329)	18,031,435	14,096,082	(43,121,236)	(49,737,247)
<b>Total net position</b>	<b>\$ 84,259,122</b>	<b>\$ 80,882,890</b>	<b>\$ 106,275,314</b>	<b>\$ 102,502,161</b>	<b>\$ 190,534,436</b>	<b>\$ 183,385,051</b>

Current assets increased \$2,974,373 from the prior year, primarily due to increases in cash as a result of cash held in the sewer utility fund to pay for the expansion of the North Valley Wastewater Treatment Plant that is in progress.

Capital assets comprised of the County's investment in land, buildings and building improvements, machinery and equipment, vehicles, and infrastructure, net of depreciation decreased \$2,197,018 from the prior year, primarily due to depreciation in excess of assets placed in service.

Current liabilities decreased \$1,337,663 from the prior year, primarily due to decreases in accounts payable as a result of a one-time settlement of \$800,000 in the airport fund, and other one-time payables of \$709,000 in the assistance to indigents fund, which were accrued in fiscal year 2015 and paid in fiscal year 2016.

Long-term liabilities comprised of long-term debt obligations, compensated absences, pension and other postemployment benefit obligations increased \$3,704,491 from the prior year, primarily due to an increase in the net pension liability of \$6,735,619 as a result of changes in actuarial valuation based on current year employment figures, which was offset by a decrease in long-term debt of approximately \$3,500,000 as a result of repayment of outstanding debt obligations.

At June 30, 2016, the County's total net position was \$190,534,436 representing an increase of \$7,149,385 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, 2016**

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

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015 Restated	2016	2015	2016	2015 Restated
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 14,842,089	\$ 14,117,358	\$ 11,540,124	\$ 11,214,386	\$ 26,382,213	\$ 25,331,744
Operating grants and contributions	7,087,302	7,102,340			7,087,302	7,102,340
Capital grants and contributions	2,302,348	395,150	952,688	6,143,818	3,255,036	6,538,968
General revenues						
Property taxes	37,989,647	37,221,860			37,989,647	37,221,860
Intergovernmental consolidated taxes	13,605,461	13,303,618			13,605,461	13,303,618
Room taxes	6,963,281	5,711,688			6,963,281	5,711,688
Intergovernmental sales taxes	1,633,836	1,614,104			1,633,836	1,614,104
Construction taxes	869,609	181,599			869,609	181,599
Intergovernmental franchise and public service taxes	8,005,583	7,366,250			8,005,583	7,366,250
Investment income	536,416	312,694	162,340	88,283	698,756	400,977
Gain on disposal of capital assets	35,552	45,235		238,983	35,552	284,218
Miscellaneous	486,637	225,252	178,972	110,505	665,609	335,757
<b>Total revenues</b>	<b>94,357,761</b>	<b>87,597,148</b>	<b>12,834,124</b>	<b>17,795,975</b>	<b>107,191,885</b>	<b>105,393,123</b>
<b>Expenses</b>						
General government	13,389,921	12,956,324			13,389,921	12,956,324
Judicial	14,168,982	13,916,002			14,168,982	13,916,002
Public safety	29,650,696	29,318,776			29,650,696	29,318,776
Public works	8,153,262	7,294,588			8,153,262	7,294,588
Community development	4,365,400	4,186,295			4,365,400	4,186,295
Culture and recreation	15,421,278	13,739,072			15,421,278	13,739,072
Health and sanitation	585,814	496,018			585,814	496,018
Welfare	2,669,742	2,425,146			2,669,742	2,425,146
ISF elimination (net to zero)		800,000				800,000
Interest expense and fiscal charges	463,933	616,121			463,933	616,121
Water			7,791,526	7,664,909	7,791,526	7,664,909
Sewer			1,951,823	1,779,765	1,951,823	1,779,765
Trash			1,430,122	1,434,677	1,430,122	1,434,677
<b>Total expenses</b>	<b>88,869,028</b>	<b>85,748,342</b>	<b>11,173,471</b>	<b>10,879,351</b>	<b>100,042,499</b>	<b>96,627,693</b>

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
		Restated				Restated
Transfers	\$ (2,112,500)	\$ (100,000)	\$ 2,112,500	\$ 100,000	\$ _____	\$ _____
Change in net position	3,376,233	1,748,806	3,773,153	7,016,624	7,149,386	8,765,430
Net position, beginning of year	<u>80,882,890</u>	<u>79,134,084</u>	<u>102,502,161</u>	<u>95,485,537</u>	<u>183,385,051</u>	<u>174,619,621</u>
Net position, end of year	<u>\$ 84,259,122</u>	<u>\$ 80,882,890</u>	<u>\$ 106,275,314</u>	<u>\$ 102,502,161</u>	<u>\$ 190,534,436</u>	<u>\$ 183,385,051</u>

Governmental activities net position increased \$3,376,233 from the prior year. This increase was primarily due to:

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

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

Business-type activities net position increased \$3,773,153 from the prior year. This increase was primarily due to:

A one-time transfer of \$2,000,000 from the redevelopment agency fund to the sewer utility fund to be used for the expansion of the North Valley Wastewater Treatment Plant.

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

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2016

### 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.

Governmental Funds  
Summary Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2016

	Special Revenue Funds				Total Governmental Funds
	General Fund	Room Tax	East Fork Fire Protection District	Non-major Governmental Funds	
Total revenues	\$ 43,846,923	\$ 12,328,511	\$ 12,506,216	\$ 28,006,308	\$ 96,687,958
Total expenditures	<u>39,953,481</u>	<u>12,305,091</u>	<u>12,374,527</u>	<u>29,435,618</u>	<u>94,068,717</u>
Excess (deficiency) of revenues over (under) expenditures	3,893,442	23,420	131,689	(1,429,310)	2,619,241
Total other financing sources (uses)	<u>(4,462,006)</u>	<u>362,959</u>	<u>(136,472)</u>	<u>2,106,848</u>	<u>(2,128,671)</u>
Change in fund balance	<u>(568,564)</u>	<u>386,379</u>	<u>(4,783)</u>	<u>677,538</u>	<u>490,570</u>
Fund balance, beginning of year, as previously reported	12,126,232	1,937,701	2,793,516	33,169,707	50,027,156
Adjustment	<u>(266,445)</u>				<u>(266,445)</u>
Fund balance, beginning of year, as adjusted	<u>11,859,787</u>	<u>1,937,701</u>	<u>2,793,516</u>	<u>33,169,707</u>	<u>49,760,711</u>
Fund balance, end of year	<u>\$ 11,291,223</u>	<u>\$ 2,324,080</u>	<u>\$ 2,788,733</u>	<u>\$ 33,847,245</u>	<u>\$ 50,251,281</u>

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

Governmental Funds				
Fund Balance				
June 30, 2016				
	Special Revenue Funds			Total Governmental Funds
	General Fund	Room Tax	East Fork Fire Protection District	
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	\$ 416,529	\$ 6,803		\$ 121,273
Land held for resale				90,000
Deposits	13,795			7,656
Restricted for				
Debt service				1,690,570
Capital improvement projects				16,135,330
General, town and district redevelopment programs			2,788,733	3,545,966
Youth and other judicial programs	991,494			2,104,733
Fire, police and other public safety programs				992,208
Streets and other public works programs				3,001,265
Cultural, community and development programs				4,823,669
Committed to				
Streets and other public works programs				1,185,012
Assigned to				
Youth and other judicial programs	2,954			2,954
Cultural, community and development programs		2,317,277		2,317,277
Sanitation and other health programs				161,911
Stabilization programs	362,101			362,101
Unassigned	<u>9,504,350</u>			<u>(12,348)</u>
Total fund balances	<u>\$ 11,291,223</u>	<u>\$ 2,324,080</u>	<u>\$ 2,788,733</u>	<u>\$ 33,847,245</u>

Governmental funds combined fund balance increased \$490,570 (0.99%) from the prior year. Approximately 18.89% of the governmental funds combined fund balance (\$9,492,002) 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 (\$9,504,350), which may be used to meet the County's ongoing obligations, represents 23.79% of general fund expenditures.

Fund balance in the general fund decreased \$568,564 from the prior year. This decrease was primarily due to a \$500,000 transfer from the general fund to the road operating fund to pay for repairs resulting from a July 2015 flood.

Fund balance in the room tax fund increased \$286,379 from the prior year. This increase was primarily due to:

Increases in room tax revenues of \$1,495,927 as a result of continued recovery in the local tourism industry, which was offset by increases in the promotional room tax expense of \$1,159,821 paid to local visitors authorities and agencies.

(Continued)



# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

Increases in charges for services of \$247,434 as a result of the first full year of operation for the new Douglas County Community and Senior Center.

Fund balance in the East Fork fire protection district fund decreased \$4,783 from the prior year. This decrease was primarily due to normal fluctuations in day-to-day operations.

Fund balance in the non-major governmental funds increased \$677,538 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations and repayment of outstanding debt obligations.

### General Fund Budget

General Fund  
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2016

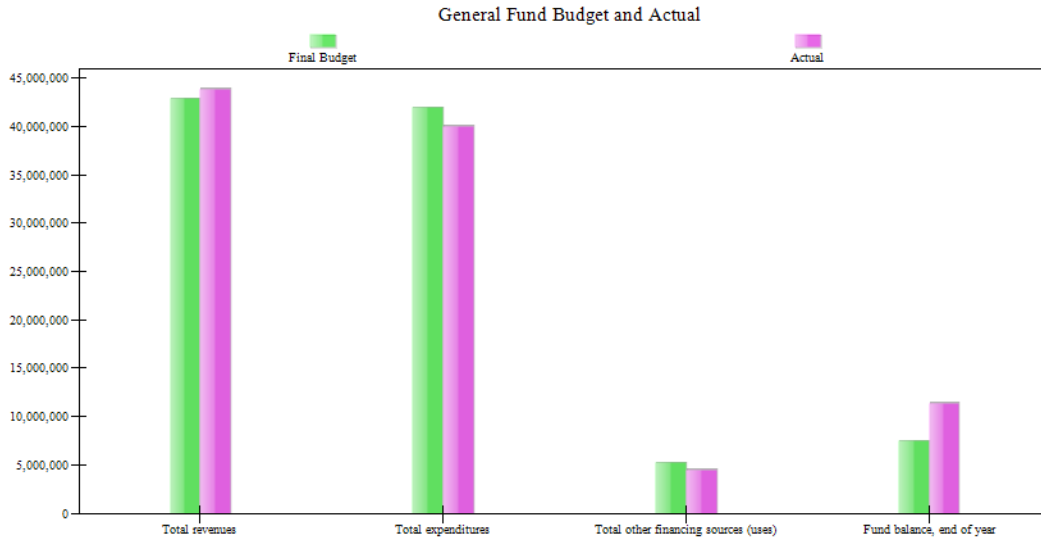
	Original Budget	Final Budget	Actual	Variance
Total revenues	\$ 41,721,217	\$ 42,871,908	\$ 43,846,923	\$ 975,015
Total expenditures	38,934,946	41,929,196	39,953,481	1,975,715
Excess of revenues over expenditures	2,786,271	942,712	3,893,442	2,950,730
Total other financing sources (uses)	(3,664,598)	(5,229,233)	(4,462,006)	767,227
CHANGE IN FUND BALANCE	(878,327)	(4,286,521)	(568,564)	3,717,957
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			12,126,232	
Adjustment			(266,445)	
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	8,067,089	11,749,858	11,859,787	109,929
FUND BALANCE, END OF YEAR	\$ 7,188,762	\$ 7,463,337	\$ 11,291,223	\$ 3,827,886

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2016



At June 30, 2016, fund balance exceeded the final budget by \$3,827,886.

General fund revenues exceeded the final budget by \$985,015 primarily due to building permits, payments in lieu of taxes, intergovernmental consolidated taxes, property taxes, county gaming licenses, and cable television franchise fees all surpassing budgeted estimates.

General fund expenditures were less than the final budget by \$1,975,715 primarily due to budget augmentations related to the judicial function, which were not spent during the year.

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

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

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

### Proprietary Funds

Proprietary Funds  
Summary Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2016

	Business-type Activities				
	Regional Water			Lake Tahoe	Town of Minden
	Utility	Sewer Utility	Carson Valley Water Utility	Water Utility	Wholesale Water Utility
Total operating revenues	\$ 1,024,484	\$ 2,040,927	\$ 2,846,705	\$ 1,729,295	\$ 1,044,901
Total operating expenses	<u>1,436,578</u>	<u>1,872,870</u>	<u>2,138,441</u>	<u>1,373,478</u>	<u>1,359,918</u>
Operating income (loss)	(412,094)	168,057	708,264	355,817	(315,017)
Total nonoperating revenues (expenses)	<u>1,527</u>	<u>(280,899)</u>	<u>(19,413)</u>	<u>(48,188)</u>	<u>12,707</u>
Income (loss) before capital contributions and transfers	(410,567)	(112,842)	688,851	307,629	(302,310)
Total capital contributions	125,000	192,015	137,901	191,362	
Total transfers	<u>(125,000)</u>	<u>2,000,000</u>	<u>125,000</u>	<u>112,500</u>	<u>830,146</u>
CHANGE IN NET POSITION	(410,567)	2,079,173	951,752	611,491	527,836
NET POSITION, BEGINNING OF YEAR	<u>16,123,836</u>	<u>22,706,015</u>	<u>23,633,401</u>	<u>12,929,875</u>	<u>13,376,151</u>
NET POSITION, END OF YEAR	<u>\$ 15,713,269</u>	<u>\$ 24,785,188</u>	<u>\$ 24,585,153</u>	<u>\$ 13,541,366</u>	<u>\$ 13,903,987</u>

	Business-type Activities			Governmental
	Town of Minden			Activities
	Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Total operating revenues	\$ 1,002,622	\$ 1,720,224	\$ 11,409,158	\$ 4,899,275
Total operating expenses	<u>808,584</u>	<u>1,430,431</u>	<u>10,420,300</u>	<u>4,841,398</u>
Operating income (loss)	194,038	289,793	988,858	57,877
Total nonoperating revenues (expenses)	<u>39,195</u>	<u>12,960</u>	<u>(282,111)</u>	<u>258,414</u>
Income (loss) before capital contributions and transfers	233,233	302,753	706,747	316,291
Total capital contributions	306,410		952,688	
Total transfers	<u>(830,146)</u>	<u></u>	<u>2,112,500</u>	<u>45,000</u>
CHANGE IN NET POSITION	(290,503)	302,753	3,771,935	361,291
NET POSITION, BEGINNING OF YEAR	<u>12,322,580</u>	<u>1,462,138</u>	<u>102,553,996</u>	<u>4,625,511</u>
NET POSITION, END OF YEAR	<u>\$ 12,032,077</u>	<u>\$ 1,764,891</u>	<u>\$ 106,325,931</u>	<u>\$ 4,986,802</u>

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED June 30, 2016

Proprietary Funds  
Net Position  
June 30, 2016

	Business-type Activities				
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility
	NET POSITION				
Net investment in capital assets	\$ 15,261,848	\$ 19,189,421	\$ 20,275,500	\$ 11,005,656	\$ 13,139,383
Restricted					
Debt service		424,352	260,438		
Insurance liabilities					
Unrestricted	<u>451,421</u>	<u>5,171,415</u>	<u>4,049,215</u>	<u>2,535,710</u>	<u>764,604</u>
Total net position	<u>\$ 15,713,269</u>	<u>\$ 24,785,188</u>	<u>\$ 24,585,153</u>	<u>\$ 13,541,366</u>	<u>\$ 13,903,987</u>

	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	\$ 7,821,661	\$ 863,953	\$ 87,557,422	\$ 612,366
Restricted				
Debt service		1,667	686,457	
Insurance liabilities				4,408,972
Unrestricted	<u>4,210,416</u>	<u>899,271</u>	<u>18,082,052</u>	<u>(34,536)</u>
Total net position	<u>\$ 12,032,077</u>	<u>\$ 1,764,891</u>	<u>\$ 106,325,931</u>	<u>\$ 4,986,802</u>

Net position in the regional water utility enterprise fund decreased \$410,567 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 \$2,079,173 from the prior year. This increase was primarily due to a one-time transfer of \$2,000,000 from the redevelopment agency fund to the sewer utility fund to be used for the expansion of the North Valley Wastewater Treatment Plant.

Net position in the Carson Valley water utility enterprise fund increased \$951,752 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations.

Net position in the Lake Tahoe water utility enterprise fund increased \$611,491 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations.

Net position in the Town of Minden wholesale water utility enterprise fund increased \$527,836 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations and a transfer from the Town of Minden water utility fund.

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

Net position in the Town of Minden water utility enterprise fund decreased \$290,503 from the prior year. This decrease was primarily due to normal fluctuations in day-to-day operations and a transfer to the Town of Minden wholesale water utility fund.

Net position in the non-major enterprise funds increased \$302,753 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations.

Net position in the internal service funds increased \$316,291 from the prior year. This increase was primarily due to normal fluctuations in day-to-day operations.

### Capital Assets

Capital Assets, Net of Accumulated Depreciation and Amortization

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	\$ 17,503,756	\$ 17,503,756	\$ 2,831,609	\$ 2,831,609	\$ 20,335,365	\$ 20,335,365
Construction in progress	3,935,763	3,789,143	2,634,302	2,112,911	6,570,065	5,902,054
Water rights			5,772,013	5,772,013	5,772,013	5,772,013
Buildings and building improvements	55,612,414	57,398,938	1,990,905	2,063,407	57,603,319	59,462,345
Machinery, equipment and software	6,887,527	6,835,524	535,678	400,191	7,423,205	7,235,715
Infrastructure	37,855,748	36,575,984			37,855,748	36,575,984
Water and sewer systems			88,585,307	91,058,564	88,585,307	91,058,564
	<u>\$ 121,795,208</u>	<u>\$ 122,103,345</u>	<u>\$ 102,349,814</u>	<u>\$ 104,238,695</u>	<u>\$ 224,145,022</u>	<u>\$ 226,342,040</u>

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

Completion and capitalization of construction projects totalling \$6,847,592 including, but not limited to completion of the airport taxiway rehabilitation, Toler Lane rehabilitation, Vist Grande enhancement projects.

Purchased machinery and equipment totaling \$1,458,282.

Capital contributions were received totaling \$827,688.

Depreciation expense for the fiscal year was \$10,970,341.

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

(Continued)

# DOUGLAS COUNTY

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED June 30, 2016**

### Long-term Liabilities

Summary of Long-term Liabilities Outstanding

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015 (Restated)	2016	2015	2016	2015 (Restated)
Bonds and notes payable, net of unamortized premiums and discounts	\$ 16,871,042	\$ 18,563,439	\$ 15,080,638	\$ 16,872,058	\$ 31,951,680	\$ 35,435,497
Net pension liability	68,535,507	61,987,205	3,206,316	3,019,364	71,741,823	65,006,569
Compensated absences	4,117,149	3,967,624	209,530	166,528	4,326,679	4,134,152
Postemployment benefits other than pensions	6,847,507	6,599,444	255,258	243,159	7,102,765	6,842,603
	<u>\$ 96,371,205</u>	<u>\$ 91,117,712</u>	<u>\$ 18,751,742</u>	<u>\$ 20,301,109</u>	<u>\$ 115,122,947</u>	<u>\$ 111,418,821</u>

Long-term liabilities increased \$3,704,491 from the prior year. This increase was primarily due to:

Increases in the net pension liability as a result of increased required contribution rates and changes in the pension plans actuarial valuations.

Decreases in bonds and notes payable, net of unamortized premiums and discounts as a result of scheduled payments.

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

### Economic Factors

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

Overall, economic conditions are improving in the County, with the County's unemployment rate continuing to trend lower. The June 2016 rate was 6.3%, as compared to 7.0% in June of 2015. As of October 2016, the County's unemployment rate had decreased to 5.0%.

Residential building permits, which are a leading indicator of economic activity, have trended higher over the last several years; however, in fiscal year 2016, building permits leveled out and reported a slight 0.1% decrease in permits issued from the prior year.

For the twelve-month period ended September 2016, residential property sales in the County are 9.3% higher than last year and the sales price of residential homes in the County is 11% higher than last year, with the median sales price at \$320,000.

Total assessed property value within the County was valued at \$2,813,965,867, a 2.9% 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 2017 fiscal year.

(Continued)

# **DOUGLAS COUNTY**

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

**FOR THE YEAR ENDED June 30, 2016**

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### 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, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments, unrestricted	\$ 56,904,769	\$ 21,268,006	\$ 78,172,775
Cash, cash equivalents and investments, restricted	199,436	656,131	855,567
Accounts receivable, net	2,691,311	1,307,602	3,998,913
Notes receivable, net		1,687,500	1,687,500
Taxes and penalties receivable	828,552		828,552
Interest receivable	110,283	31,524	141,807
Due from other governments	3,670,125	41,802	3,711,927
Special assessments receivable		5,391	5,391
Inventories	314,949	57,435	372,384
Prepaid items	1,212,389	55,851	1,268,240
Property held for resale	90,000		90,000
Other assets	21,451		21,451
Internal balances *	6,914		
Capital assets, net of accumulated depreciation and amortization			
Land	17,503,756	2,831,609	20,335,365
Construction in progress	3,935,763	2,634,302	6,570,065
Water rights		5,772,013	5,772,013
Buildings and building improvements	55,612,414	1,990,905	57,603,319
Machinery, equipment and software	6,887,527	535,678	7,423,205
Infrastructure	37,855,748		37,855,748
Water and sewer systems		88,585,307	88,585,307
<b>Total assets</b>	<b>187,845,387</b>	<b>127,461,056</b>	<b>315,299,529</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized deferred refunding charges	4,687	285,126	289,813
Unamortized amounts related to pensions	11,257,615	512,990	11,770,605
<b>Total deferred outflows of resources</b>	<b>11,262,302</b>	<b>798,116</b>	<b>12,060,418</b>
<b>LIABILITIES</b>			
Accounts payable	3,017,934	655,867	3,673,801
Accrued salaries, wages and benefits	3,287,014	76,545	3,363,559
Unearned revenue	1,666,240	1,887,418	3,553,658
Deposits	237,558	54,716	292,274
Amounts held for others	877,376		877,376
Due to other governments	181,837		181,837
Interest payable	148,853	129,604	278,457
Internal balances *		6,914	
Long-term liabilities, due within one year			
Claims and judgments, estimated	46,162		46,162
Compensated absences	2,904,438	209,530	3,113,968
Bonds and notes payable	1,736,482	1,604,338	3,340,820
Long-term liabilities, due in more than one year			
Compensated absences	1,212,711		1,212,711
Postemployment benefits other than pensions	6,847,507	255,258	7,102,765
Net pension liability	68,535,872	3,206,316	71,742,188
Bonds and notes payable, net of unamortized premiums and discounts	15,134,560	13,476,300	28,610,860
<b>Total liabilities</b>	<b>105,834,544</b>	<b>21,562,806</b>	<b>127,390,436</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unamortized amounts related to pensions	9,014,023	421,052	9,435,075

(Continued)

See notes to basic financial statements.

# DOUGLAS COUNTY

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 104,928,853	\$ 87,557,422	\$ 192,486,275
Restricted for			
Debt service	1,690,570	686,457	2,377,027
Capital improvement projects	16,135,330		16,135,330
General, town and district redevelopment programs	6,334,699		6,334,699
Youth and other judicial programs	3,096,227		3,096,227
Fire, police and other public safety programs	992,208		992,208
Streets and other public works programs	3,001,265		3,001,265
Cultural, community and development programs	4,823,669		4,823,669
Insurance liabilities	4,408,972		4,408,972
Unrestricted	(61,152,671)	18,031,435	(43,121,236)
Total net position	\$ 84,259,122	\$ 106,275,314	\$ 190,534,436

\* 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, 2016

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	\$ 13,389,921	\$ 5,164,324	\$ 190,561	\$ 233,256	\$ (7,801,780)		\$ (7,801,780)
Judicial	14,168,982	1,854,443	4,706,673		(7,607,866)		(7,607,866)
Public safety	29,650,696	3,976,474	645,582		(25,028,640)		(25,028,640)
Public works	8,153,262	481,821	41,564		(7,629,877)		(7,629,877)
Community development	4,365,400		1,102,836		(3,262,564)		(3,262,564)
Culture and recreation	15,421,278	2,792,245	158,038	2,069,092	(10,401,903)		(10,401,903)
Health and sanitation	585,814	535,309			(50,505)		(50,505)
Welfare	2,669,742	37,473	242,048		(2,390,221)		(2,390,221)
Debt service							
Interest expense and fiscal charges	463,933				(463,933)		(463,933)
Total governmental activities	<u>88,869,028</u>	<u>14,842,089</u>	<u>7,087,302</u>	<u>2,302,348</u>	<u>(64,637,289)</u>		<u>(64,637,289)</u>
Business-type activities							
Water	7,791,526	7,778,973		760,673		748,120	748,120
Sewer	1,951,823	2,040,927		192,015		281,119	281,119
Trash	1,430,122	1,720,224				290,102	290,102
Total business-type activities	<u>11,173,471</u>	<u>11,540,124</u>		<u>952,688</u>		<u>1,319,341</u>	<u>1,319,341</u>
Total function/program	<u>\$ 100,042,499</u>	<u>\$ 26,382,213</u>	<u>\$ 7,087,302</u>	<u>\$ 3,255,036</u>	<u>(64,637,289)</u>	<u>1,319,341</u>	<u>(63,317,948)</u>

(Continued)

See notes to basic financial statements.

**DOUGLAS COUNTY**

**STATEMENT OF ACTIVITIES (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2016**

	Program Revenues			Net (Expenses) Revenues and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>GENERAL (UNRESTRICTED) REVENUES</b>							
Property taxes					37,989,647		37,989,647
Intergovernmental consolidated taxes					13,605,461		13,605,461
Room taxes					6,963,281		6,963,281
Intergovernmental sales taxes					1,633,836		1,633,836
Construction taxes					869,609		869,609
Intergovernmental franchise and public service taxes					8,005,583		8,005,583
Investment income					536,416	162,340	698,756
Gain on disposal of capital assets					35,552		35,552
Miscellaneous					486,637	178,972	665,609
Total general (unrestricted) revenues					<u>70,126,022</u>	<u>341,312</u>	<u>70,467,334</u>
Transfers					<u>(2,112,500)</u>	<u>2,112,500</u>	
<b>CHANGE IN NET POSITION</b>					<u>3,376,233</u>	<u>3,773,153</u>	<u>7,149,386</u>
<b>NET POSITION, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>					81,179,584	102,502,161	183,681,745
Adjustment					<u>(296,695)</u>		<u>(296,695)</u>
<b>NET POSITION BEGINNING OF YEAR, AS ADJUSTED</b>					<u>80,882,889</u>	<u>102,502,161</u>	<u>183,385,050</u>
<b>NET POSITION, END OF YEAR</b>					<u>\$ 84,259,122</u>	<u>\$ 106,275,314</u>	<u>\$ 190,534,436</u>

See notes to basic financial statements.



# **FUND FINANCIAL STATEMENTS**



# DOUGLAS COUNTY

## GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2016

	Special Revenue Funds				Total Governmental Funds
	General Fund	Room Tax	East Fork Fire Protection District	Non-major Governmental Funds	
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 11,798,999	\$ 2,281,230	\$ 3,424,377	\$ 35,007,613	\$ 52,512,219
Cash, cash equivalents and investments, restricted	199,436				199,436
Accounts receivable, net	670,625	918,029	846,225	214,017	2,648,896
Taxes receivable	576,216		108,415	134,647	819,278
Interest receivable	22,711	3,573	4,850	66,348	97,482
Due from other governments	2,084,208	281,324	304,189	1,000,404	3,670,125
Due from other funds	324,381	54,440	154	111,015	489,990
Prepaid items	416,529	6,803		147,329	570,661
Other assets	13,795			7,656	21,451
Property held for sale				90,000	90,000
<b>Total assets</b>	<b><u>\$ 16,106,900</u></b>	<b><u>\$ 3,545,399</u></b>	<b><u>\$ 4,688,210</u></b>	<b><u>\$ 36,779,029</u></b>	<b><u>\$ 61,119,538</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,161,383	\$ 1,037,412	\$ 90,981	\$ 643,107	\$ 2,932,883
Due to others	877,376				877,376
Accrued salaries, wages and benefits	1,905,384	109,515	454,818	256,627	2,726,344
Due to other funds	99,461	21,960	625,706	179,507	926,634
Unearned revenue, current	101,214	4,115	78	1,560,833	1,666,240
Deposits	106,202	48,317		83,039	237,558
Due to other governments	79,229			102,608	181,837
<b>Total liabilities</b>	<b><u>4,330,249</u></b>	<b><u>1,221,319</u></b>	<b><u>1,171,583</u></b>	<b><u>2,825,721</u></b>	<b><u>9,548,872</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties	469,759		90,641	105,685	666,085
Unavailable revenue, special assessments				378	378
Unavailable revenue, grants	15,669				15,669
Unavailable revenue, other			637,253		637,253
<b>Total deferred inflows of resources</b>	<b><u>485,428</u></b>		<b><u>727,894</u></b>	<b><u>106,063</u></b>	<b><u>1,319,385</u></b>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>4,815,677</u></b>	<b><u>1,221,319</u></b>	<b><u>1,899,477</u></b>	<b><u>2,931,784</u></b>	<b><u>10,868,257</u></b>

(Continued)

See notes to basic financial statements.

**DOUGLAS COUNTY**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET (CONTINUED)**  
**JUNE 30, 2016**

	<u>Special Revenue Funds</u>				Total Governmental Funds
	<u>General Fund</u>	<u>Room Tax</u>	<u>East Fork Fire Protection District</u>	<u>Non-major Governmental Funds</u>	
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	\$ 416,529	\$ 6,803		\$ 121,273	\$ 544,605
Land held for resale				90,000	90,000
Deposits	13,795			7,656	21,451
Restricted for					
Debt service				1,690,570	1,690,570
Capital improvement projects				16,135,330	16,135,330
General, town and district redevelopment programs			2,788,733	3,545,966	6,334,699
Youth and other judicial programs	991,494			2,104,733	3,096,227
Fire, police and other public safety programs				992,208	992,208
Streets and other public works programs				3,001,265	3,001,265
Cultural, community and development programs				4,823,669	4,823,669
Committed to					
Streets and other public works programs				1,185,012	1,185,012
Assigned to					
Youth and other judicial programs	2,954				2,954
Cultural, community and development programs		2,317,277			2,317,277
Sanitation and other health programs				161,911	161,911
Stabilization programs	362,101				362,101
Unassigned	<u>9,504,350</u>			<u>(12,348)</u>	<u>9,492,002</u>
Total fund balances	<u>11,291,223</u>	<u>2,324,080</u>	<u>2,788,733</u>	<u>33,847,245</u>	<u>50,251,281</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 16,106,900</u>	<u>\$ 3,545,399</u>	<u>\$ 4,688,210</u>	<u>\$ 36,779,029</u>	<u>\$ 61,119,538</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, 2016

FUND BALANCES, GOVERNMENTAL FUNDS		\$ 50,251,281
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	\$ 375,757,538	
Less accumulated depreciation	<u>(254,574,696)</u>	121,182,842
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	(16,821,043)	
Unamortized premiums and discounts	(49,999)	
Unamortized deferred refunding charges	4,687	
Compensated absences payable	(4,075,460)	
Postemployment benefits other than pensions	(6,821,306)	
Net pension liability	(67,843,573)	
Deferred outflows related to pensions	11,146,852	
Deferred inflows related to pensions	<u>(8,923,110)</u>	(93,382,952)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Interest payable	<u>(148,853)</u>	(148,853)
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	666,085	
Unavailable revenue, special assessments	378	
Unavailable revenue, grants	15,669	
Unavailable revenue, other	<u>637,253</u>	1,319,385
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	4,986,802	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	51,835	
Internal service fund balance receivable from business-type activities from current year activity	<u>(1,218)</u>	<u>5,037,419</u>
NET POSITION, GOVERNMENTAL ACTIVITIES		<u>\$ 84,259,122</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, 2016

	Special Revenue Funds				Total Governmental Funds
	General Fund	Room Tax	East Fork Fire Protection District	Non-major Governmental Funds	
<b>REVENUES</b>					
Taxes	\$ 18,827,583	\$ 6,230,607	\$ 7,170,338	\$ 12,631,519	\$ 44,860,047
Licenses, permits, franchise and other fees	4,288,741	2,557,774		805,236	7,651,751
Intergovernmental shared revenues	13,575,423	1,655,665	1,908,854	10,790,944	27,930,886
Charges for services	5,059,937	1,681,302	2,336,452	1,301,151	10,378,842
Fines and forfeitures	1,196,331			185,444	1,381,775
Miscellaneous	898,908	203,163	1,090,572	2,292,014	4,484,657
<b>Total revenues</b>	<b>43,846,923</b>	<b>12,328,511</b>	<b>12,506,216</b>	<b>28,006,308</b>	<b>96,687,958</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government	10,317,776			1,955,105	12,272,881
Judicial	9,188,295			5,135,470	14,323,765
Public safety	16,321,854		12,234,561	1,916,832	30,473,247
Public works	910,511			4,384,436	5,294,947
Community development	1,986,687			2,433,142	4,419,829
Culture and recreation		11,698,984		1,404,696	13,103,680
Health and sanitation	677,432			295,055	972,487
Welfare				2,875,513	2,875,513
<b>Total current</b>	<b>39,402,555</b>	<b>11,698,984</b>	<b>12,234,561</b>	<b>20,400,249</b>	<b>83,736,349</b>
<b>Capital outlay</b>					
General government				1,505,011	1,505,011
Judicial	29,647			73,550	103,197
Public safety	521,279		139,966		661,245
Public works				2,733,060	2,733,060
Community development				151,335	151,335
Culture and recreation		606,107		2,329,899	2,936,006
Welfare				76,365	76,365
<b>Total capital outlay</b>	<b>550,926</b>	<b>606,107</b>	<b>139,966</b>	<b>6,869,220</b>	<b>8,166,219</b>
<b>Debt service</b>					
Principal payments				1,689,288	1,689,288
Interest expense				475,961	475,961
Fiscal charges				900	900
<b>Total debt service</b>				<b>2,166,149</b>	<b>2,166,149</b>
<b>Total expenditures</b>	<b>39,953,481</b>	<b>12,305,091</b>	<b>12,374,527</b>	<b>29,435,618</b>	<b>94,068,717</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,893,442</b>	<b>23,420</b>	<b>131,689</b>	<b>(1,429,310)</b>	<b>2,619,241</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal	13,158	238	5,000	10,433	28,829
Transfers in	75,000	941,155		8,570,027	9,586,182
Transfers out	(4,550,164)	(578,434)	(141,472)	(6,473,612)	(11,743,682)
<b>Total other financing sources (uses)</b>	<b>(4,462,006)</b>	<b>362,959</b>	<b>(136,472)</b>	<b>2,106,848</b>	<b>(2,128,671)</b>

(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, 2016**

	<u>Special Revenue Funds</u>				Total Governmental Funds
	<u>General Fund</u>	<u>Room Tax</u>	<u>East Fork Fire Protection District</u>	<u>Non-major Governmental Funds</u>	
CHANGE IN FUND BALANCE	\$ (568,564)	\$ 386,379	\$ (4,783)	\$ 677,538	\$ 490,570
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	12,126,232	1,937,701	2,793,516	33,169,707	50,027,156
Adjustment	(266,445)				(266,445)
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>11,859,787</u>	<u>1,937,701</u>	<u>2,793,516</u>	<u>33,169,707</u>	<u>49,760,711</u>
FUND BALANCE, END OF YEAR	<u>\$ 11,291,223</u>	<u>\$ 2,324,080</u>	<u>\$ 2,788,733</u>	<u>\$ 33,847,245</u>	<u>\$ 50,251,281</u>

## DOUGLAS COUNTY

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2016

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS	\$	490,570
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	\$	8,166,219
Less current year depreciation		(7,236,278)
Disposition of capital assets		<u>(1,352,114)</u>
		(422,173)
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		(259,726)
Revenues from interfund transactions		<u>(2,337,714)</u>
		(2,597,440)
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>1,689,288</u>
		1,689,288
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		(247,126)
Change in compensated absences payable		(129,370)
Change in net pension liability		1,881,769
Amortization of debt premiums and discounts		3,109
Amortization of deferred refunding charges		(1,294)
Change in interest payable		<u>11,113</u>
		1,518,201
Some expenditures reported in governmental funds benefit a future period or result from interfund transactions; and therefore, are not reported in the statement of activities:		
Expenditures from interfund transactions		<u>2,337,714</u>
		2,337,714
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		361,291
The internal service funds change in net position related to business-type activities		<u>(1,218)</u>
		<u>360,073</u>
CHANGE IN NET POSITION, GOVERNMENTAL ACTIVITIES	\$	<u><u>3,376,233</u></u>

See notes to basic financial statements.



# DOUGLAS COUNTY

## PROPRIETARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2016

	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	Total Enterprise Funds	Funds
<b>ASSETS</b>									
Current assets									
Cash, cash equivalents and investments \$	396,389	\$ 6,039,328	\$ 4,509,306	\$ 3,132,851	\$ 1,030,667	\$ 4,528,350	\$ 1,631,115	\$ 21,268,006	\$ 4,392,550
Accounts receivable, net	186,825	217,033	434,179	35,168	106,096	163,494	164,807	1,307,602	42,415
Notes receivable	125,000							125,000	
Taxes receivable									9,274
Interest receivable	791	8,374	8,536	5,391	1,575	9,520	2,728	36,915	12,801
Due from other governments				41,487	315			41,802	
Due from other funds			13,512	37,564	30,593			81,669	393,827
Inventories					26,000	31,435		57,435	314,949
Prepaid items		5,105	40		10,748	10,948	29,010	55,851	641,728
Restricted assets									
Cash, cash equivalents and investments		345,501	308,963				1,667	656,131	
<b>Total current assets</b>	<b>709,005</b>	<b>6,615,341</b>	<b>5,274,536</b>	<b>3,252,461</b>	<b>1,205,994</b>	<b>4,743,747</b>	<b>1,829,327</b>	<b>23,630,411</b>	<b>5,807,544</b>
Noncurrent assets									
Capital assets, net of accumulated depreciation and amortization									
Land		1,005,900	697,567	563,191	222,504	107,456	234,991	2,831,609	
Construction in progress		292,636	528,004	264,831		1,543,543	5,288	2,634,302	64,533
Water rights			5,154,594	117,419		500,000		5,772,013	
Buildings and building improvements		189,939	70,076	613,393	870,664		246,833	1,990,905	1,708
Machinery, equipment and software		70,971	4,352	32,282	14,295	36,937	376,841	535,678	546,125
Water and sewer systems	15,261,848	20,892,166	20,685,134	14,080,514	12,031,920	5,633,725		88,585,307	
<b>Total capital assets, net of accumulated depreciation and amortization</b>	<b>15,261,848</b>	<b>22,451,612</b>	<b>27,139,727</b>	<b>15,671,630</b>	<b>13,139,383</b>	<b>7,821,661</b>	<b>863,953</b>	<b>102,349,814</b>	<b>612,366</b>

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2016**

	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	Total Enterprise Funds	Funds
Other assets									
Notes receivable	\$ 1,562,500	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ 1,562,500	\$ _____
Total noncurrent assets	<u>16,824,348</u>	<u>22,451,612</u>	<u>27,139,727</u>	<u>15,671,630</u>	<u>13,139,383</u>	<u>7,821,661</u>	<u>863,953</u>	<u>103,912,314</u>	<u>612,366</u>
Total assets	<u>17,533,353</u>	<u>29,066,953</u>	<u>32,414,263</u>	<u>18,924,091</u>	<u>14,345,377</u>	<u>12,565,408</u>	<u>2,693,280</u>	<u>127,542,725</u>	<u>6,419,910</u>
DEFERRED OUTFLOWS OF RESOURCES									
Unamortized deferred refunding charges		96,077	159,912	29,137				285,126	
Unamortized amounts related to pensions	2,990	88,310	121,685	81,398	54,379	38,729	125,499	512,990	110,763
Total deferred outflows of resources	<u>2,990</u>	<u>184,387</u>	<u>281,597</u>	<u>110,535</u>	<u>54,379</u>	<u>38,729</u>	<u>125,499</u>	<u>798,116</u>	<u>110,763</u>
LIABILITIES									
Current liabilities									
Accounts payable	108,957	267,463	47,705	43,231	65,717	67,924	54,870	655,867	85,051
Accrued salaries, wages and benefits	1,253	13,205	18,491	12,301	7,687	6,182	17,426	76,545	560,670
Due to other funds	35	409	473	293	189	30,737	5,830	37,966	886
Unearned revenue, current	125,000	118,552	23,105	44,051		3,378	10,832	324,918	
Deposits			2,250			52,466		54,716	
Interest payable		20,718	45,436	63,437			13	129,604	
Claims and judgments									46,162
Compensated absences	3,973	32,664	60,784	41,501	20,912	17,618	32,078	209,530	41,689
Bonds and notes payable		449,000	840,435	311,783			3,120	1,604,338	
Total current liabilities	<u>239,218</u>	<u>902,011</u>	<u>1,038,679</u>	<u>516,597</u>	<u>94,505</u>	<u>178,305</u>	<u>124,169</u>	<u>3,093,484</u>	<u>734,458</u>

(Continued)

See notes to basic financial statements.

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2016**

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
Noncurrent liabilities									
Unearned revenue, long-term	\$ 1,562,500							\$ 1,562,500	
Postemployment benefits other than pensions	213	30,440	27,880	17,767	16,752	119,903	42,303	255,258	26,201
Net pension liability	18,688	551,952	760,567	508,757	339,879	242,064	784,409	3,206,316	692,299
Bonds and notes payable, net of unamortized premiums and discounts		<u>2,909,268</u>	<u>6,183,704</u>	<u>4,383,328</u>				<u>13,476,300</u>	
Total noncurrent liabilities	<u>1,581,401</u>	<u>3,491,660</u>	<u>6,972,151</u>	<u>4,909,852</u>	<u>356,631</u>	<u>361,967</u>	<u>826,712</u>	<u>18,500,374</u>	<u>718,500</u>
Total liabilities	<u>1,820,619</u>	<u>4,393,671</u>	<u>8,010,830</u>	<u>5,426,449</u>	<u>451,136</u>	<u>540,272</u>	<u>950,881</u>	<u>21,593,858</u>	<u>1,452,958</u>
DEFERRED INFLOWS OF RESOURCES									
Unamortized amounts related to pensions	<u>2,455</u>	<u>72,481</u>	<u>99,877</u>	<u>66,811</u>	<u>44,633</u>	<u>31,788</u>	<u>103,007</u>	<u>421,052</u>	<u>90,913</u>

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2016**

	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	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Enterprise Funds	Funds	Funds
NET POSITION									
Net investment in capital assets	\$ 15,261,848	\$ 19,189,421	\$ 20,275,500	\$ 11,005,656	\$ 13,139,383	\$ 7,821,661	\$ 863,953	\$ 87,557,422	\$ 612,366
Restricted									
Debt service		424,352	260,438				1,667	686,457	
Insurance liabilities									4,408,972
Unrestricted	<u>451,421</u>	<u>5,171,415</u>	<u>4,049,215</u>	<u>2,535,710</u>	<u>764,604</u>	<u>4,210,416</u>	<u>899,271</u>	<u>18,082,052</u>	<u>(34,536)</u>
Total net position	<u>\$ 15,713,269</u>	<u>\$ 24,785,188</u>	<u>\$ 24,585,153</u>	<u>\$ 13,541,366</u>	<u>\$ 13,903,987</u>	<u>\$ 12,032,077</u>	<u>\$ 1,764,891</u>	106,325,931	<u>\$ 4,986,802</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time								<u>(50,617)</u>	
Net position of business-type activities								<u>\$ 106,275,314</u>	

# DOUGLAS COUNTY

## PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities							Governmental	
	Regional Water		Carson Valley	Lake Tahoe	Town of Minden	Town of Minden	Non-major	Total Enterprise	Internal Service
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Water Company	Enterprise Funds	Funds	Funds
OPERATING REVENUES									
Charges for services	\$ 1,024,484	\$ 2,040,927	\$ 2,846,705	\$ 1,729,295	\$ 1,044,901	\$ 1,002,622	\$ 1,720,224	\$ 11,409,158	\$ 4,899,275
OPERATING EXPENSES									
Salaries and wages	30,746	319,762	431,717	303,471	194,772	167,766	453,888	1,902,122	389,988
Employee benefits	20,924	147,831	149,263	(6,798)	142,556	24,196	150,653	628,625	195,170
Services and supplies	903,581	530,746	756,674	402,887	598,607	357,403	759,724	4,309,622	4,102,108
Depreciation	481,327	874,531	800,787	673,918	423,983	259,219	66,166	3,579,931	154,132
Total operating expenses	<u>1,436,578</u>	<u>1,872,870</u>	<u>2,138,441</u>	<u>1,373,478</u>	<u>1,359,918</u>	<u>808,584</u>	<u>1,430,431</u>	<u>10,420,300</u>	<u>4,841,398</u>
Operating income (loss)	<u>(412,094)</u>	<u>168,057</u>	<u>708,264</u>	<u>355,817</u>	<u>(315,017)</u>	<u>194,038</u>	<u>289,793</u>	<u>988,858</u>	<u>57,877</u>
NONOPERATING REVENUES (EXPENSES)									
Investment income	1,162	36,586	39,340	23,849	9,229	38,995	13,179	162,340	46,312
Interest and fiscal charges		(132,565)	(288,942)	(145,421)			(219)	(567,147)	
Property taxes									193,981
Intergovernmental shared revenues			130,976					130,976	
Lease revenues				34,560		200		34,760	
Gain (loss) on capital asset disposition		(187,242)						(187,242)	6,723
Miscellaneous	365	2,322	99,213	38,824	3,478			144,202	11,398
Total nonoperating revenues (expenses)	<u>1,527</u>	<u>(280,899)</u>	<u>(19,413)</u>	<u>(48,188)</u>	<u>12,707</u>	<u>39,195</u>	<u>12,960</u>	<u>(282,111)</u>	<u>258,414</u>
Income (loss) before capital contributions and transfers	<u>(410,567)</u>	<u>(112,842)</u>	<u>688,851</u>	<u>307,629</u>	<u>(302,310)</u>	<u>233,233</u>	<u>302,753</u>	<u>706,747</u>	<u>316,291</u>
CAPITAL CONTRIBUTIONS									
Connection charges		192,015	137,901	141,851		306,410		778,177	
Capital grants				49,511				49,511	
Water capacity fees	125,000							125,000	
Total capital contributions	<u>125,000</u>	<u>192,015</u>	<u>137,901</u>	<u>191,362</u>		<u>306,410</u>		<u>952,688</u>	

(Continued)

**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016**

	Business-type Activities							Governmental	
	Regional Water Utility	Sewer Utility	Carson Valley Water Utility	Lake Tahoe Water Utility	Town of Minden Wholesale Water Utility	Town of Minden Water Company	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
TRANSFERS									
Transfers in	\$	\$ 2,000,000	\$ 125,000	\$ 112,500	\$ 830,146	\$	\$ 3,067,646	\$ 45,000	
Transfers out	<u>(125,000)</u>					<u>(830,146)</u>	<u>(955,146)</u>		
Total transfers	<u>(125,000)</u>	<u>2,000,000</u>	<u>125,000</u>	<u>112,500</u>	<u>830,146</u>	<u>(830,146)</u>	<u>2,112,500</u>	<u>45,000</u>	
CHANGE IN NET POSITION	(410,567)	2,079,173	951,752	611,491	527,836	(290,503)	302,753	3,771,935	361,291
NET POSITION, BEGINNING OF YEAR	<u>16,123,836</u>	<u>22,706,015</u>	<u>23,633,401</u>	<u>12,929,875</u>	<u>13,376,151</u>	<u>12,322,580</u>	<u>1,462,138</u>		<u>4,625,511</u>
NET POSITION, END OF YEAR	<u>\$ 15,713,269</u>	<u>\$ 24,785,188</u>	<u>\$ 24,585,153</u>	<u>\$ 13,541,366</u>	<u>\$ 13,903,987</u>	<u>\$ 12,032,077</u>	<u>\$ 1,764,891</u>		<u>\$ 4,986,802</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds							<u>1,218</u>		
CHANGES IN NET POSITION, BUSINESS- TYPE ACTIVITIES							<u>\$ 3,773,153</u>		

# DOUGLAS COUNTY

## PROPRIETARY FUNDS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

	Business-type Activities								Governmental		
	Regional Water		Carson Valley		Lake Tahoe		Town of Minden		Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
	Utility	Sewer Utility	Water Utility	Water Utility	Wholesale Water Utility	Town of Minden Water Company	Enterprise Funds	Enterprise Funds			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>											
Cash received from customers	\$ 1,122,795	\$ 2,049,363	\$ 2,976,161	\$ 1,771,484	\$ 1,106,315	\$ 1,209,878	\$ 1,723,121	\$ 11,959,117			
Cash received from interfund services											3,921,107
Cash received from other sources	125,000							125,000			
Cash payments for goods and services	(1,075,103)	(431,168)	(782,966)	(453,968)	(571,784)	(461,711)	(793,319)	(4,570,019)			
Cash payments for interfund goods and services											(5,520,518)
Cash payments for employee services and benefits	(39,966)	(444,960)	(619,108)	(424,156)	(273,697)	(242,704)	(618,845)	(2,663,436)			
Cash payments for interfund employee services and benefits											8,586
Net cash provided by (used in) operating activities	<u>132,726</u>	<u>1,173,235</u>	<u>1,574,087</u>	<u>893,360</u>	<u>260,834</u>	<u>505,463</u>	<u>310,957</u>	<u>4,850,662</u>			<u>(1,590,825)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>											
Transfers in		2,000,000	125,000	112,500	830,146			3,067,646			45,000
Transfers out	(125,000)					(830,146)		(955,146)			
Property taxes											188,678
Intergovernmental shared revenues			130,976					130,976			
Net cash provided by (used in) noncapital financing activities	<u>(125,000)</u>	<u>2,000,000</u>	<u>255,976</u>	<u>112,500</u>	<u>830,146</u>	<u>(830,146)</u>		<u>2,243,476</u>			<u>233,678</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>											
Acquisition and construction of capital assets		(342,649)	(280,511)	(174,085)	(830,146)	(196,102)	(5,288)	(1,828,781)			(261,445)
Proceeds from debt issuance		53,410		124,755				178,165			
Principal payments on debt		(673,152)	(776,574)	(472,432)			(2,925)	(1,925,083)			
Interest payments on debt		(107,812)	(304,882)	(142,310)			(231)	(555,235)			
Connection charges		192,015	137,901	141,851		306,410		778,177			
Net cash provided by (used in) capital financing activities		<u>(878,188)</u>	<u>(1,224,066)</u>	<u>(522,221)</u>	<u>(830,146)</u>	<u>110,308</u>	<u>(8,444)</u>	<u>(3,352,757)</u>			<u>(261,445)</u>

(Continued)

**DOUGLAS COUNTY**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	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	\$ 1,110	\$ 36,017	\$ 38,886	\$ 23,502	\$ 9,116	\$ 38,562	\$ 13,003	\$ 160,196	\$ 45,895
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,836	2,331,064	644,883	507,141	269,950	(175,813)	315,516	3,901,577	(1,572,697)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>387,553</u>	<u>4,053,765</u>	<u>4,173,386</u>	<u>2,625,710</u>	<u>760,717</u>	<u>4,704,163</u>	<u>1,317,266</u>	<u>18,022,560</u>	<u>5,965,247</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 396,389</u>	<u>\$ 6,384,829</u>	<u>\$ 4,818,269</u>	<u>\$ 3,132,851</u>	<u>\$ 1,030,667</u>	<u>\$ 4,528,350</u>	<u>\$ 1,632,782</u>	<u>\$ 21,924,137</u>	<u>\$ 4,392,550</u>

(Continued)



**DOUGLAS COUNTY**

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2016**

	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
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>									
Operating income (loss)	\$ (412,094)	\$ 168,057	\$ 708,264	\$ 355,817	\$ (315,017)	\$ 194,038	\$ 289,793	\$ 988,858	\$ 57,877
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities									
Depreciation and amortization	481,327	874,531	800,787	673,918	423,983	259,219	66,167	3,579,932	154,132
(Increase) decrease in operating assets									
Accounts receivable	(32,696)	(665)	58,803	72,968	(11,031)	15,334	10,788	113,501	46,241
Notes receivable	125,000							125,000	
Due from other governments	129,797				3,267			133,064	1,145
Due from other funds	1,210	5,645	66,866	(31,421)	68,336	191,187	338	302,161	(291,675)
Inventories									(92,151)
Prepaid expenses		3,456	3,787	642	842	735	(8,229)	1,233	(641,728)
Increase (decrease) in operating liabilities									
Accounts payable and accrued expenses	12,420	120,041	(18,346)	(5,133)	26,634	(37,037)	(10,685)	87,894	(1,419,296)
Accrued salaries and benefits	893	2,235	4,709	3,140	1,377	1,640	5,300	19,294	546,834
Due to other funds	(58,942)	(20,391)	(6,406)	(6,427)	189	(68,320)	(23,760)	(184,057)	886
Unearned revenue	(125,000)	(72)	1,210	(39,521)		2,034	3,714	(157,635)	
Contract retentions payable							(2,865)	(2,865)	
Deposits			(2,750)			(985)		(3,735)	
Compensated absences	3,209	14,237	7,140	9,297	(1,133)	1,857	8,395	43,002	25,136
Postemployment benefits other than pensions	17	1,846	1,914	1,193	1,160	3,254	2,715	12,099	937
Net pension liability	7,585	4,315	(51,891)	(141,113)	62,227	(57,493)	(30,714)	(207,084)	20,837
Total adjustments	<u>544,820</u>	<u>1,005,178</u>	<u>865,823</u>	<u>537,543</u>	<u>575,851</u>	<u>311,425</u>	<u>21,164</u>	<u>3,861,804</u>	<u>(1,648,702)</u>
Net cash provided by (used in) operating activities	<u>\$ 132,726</u>	<u>\$ 1,173,235</u>	<u>\$ 1,574,087</u>	<u>\$ 893,360</u>	<u>\$ 260,834</u>	<u>\$ 505,463</u>	<u>\$ 310,957</u>	<u>\$ 4,850,662</u>	<u>\$ (1,590,825)</u>

See notes to basic financial statements.

**DOUGLAS COUNTY**  
**FIDUCIARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

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	<u>Agency Funds</u>
ASSETS	
Cash, cash equivalents and investments	\$ 2,445,060
Accounts receivable, net	36,853
Taxes receivable	482,562
Interest receivable	2,021
Due from other governments	143,999
Special assessments receivable	2,481
Inventories	<u>32,557</u>
Total assets	<u>3,145,533</u>
LIABILITIES	
Due to others	<u>3,145,533</u>
NET POSITION	<u>\$</u>

**NOTES TO BASIC  
FINANCIAL STATEMENTS**



# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2016

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### Note 1. Summary of Significant Accounting Policies

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

#### **Reporting Entity**

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

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

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

East Fork Fire Protection District

Douglas County Redevelopment Agency

Town of Gardnerville

Town of Genoa

Town of Minden

For the year ended June 30, 2016, none of the County's component units issued stand-alone financial statements.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### **Basic Financial Statements**

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

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

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

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

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

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

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Governmental Fund Financial Statements

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

The County reports the following major governmental funds:

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

Room Tax 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.

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

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

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

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

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

### Proprietary Fund Financial Statements

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

The County reports the following major proprietary funds:

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

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

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

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

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

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

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

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

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

#### Fiduciary Fund Financial Statements

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

The County reports the following fiduciary fund type:

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

#### Assets and Liabilities

##### Cash, Cash Equivalents and Investments

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

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

(Continued)



## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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#### Receivables, Payables and Unearned Revenues

The assessed valuation of the real property and its improvements and personal property is computed at 35% of taxable value as defined by NRS and is further limited to \$3.64 per hundred dollars of assessed valuation, except in cases of severe financial emergency as defined by NRS 354.705. The NRS also provide for a partial abatement of the property tax levied on qualified property that limits the increase of property taxes based on the previous year's assessed value. All real property in Douglas County is subject to physical reappraisal every five years. Taxes on personal property (primarily, commercial and mobile homes) are based on annual personal property declarations and computed using percentages and tax rates previously discussed.

Upon the certification of the combined tax rate by the State Tax Commission, the County Commission levies the real property tax rate for the fiscal period beginning with the succeeding July 1. Effective upon the tax levy on July 1 each year, a perpetual lien is recorded against the property assessed until the tax and any penalty charges and interest, which may accrue thereon, are paid. Real property taxes are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August and first Mondays in October, January and March. Penalties are assessed if a taxpayer fails to pay an installment within 10 days of the due date. In the event of nonpayment, on the first Monday in June of the subsequent year, a Treasurer's Trustee Certificate is issued conveying the property to the County Treasurer as Trustee, constituting a lien for back taxes and accumulated delinquency charges. The County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances and may sell the property to satisfy the tax lien.

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

No allowance for uncollectable amounts related to other receivables, except for those related to ambulance billings, has been established since management does not anticipate any material collection loss in respect to delinquent accounts. In the East Fork Paramedic District Fund, accounts receivable from ambulance billings are reported net of a 23.9% allowance for uncollectable accounts.

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

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Inventories

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

### Prepaid Items

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

### Restricted Assets

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

### Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as those assets with an initial cost of \$5,000 or more 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 fair value on the date donated. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets.

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

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

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

### Long-term Liabilities

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

### Compensated Absences

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

### Postemployment Benefits Other Than Pensions

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

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

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

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

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

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

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

### **Net Position**

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

### **Fund Balance**

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

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

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

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

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

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

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

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

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Use of Estimates

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

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

#### Budgetary Information

The County adopts annual budgets for all funds except for agency funds. All budget augmentations made during the year ended June 30, 2016, were as prescribed by law. All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States and used by the County for financial reporting.

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

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

Public hearings are conducted on the third Monday in May.

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

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

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

All annual appropriations lapse at the fiscal year end.

#### Excess of Expenditures over Appropriations

The NRS require that governmental fund budgetary controls to be exercised at the function level and that proprietary fund operating and nonoperating expenses not exceed the combined operating and nonoperating expenses budget. The NRS does not require budgetary limitations for capital asset purchases, debt service payments and other cash transactions typically reported in the proprietary fund statement of net position; however, it is the County's policy that these items be approved prior to payment.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2016

For the year ended June 30, 2016, total expenditures exceeded appropriations for the following funds and/or functions, which are potential violations of the NRS:

General fund, public safety function	\$	185,189
Redevelopment agency capital projects fund, general government function		13,928

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

#### Deficit Fund Balance

At June 30, 2016, the following fund had a deficit fund balance:

Social services special revenue fund	\$	6,175
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#### Prior Period Adjustment

Fund balance or net position as of July 1, 2015, has been retroactively adjusted as follows:

	<u>General Fund</u>	<u>Governmental Activities</u>
Net position or fund balance, as previously reported	\$ <u>12,126,232</u>	\$ <u>81,179,584</u>
Adjustments		
Adjust cash for unreconciled differences in prior years	(514,865)	(514,865)
Adjust revenues for amounts earned, but not collected in prior years		175,744
Adjust unearned revenues for amounts earned in prior years	248,420	248,420
Adjust net pension liability and related deferred outflows and inflows of resources for pension benefits not recognized in prior years		<u>(205,994)</u>
Total adjustments	<u>(266,445)</u>	<u>(296,695)</u>
Net position or fund balance, as adjusted	<u>\$ 11,859,787</u>	<u>\$ 80,882,889</u>

#### New Accounting Pronouncements

In June 2015, the GASB issued Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, effective for periods beginning after June 15, 2016. This statement addresses the usefulness of information about postemployment benefits other than pensions (OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. 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.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

In August 2015, the GASB issued Statement No. 77, *Tax Abatement Disclosures*, effective for periods beginning after December 15, 2015. This statement addresses the need for financial statements prepared by state and local governments in conformity with generally accepted accounting principles to provide citizens and taxpayers, legislative and oversight bodies, municipal bond analysts, and others with information they need to evaluate the financial health of governments, make decisions, and assess accountability. Management has not yet completed its assessment of this statement.

In December 2015, the GASB issued Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, effective for periods beginning after December 15, 2015. This Statement addresses a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. 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 June 2016, the GASB issued Statement No. 80, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, effective for periods beginning after June 15, 2016. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. 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 March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*, effective for periods beginning after December 15, 2016. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. Management has completed its assessment of this statement and determined that it will not have a material effect on the County's financial position or changes therein.

In March 2016, the GASB issued Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73*, effective for periods beginning after June 15, 2016. This Statement addresses issues regarding 1) the presentation of payroll-related measures in required supplementary information, 2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and 3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. Management has not yet completed its assessment of this statement.

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Note 3. Detailed Notes on all Funds

#### Cash, Cash Equivalents and Investments

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

At June 30, 2016, the County's carrying amount of deposits was \$7,004,597 and the bank balance was \$8,526,558. 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, 2016, total cash, cash equivalents and investments (including restricted amounts) were presented in the County's financial statements as follows:

Governmental activities	\$ 57,104,205
Business-type activities	21,924,137
Fiduciary funds	<u>2,445,060</u>
Total cash, cash equivalents and investments	<u>\$ 81,473,402</u>

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

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

Allowable County investments are as follows:

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

Certain farm loan bonds.

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

(Continued)



# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

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

Certain securities issued by local governments within the State.

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

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

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

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

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

Level 2. Inputs are other observable inputs.

Level 3. Inputs are unobservable.

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

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

At June 30, 2016, 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)	\$ 20,106,402	\$	\$ 20,106,402
U.S. Agency securities (Level 2)			
Federal Home Loan Bank	5,050,470	3,013,010	2,037,460
Federal Farm Credit Bank	3,014,025		3,014,025
Federal Home Loan Mortgage Corporation	5,756,912	1,002,340	4,754,572
Federal National Mortgage Association	6,042,903	1,001,390	5,041,513
Local Government Investment Pool (Level 3)	<u>30,167,625</u>	<u>30,167,625</u>	
Total investments	70,138,337	\$ <u>35,184,365</u>	\$ <u>34,953,972</u>
Total cash and cash equivalents	<u>11,335,065</u>		
Total cash, cash equivalents and investments	<u>\$ 81,473,402</u>		

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

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

At June 30, 2016, the County's cash equivalents and investments were rated by Moody's Investors Service as follows:

	Reported Amount <u>(Fair Value)</u>	<u>Quality Rating *</u>
U.S. Treasury obligations (Level 1)	\$ 20,106,402	*
U.S. Agency securities (Level 2)		
Federal Home Loan Bank	5,050,470	*
Federal Farm Credit Bank	3,014,025	*
Federal Home Loan Mortgage Corporation	5,756,912	*
Federal National Mortgage Association	6,042,903	*
Local Government Investment Pool (Level 3)	<u>30,167,625</u>	Unrated
 Total investments	 <u><u>\$ 70,138,337</u></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, 2016, were as follows:

	<u>Percentage of Portfolio</u>
U.S. Treasury obligations	28.35 %
Federal Home Loan Bank	7.12 %
Federal Home Loan Mortgage Corporation	8.12 %
Federal National Mortgage Association	8.52 %

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

### Capital Assets

For the year ended June 30, 2016, capital asset activity was as follows:

	Balance July 1, 2015	Increases	Decreases	Completed Construction	Balance June 30, 2016
Governmental activities					
Capital assets not being depreciated or amortized					
Land	\$ 17,503,756				\$ 17,503,756
Construction in progress	<u>3,789,143</u>	<u>7,664,784</u>	<u>(1,340,095)</u>	<u>(6,178,069)</u>	<u>3,935,763</u>
Total capital assets not being depreciated or amortized	<u>21,292,899</u>	<u>7,664,784</u>	<u>(1,340,095)</u>	<u>(6,178,069)</u>	<u>21,439,519</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	88,847,626			495,169	89,342,795
Machinery, equipment and software	32,816,882	770,908	(538,073)	929,082	33,978,799
Infrastructure	<u>228,147,142</u>			<u>4,753,818</u>	<u>232,900,960</u>
Total capital assets being depreciated or amortized	<u>349,811,650</u>	<u>770,908</u>	<u>(538,073)</u>	<u>6,178,069</u>	<u>356,222,554</u>
Accumulated depreciation and amortization					
Buildings and building improvements	(31,448,688)	(2,281,693)			(33,730,381)
Machinery, equipment and software	(25,981,358)	(1,634,663)	524,749		(27,091,272)
Infrastructure	<u>(191,571,158)</u>	<u>(3,474,054)</u>			<u>(195,045,212)</u>
Total accumulated depreciation and amortization	<u>(249,001,204)</u>	<u>(7,390,410)</u>	<u>524,749</u>		<u>(255,866,865)</u>
Total capital assets being depreciated or amortized, net	<u>100,810,446</u>	<u>(6,619,502)</u>	<u>(13,324)</u>	<u>6,178,069</u>	<u>100,355,689</u>
Total governmental activities	<u>\$ 122,103,345</u>	<u>\$ 1,045,282</u>	<u>\$ (1,353,419)</u>	<u>\$</u>	<u>\$ 121,795,208</u>
	Balance July 1, 2015	Increases	Decreases	Completed Construction	Balance June 30, 2016
Business-type activities					
Capital assets not being depreciated or amortized					
Land	\$ 2,831,609				\$ 2,831,609
Construction in progress	2,112,911	1,937,394	(59,100)	(1,356,903)	2,634,302
Water rights	<u>5,772,013</u>				<u>5,772,013</u>
Total capital assets not being depreciated or amortized	<u>10,716,533</u>	<u>1,937,394</u>	<u>(59,100)</u>	<u>(1,356,903)</u>	<u>11,237,924</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	2,787,650				2,787,650
Machinery, equipment and software	2,544,670			233,870	2,778,540
Water and sewer systems	<u>121,400,760</u>		<u>(326,776)</u>	<u>1,123,033</u>	<u>122,197,017</u>
Total capital assets being depreciated or amortized	<u>126,733,080</u>		<u>(326,776)</u>	<u>1,356,903</u>	<u>127,763,207</u>

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Increases	Decreases	Completed Construction	Balance June 30, 2016
Accumulated depreciation and amortization					
Buildings and building improvements	\$ (724,243)	\$ (72,502)	\$	\$	\$ (796,745)
Machinery, equipment and software	(2,144,479)	(98,383)			(2,242,862)
Water and sewer systems	<u>(30,342,196)</u>	<u>(3,409,048)</u>	<u>139,534</u>		<u>(33,611,710)</u>
Total accumulated depreciation and amortization	<u>(33,210,918)</u>	<u>(3,579,933)</u>	<u>139,534</u>		<u>(36,651,317)</u>
Total capital assets being depreciated or amortized, net	<u>93,522,162</u>	<u>(3,579,933)</u>	<u>(187,242)</u>	<u>1,356,903</u>	<u>91,111,890</u>
Total business-type activities	<u>\$ 104,238,695</u>	<u>\$ (1,642,539)</u>	<u>\$ (246,342)</u>	<u>\$</u>	<u>\$ 102,349,814</u>

For the year ended June 30, 2016, charges, by function, for depreciation expense were as follows:

Governmental activities		
General government	\$ 1,380,887	
Judicial	339,205	
Public safety	1,079,846	
Public works	2,230,562	
Community development	62,921	
Culture and recreation	2,062,342	
Health and sanitation	79,731	
Welfare	<u>784</u>	
Total depreciation expense, governmental activities	<u>\$ 7,236,278</u>	
Business-type activities		
Water	\$ 2,639,234	
Sewer	874,531	
Trash	<u>66,166</u>	
Total depreciation expense, business-type activities	<u>\$ 3,579,931</u>	

Expenditures and transfers in the ad valorem capital projects funds for the year ended June 30, 2016, were as follows:

	Ad Valorem Capital Projects Fund	Town of Gardnerville Ad Valorem Capital Projects Fund
Motor vehicles	\$	\$ 115,212
Transfers out	<u>1,042,500</u>	

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

### Interfund Balances and Activity

#### Due To and From Other Funds

At June 30, 2016, 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	\$ 324,381	\$ 99,461
Room Tax Special Revenue Fund	54,440	21,960
East Fork Fire Protection District Special Revenue Fund	154	625,706
Non-major Governmental Funds	111,015	179,507
Regional Water Utility Enterprise Fund		35
Sewer Utility Enterprise Fund		409
Carson Valley Water Utility Enterprise Fund	13,512	473
Lake Tahoe Water Utility Enterprise Fund	37,564	293
Town of Minden Wholesale Water Utility Enterprise Fund	30,593	189
Town of Minden Water Company Enterprise Fund		30,737
Non-major Enterprise Funds		5,830
Internal Service Funds	393,827	886
	\$ 965,486	\$ 965,486

#### Interfund Transfers

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

For the year ended June 30, 2016, interfund transfers were as follows:

	Transfers In	Transfers Out
General Fund	\$ 75,000	\$ 4,550,164
Room Tax Special Revenue Fund	941,155	578,434
East Fork Fire Protection District Special Revenue Fund		141,472
Non-major Governmental Funds	8,570,027	6,473,612
Regional Water Utility Enterprise Fund		125,000
Sewer Utility Enterprise Fund	2,000,000	
Carson Valley Water Utility Enterprise Fund	125,000	
Lake Tahoe Water Utility Enterprise Fund	112,500	
Town of Minden Wholesale Water Utility Enterprise Fund	830,146	
Town of Minden Water Company Enterprise Fund		830,146
Internal Service Funds	45,000	
	\$ 12,698,828	\$ 12,698,828

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

### Long-term Liabilities

Outstanding long-term debt obligations at June 30, 2016, were as follows:

	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
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	\$ 6,895,000
East Fork Fire Protection District Medium Term Bond, Series 2010	June 2010 - April 2020	4.04%	1,115,000	595,000
Total general obligation medium term financing bonds and notes			8,915,000	7,490,000
Revenue bonds				
Airport Revenue Bonds, Series 2014	June 2015 - June 2029	2.95%	1,075,000	1,012,000
Highway Revenue Improvement and Refunding Bonds, Series 2003	April 2003 - December 2017	2.00 - 3.85%	3,145,000	430,000
Total revenue bonds			4,220,000	1,442,000
General obligation/pledged revenue bonds				
Community Center Bonds, Series 2012	August 2012 - August 2032	3.00 - 3.25%	6,750,000	6,550,000
Transportation Refunding Bonds, Series 2012	July 2012 - May 2020	2.08%	2,009,000	1,109,000
Total general obligation/pledged revenue bonds			8,759,000	7,659,000
Capital lease				
Vacuum truck lease	October 2014 - October 2020	2.82%	320,000	230,043
Total governmental activities			22,214,000	16,821,043
Business-type activities				
General obligation/pledged revenue bonds				
State Revolving Fund Water 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	113,930

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2016</u>
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	May 2014 - August 2024	.32% - 3.28%	\$ 2,010,000	\$ 1,826,000
State Revolving Fund Water Bonds, Series 2012	July 2012 - July 2032	2.49%	1,300,000	1,012,293
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	March 2012 - November 2024	2.00 - 4.00%	2,485,000	2,065,000
State Revolving Fund Water Bonds, Series 2011	April 2011 - January 2031	3.21%	1,000,000	870,474
State Revolving Fund Water Bonds, Series 2010	February 2010 - January 2030	2.84%	1,150,000	904,325
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	September 2010 - December 2020	2.00 - 4.00%	2,420,000	1,420,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	September 2010 - December 2022	2.00 - 4.50%	3,970,000	2,315,000
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	1,939,695
State Revolving Fund Water Bonds, Series 2005	December 2005 - July 2025	2.99%	674,542	418,273
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005C (Valley)	May 2005 - December 2016	5.00%	<u>1,785,000</u>	<u>240,000</u>
Total general obligation/pledged revenue bonds			<u>28,414,542</u>	<u>14,748,400</u>
Total business-type activities			<u>28,414,542</u>	<u>14,748,400</u>
Total long-term debt obligations			<u>\$ 50,628,542</u>	<u>\$ 31,569,443</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.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

### 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, 2016	\$ 1,233,102
Total revenue bond principal and interest paid during the year ended June 30, 2016	94,713
Total pledged revenue for the year ended June 30, 2016	2,908,745
Maturity of revenue bonds issued and revenue pledge Airport Revenue Bonds, Series 2014 <sup>1</sup>	June 2029

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

Total revenue bond principal and interest remaining to be paid at June 30, 2016	\$ 1,161,583
Total revenue bond principal and interest paid during the year ended June 30, 2016	288,144
Total pledged revenue for the year ended June 30, 2016	621,644
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, 2016	\$ 8,987,572
Total revenue bond principal and interest paid during the year ended June 30, 2016	301,694
Total pledged revenue for the year ended June 30, 2016	1,688,061
Maturity of revenue bond issued and revenue pledge Community Center Bonds, Series 2012	August 2032

Pledged revenue – Revenues generated from motor vehicle fuel taxes (\$0.04 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, 2016	\$ 446,748
Total revenue bond principal and interest paid during the year ended June 30, 2016	225,348
Total pledged revenue for the year ended June 30, 2016	2,220,936
Maturity of revenue bond issued and revenue pledge Highway Revenue Improvement and Refunding Bonds, Series 2003	December 2017

(Continued)



# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

### 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, 2016	\$ 14,160,835
Total revenue bond principal and interest paid during the year ended June 30, 2016	1,693,909
Total pledged revenue for the year ended June 30, 2016	2,848,699
Maturity of revenue bonds issued and revenue pledge	
State Revolving Fund Water Bonds, Series 2014	January 2035
State Revolving Fund Water Bonds, Series 2012	July 2032
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	November 2024
State Revolving Fund Water Bonds, Series 2011	January 2031
State Revolving Fund Water Bonds, Series 2010	January 2030
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	December 2022
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	December 2029
State Revolving Fund Water Bonds, Series 2009	January 2029
State Revolving Fund Water Bonds, Series 2005	July 2025
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005C (Valley)	December 2016
Pledged revenue – Revenues generated from sewer utility customer net revenues.	
Total revenue bond principal and interest remaining to be paid at June 30, 2016	\$ 3,659,328
Total revenue bond principal and interest paid during the year ended June 30, 2016	781,096
Total pledged revenue for the year ended June 30, 2016	1,318,151
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
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2005B	December 2015

### Changes in Long-term Liabilities

Long-term liabilities activity for the year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Due Within One Year
Governmental activities					
General obligation medium term financing bonds and notes					
Community Center Medium Term Bonds, Series 2013	\$ 7,800,000	\$	\$ (905,000)	\$ 6,895,000	\$ 925,000
East Fork Fire Protection District Medium Term Bond	708,000		(113,000)	595,000	126,000
Total general obligation medium term financing bonds and notes	8,508,000		(1,018,000)	7,490,000	1,051,000
Revenue bonds					
Airport Revenue Bond, Series 2014	1,075,000		(63,000)	1,012,000	65,000

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Due Within One Year
Highway Revenue Improvement and Refunding Bonds, Series 2003	\$ 635,000	\$	\$ (205,000)	\$ 430,000	\$ 210,000
Total revenue bonds	<u>1,710,000</u>	<u></u>	<u>(268,000)</u>	<u>1,442,000</u>	<u>275,000</u>
General obligation/pledged revenue bonds					
Community Center Bonds, Series 2012	6,650,000		(100,000)	6,550,000	100,000
Transportation Refunding Bonds, Series 2012	<u>1,370,000</u>	<u></u>	<u>(261,000)</u>	<u>1,109,000</u>	<u>267,000</u>
Total general obligation/pledged revenue bonds	<u>8,020,000</u>	<u></u>	<u>(361,000)</u>	<u>7,659,000</u>	<u>367,000</u>
Capital lease					
Vacuum truck lease	<u>272,331</u>	<u></u>	<u>(42,288)</u>	<u>230,043</u>	<u>43,482</u>
Unamortized bond premiums	53,108		(3,109)	49,999	
Compensated absences	3,967,624	3,312,344	(3,162,819)	4,117,149	2,904,438
Postemployment benefits other than pensions	6,599,444	853,368	(605,305)	6,847,507	
Net pension liability	<u>61,810,388</u>	<u>15,993,834</u>	<u>(9,268,350)</u>	<u>68,535,872</u>	<u></u>
Total governmental activities	<u>90,940,895</u>	<u>20,159,546</u>	<u>(14,728,871)</u>	<u>96,371,570</u>	<u>4,640,920</u>
Business-type activities					
General obligation/pledged revenue bonds					
State Revolving Fund Water Bonds, Series 2016		53,410		53,410	
State Revolving Fund Water Bonds, Series 2014	113,930			113,930	
Douglas County, Nevada General Obligation Sewer Refunding Bonds Series 2014	2,010,000		(184,000)	1,826,000	189,000
State Revolving Fund Water Bonds, Series 2012	1,025,022	12,089	(24,818)	1,012,293	50,303
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2012A	2,295,000		(230,000)	2,065,000	240,000
State Revolving Fund Water Bonds, Series 2011	915,031		(44,557)	870,474	45,999
State Revolving Fund Water Bonds, Series 2010	956,269		(51,944)	904,325	53,430

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Due Within One Year
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2010C	\$ 1,675,000	\$	\$ (255,000)	\$ 1,420,000	\$ 260,000
Douglas County, Nevada General Obligation Water Improvement and Refunding Bonds, Series 2010B	2,665,000		(350,000)	2,315,000	365,000
Douglas County, Nevada General Obligation Water Improvement Bonds (TRZED), Series 2010A	1,570,000			1,570,000	
State Revolving Fund Water Bonds, Series 2009	1,942,403	112,665	(115,373)	1,939,695	121,921
State Revolving Fund Water Bonds, Series 2005	455,826		(37,554)	418,272	38,684
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005C (Valley)	465,000		(225,000)	240,000	240,000
Douglas County, Nevada General Obligation Sewer Refunding Bonds, Series 2005B	210,000		(210,000)		
Douglas County, Nevada General Obligation Water Refunding Bonds, Series 2005A (Lake)	<u>160,000</u>		<u>(160,000)</u>		
Total general obligation/pledged revenue bonds	<u>16,458,481</u>	<u>178,164</u>	<u>(1,888,246)</u>	<u>14,748,399</u>	<u>1,604,337</u>
Unamortized bond premiums	413,577		(81,339)	332,238	
Compensated absences	166,528	197,483	(154,481)	209,530	209,530
Postemployment benefits other than pensions	243,159	34,663	(22,564)	255,258	
Net pension liability	<u>3,019,364</u>	<u>618,832</u>	<u>(431,880)</u>	<u>3,206,316</u>	
Total business-type activities	<u>20,301,109</u>	<u>1,029,142</u>	<u>(2,578,510)</u>	<u>18,751,741</u>	<u>1,813,867</u>
Total long-term liabilities	<u>\$ 111,242,004</u>	<u>\$ 21,188,688</u>	<u>\$ (17,307,381)</u>	<u>\$ 115,123,311</u>	<u>\$ 6,454,787</u>

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2016

At June 30, 2016, 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						
2017	\$ 1,051,000	\$ 164,133	\$ 275,000	\$ 42,367	\$ 367,000	\$ 220,378
2018	1,085,000	139,939	287,000	32,172	275,000	213,283
2019	1,121,000	114,749	69,000	25,960	281,000	207,531
2020	1,158,000	88,502	71,000	23,925	286,000	201,666
2021	1,005,000	63,038	73,000	21,830	197,194	197,194
2022 - 2026	2,070,000	63,858	398,000	75,579	1,695,000	910,894
2027 - 2031			269,000	16,019	3,265,000	493,753
2032 - 2036					1,490,000	48,456
	<u>\$ 7,490,000</u>	<u>\$ 634,219</u>	<u>\$ 1,442,000</u>	<u>\$ 237,852</u>	<u>\$ 7,659,000</u>	<u>\$ 2,493,155</u>

For the Year Ended June 30,	General obligation/pledged revenue bonds	
	Principal	Interest
Business-type activities		
2017	\$ 1,604,337	\$ 498,209
2018	1,413,033	448,118
2019	1,457,919	399,816
2020	1,525,765	347,664
2021	1,582,323	292,384
2022 - 2026	4,525,216	900,238
2027 - 2031	2,485,099	213,195
2032 - 2036	154,707	3,265
	<u>\$ 14,748,399</u>	<u>\$ 3,102,889</u>

#### 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.

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.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

#### 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, 2016, were as follows:

	Issuance Date	Original Amount	Balance June 30, 2016
Washoe Barton Medical Clinic Project, Hospital Revenue and Refunding Bonds, Series 2013	April 2013	\$ <u>8,700,000</u>	\$ <u>7,171,064</u>

#### Capital Leases - Governmental Activities

The County entered into a capital lease agreement 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, 2016, were \$49,979.

At June 30, 2016, the assets acquired through these capital leases were as follows:

Machinery, equipment and software	\$ 322,422
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At June 30, 2016, future minimum capital lease payments were as follows:

For the Year Ended June 30,					
2017	\$	49,979			
2018		49,979			
2019		49,979			
2020		49,979			
2021		<u>49,979</u>			
Total future minimum capital lease payments		249,895			
Less portion of payment representing interest		<u>(19,852)</u>			
Present value of total future minimum capital lease payments	\$	<u>230,043</u>			

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

### Segment Information

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

### Note 4. Other Information

#### Commitments

##### Operating Leases

The County has certain non-cancelable operating lease agreements primarily for office equipment. Such leases expire at various times through July 2021.

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>		
2017	\$	79,275
2018		59,501
2019		38,742
2020		30,499
2021		<u>21,274</u>
	\$	<u><u>229,291</u></u>

##### 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, 2016</u>	<u>Commitment Remaining at June 30, 2016</u>
Governmental activities			
General government projects	\$ 1,075,443	\$ 460,093	\$ 615,350
Airport projects	1,219,336	935,289	284,047
Erosion control projects	203,960	123,713	80,247
Public safety projects	25,000	2,645	22,355
Public works projects	<u>3,129,951</u>	<u>1,371,137</u>	<u>1,758,814</u>
Total governmental activities	<u>\$ 5,653,690</u>	<u>\$ 2,892,877</u>	<u>\$ 2,760,813</u>
Business-type activities			
Water system projects	\$ 1,456,978	\$ 1,310,296	\$ 146,682
Sewer system projects	<u>1,189,149</u>	<u>155,927</u>	<u>1,033,222</u>
Total business-type activities	<u>\$ 2,646,127</u>	<u>\$ 1,466,223</u>	<u>\$ 1,179,904</u>

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### **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 fiscal years 2014 and 2015, 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.

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.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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At June 30, 2016, Pool insurance coverages were as follows:

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

### Public Agency Compensation Trust

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

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

### **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.

(Continued)



## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

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

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

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

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

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

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

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

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2016

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

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

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

For the fiscal year ended June 30, 2015, the required employer/employee matching rate was 13.25% for regular and 20.75% for police/fire members. The EPC rate was 28% for regular and 40.50% for police/fire members.

For the fiscal year ended June 30, 2016, the required employer/employee matching rate was 14.5% for regular and 20.75% for police/fire members. The EPC rate was 25.75% 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](http://www.nvpers.org) under publications.

PERS collective net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

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

Actuarial valuation date	June 30, 2015
Inflation rate	3.50%
Payroll growth	5.00%, including inflation
Investment rate of return	8.00%,
Discount rate	8.00%
Productivity pay increase	0.75%
Consumer price index	3.50%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.50%, depending on service Rates include inflation and productivity increases

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2016

At June 30, 2015, assumed mortality rates and projected life expectancies for selected ages were as follows:

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

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

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

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

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

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

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

PERS policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2015:

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

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

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2016

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2015 and 2014. 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, 2015, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (8%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2015.

The County's proportionate share of the net pension liability at June 30, 2015, calculated using the discount rate of 8.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 108,970,798	\$ 71,512,545	\$ 40,363,392

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

The County's proportionate share (amount) of the collective PERS net pension liability was \$71,512,545, which represents 0.62405% of the collective PERS net pension liability. Contributions for employer pay dates within the fiscal year ending June 30, 2015, were used as the basis for determining each employer's proportionate share. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2015.

For the period ended June 30, 2016, the County's PERS pension expense was \$8,163,299 and its reported deferred outflows and inflows of resources related to pensions as of June 30, 2016, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 5,378,981
Net difference between projected and actual earnings on investments		3,873,594
Changes in proportion and differences between actual contributions and proportionate share of contributions	1,379,602	111,265
Contributions made subsequent to the measurement date	10,278,590	

At June 30, 2015, the average expected remaining service life is 6.70 years.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$10,278,590 will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. 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>	
2017	\$ (2,480,902)
2018	(2,480,902)
2019	(2,480,902)
2020	466,124
2021	(767,138)
Thereafter	(240,517)

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

Net pension liability, beginning of year	\$ 64,829,752
Pension expense	8,163,299
Employer contributions	(9,632,488)
Change in net deferred inflows and outflows of resources	<u>8,151,982</u>
Net pension liability, end of year	<u>\$ 71,512,545</u>

At June 30, 2016, approximately \$850,000 was payable to PERS, for the June 2016 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.

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2016

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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

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.

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:

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

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

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

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

At June 30, 2015, JRS membership consisted of:

Active members	115
Inactive vested members	4
Retired members and beneficiaries	<u>69</u>
	<u><u>188</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.

In addition, effective with the January 1, 2009, valuation, assets are valued using five-year smoothing. The Actuarial Value of Assets (AVA) is further limited to not less than 70% or greater than 130% of market value.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2016

The JRS net pension liability was measured as of June 30, 2015, 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, 2015, census data.

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

Actuarial valuation date	June 30, 2015
Inflation rate	3.50%
Payroll growth	3.00% to 8.00%
Investment rate of return	8.00%,
Discount rate	8.00%
Consumer price index	3.50%
Asset valuation method	The actuarial value of assets is equal to the prior year's actuarial value of assets plus contributions and net transfers, less benefit payments and expenses, plus expected investment return, and 20% of each of the previous five years' gain/(loss) due to investment return greater/(less) than expected. The actuarial value of assets is further limited to not less than 70% or greater than 130% of the market value of assets.
Actuarial cost method	Entry age normal
Amortization method	Year-by-year closed, level percent of pay (3% payroll growth assumed) over a declining amortization period of 30 years for Supreme Court justices and district judges and 20 years for municipal court judges and justices of the peace
Mortality rates	RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age setback for males)

JRS policies which determine the investment portfolio target asset allocation are established by the JRS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of JRS. The following target asset allocation policy was adopted as of June 30, 2015:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return *
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 3.5%.

The discount rate used to measure the total pension liability was 8.00% as of June 30, 2015. 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 that assumption, JRS's fiduciary net position at June 30, 2015, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on pension plan investments (8%) was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2015.

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED JUNE 30, 2016

The County's proportionate share of the net pension liability at June 30, 2015, calculated using the discount rate of 8.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (7.00%) or 1% higher (9.00%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 379,940	\$ 229,640	\$ 102,435

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

The County's share (amount) of the JRS net pension liability was \$229,644, which represents 1.10059% of the JRS net pension liability. Each employer's proportion of the net pension liability is based on their contributions relative to the total contributions for all employers for the period ended June 30, 2015.

For the period ended June 30, 2016, the County's JRS pension expense was \$44,921 and its reported deferred outflows and inflows of resources related to JRS pensions as of June 30, 2016, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,957	\$ 18,097
Net difference between projected and actual earnings on investments	37,929	53,136
Changes in proportion and differences between actual contributions and proportionate share of contributions	6,015	
Contributions made subsequent to the measurement date	57,509	

At June 30, 2015, the average expected remaining service life is 4.91 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, 2017. 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>		
2017	\$	(8,074)
2018		(8,074)
2019		(8,074)
2020		7,890

(Continued)



# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

Net pension liability, beginning of year	\$	176,817
Pension expense		44,921
Employer contributions		(67,742)
Change in net deferred inflows and outflows of resources		<u>75,648</u>
Net pension liability, end of year	\$	<u>229,644</u>

At June 30, 2016, approximately \$5,000 was payable to JRS, for the June 2016 required contribution.

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

#### **Plan Information**

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

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

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

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

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

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

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

(Continued)

## DOUGLAS COUNTY

### NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2016**

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

Contribution requirements to the County Plan are established by and may be amended through negotiations between the County and various employee groups. Retirees enrolled in the County Plan receive no direct subsidy from the County; however, retiree loss experience is pooled with active employee loss experience for the purpose of setting rates and the difference between the true claims cost and the blended rate creates an implicit rate subsidy from the County. For fiscal year 2016, the County's estimated implicit benefit subsidy payment was \$124,292. At June 30, 2016, 512 active employees and 34 retirees were participating in the County Plan.

The County is required to provide a subsidy, based on years of service for its retirees that have enrolled in the PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. In fiscal year 2016, this subsidy ranged from \$4 to \$1,476 per retiree, per month. At June 30, 2016, 146 retirees were participating in the PEBP.

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

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

	Public Employee Benefit Program	Douglas County Health Benefits Plan	Total
Annual required contribution (ARC)	\$ 449,272	\$ 481,516	\$ 930,788
Interest on net OPEB obligation	64,612	209,092	273,704
Adjustment to ARC	<u>(108,725)</u>	<u>(207,737)</u>	<u>(316,462)</u>
Annual OPEB cost	405,159	482,871	888,030
OPEB contributions made	<u>(480,446)</u>	<u>(147,423)</u>	<u>(627,869)</u>
Increase (decrease) in net OPEB obligation	(75,287)	335,448	260,161
Net OPEB obligation, beginning of year	<u>1,615,312</u>	<u>5,227,292</u>	<u>6,842,604</u>
Net OPEB obligation, end of year	<u>\$ 1,540,025</u>	<u>\$ 5,562,740</u>	<u>\$ 7,102,765</u>

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

<u>For the Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>OPEB Contributions Made</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
Public Employee Benefit Program				
2014	\$ 553,015	\$ 501,348	90.7 %	\$ 1,680,498
2015	407,766	472,952	116.0 %	1,615,312
2016	405,159	480,446	118.6 %	1,540,025

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2016

<u>For the Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>OPEB Contributions Made</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
Douglas County Health Benefits Plan				
2014	\$ 1,138,234	\$ 114,570	10.1 %	\$ 48,894,239
2015	456,733	123,680	27.1 %	5,227,292
2016	482,871	147,423	30.5 %	5,562,740

#### Funded Status and Funding Progress

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

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a Percent of Covered Payroll</u>
Public Employee Benefit Program July 1, 2014	N/A <sup>1</sup>	\$ 6,872,797	\$ 6,872,797	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
Douglas County Health Benefits Plan July 1, 2014	N/A <sup>1</sup>	3,390,021	3,390,021	0.0 %	28,360,401	12.0 %

1. No assets have been placed in trust.

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

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

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

#### Actuarial Methods and Assumptions

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

(Continued)

# DOUGLAS COUNTY

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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

	Public Employee Benefit Program	Douglas County Health Benefits Plan
Actuarial valuation date	July 1, 2014	July 1, 2014
Actuarial cost method	Entry age normal, closed	Entry age normal, open
Amortization method	Level dollar	Level percent of pay
Amortization period	24	30 years
Asset valuation method	No assets in trust	No assets in trust
Actuarial assumptions		
Average retiree age	65.9	66.9
Investment rate of return	4%	4%
Projected salary increases	N/A <sup>1</sup>	4%
Inflation rate	2.75%	2.75%
Health cost inflation rates		
Initial	7.5%	7.5%
Ultimate	5%	5%
Health cost inflation rates for the year ending June 30,		

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

### **Subsequent Events**

On November 30, 2016, the County issued the Nevada Highway Revenue (Motor Vehicle Fuel Tax) Bonds, Series 2016 in the amount of \$11,635,000.

**REQUIRED SUPPLEMENTARY  
INFORMATION**



## DOUGLAS COUNTY

### POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS SCHEDULE OF FUNDING PROGRESS FOR THE YEAR ENDED JUNE 30, 2016

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percent of Covered Payroll
<b>Public Employee Benefit Program</b>						
July 1, 2010	N/A <sup>1</sup> \$	14,386,911 \$	14,386,911	0.0 %	\$ N/A <sup>2</sup>	N/A <sup>2</sup>
July 1, 2012	N/A <sup>1</sup>	8,952,091	8,952,091	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
July 1, 2014	N/A <sup>1</sup>	6,872,797	6,872,797	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
<b>Douglas County Health Benefits Plan</b>						
July 1, 2010	N/A <sup>1</sup>	7,316,619	7,316,619	0.0 %	30,422,051	24.1 %
July 1, 2012	N/A <sup>1</sup>	9,133,012	9,113,012	0.0 %	32,886,155	27.7 %
July 1, 2014	N/A <sup>1</sup>	3,390,021	3,390,021	0.0 %	28,360,401	12.0 %

1. No assets have been placed in trust.

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

**DOUGLAS COUNTY**

**MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN  
PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015 AND LAST NINE FISCAL YEARS<sup>1</sup>**

<u>For the Year Ended June 30,</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Covered Employee 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 %

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, 2016 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the Statutorily Required Contribution</u>	<u>Contribution (Deficiency) Excess</u>	<u>Covered Employee 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 %

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

## DOUGLAS COUNTY

### AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN SCHEDULE OF CHANGES IN NET PENSION LIABILITY FOR THE YEAR ENDED JUNE 30, 2015 AND LAST NINE FISCAL YEARS<sup>1</sup>

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

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

## AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN PENSION PLAN INFORMATION FOR THE YEAR ENDED JUNE 30, 2015 AND LAST NINE FISCAL YEARS<sup>1</sup>

<u>For the Year Ended June 30,</u>	<u>Total Pension Plan Liability</u>	<u>Pension Plan Fiduciary Net Position</u>	<u>Net Pension Plan Liability</u>	<u>Pension Plan Fiduciary Net Position as a Percentage of Total Pension Plan Liability</u>	<u>Pension Plan Covered Employee 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 %

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

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

<u>For the Year Ended June 30,</u>	<u>Actuarially Required Contribution</u>	<u>Contributions Made</u>	<u>Contribution (Deficiency) Excess</u>	<u>Covered Employee 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 %

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.

# **GENERAL FUND**



**DOUGLAS COUNTY**

**GENERAL FUND**

**FOR THE YEAR ENDED JUNE 30, 2016**

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





# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 18,743,700	\$ 18,743,700	\$ 18,085,747	\$ (657,953)
Real property taxes, delinquent			127,244	127,244
Personal property taxes, current			602,667	602,667
Personal property taxes, delinquent			11,925	11,925
Business licenses, permits, franchise and other fees				
Liquor licenses	280,000	280,000	297,995	17,995
Local county gaming licenses	140,000	140,000	236,824	96,824
Cable television franchise fees	400,000	400,000	482,374	82,374
Southwest gas franchise fee	340,000	340,000	413,924	73,924
Vacation home rental permits	30,000	30,000	32,421	2,421
Utility operator fees	1,600,000	1,600,000	1,566,717	(33,283)
Building permits	800,000	1,057,569	1,211,233	153,664
Marriage licenses	25,000	25,000	18,774	(6,226)
Animal fees	25,000	26,500	25,253	(1,247)
School construction reserve	1,200	1,200	2,326	1,126
Other licenses, permits and fees			900	900
Intergovernmental shared revenues				
Federal, state and local grants				
Traffic safety	31,000	44,148	85,217	41,069
COPS	55,687	55,687		(55,687)
Support incentive		1,213	15,312	14,099
Title IV, URESA	241,468	251,196	218,659	(32,537)
DOJ block grant	55,000	55,000	56,206	1,206
Domestic violence	235,000	235,000	225,907	(9,093)
PY grant revenue			21,922	21,922
Social Security inmate incentive	2,500	2,500	800	(1,700)
DEA		4,750	14,131	9,381
Grant-in-aid			1,569	1,569
AOC		7,028	7,028	
Tri-net	61,800	61,800	65,435	3,635
Nevada Law Foundation		3,498	2,011	(1,487)
Specialized foster care		36,941	36,942	1
Other grants	11,205	102,289	115,233	12,944
Payments in lieu of taxes	600,000	600,000	708,197	108,197
State gaming table taxes	145,000	145,000	141,303	(3,697)
State consolidated tax distribution	11,135,187	11,135,187	11,253,738	118,551
NRS county gaming licenses	550,000	550,000	590,013	40,013
District Attorney forfeitures			1,030	1,030
Other		8,293	14,770	6,477
Charges for services				
General government				
Clerk's fees	185,000	185,568	218,053	32,485
Recorder's fees	325,000	325,000	302,819	(22,181)
Treasurer's fees	7,500	8,283	3,595	(4,688)
Recorder's technology fees		3,065	52,266	49,201
Assessor's fees	2,000	2,000	1,755	(245)
Assessor's commissions	150,000	150,000	170,022	20,022
Assessor's technology fees			56,675	56,675
Administration and overhead	1,756,397	1,849,564	1,858,902	9,338
GIS services	355,000	355,000	355,000	
Radio user fees	150,615	150,615	141,277	(9,338)
Applicant license fees	15,000	15,000	10,970	(4,030)
Sale of film	14,400	14,400	15,354	954
Reimbursement for services	5,000	5,000	6,732	1,732
USFS co-op agreement		9,500	9,500	
DMV 5%	54,000	54,000	59,679	5,679
DMV \$2 license	20,000	20,000	22,797	2,797
Administration, flex spending fee	400	400	353	(47)

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
Administration, garnishment fee	\$ 900	\$ 900	\$ 450	\$ (450)
Administration, RPTT fee	18,000	18,000	17,618	(382)
Allocation permits	12,000	12,000	19,955	7,955
Late charges	2,000	2,000	22,840	20,840
GIS maps	5,000	5,000	7,634	2,634
Professional fees	40,000	60,000	34,353	(25,647)
Code enforcement			1,400	1,400
1/2 mobile home			155	155
Administration, child support fee			863	863
Other	136,820	136,820	125,329	(11,491)
Judicial				
East Fork constable fees	30,000	30,000	28,090	(1,910)
JPO detention fees	2,000	2,000	3,045	1,045
Guardian fees	15,000	15,000	28,099	13,099
Tahoe constable fees	2,500	2,500	5,530	3,030
Support and care fees	5,000	5,000	5,640	640
House arrest fees	69,000	69,000	73,840	4,840
Probation supervision fees	50,000	50,000	39,700	(10,300)
Probation drug testing fees	37,000	37,000	34,249	(2,751)
Court fees		31,538	37,348	5,810
Other		20,963	54,044	33,081
Public safety				
Sheriff's fees	270,000	270,000	316,690	46,690
Jail processing fees	4,500	4,500	12,174	7,674
Animal adoption fees	3,000	3,000	2,000	(1,000)
Public works				
Engineering fees	160,000	291,000	229,173	(61,827)
Planning fees	120,000	157,000	180,474	23,474
Home occupation permits			75	75
Ditch review application fee	1,500	1,500	2,310	810
Health and sanitation				
Weed spraying, private	250,000	272,000	264,419	(7,581)
Weed spraying, interlocal	50,000	72,000	88,836	16,836
Chemical sales	100,000	137,000	137,855	855
Fines and forfeitures				
Judicial				
East Fork Justice Court fines	680,000	680,000	606,419	(73,581)
Tahoe Justice Court fines	400,000	400,000	370,654	(29,346)
District Court fines and fees	300	115,002	132,315	17,313
Chemical analysis fine	15,000	15,000	8,700	(6,300)
Administration assessment JPO \$2	15,000	15,000	18,748	3,748
Public Defender restitution	5,000	5,000	3,610	(1,390)
JPO fines	25,000	25,000	24,547	(453)
Reimburse counsel	5,000	5,000	8,184	3,184
Administration assessment JPO \$10	5,000	5,000	2,795	(2,205)
Controlled substance	2,500	2,500	3,429	929
Sheriff restitution	3,500	3,500	1,670	(1,830)
Other			2,774	2,774
Public safety				
Animal control fees	12,000	13,500	12,486	(1,014)
Miscellaneous				
Triad donations		100	6,600	6,500
Other donations		63,776	71,509	7,733
Other reimbursements and restitutions	50,000	144,277	148,841	4,564
Other rent and lease income	28,500	28,500	29,041	541
Pay phone	18,000	18,000	18,000	
Proceeds from tax sale		13,000	10,437	(2,563)
Rebates	10,500	10,500	17,217	6,717
Cash over and short			1,061	1,061
Property tax penalties and interest	417,225	417,225	477,631	60,406

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
Investment income	\$ 90,413	\$ 90,413	\$ 111,550	\$ 21,137
Other	<u>5,000</u>	<u>5,000</u>	<u>7,021</u>	<u>2,021</u>
Total revenues	<u>41,721,217</u>	<u>42,871,908</u>	<u>43,846,923</u>	<u>975,015</u>
<b>EXPENDITURES</b>				
General government				
County commission				
Salaries and wages	146,162	146,162	158,823	(12,661)
Employee benefits	115,119	115,119	109,144	5,975
Services and supplies	<u>194,829</u>	<u>229,829</u>	<u>223,924</u>	<u>5,905</u>
Total county commission	<u>456,110</u>	<u>491,110</u>	<u>491,891</u>	<u>(781)</u>
County manager				
Salaries and wages	472,207	556,057	491,460	64,597
Employee benefits	200,075	178,594	164,277	14,317
Services and supplies	<u>510,586</u>	<u>512,386</u>	<u>545,299</u>	<u>(32,913)</u>
Total county manager	<u>1,182,868</u>	<u>1,247,037</u>	<u>1,201,036</u>	<u>46,001</u>
Finance and comptroller				
Salaries and wages	551,698	512,198	421,527	90,671
Employee benefits	252,472	252,472	192,956	59,516
Services and supplies	<u>141,900</u>	<u>159,135</u>	<u>188,102</u>	<u>(28,967)</u>
Total finance and comptroller	<u>946,070</u>	<u>923,805</u>	<u>802,585</u>	<u>121,220</u>
Treasurer				
Salaries and wages	308,778	332,871	352,131	(19,260)
Employee benefits	145,262	146,752	149,682	(2,930)
Services and supplies	<u>74,793</u>	<u>109,491</u>	<u>128,294</u>	<u>(18,803)</u>
Total treasurer	<u>528,833</u>	<u>589,114</u>	<u>630,107</u>	<u>(40,993)</u>
Geographic information systems				
Salaries and wages	473,254	473,254	469,531	3,723
Employee benefits	227,696	227,696	216,706	10,990
Services and supplies	<u>154,368</u>	<u>201,081</u>	<u>175,222</u>	<u>25,859</u>
Total geographic information systems	<u>855,318</u>	<u>902,031</u>	<u>861,459</u>	<u>40,572</u>
Economic Development				
Salaries and wages	85,945	85,945	86,218	(273)
Employee benefits	36,644	36,644	36,433	211
Services and supplies	<u>88,000</u>	<u>173,500</u>	<u>161,054</u>	<u>12,446</u>
Total economic development	<u>210,589</u>	<u>296,089</u>	<u>283,705</u>	<u>12,384</u>
Assessor				
Salaries and wages	484,849	484,849	501,802	(16,953)
Employee benefits	252,057	252,057	254,634	(2,577)
Services and supplies	<u>39,625</u>	<u>64,625</u>	<u>56,244</u>	<u>8,381</u>
Total assessor	<u>776,531</u>	<u>801,531</u>	<u>812,680</u>	<u>(11,149)</u>
Tahoe, general services				
Salaries and wages	168,700	170,736	181,685	(10,949)
Employee benefits	77,889	78,157	80,504	(2,347)
Services and supplies	<u>7,900</u>	<u>22,554</u>	<u>2,654</u>	<u>19,900</u>
Total Tahoe, general services	<u>254,489</u>	<u>271,447</u>	<u>264,843</u>	<u>6,604</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, 2016

	Original Budget	Final Budget	Actual	Variance
Recorder				
Salaries and wages	\$ 270,036	\$ 270,036	\$ 251,916	\$ 18,120
Employee benefits	145,110	145,110	137,141	7,969
Services and supplies	18,260	49,559	46,705	2,854
Total recorder	433,406	464,705	435,762	28,943
Clerk				
Salaries and wages	194,346	256,718	277,669	(20,951)
Employee benefits	89,843	111,906	115,320	(3,414)
Services and supplies	16,130	61,293	37,082	24,211
Total clerk	300,319	429,917	430,071	(154)
Clerk, elections				
Salaries and wages	26,000	26,000	12,513	13,487
Employee benefits	3,900	3,900	1,507	2,393
Services and supplies	77,300	77,519	54,653	22,866
Total clerk, elections	107,200	107,419	68,673	38,746
Communications				
Salaries and wages			4,434	(4,434)
Employee benefits			2,026	(2,026)
Services and supplies	65,040	65,040	53,103	11,937
Total communications	65,040	65,040	59,563	5,477
General services				
Salaries and wages	28,156	28,156	18,875	9,281
Employee benefits	374,228	374,228	409,405	(35,177)
Services and supplies	1,418,705	1,418,705	1,418,790	(85)
Total general services	1,821,089	1,821,089	1,847,070	(25,981)
Information services				
Salaries and wages	527,255	527,255	464,943	62,312
Employee benefits	232,768	232,768	211,012	21,756
Services and supplies	501,286	603,482	654,947	(51,465)
Total information services	1,261,309	1,363,505	1,330,902	32,603
Human resources				
Salaries and wages	276,253	276,253	275,070	1,183
Employee benefits	125,425	125,425	110,186	15,239
Services and supplies	200,876	200,876	123,543	77,333
Total human resources	602,554	602,554	508,799	93,755
Records management				
Salaries and wages	92,050	92,050	89,485	2,565
Employee benefits	41,798	41,798	47,209	(5,411)
Services and supplies	32,595	32,595	25,022	7,573
Total records management	166,443	166,443	161,716	4,727
Project management				
Salaries and wages	87,006	87,006	84,246	2,760
Employee benefits	36,964	36,964	36,153	811
Services and supplies	2,850	2,850	6,515	(3,665)
Total project management	126,820	126,820	126,914	(94)
Other				
Services and supplies		223,842		223,842
Total general government	10,094,988	10,893,498	10,317,776	575,722

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
Judicial				
Court clerk				
Salaries and wages	\$ 180,924	\$ 180,924	\$ 187,824	\$ (6,900)
Employee benefits	91,722	91,722	94,557	(2,835)
Services and supplies	13,002	54,665	54,090	575
Total court clerk	285,648	327,311	336,471	(9,160)
District court I				
Salaries and wages	155,885	162,521	167,125	(4,604)
Employee benefits	63,195	63,668	64,727	(1,059)
Services and supplies	48,300	53,228	183,678	(130,450)
Total District court I	267,380	279,417	415,530	(136,113)
District court II				
Salaries and wages	166,394	166,394	145,017	21,377
Employee benefits	65,003	65,003	59,735	5,268
Services and supplies	66,500	73,743	77,814	(4,071)
Total District court II	297,897	305,140	282,566	22,574
CASA				
Salaries and wages	82,930	82,930	89,504	(6,574)
Employee benefits	44,222	44,222	33,835	10,387
Services and supplies	1,000	16,789	15,748	1,041
Total CASA	128,152	143,941	139,087	4,854
SAFE				
Salaries and wages	32,000	104,000	104,000	
Services and supplies		1,312	696	616
Total SAFE	32,000	105,312	104,696	616
Public guardian and administration				
Salaries and wages		44,678	44,070	608
Employee benefits	19,369	35,847	34,800	1,047
Services and supplies	108,192	79,858	81,249	(1,391)
Total public guardian and administration	127,561	160,383	160,119	264
Bailiff				
Salaries and wages	189,011	189,326	196,861	(7,535)
Employee benefits	122,933	124,733	117,946	6,787
Total bailiff	311,944	314,059	314,807	(748)
District attorney				
Salaries and wages	1,450,286	1,450,286	1,451,806	(1,520)
Employee benefits	644,106	644,106	635,240	8,866
Services and supplies	188,152	188,152	163,253	24,899
Total district attorney	2,282,544	2,282,544	2,250,299	32,245
District attorney, child support				
Salaries and wages	198,424	198,424	197,481	943
Employee benefits	95,042	95,042	90,519	4,523
Services and supplies	24,581	35,522	37,881	(2,359)
Total district attorney, child support	318,047	328,988	325,881	3,107
Public defender				
Services and supplies	828,334	828,334	802,542	25,792

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Juvenile probation				
Salaries and wages	\$ 710,404	\$ 697,704	\$ 604,434	\$ 93,270
Employee benefits	365,343	365,343	299,067	66,276
Services and supplies	146,949	180,102	147,583	32,519
Total juvenile probation	<u>1,222,696</u>	<u>1,243,149</u>	<u>1,051,084</u>	<u>192,065</u>
JPO detention center				
Salaries and wages	321,898	321,898	286,772	35,126
Employee benefits	130,275	130,275	129,993	282
Services and supplies	18,950	18,950	14,137	4,813
Total JPO detention center	<u>471,123</u>	<u>471,123</u>	<u>430,902</u>	<u>40,221</u>
Court computer system				
Salaries and wages	97,375	97,375	98,426	(1,051)
Employee benefits	40,884	40,884	42,462	(1,578)
Services and supplies	114,242	154,248	152,501	1,747
Total court computer system	<u>252,501</u>	<u>292,507</u>	<u>293,389</u>	<u>(882)</u>
East Fork justice court				
Salaries and wages	353,859	353,859	357,746	(3,887)
Employee benefits	178,745	178,745	178,005	740
Services and supplies	37,925	55,003	43,582	11,421
Total East Fork justice court	<u>570,529</u>	<u>587,607</u>	<u>579,333</u>	<u>8,274</u>
Tahoe justice court				
Salaries and wages	305,508	305,508	321,932	(16,424)
Employee benefits	149,768	149,768	154,742	(4,974)
Services and supplies	33,175	33,375	25,102	8,273
Total Tahoe justice court	<u>488,451</u>	<u>488,651</u>	<u>501,776</u>	<u>(13,125)</u>
East Fork constable				
Salaries and wages	103,480	108,150	110,254	(2,104)
Employee benefits	43,661	45,059	42,743	2,316
Services and supplies	2,425	3,915	1,758	2,157
Total East Fork constable	<u>149,566</u>	<u>157,124</u>	<u>154,755</u>	<u>2,369</u>
Tahoe constable				
Salaries and wages	145,499	142,494	102,212	40,282
Employee benefits	21,062	19,664	16,699	2,965
Services and supplies	2,360	2,360	988	1,372
Total Tahoe constable	<u>168,921</u>	<u>164,518</u>	<u>119,899</u>	<u>44,619</u>
Alternative sentencing				
Salaries and wages	279,797	286,797	276,833	9,964
Employee benefits	129,906	129,906	133,455	(3,549)
Services and supplies	176,292	181,292	153,786	27,506
Capital outlay	27,527	27,527	29,647	(2,120)
Total alternative sentencing	<u>585,995</u>	<u>625,522</u>	<u>593,721</u>	<u>31,801</u>
Security				
Salaries and wages	100,360	100,360	90,786	9,574
Employee benefits	30,756	30,756	26,624	4,132
Services and supplies	1,175	1,175	1,339	(164)
Total security	<u>132,291</u>	<u>132,291</u>	<u>118,749</u>	<u>13,542</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, 2016

	Original Budget	Final Budget	Actual	Variance
Other				
Salaries and wages	\$ 167,534	\$ 167,534	\$ 169,830	\$ (2,296)
Employee benefits	71,057	71,057	70,868	189
Services and supplies	1,965	1,160,360	1,638	1,158,722
Total other	<u>240,556</u>	<u>1,398,951</u>	<u>242,336</u>	<u>1,156,615</u>
Total judicial	<u>9,162,136</u>	<u>10,636,872</u>	<u>9,217,942</u>	<u>1,418,930</u>
Public safety				
Sheriff, administration				
Salaries and wages	397,262	398,777	429,808	(31,031)
Employee benefits	227,936	229,136	231,693	(2,557)
Services and supplies	453,942	457,265	464,706	(7,441)
Total sheriff, administration	<u>1,079,140</u>	<u>1,085,178</u>	<u>1,126,207</u>	<u>(41,029)</u>
Sheriff, administrative services				
Salaries and wages	311,364	316,364	372,089	(55,725)
Employee benefits	171,600	172,800	182,155	(9,355)
Services and supplies	612,244	822,832	789,580	33,252
Total sheriff, administrative services	<u>1,095,208</u>	<u>1,311,996</u>	<u>1,343,824</u>	<u>(31,828)</u>
Sheriff, records				
Salaries and wages	315,853	316,103	302,906	13,197
Employee benefits	165,656	165,656	153,907	11,749
Total sheriff, records	<u>481,509</u>	<u>481,759</u>	<u>456,813</u>	<u>24,946</u>
Sheriff, jail				
Salaries and wages	2,164,415	2,184,638	2,324,762	(140,124)
Employee benefits	1,375,603	1,391,203	1,480,563	(89,360)
Services and supplies	477,000	477,000	519,543	(42,543)
Total sheriff, jail	<u>4,017,018</u>	<u>4,052,841</u>	<u>4,324,868</u>	<u>(272,027)</u>
Sheriff, COPS grant				
Salaries and wages	133,255	142,406	142,984	(578)
Employee benefits	77,136	78,336	83,925	(5,589)
Total sheriff, COPS grant	<u>210,391</u>	<u>220,742</u>	<u>226,909</u>	<u>(6,167)</u>
Sheriff, general investigation				
Salaries and wages	1,045,203	1,068,711	1,082,698	(13,987)
Employee benefits	593,246	598,046	586,164	11,882
Services and supplies	18,000	18,000	24,176	(6,176)
Total sheriff, general investigation	<u>1,656,449</u>	<u>1,684,757</u>	<u>1,693,038</u>	<u>(8,281)</u>
Sheriff, traffic patrol				
Salaries and wages	389,348	393,596	414,243	(20,647)
Employee benefits	242,907	246,507	238,392	8,115
Services and supplies	2,000	2,000	2,181	(181)
Total sheriff, traffic patrol	<u>634,255</u>	<u>642,103</u>	<u>654,816</u>	<u>(12,713)</u>
Sheriff, vehicle maintenance				
Services and supplies	625,538	625,538	592,878	32,660
Capital outlay	305,000	468,315	521,279	(52,964)
Total sheriff, vehicle maintenance	<u>930,538</u>	<u>1,093,853</u>	<u>1,114,157</u>	<u>(20,304)</u>

(Continued)

# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
Sheriff, grants				
Salaries and wages	\$ 71,030	\$ 71,030	\$ 62,912	\$ 8,118
Employee benefits	46,341	46,941	41,244	5,697
Total sheriff, grants	117,371	117,971	104,156	13,815
Sheriff, coroner				
Salaries and wages			2,937	(2,937)
Services and supplies	102,500	102,500	80,242	22,258
Total sheriff, coroner	102,500	102,500	83,179	19,321
Sheriff, patrol operations				
Salaries and wages	3,248,450	3,320,240	3,199,166	121,074
Employee benefits	1,957,215	1,980,615	1,975,828	4,787
Services and supplies	30,000	30,000	87,379	(57,379)
Total sheriff, patrol operations	5,235,665	5,330,855	5,262,373	68,482
Sheriff, tri-net				
Salaries and wages	77,182	77,182	72,399	4,783
Employee benefits	44,073	44,673	42,618	2,055
Services and supplies	12,000	12,000	8,345	3,655
Total sheriff, tri-net	133,255	133,855	123,362	10,493
Animal care and services				
Salaries and wages	187,620	182,620	181,326	1,294
Employee benefits	95,937	95,937	90,958	4,979
Services and supplies	23,600	51,600	57,147	(5,547)
Total animal care and services	307,157	330,157	329,431	726
Other				
Services and supplies		69,377		69,377
Total public safety	16,000,456	16,657,944	16,843,133	(185,189)
Public works				
Building				
Salaries and wages	153,689	153,689	164,488	(10,799)
Employee benefits	65,969	65,969	71,485	(5,516)
Services and supplies	685,750	689,123	655,301	33,822
Total building	905,408	908,781	891,274	17,507
Engineering				
Salaries and wages	11,274	11,274	11,413	(139)
Employee benefits	4,474	4,474	4,591	(117)
Total engineering	15,748	15,748	16,004	(256)
Roads				
Salaries and wages			2,243	(2,243)
Employee benefits			789	(789)
Total roads			3,032	(3,032)
Utilities				
Salaries and wages			92	(92)
Employee benefits			109	(109)
Total utilities			201	(201)
Total public works	921,156	924,529	910,511	14,018

(Continued)



# DOUGLAS COUNTY

## GENERAL FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
Community development				
Administration				
Salaries and wages	\$ 258,006	\$ 258,006	\$ 241,069	\$ 16,937
Employee benefits	118,100	118,100	90,029	28,071
Services and supplies	<u>56,854</u>	<u>79,763</u>	<u>86,976</u>	<u>(7,213)</u>
Total administration	<u>432,960</u>	<u>455,869</u>	<u>418,074</u>	<u>37,795</u>
Building				
Salaries and wages	394,722	394,722	400,065	(5,343)
Employee benefits	186,514	186,514	187,994	(1,480)
Services and supplies	<u>13,400</u>	<u>13,400</u>	<u>11,538</u>	<u>1,862</u>
Total building	<u>594,636</u>	<u>594,636</u>	<u>599,597</u>	<u>(4,961)</u>
Planning				
Salaries and wages	367,978	302,978	271,831	31,147
Employee benefits	170,992	145,992	123,501	22,491
Services and supplies	<u>21,050</u>	<u>34,015</u>	<u>19,477</u>	<u>14,538</u>
Total planning	<u>560,020</u>	<u>482,985</u>	<u>414,809</u>	<u>68,176</u>
Engineering				
Salaries and wages	373,657	365,085	366,255	(1,170)
Employee benefits	166,430	163,271	158,897	4,374
Services and supplies	<u>17,700</u>	<u>62,700</u>	<u>29,055</u>	<u>33,645</u>
Total engineering	<u>557,787</u>	<u>591,056</u>	<u>554,207</u>	<u>36,849</u>
Total community development	<u>2,145,403</u>	<u>2,124,546</u>	<u>1,986,687</u>	<u>137,859</u>
Health and sanitation				
Weed control				
Salaries and wages	218,055	243,055	249,158	(6,103)
Employee benefits	74,952	70,452	67,385	3,067
Services and supplies	<u>317,800</u>	<u>378,300</u>	<u>360,889</u>	<u>17,411</u>
Total health and sanitation	<u>610,807</u>	<u>691,807</u>	<u>677,432</u>	<u>14,375</u>
Total expenditures	<u>38,934,946</u>	<u>41,929,196</u>	<u>39,953,481</u>	<u>1,975,715</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>2,786,271</u>	<u>942,712</u>	<u>3,893,442</u>	<u>2,950,730</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	(753,669)	(754,069)		754,069
Proceeds from capital asset disposal			13,158	13,158
Transfers in	75,000	75,000	75,000	
Transfers out	<u>(2,985,929)</u>	<u>(4,550,164)</u>	<u>(4,550,164)</u>	
Total other financing sources (uses)	<u>(3,664,598)</u>	<u>(5,229,233)</u>	<u>(4,462,006)</u>	<u>767,227</u>
CHANGE IN FUND BALANCE	<u>(878,327)</u>	<u>(4,286,521)</u>	<u>(568,564)</u>	<u>3,717,957</u>
FUND BALANCE, BEGINNING OF YEAR, AS PREVIOUSLY REPORTED			12,126,232	
Adjustment			<u>(266,445)</u>	
FUND BALANCE, BEGINNING OF YEAR, AS ADJUSTED	<u>8,067,089</u>	<u>11,749,858</u>	<u>11,859,787</u>	<u>109,929</u>
FUND BALANCE, END OF YEAR	<u>\$ 7,188,762</u>	<u>\$ 7,463,337</u>	<u>\$ 11,291,223</u>	<u>\$ 3,827,886</u>



# **SPECIAL REVENUE FUNDS**



**DOUGLAS COUNTY**  
**MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Room Tax

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

East Fork Fire Protection District

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



# 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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
TOT-Valley 5%	\$ 390,575	\$ 390,575	\$ 503,179	\$ 112,604
TOT-Valley 3%	228,506	228,506	296,943	68,437
TOT-Lake 7/8 of 8%	3,521,937	3,521,937	4,308,095	786,158
TOT-Valley 5/8 of 1%	48,822	48,822	62,864	14,042
TOT-Lake 5/8 of 1%	317,635	317,635	388,529	70,894
TOT-Lake 1/8 of 8%	503,134	503,134	615,432	112,298
TOT-Lake 1% Admin	40,657	40,657	49,726	9,069
Other	5,839	5,839	5,839	
Business licenses, permits, franchise and other fees				
Utility operator fees	400,000	400,000	391,679	(8,321)
TLLT-Valley 2%	156,230	156,230	200,771	44,541
TLLT-Valley 1%	78,115	78,115	100,386	22,271
TLLT-Lake 2%	1,016,432	1,016,432	1,243,296	226,864
TLLT-Lake 1%	508,216	508,216	621,642	113,426
Intergovernmental shared revenues				
Federal, state and local grants				
LSTA		2,900	2,900	
Grant-in-aid		5,299	5,299	
Other grants		13,630	13,630	
State optional sales taxes	1,671,846	1,671,846	1,633,836	(38,010)
Charges for services				
Culture and recreation				
Teen programs	1,000	1,000		(1,000)
Park fees	60,000	60,000	74,579	14,579
Tennis court lights	500	500	53	(447)
Recreation fees	100,000	100,000	118,030	18,030
Softball, lake	2,500	2,500	2,375	(125)
Softball, valley	22,000	22,000	18,325	(3,675)
Basketball, lake	9,000	9,000	7,020	(1,980)
Youth sports, lake	9,000	9,000	15,960	6,960
Youth basketball, valley	32,000	32,000	41,184	9,184
Topaz park	115,000	115,000	155,437	40,437
Shooting range fees	13,000	13,000	13,054	54
Kids club	300,000	300,000	281,360	(18,640)
Recreation contract classes	45,000	45,000	12,429	(32,571)
Kahle programs	60,000	60,000	80,454	20,454
Kahle drop-ins	50,000	50,000	42,886	(7,114)
Kahle rentals	13,000	13,000	11,866	(1,134)
Kahle concessions	17,000	17,000	16,928	(72)
Volleyball, valley	30,000	30,000	22,815	(7,185)
Fairground fees	12,000	12,000	6,089	(5,911)
Kahle passes	180,000	180,000	150,674	(29,326)
Football, lake			1,214	1,214
Football, valley	25,000	25,000	24,350	(650)
Kahle preschool	55,000	55,000	58,421	3,421
Kahle kids club	15,000	15,000	10,174	(4,826)
Kahle contract class	24,000	24,000	37,597	13,597
Preschool	30,000	15,000	10,165	(4,835)
DCCSC Fees	354,000	374,000	462,893	88,893
Other			4,970	4,970
Miscellaneous				
Other donations		54,784	55,026	242
Other reimbursements and restitutions		41,914	72,512	30,598
Other rent and lease income	38,000	38,000	41,267	3,267
Cash over and short			4,400	4,400

(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, 2016

	Original Budget	Final Budget	Actual	Variance
Room tax penalties and interest	\$ 30,000	\$ 30,000	\$ 10,293	\$ (19,707)
Investment income	3,000	3,000	19,187	16,187
Other	<u>          </u>	<u>          </u>	478	478
Total revenues	<u>10,532,944</u>	<u>10,656,471</u>	<u>12,328,511</u>	<u>1,672,040</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Administration				
Services and supplies	<u>560,338</u>	<u>1,130,458</u>	<u>535,338</u>	<u>595,120</u>
Promotional room tax				
Services and supplies	<u>4,560,018</u>	<u>4,560,018</u>	<u>5,674,449</u>	<u>(1,114,431)</u>
Library				
Salaries and wages	701,823	701,823	703,241	(1,418)
Employee benefits	348,481	348,481	345,042	3,439
Services and supplies	426,317	449,149	445,024	4,125
Capital outlay	<u>          </u>	<u>48,551</u>	<u>          </u>	<u>48,551</u>
Total library	<u>1,476,621</u>	<u>1,548,004</u>	<u>1,493,307</u>	<u>54,697</u>
Parks operations				
Salaries and wages	404,860	404,860	395,835	9,025
Employee benefits	202,786	202,786	183,804	18,982
Services and supplies	636,485	670,485	638,694	31,791
Capital outlay	<u>249,088</u>	<u>219,871</u>	<u>109,523</u>	<u>110,348</u>
Total parks operations	<u>1,493,219</u>	<u>1,498,002</u>	<u>1,327,856</u>	<u>170,146</u>
Parks development				
Capital outlay	<u>          </u>	<u>546,340</u>	<u>485,467</u>	<u>60,873</u>
Parks, temporary and seasonal				
Salaries and wages	197,587	197,587	178,765	18,822
Employee benefits	44,205	44,205	41,534	2,671
Services and supplies	<u>18</u>	<u>18</u>	<u>          </u>	<u>18</u>
Total parks, temporary and seasonal	<u>241,810</u>	<u>241,810</u>	<u>220,299</u>	<u>21,511</u>
Recreation				
Salaries and wages	263,567	273,567	269,883	3,684
Employee benefits	125,372	137,372	133,879	3,493
Services and supplies	<u>296,987</u>	<u>352,547</u>	<u>346,505</u>	<u>6,042</u>
Total recreation	<u>685,926</u>	<u>763,486</u>	<u>750,267</u>	<u>13,219</u>
Recreation, temporary and seasonal				
Salaries and wages	315,531	325,531	317,066	8,465
Employee benefits	77,778	72,778	69,321	3,457
Services and supplies	<u>          </u>	<u>          </u>	<u>378</u>	<u>(378)</u>
Total recreation, temporary and seasonal	<u>393,309</u>	<u>398,309</u>	<u>386,765</u>	<u>11,544</u>
Kahle community center				
Salaries and wages	319,485	339,485	331,262	8,223
Employee benefits	88,173	88,173	85,387	2,786
Services and supplies	242,749	300,438	224,779	75,659
Capital outlay	<u>          </u>	<u>          </u>	<u>11,117</u>	<u>(11,117)</u>
Total Kahle community center	<u>650,407</u>	<u>728,096</u>	<u>652,545</u>	<u>75,551</u>

(Continued)



## DOUGLAS COUNTY

### ROOM TAX SPECIAL REVENUE FUND

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other				
Salaries and wages	\$ 422,944	\$ 375,944	\$ 335,923	\$ 40,021
Employee benefits	158,895	158,895	127,879	31,016
Services and supplies	388,178	378,178	314,996	63,182
Total other	<u>970,017</u>	<u>913,017</u>	<u>778,798</u>	<u>134,219</u>
Total expenditures	<u>11,031,665</u>	<u>12,327,540</u>	<u>12,305,091</u>	<u>22,449</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(498,721)</u>	<u>(1,671,069)</u>	<u>23,420</u>	<u>1,694,489</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	(141,581)	(141,581)		141,581
Proceeds from capital asset disposal			238	238
Transfers in	941,155	941,155	941,155	
Transfers out	<u>(442,434)</u>	<u>(578,434)</u>	<u>(578,434)</u>	
Total other financing sources (uses)	<u>357,140</u>	<u>221,140</u>	<u>362,959</u>	<u>141,819</u>
CHANGE IN FUND BALANCE	(141,581)	(1,449,929)	386,379	1,836,308
FUND BALANCE, BEGINNING OF YEAR	<u>629,353</u>	<u>1,937,701</u>	<u>1,937,701</u>	
FUND BALANCE, END OF YEAR	<u>\$ 487,772</u>	<u>\$ 487,772</u>	<u>\$ 2,324,080</u>	<u>\$ 1,836,308</u>

## DOUGLAS COUNTY

### EAST FORK FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 7,219,050	\$ 7,219,050	\$ 6,829,539	\$ (389,511)
Real property taxes, delinquent			65,510	65,510
Personal property taxes, current			270,110	270,110
Personal property taxes, delinquent			5,179	5,179
Intergovernmental shared revenues				
Federal, state and local grants				
SERC	4,000	32,361	33,117	756
PY grant revenue		5,480	48,410	42,930
Homeland Security		11,303	17,777	6,474
Emergency management	52,000	67,295	29,605	(37,690)
Other grants		58,475	67,321	8,846
State consolidated tax distribution	1,694,442	1,694,442	1,712,624	18,182
Charges for services				
General government				
Administration and overhead	110,000	110,000	110,030	30
Other	27,500	27,500	33,220	5,720
Public safety				
Fire plan check and inspection fees	100,000	125,000	133,233	8,233
Other	1,900,000	2,000,000	2,059,969	59,969
Miscellaneous				
Other donations		30,550	30,750	200
Other reimbursements and restitutions		958,409	961,244	2,835
Other rent and lease income	5,435	5,435	4,928	(507)
Investment income	3,600	3,600	24,486	20,886
Other	67,500	68,710	69,164	454
<b>Total revenues</b>	<b>11,183,527</b>	<b>12,417,610</b>	<b>12,506,216</b>	<b>88,606</b>
<b>EXPENDITURES</b>				
Public safety				
East Fork fire protection				
Salaries and wages	6,096,738	6,673,563	6,694,209	(20,646)
Employee benefits	3,380,509	3,421,882	3,464,506	(42,624)
Services and supplies	2,004,982	2,202,523	1,985,844	216,679
Capital outlay	99,794	342,789	139,966	202,823
<b>Total East Fork fire protection</b>	<b>11,582,023</b>	<b>12,640,757</b>	<b>12,284,525</b>	<b>356,232</b>
East Fork fire protection emergency				
Services and supplies	317,690	314,022	90,002	224,020
<b>Total expenditures</b>	<b>11,899,713</b>	<b>12,954,779</b>	<b>12,374,527</b>	<b>580,252</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(716,186)</b>	<b>(537,169)</b>	<b>131,689</b>	<b>668,858</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies				
Proceeds from capital asset disposal	(172,233)	(172,233)	5,000	172,233
Transfers out	(141,472)	(141,472)	(141,472)	
<b>Total other financing sources (uses)</b>	<b>(313,705)</b>	<b>(308,705)</b>	<b>(136,472)</b>	<b>172,233</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(1,029,891)</b>	<b>(845,874)</b>	<b>(4,783)</b>	<b>841,091</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>2,092,916</b>	<b>2,793,516</b>	<b>2,793,516</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,063,025</b>	<b>\$ 1,947,642</b>	<b>\$ 2,788,733</b>	<b>\$ 841,091</b>

# DOUGLAS COUNTY

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2016

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

For the year ended June 30, 2016, no significant events occurred that would have affected; and therefore, would have changed the benefit provision, size or composition of those covered by the postemployment benefit plans, or the actuarial methods and assumptions used in the actuarial valuation reports dated July 1, 2008, July 1, 2010 and July 1, 2012.

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

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

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

For the year ended June 30, 2016, 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, 2015 and 2014.

The actuarial valuation reports dated June 30, 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, 2016, 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, 2015 and 2014.

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

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

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

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

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



**OTHER SUPPLEMENTARY  
INFORMATION**



**NON-MAJOR  
GOVERNMENTAL FUNDS**





# DOUGLAS COUNTY

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2016

	Non-major Special Revenue Funds	Non-major Debt Service Funds	Non-major Capital Projects Funds	Non-major Governmental Funds
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 16,117,436	\$ 1,670,915	\$ 17,219,262	\$ 35,007,613
Accounts receivable, net	212,297		1,720	214,017
Taxes receivable	94,572		40,075	134,647
Interest receivable	31,356	288	34,704	66,348
Due from other governments	667,288		333,116	1,000,404
Due from other funds	52,898	19,760	38,357	111,015
Prepaid items	147,329			147,329
Other assets	500		7,156	7,656
Property held for sale	90,000			90,000
Total assets	\$ 17,413,676	\$ 1,690,963	\$ 17,674,390	\$ 36,779,029
<b>LIABILITIES</b>				
Accounts payable	\$ 475,413		\$ 167,694	\$ 643,107
Accrued salaries, wages and benefits	251,297		5,330	256,627
Due to other funds	159,175		20,332	179,507
Unearned revenue, current	258,170	15	1,302,648	1,560,833
Deposits	83,039			83,039
Due to other governments	100,444		2,164	102,608
Total liabilities	1,327,538	15	1,498,168	2,825,721
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue, taxes and penalties	71,949		33,736	105,685
Unavailable revenue, special assessments		378		378
Total deferred inflows of resources	71,949	378	33,736	106,063
Total liabilities and deferred inflows of resources	1,399,487	393	1,531,904	2,931,784
<b>FUND BALANCES</b>				
<b>Nonspendable</b>				
Prepaid items	121,273			121,273
Land held for resale	90,000			90,000
Deposits	500		7,156	7,656
<b>Restricted for</b>				
Debt service		1,690,570		1,690,570
Capital improvement projects			16,135,330	16,135,330
General, town and district redevelopment programs	3,545,966			3,545,966
Youth and other judicial programs	2,104,733			2,104,733
Fire, police and other public safety programs	992,208			992,208
Streets and other public works programs	3,001,265			3,001,265
Cultural, community and development programs	4,823,669			4,823,669
<b>Committed to</b>				
Streets and other public works programs	1,185,012			1,185,012
<b>Assigned to</b>				
Sanitation and other health programs	161,911			161,911
Unassigned	(12,348)			(12,348)
Total fund balances	16,014,189	1,690,570	16,142,486	33,847,245
Total liabilities, deferred inflows of resources and fund balances	\$ 17,413,676	\$ 1,690,963	\$ 17,674,390	\$ 36,779,029

# DOUGLAS COUNTY

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2016

	Non-major Special Revenue Funds	Non-major Debt Service Funds	Non-major Capital Projects Funds	Non-major Governmental Funds
REVENUES				
Taxes	\$ 9,575,122		\$ 3,056,397	\$ 12,631,519
Licenses, permits, franchise and other fees	505,236		300,000	805,236
Intergovernmental shared revenues	9,452,759		1,338,185	10,790,944
Charges for services	1,301,151			1,301,151
Fines and forfeitures	185,444			185,444
Miscellaneous	<u>2,035,176</u>	<u>2,658</u>	<u>254,180</u>	<u>2,292,014</u>
Total revenues	<u>23,054,888</u>	<u>2,658</u>	<u>4,948,762</u>	<u>28,006,308</u>
EXPENDITURES				
Current				
General government	1,341,549		613,556	1,955,105
Judicial	5,135,470			5,135,470
Public safety	1,916,832			1,916,832
Public works	3,284,352		1,100,084	4,384,436
Community development	2,433,142			2,433,142
Culture and recreation	1,401,841		2,855	1,404,696
Health and sanitation	295,055			295,055
Welfare	<u>2,875,513</u>			<u>2,875,513</u>
Total current	<u>18,683,754</u>		<u>1,716,495</u>	<u>20,400,249</u>
Capital outlay				
General government			1,505,011	1,505,011
Judicial	73,550			73,550
Public works	922,315		1,810,745	2,733,060
Community development	151,335			151,335
Culture and recreation	1,881,291		448,608	2,329,899
Welfare	<u>76,365</u>			<u>76,365</u>
Total capital outlay	<u>3,104,856</u>		<u>3,764,364</u>	<u>6,869,220</u>
Debt service				
Principal payments		1,689,288		1,689,288
Interest expense		475,961		475,961
Fiscal charges		<u>900</u>		<u>900</u>
Total debt service		<u>2,166,149</u>		<u>2,166,149</u>
Total expenditures	<u>21,788,610</u>	<u>2,166,149</u>	<u>5,480,859</u>	<u>29,435,618</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,266,278</u>	<u>(2,163,491)</u>	<u>(532,097)</u>	<u>(1,429,310)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal	10,433			10,433
Transfers in	2,415,406	1,926,583	4,228,038	8,570,027
Transfers out	<u>(2,735,595)</u>	<u>(792)</u>	<u>(3,737,225)</u>	<u>(6,473,612)</u>
Total other financing sources (uses)	<u>(309,756)</u>	<u>1,925,791</u>	<u>490,813</u>	<u>2,106,848</u>
CHANGE IN FUND BALANCE	956,522	(237,700)	(41,284)	677,538
FUND BALANCE, BEGINNING OF YEAR	<u>15,057,667</u>	<u>1,928,270</u>	<u>16,183,770</u>	<u>33,169,707</u>
FUND BALANCE, END OF YEAR	<u>\$ 16,014,189</u>	<u>\$ 1,690,570</u>	<u>\$ 16,142,486</u>	<u>\$ 33,847,245</u>

# **SPECIAL REVENUE FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Nevada Cooperative Extension

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

Airport

Accounts for the operations of the Minden-Tahoe Airport.

Douglas County Water District

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

Solid Waste Management

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

Landscape Maintenance Districts

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

State Motor Vehicle Accident Indigent

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

Medical Assistance to Indigents

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

Social Services

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

Law Library

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

Road Operating

Accounts for the maintenance of Douglas County roads.

Library Gifts

Accounts for donations from library patrons.

Tahoe-Douglas Transportation District

Accounts for transportation needs in the Lake Tahoe area.

Justice Court Administrative Assessment

Accounts for the enhancement of court operations.

China Spring Youth Camp

Accounts for the juvenile correction center operations.

Western Nevada Regional Youth Center

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

Erosion Control (TRPA) Mitigation

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

Technology Services (911)

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

Senior Services Program

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

Redevelopment Agency

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

(Continued)

**DOUGLAS COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2016**

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Town of Gardnerville

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

Town of Genoa

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

Town of Minden

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

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2016

	Nevada Cooperative Extension	Airport	Douglas County Water District	Solid Waste Management	Landscape Maintenance Districts
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 245,694	\$ 1,723,514	\$ 195,892	\$ 1,951,325	\$ 10,008
Accounts receivable, net		68,761		52,064	
Taxes receivable	3,386				
Interest receivable	498	4,755	321	3,388	12
Due from other governments		2,784			
Due from other funds					
Prepaid items	426	37,517	120		
Other assets					
Property held for sale					
<b>Total assets</b>	<b><u>\$ 250,004</u></b>	<b><u>\$ 1,837,331</u></b>	<b><u>\$ 196,333</u></b>	<b><u>\$ 2,006,777</u></b>	<b><u>\$ 10,020</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 25,806	\$ 8,771		\$ 15,575	
Accrued salaries, wages and benefits	3,665			2,195	
Due to other funds	163	368	51,076	18	
Unearned revenue, current		89,334			
Deposits		60,357			
Due to other governments					
<b>Total liabilities</b>	<b><u>29,634</u></b>	<b><u>158,830</u></b>	<b><u>51,076</u></b>	<b><u>17,788</u></b>	
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties	<u>2,700</u>				
<b>Total liabilities and deferred inflows of resources</b>	<b><u>32,334</u></b>	<b><u>158,830</u></b>	<b><u>51,076</u></b>	<b><u>17,788</u></b>	
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	426	37,517	120		
Land held for resale					
Deposits					
Restricted for					
General, town and district redevelopment programs		1,640,984			
Youth and other judicial programs					
Fire, police and other public safety programs					
Streets and other public works programs			145,137	1,988,989	10,020
Cultural, community and development programs	217,244				
Committed to					
Streets and other public works programs					
Assigned to					
Sanitation and other health programs					
Unassigned					
<b>Total fund balances</b>	<b><u>217,670</u></b>	<b><u>1,678,501</u></b>	<b><u>145,257</u></b>	<b><u>1,988,989</u></b>	<b><u>10,020</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 250,004</u></b>	<b><u>\$ 1,837,331</u></b>	<b><u>\$ 196,333</u></b>	<b><u>\$ 2,006,777</u></b>	<b><u>\$ 10,020</u></b>

(Continued)

**DOUGLAS COUNTY**

**NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2016**

	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents	Social Services	Law Library	Road Operating
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 7,870	\$ 4,560,090	\$ 175,476	\$ 51,764	\$ 1,256,271
Accounts receivable, net					11,483
Taxes receivable	5,056	11,891	10,545		
Interest receivable		9,786	532	109	1,776
Due from other governments			17,193		203,827
Due from other funds			12,662		
Prepaid items			6,173		
Other assets					
Property held for sale					
<b>Total assets</b>	<u>\$ 12,926</u>	<u>\$ 4,581,767</u>	<u>\$ 222,581</u>	<u>\$ 51,873</u>	<u>\$ 1,473,357</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 17	\$ 10,175	\$ 172,911	\$ 1,806	\$ 34,202
Accrued salaries, wages and benefits			12,005		19,886
Due to other funds		12,662	35,461		721
Unearned revenue, current					
Deposits					
Due to other governments	<u>7,870</u>	<u>62,681</u>			
<b>Total liabilities</b>	<u>7,887</u>	<u>85,518</u>	<u>220,377</u>	<u>1,806</u>	<u>54,809</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties	<u>4,026</u>	<u>8,206</u>	<u>8,379</u>		
<b>Total liabilities and deferred inflows of resources</b>	<u>11,913</u>	<u>93,724</u>	<u>228,756</u>	<u>1,806</u>	<u>54,809</u>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items			6,173		
Land held for resale					
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	1,013				233,536
Cultural, community and development programs		4,488,043		50,067	
Committed to					
Streets and other public works programs					1,185,012
Assigned to					
Sanitation and other health programs					
Unassigned			<u>(12,348)</u>		
<b>Total fund balances</b>	<u>1,013</u>	<u>4,488,043</u>	<u>(6,175)</u>	<u>50,067</u>	<u>1,418,548</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 12,926</u>	<u>\$ 4,581,767</u>	<u>\$ 222,581</u>	<u>\$ 51,873</u>	<u>\$ 1,473,357</u>

(Continued)



# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2016

	Library Gifts	Tahoe-Douglas Transportation District	Justice Court Administrative Assessment	China Spring Youth Camp	Western Nevada Regional Youth Center
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 68,491	\$ 339,788	\$ 831,990	\$ 733,770	\$ 626,404
Accounts receivable, net		62,225			
Taxes receivable				1,268	7,026
Interest receivable	83	773	1,433	1,617	116
Due from other governments				45,915	
Due from other funds				210	
Prepaid items	15,753			26,056	
Other assets					
Property held for sale					
<b>Total assets</b>	<b>\$ 84,327</b>	<b>\$ 402,786</b>	<b>\$ 833,423</b>	<b>\$ 808,836</b>	<b>\$ 633,546</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 259	\$ 2,500	\$ 4,976	\$ 18,575	\$ 23
Accrued salaries, wages and benefits		443		98,581	
Due to other funds		4		42,177	
Unearned revenue, current					
Deposits					
Due to other governments					
<b>Total liabilities</b>	<b>259</b>	<b>2,947</b>	<b>4,976</b>	<b>159,333</b>	<b>23</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties				1,011	5,729
<b>Total liabilities and deferred inflows of resources</b>	<b>259</b>	<b>2,947</b>	<b>4,976</b>	<b>160,344</b>	<b>5,752</b>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items	15,753				
Land held for resale					
Deposits					
Restricted for					
General, town and district redevelopment programs					
Youth and other judicial programs			828,447	648,492	627,794
Fire, police and other public safety programs					
Streets and other public works programs		399,839			
Cultural, community and development programs	68,315				
Committed to					
Streets and other public works programs					
Assigned to					
Sanitation and other health programs					
Unassigned					
<b>Total fund balances</b>	<b>84,068</b>	<b>399,839</b>	<b>828,447</b>	<b>648,492</b>	<b>627,794</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 84,327</b>	<b>\$ 402,786</b>	<b>\$ 833,423</b>	<b>\$ 808,836</b>	<b>\$ 633,546</b>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2016

	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency	Town of Gardnerville
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 227,676	\$ 978,556	\$ 1,238	\$ 280,537	\$ 776,642
Accounts receivable, net		11,591	231		
Taxes receivable		16,537		4,562	18,284
Interest receivable	572	1,674	89	488	1,255
Due from other governments		57,215	229,797		46,761
Due from other funds			22,500		17,229
Prepaid items	200	17,804	50		22,635
Other assets					
Property held for sale	90,000				
<b>Total assets</b>	<b>\$ 318,448</b>	<b>\$ 1,083,377</b>	<b>\$ 253,905</b>	<b>\$ 285,587</b>	<b>\$ 882,806</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 5,517	\$ 16,906	\$ 27,556	\$	\$ 68,026
Accrued salaries, wages and benefits		41,714	32,472	800	19,458
Due to other funds		1,468	2,023	3	12,417
Unearned revenue, current					6,266
Deposits					
Due to other governments			29,893		
<b>Total liabilities</b>	<b>5,517</b>	<b>60,088</b>	<b>91,944</b>	<b>803</b>	<b>106,167</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties		13,277		4,562	15,182
<b>Total liabilities and deferred inflows of resources</b>	<b>5,517</b>	<b>73,365</b>	<b>91,944</b>	<b>5,365</b>	<b>121,349</b>
<b>FUND BALANCES</b>					
<b>Nonspendable</b>					
Prepaid items	200	17,804	50		22,635
Land held for resale	90,000				
Deposits					
<b>Restricted for</b>					
General, town and district redevelopment programs				280,222	738,822
Youth and other judicial programs					
Fire, police and other public safety programs		992,208			
Streets and other public works programs	222,731				
Cultural, community and development programs					
<b>Committed to</b>					
Streets and other public works programs					
<b>Assigned to</b>					
Sanitation and other health programs			161,911		
Unassigned					
<b>Total fund balances</b>	<b>312,931</b>	<b>1,010,012</b>	<b>161,961</b>	<b>280,222</b>	<b>761,457</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 318,448</b>	<b>\$ 1,083,377</b>	<b>\$ 253,905</b>	<b>\$ 285,587</b>	<b>\$ 882,806</b>

(Continued)

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2016

	Town of Genoa	Town of Minden	Total Non-major Special Revenue Funds
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 254,148	\$ 820,292	\$ 16,117,436
Accounts receivable, net	5,842	100	212,297
Taxes receivable	271	15,746	94,572
Interest receivable	417	1,662	31,356
Due from other governments	1,917	61,879	667,288
Due from other funds		297	52,898
Prepaid items	9,465	11,130	147,329
Other assets	500		500
Property held for sale			90,000
Total assets	\$ 272,560	\$ 911,106	\$ 17,413,676
<b>LIABILITIES</b>			
Accounts payable	\$ 9,238	\$ 52,574	\$ 475,413
Accrued salaries, wages and benefits	4,338	15,740	251,297
Due to other funds	141	473	159,175
Unearned revenue, current	141,352	21,218	258,170
Deposits	4,157	18,525	83,039
Due to other governments			100,444
Total liabilities	159,226	108,530	1,327,538
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue, taxes and penalties	139	8,738	71,949
Total liabilities and deferred inflows of resources	159,365	117,268	1,399,487
<b>FUND BALANCES</b>			
Nonspendable			
Prepaid items	9,465	11,130	121,273
Land held for resale			90,000
Deposits	500		500
Restricted for			
General, town and district redevelopment programs	103,230	782,708	3,545,966
Youth and other judicial programs			2,104,733
Fire, police and other public safety programs			992,208
Streets and other public works programs			3,001,265
Cultural, community and development programs			4,823,669
Committed to			
Streets and other public works programs			1,185,012
Assigned to			
Sanitation and other health programs			161,911
Unassigned			(12,348)
Total fund balances	113,195	793,838	16,014,189
Total liabilities, deferred inflows of resources and fund balances	\$ 272,560	\$ 911,106	\$ 17,413,676

# DOUGLAS COUNTY

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2016

	Nevada Cooperative Extension	Airport	Douglas County Water District	Solid Waste Management	Landscape Maintenance Districts
<b>REVENUES</b>					
Taxes	\$ 250,824				
Licenses, permits, franchise and other fees				\$ 505,236	
Intergovernmental shared revenues		1,839,729			
Charges for services		41,448			
Fines and forfeitures					
Miscellaneous	10,789	1,032,675	37,092	65,716	20,377
<b>Total revenues</b>	<u>261,613</u>	<u>2,913,852</u>	<u>37,092</u>	<u>570,952</u>	<u>20,377</u>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government					
Judicial					
Public safety					
Public works			10,460		
Community development	266,697				
Culture and recreation		836,730			15,559
Health and sanitation				295,055	
Welfare					
<b>Total current</b>	<u>266,697</u>	<u>836,730</u>	<u>10,460</u>	<u>295,055</u>	<u>15,559</u>
<b>Capital outlay</b>					
Judicial					
Public works					
Community development					
Culture and recreation		1,881,291			
Welfare					
<b>Total capital outlay</b>		<u>1,881,291</u>			
<b>Total expenditures</b>	<u>266,697</u>	<u>2,718,021</u>	<u>10,460</u>	<u>295,055</u>	<u>15,559</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(5,084)</u>	<u>195,831</u>	<u>26,632</u>	<u>275,897</u>	<u>4,818</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					
Transfers in				792	
Transfers out		(77,739)			
<b>Total other financing sources (uses)</b>		<u>(77,739)</u>		<u>792</u>	
<b>CHANGE IN FUND BALANCE</b>	(5,084)	118,092	26,632	276,689	4,818
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>222,754</u>	<u>1,560,409</u>	<u>118,625</u>	<u>1,712,300</u>	<u>5,202</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 217,670</u>	<u>\$ 1,678,501</u>	<u>\$ 145,257</u>	<u>\$ 1,988,989</u>	<u>\$ 10,020</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, 2016

	State Motor Vehicle Accident Indigent	Medical Assistance to Indigents	Social Services	Law Library	Road Operating
<b>REVENUES</b>					
Taxes	\$ 376,235	\$ 1,318,566	\$ 771,853	\$	\$ 310,405
Licenses, permits, franchise and other fees			242,048		975,269
Intergovernmental shared revenues			430	19,828	39,773
Charges for services		60			
Fines and forfeitures					
Miscellaneous		40,583	2,787	449	10,223
<b>Total revenues</b>	<u>376,235</u>	<u>1,359,209</u>	<u>1,017,118</u>	<u>20,277</u>	<u>1,335,670</u>
<b>EXPENDITURES</b>					
Current					
General government					
Judicial				22,806	
Public safety					
Public works					1,708,702
Community development					
Culture and recreation					
Health and sanitation					
Welfare	378,974	694,930	1,801,609		
<b>Total current</b>	<u>378,974</u>	<u>694,930</u>	<u>1,801,609</u>	<u>22,806</u>	<u>1,708,702</u>
Capital outlay					
Judicial					
Public works					
Community development					
Culture and recreation					
Welfare		76,365			
<b>Total capital outlay</b>		<u>76,365</u>			
<b>Total expenditures</b>	<u>378,974</u>	<u>771,295</u>	<u>1,801,609</u>	<u>22,806</u>	<u>1,708,702</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,739)</u>	<u>587,914</u>	<u>(784,491)</u>	<u>(2,529)</u>	<u>(373,032)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					1,408
Transfers in			15,085		914,343
Transfers out		(265,085)	(3,500)		(49,979)
<b>Total other financing sources (uses)</b>		<u>(265,085)</u>	<u>11,585</u>		<u>865,772</u>
<b>CHANGE IN FUND BALANCE</b>	(2,739)	322,829	(772,906)	(2,529)	492,740
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,752</u>	<u>4,165,214</u>	<u>766,731</u>	<u>52,596</u>	<u>925,808</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,013</u>	<u>\$ 4,488,043</u>	<u>\$ (6,175)</u>	<u>\$ 50,067</u>	<u>\$ 1,418,548</u>

(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, 2016

	<u>Library Gifts</u>	<u>Tahoe-Douglas Transportation District</u>	<u>Justice Court Administrative Assessment</u>	<u>China Spring Youth Camp</u>	<u>Western Nevada Regional Youth Center</u>
<b>REVENUES</b>					
Taxes	\$	\$ 621,646	\$	\$ 92,182	\$ 439,385
Licenses, permits, franchise and other fees				4,360,673	
Intergovernmental shared revenues				22,993	
Charges for services			37,191		
Fines and forfeitures			185,444		
Miscellaneous	61,407	3,420	6,448	90,245	5,343
<b>Total revenues</b>	<u>61,407</u>	<u>625,066</u>	<u>229,083</u>	<u>4,566,093</u>	<u>444,728</u>
<b>EXPENDITURES</b>					
Current					
General government					
Judicial			111,058	4,568,606	433,000
Public safety					
Public works		146,771			
Community development					
Culture and recreation	14,619				
Health and sanitation					
Welfare					
<b>Total current</b>	<u>14,619</u>	<u>146,771</u>	<u>111,058</u>	<u>4,568,606</u>	<u>433,000</u>
Capital outlay					
Judicial			10,154	63,396	
Public works		206,552			
Community development					
Culture and recreation					
Welfare					
<b>Total capital outlay</b>		<u>206,552</u>	<u>10,154</u>	<u>63,396</u>	
<b>Total expenditures</b>	<u>14,619</u>	<u>353,323</u>	<u>121,212</u>	<u>4,632,002</u>	<u>433,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>46,788</u>	<u>271,743</u>	<u>107,871</u>	<u>(65,909)</u>	<u>11,728</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal				12,926	
Transfers in					
Transfers out		(317,218)			
<b>Total other financing sources (uses)</b>		<u>(317,218)</u>		<u>12,926</u>	
<b>CHANGE IN FUND BALANCE</b>	46,788	(45,475)	107,871	(52,983)	11,728
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>37,280</u>	<u>445,314</u>	<u>720,576</u>	<u>701,475</u>	<u>616,066</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 84,068</u>	<u>\$ 399,839</u>	<u>\$ 828,447</u>	<u>\$ 648,492</u>	<u>\$ 627,794</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, 2016

	Erosion Control (TRPA) Mitigation	Technology Services (911)	Senior Services Program	Redevelopment Agency	Town of Gardnerville
<b>REVENUES</b>					
Taxes	\$	\$ 1,191,421	\$	\$ 2,113,932	\$ 1,100,829
Licenses, permits, franchise and other fees			832,151		747,208
Intergovernmental shared revenues			185,924		4,949
Charges for services		935,309			
Fines and forfeitures			81,776	6,578	84,585
Miscellaneous	2,260	8,879	81,776	6,578	84,585
<b>Total revenues</b>	<u>2,260</u>	<u>2,135,609</u>	<u>1,099,851</u>	<u>2,120,510</u>	<u>1,937,571</u>
<b>EXPENDITURES</b>					
Current					
General government				59,514	421,083
Judicial					
Public safety		1,916,832			
Public works	188,327				583,413
Community development			2,166,445		
Culture and recreation					78,217
Health and sanitation					
Welfare					
<b>Total current</b>	<u>188,327</u>	<u>1,916,832</u>	<u>2,166,445</u>	<u>59,514</u>	<u>1,082,713</u>
Capital outlay					
Judicial					
Public works	10,466				705,297
Community development			151,335		
Culture and recreation					
Welfare					
<b>Total capital outlay</b>	<u>10,466</u>	<u></u>	<u>151,335</u>	<u></u>	<u>705,297</u>
<b>Total expenditures</b>	<u>198,793</u>	<u>1,916,832</u>	<u>2,317,780</u>	<u>59,514</u>	<u>1,788,010</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(196,533)</u>	<u>218,777</u>	<u>(1,217,929)</u>	<u>2,060,996</u>	<u>149,561</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal			1,805		
Transfers in	52,050		1,220,210		
Transfers out				(2,022,074)	
<b>Total other financing sources (uses)</b>	<u>52,050</u>	<u></u>	<u>1,222,015</u>	<u>(2,022,074)</u>	<u></u>
<b>CHANGE IN FUND BALANCE</b>	(144,483)	218,777	4,086	38,922	149,561
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>457,414</u>	<u>791,235</u>	<u>157,875</u>	<u>241,300</u>	<u>611,896</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 312,931</u>	<u>\$ 1,010,012</u>	<u>\$ 161,961</u>	<u>\$ 280,222</u>	<u>\$ 761,457</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, 2016

	<u>Town of Genoa</u>	<u>Town of Minden</u>	<u>Total Non-major Special Revenue Funds</u>
REVENUES			
Taxes	\$ 41,784	\$ 946,060	\$ 9,575,122
Licenses, permits, franchise and other fees			505,236
Intergovernmental shared revenues	11,619	444,062	9,452,759
Charges for services	13,246		1,301,151
Fines and forfeitures			185,444
Miscellaneous	<u>416,696</u>	<u>46,848</u>	<u>2,035,176</u>
Total revenues	<u>483,345</u>	<u>1,436,970</u>	<u>23,054,888</u>
EXPENDITURES			
Current			
General government	458,027	402,925	1,341,549
Judicial			5,135,470
Public safety			1,916,832
Public works		646,679	3,284,352
Community development			2,433,142
Culture and recreation		456,716	1,401,841
Health and sanitation			295,055
Welfare			<u>2,875,513</u>
Total current	<u>458,027</u>	<u>1,506,320</u>	<u>18,683,754</u>
Capital outlay			
Judicial			73,550
Public works			922,315
Community development			151,335
Culture and recreation			1,881,291
Welfare			<u>76,365</u>
Total capital outlay			<u>3,104,856</u>
Total expenditures	<u>458,027</u>	<u>1,506,320</u>	<u>21,788,610</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>25,318</u>	<u>(69,350)</u>	<u>1,266,278</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from capital asset disposal		7,220	10,433
Transfers in		200,000	2,415,406
Transfers out			<u>(2,735,595)</u>
Total other financing sources (uses)		<u>207,220</u>	<u>(309,756)</u>
CHANGE IN FUND BALANCE	25,318	137,870	956,522
FUND BALANCE, BEGINNING OF YEAR	<u>87,877</u>	<u>655,968</u>	<u>15,057,667</u>
FUND BALANCE, END OF YEAR	<u>\$ 113,195</u>	<u>\$ 793,838</u>	<u>\$ 16,014,189</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 250,721	\$ 250,721	\$ 242,036	\$ (8,685)
Real property taxes, delinquent			1,660	1,660
Personal property taxes, current	5,698	5,698	6,985	1,287
Personal property taxes, delinquent			143	143
Miscellaneous				
Other reimbursements and restitutions			8,469	8,469
Investment income	300	300	2,320	2,020
Total revenues	<u>256,719</u>	<u>256,719</u>	<u>261,613</u>	<u>4,894</u>
<b>EXPENDITURES</b>				
Community development				
Cooperative extension				
Salaries and wages	69,543	81,543	74,029	7,514
Employee benefits	31,861	34,861	32,999	1,862
Services and supplies	147,421	195,172	159,669	35,503
Capital outlay	137,753	127,253		127,253
Total expenditures	<u>386,578</u>	<u>438,829</u>	<u>266,697</u>	<u>172,132</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(129,859)</u>	<u>(182,110)</u>	<u>(5,084)</u>	<u>177,026</u>
<b>OTHER FINANCING USES</b>				
Contingencies	<u>(7,465)</u>	<u>(12,465)</u>		<u>12,465</u>
CHANGE IN FUND BALANCE	(137,324)	(194,575)	(5,084)	189,491
FUND BALANCE, BEGINNING OF YEAR	<u>165,503</u>	<u>222,754</u>	<u>222,754</u>	
FUND BALANCE, END OF YEAR	<u>\$ 28,179</u>	<u>\$ 28,179</u>	<u>\$ 217,670</u>	<u>\$ 189,491</u>

# DOUGLAS COUNTY

## AIRPORT SPECIAL REVENUE FUND

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Intergovernmental shared revenues				
Federal, state and local grants				
DOT	\$	\$ 1,761,843	\$ 1,761,842	\$ (1)
Other grants		26,936	26,936	
Aviation fuel taxes	7,000	7,000	8,514	1,514
Jet fuel taxes	3,000	42,911	42,437	(474)
Charges for services				
General government				
Late charges	1,500	2,050	2,400	350
Hutt aviation 1%	4,000	4,000	1,173	(2,827)
Airport Tie Downs	20,000	20,000	18,815	(1,185)
Commercial operator	1,500	1,500	1,200	(300)
Fuel flowage fees	13,000	13,000	13,190	190
Airport administration fee		3,750	3,750	
Telephone fees	650	650	800	150
Camping fees			120	120
Other	100	100		(100)
Miscellaneous				
Building rental income	75,000	80,800	105,234	24,434
Land lease income	470,000	470,000	492,625	22,625
Other rent and lease income	280,000	280,000	279,370	(630)
Investment income	5,000	6,025	17,153	11,128
Other	112,500	159,375	138,293	(21,082)
<b>Total revenues</b>	<b>993,250</b>	<b>2,879,940</b>	<b>2,913,852</b>	<b>33,912</b>
<b>EXPENDITURES</b>				
Culture and recreation				
Airport				
Services and supplies	826,372	1,151,917	836,730	315,187
Capital outlay	1,146,264	2,034,341	1,881,291	153,050
<b>Total expenditures</b>	<b>1,972,636</b>	<b>3,186,258</b>	<b>2,718,021</b>	<b>468,237</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(979,386)</b>	<b>(306,318)</b>	<b>195,831</b>	<b>502,149</b>
<b>OTHER FINANCING USES</b>				
Contingencies	(24,476)	(24,476)		24,476
Transfers out	(77,739)	(77,739)	(77,739)	
<b>Total other financing uses</b>	<b>(102,215)</b>	<b>(102,215)</b>	<b>(77,739)</b>	<b>24,476</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(1,081,601)</b>	<b>(408,533)</b>	<b>118,092</b>	<b>526,625</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>2,233,477</b>	<b>1,560,409</b>	<b>1,560,409</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 1,151,876</b>	<b>\$ 1,151,876</b>	<b>\$ 1,678,501</b>	<b>\$ 526,625</b>

# DOUGLAS COUNTY

## DOUGLAS COUNTY WATER DISTRICT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Water rights	\$	\$	\$ 35,346	\$ 35,346
Investment income			1,746	1,746
Total revenues			37,092	37,092
EXPENDITURES				
Public works				
Water				
Services and supplies	36,743	63,743	10,460	53,283
Capital outlay	74,327	50,730		50,730
Total expenditures	111,070	114,473	10,460	104,013
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(111,070)	(114,473)	26,632	141,105
OTHER FINANCING USES				
Contingencies	(1,102)	(1,102)		1,102
CHANGE IN FUND BALANCE	(112,172)	(115,575)	26,632	142,207
FUND BALANCE, BEGINNING OF YEAR	115,222	118,625	118,625	
FUND BALANCE, END OF YEAR	\$ 3,050	\$ 3,050	\$ 145,257	\$ 142,207

# 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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Business licenses, permits, franchise and other fees				
DDI franchise fees	\$ 383,000	\$ 383,000	\$ 425,438	\$ 42,438
STR franchise fees	75,300	75,300	77,798	2,498
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>15,716</u>	<u>10,716</u>
Total revenues	<u>515,300</u>	<u>515,300</u>	<u>570,952</u>	<u>55,652</u>
<b>EXPENDITURES</b>				
Health and sanitation				
Joint powers authority				
Services and supplies	40,000	40,000		40,000
Capital outlay	<u>40,806</u>	<u>80,806</u>		<u>80,806</u>
Total joint powers authority	<u>80,806</u>	<u>120,806</u>		<u>120,806</u>
General				
Salaries and wages	51,239	51,239	49,690	1,549
Employee benefits	21,198	21,198	20,480	718
Services and supplies	<u>1,936,617</u>	<u>1,993,685</u>	<u>224,885</u>	<u>1,768,800</u>
Total general	<u>2,009,054</u>	<u>2,066,122</u>	<u>295,055</u>	<u>1,771,067</u>
Total expenditures	<u>2,089,860</u>	<u>2,186,928</u>	<u>295,055</u>	<u>1,891,873</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,574,560)</u>	<u>(1,671,628)</u>	<u>275,897</u>	<u>1,947,525</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(9,787)	(9,787)		9,787
Transfers in		<u>792</u>	<u>792</u>	
Total other financing sources (uses)	<u>(9,787)</u>	<u>(8,995)</u>	<u>792</u>	<u>9,787</u>
CHANGE IN FUND BALANCE	(1,584,347)	(1,680,623)	276,689	1,957,312
FUND BALANCE, BEGINNING OF YEAR	<u>1,616,024</u>	<u>1,712,300</u>	<u>1,712,300</u>	
FUND BALANCE, END OF YEAR	<u>\$ 31,677</u>	<u>\$ 31,677</u>	<u>\$ 1,988,989</u>	<u>\$ 1,957,312</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Special assessments	\$ 20,324	\$ 20,324	\$ 20,323	\$ (1)
Investment income			54	54
	<u>20,324</u>	<u>20,324</u>	<u>20,377</u>	<u>53</u>
Total revenues				
EXPENDITURES				
Culture and recreation				
Parks operations				
Salaries and wages	20,324	25,526	7,539	17,987
Services and supplies			8,020	(8,020)
	<u>20,324</u>	<u>25,526</u>	<u>15,559</u>	<u>9,967</u>
Total expenditures				
CHANGE IN FUND BALANCE		(5,202)	4,818	10,020
FUND BALANCE, BEGINNING OF YEAR		<u>5,202</u>	<u>5,202</u>	
FUND BALANCE, END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 10,020</u>	<u>\$ 10,020</u>

## 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 376,091	\$ 376,091	\$ 363,060	\$ (13,031)
Real property taxes, delinquent			2,483	2,483
Personal property taxes, current			10,478	10,478
Personal property taxes, delinquent			214	214
Total revenues	<u>376,091</u>	<u>376,091</u>	<u>376,235</u>	<u>144</u>
EXPENDITURES				
Welfare				
Vehicle accident, indigent				
Services and supplies	<u>376,091</u>	<u>379,843</u>	<u>378,974</u>	<u>869</u>
Total expenditures	<u>376,091</u>	<u>379,843</u>	<u>378,974</u>	<u>869</u>
CHANGE IN FUND BALANCE		(3,752)	(2,739)	1,013
FUND BALANCE, BEGINNING OF YEAR		<u>3,752</u>	<u>3,752</u>	
FUND BALANCE, END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 1,013</u>	<u>\$ 1,013</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,316,308	\$ 1,316,308	\$ 1,270,695	\$ (45,613)
Real property taxes, delinquent			10,245	10,245
Personal property taxes, current			36,653	36,653
Personal property taxes, delinquent			973	973
Intergovernmental shared revenues				
Indigent repay			60	60
Miscellaneous				
Investment income	<u>4,000</u>	<u>12,000</u>	<u>40,583</u>	<u>28,583</u>
Total revenues	<u>1,320,308</u>	<u>1,328,308</u>	<u>1,359,209</u>	<u>30,901</u>
EXPENDITURES				
Welfare				
Medical assistance to indigents				
Services and supplies	1,320,308	1,300,308	694,930	605,378
Capital outlay		<u>946,496</u>	<u>76,365</u>	<u>870,131</u>
Total expenditures	<u>1,320,308</u>	<u>2,246,804</u>	<u>771,295</u>	<u>1,475,509</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES		<u>(918,496)</u>	<u>587,914</u>	<u>1,506,410</u>
OTHER FINANCING USES				
Transfers out		<u>(15,085)</u>	<u>(265,085)</u>	<u>(250,000)</u>
CHANGE IN FUND BALANCE		(933,581)	322,829	1,256,410
FUND BALANCE, BEGINNING OF YEAR	<u>3,231,633</u>	<u>4,165,214</u>	<u>4,165,214</u>	
FUND BALANCE, END OF YEAR	<u>\$ 3,231,633</u>	<u>\$ 3,231,633</u>	<u>\$ 4,488,043</u>	<u>\$ 1,256,410</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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 772,065	\$ 772,065	\$ 742,820	\$ (29,245)
Real property taxes, delinquent			5,173	5,173
Personal property taxes, current			23,406	23,406
Personal property taxes, delinquent			454	454
Intergovernmental shared revenues				
Federal, state and local grants				
PY grant revenue		10,412	5,206	(5,206)
CSBG	144,898	144,898	85,538	(59,360)
USDA			1,500	1,500
HUD	142,800	142,800	101,002	(41,798)
United Way	10,411	(1)	5,206	5,207
Other grants	59,500	59,500	43,596	(15,904)
Charges for services				
Community support				
Indigent repay	1,063,894	1,063,894	430	(1,063,464)
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>2,787</u>	<u>1,787</u>
Total revenues	<u>2,194,568</u>	<u>2,194,568</u>	<u>1,017,118</u>	<u>(1,177,450)</u>
<b>EXPENDITURES</b>				
Welfare				
Medical				
Services and supplies	<u>194,464</u>	<u>194,464</u>	<u>193,005</u>	<u>1,459</u>
General				
Salaries and wages	438,880	438,880	355,911	82,969
Employee benefits	234,360	234,360	183,455	50,905
Services and supplies	<u>648,362</u>	<u>648,117</u>	<u>513,351</u>	<u>134,766</u>
Total general	<u>1,321,602</u>	<u>1,321,357</u>	<u>1,052,717</u>	<u>268,640</u>
Community health nurse				
Services and supplies	<u>666,914</u>	<u>666,914</u>	<u>555,887</u>	<u>111,027</u>
Total expenditures	<u>2,182,980</u>	<u>2,182,735</u>	<u>1,801,609</u>	<u>381,126</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>11,588</u>	<u>11,833</u>	<u>(784,491)</u>	<u>(796,324)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(39,648)	(39,648)		39,648
Transfers in		15,085	15,085	
Transfers out	<u>(3,500)</u>	<u>(3,500)</u>	<u>(3,500)</u>	
Total other financing sources (uses)	<u>(43,148)</u>	<u>(28,063)</u>	<u>11,585</u>	<u>39,648</u>
CHANGE IN FUND BALANCE	(31,560)	(16,230)	(772,906)	(756,676)
FUND BALANCE, BEGINNING OF YEAR	<u>782,061</u>	<u>766,731</u>	<u>766,731</u>	
FUND BALANCE, END OF YEAR	<u>\$ 750,501</u>	<u>\$ 750,501</u>	<u>\$ (6,175)</u>	<u>\$ (756,676)</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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services				
General government				
Clerk's fees	\$ 22,000	\$ 22,000	\$ 19,828	\$ (2,172)
Miscellaneous				
Investment income	<u>50</u>	<u>50</u>	<u>449</u>	<u>399</u>
Total revenues	<u>22,050</u>	<u>22,050</u>	<u>20,277</u>	<u>(1,773)</u>
EXPENDITURES				
Judicial				
Law library				
Services and supplies	<u>21,840</u>	<u>71,913</u>	<u>22,806</u>	<u>49,107</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>210</u>	<u>(49,863)</u>	<u>(2,529)</u>	<u>47,334</u>
OTHER FINANCING USES				
Contingencies	<u>(655)</u>	<u>(655)</u>		<u>655</u>
CHANGE IN FUND BALANCE	(445)	(50,518)	(2,529)	47,989
FUND BALANCE, BEGINNING OF YEAR	<u>2,523</u>	<u>52,596</u>	<u>52,596</u>	
FUND BALANCE, END OF YEAR	<u><u>\$ 2,078</u></u>	<u><u>\$ 2,078</u></u>	<u><u>\$ 50,067</u></u>	<u><u>\$ 47,989</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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
County gas tax	\$ 195,527	\$ 195,527	\$ 209,670	\$ 14,143
1% Valley Rm Tx (Rd)	78,115	88,115	100,735	12,620
Intergovernmental shared revenues				
Federal, state and local grants			14,628	14,628
Other grants			14,628	14,628
Motor vehicle fuel taxes	914,355	914,355	960,641	46,286
Charges for services				
Public works				
Repay for road work		44,533	39,773	(4,760)
Miscellaneous				
Investment income	2,000	2,000	8,319	6,319
Other		905	1,904	999
Total revenues	1,189,997	1,245,435	1,335,670	90,235
<b>EXPENDITURES</b>				
Public works				
Roads				
Salaries and wages	531,323	531,323	533,864	(2,541)
Employee benefits	270,465	270,465	256,008	14,457
Services and supplies	771,258	1,024,631	918,830	105,801
Capital outlay	617,244	1,032,842		1,032,842
Total expenditures	2,190,290	2,859,261	1,708,702	1,150,559
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,000,293)	(1,613,826)	(373,032)	1,240,794
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(47,191)	(47,191)		47,191
Proceeds from capital asset disposal		1,408	1,408	
Transfers in	414,343	914,343	914,343	
Transfers out	(49,979)	(49,979)	(49,979)	
Total other financing sources (uses)	317,173	818,581	865,772	47,191
CHANGE IN FUND BALANCE	(683,120)	(795,245)	492,740	1,287,985
FUND BALANCE, BEGINNING OF YEAR	813,683	925,808	925,808	
FUND BALANCE, END OF YEAR	\$ 130,563	\$ 130,563	\$ 1,418,548	\$ 1,287,985

# 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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Other donations	\$	\$ 53,742	\$ 60,860	\$ 7,118
Investment income			547	547
Total revenues		53,742	61,407	7,665
EXPENDITURES				
Culture and recreation				
Library				
Services and supplies		91,022	14,619	76,403
CHANGE IN FUND BALANCE		(37,280)	46,788	84,068
FUND BALANCE, BEGINNING OF YEAR		37,280	37,280	
FUND BALANCE, END OF YEAR	\$	\$	\$ 84,068	\$ 84,068

## 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
1% Lake Rm Tx (Rd)	\$ 505,769	\$ 505,769	\$ 621,646	\$ 115,877
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>3,420</u>	<u>2,420</u>
Total revenues	<u>506,769</u>	<u>506,769</u>	<u>625,066</u>	<u>118,297</u>
EXPENDITURES				
Public works				
Tahoe-Douglas transportation				
Salaries and wages	11,067	11,067	10,136	931
Employee benefits	4,763	4,763	4,270	493
Services and supplies	140,913	140,913	132,365	8,548
Capital outlay	<u>407,453</u>	<u>460,410</u>	<u>206,552</u>	<u>253,858</u>
Total expenditures	<u>564,196</u>	<u>617,153</u>	<u>353,323</u>	<u>263,830</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(57,427)</u>	<u>(110,384)</u>	<u>271,743</u>	<u>382,127</u>
OTHER FINANCING USES				
Contingencies	(4,702)	(4,702)		4,702
Transfers out	<u>(317,218)</u>	<u>(317,218)</u>	<u>(317,218)</u>	
Total other financing uses	<u>(321,920)</u>	<u>(321,920)</u>	<u>(317,218)</u>	<u>4,702</u>
CHANGE IN FUND BALANCE	(379,347)	(432,304)	(45,475)	386,829
FUND BALANCE, BEGINNING OF YEAR	<u>392,357</u>	<u>445,314</u>	<u>445,314</u>	
FUND BALANCE, END OF YEAR	<u>\$ 13,010</u>	<u>\$ 13,010</u>	<u>\$ 399,839</u>	<u>\$ 386,829</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services				
Judicial				
Other	\$	\$ 34,218	\$ 37,191	\$ 2,973
Fines and forfeitures				
Judicial				
East Fork Justice Court fines	34,000	89,588	114,609	25,021
Tahoe Justice Court fines	19,000	57,495	70,835	13,340
Miscellaneous				
Investment income	<u>1,000</u>	<u>1,000</u>	<u>6,448</u>	<u>5,448</u>
Total revenues	<u>54,000</u>	<u>182,301</u>	<u>229,083</u>	<u>46,782</u>
EXPENDITURES				
Judicial				
East Fork justice court				
Services and supplies		539,294	77,564	461,730
Capital outlay		10,154	10,154	
Total East Fork justice court		<u>549,448</u>	<u>87,718</u>	<u>461,730</u>
Tahoe justice court				
Services and supplies		<u>340,161</u>	<u>32,545</u>	<u>307,616</u>
Administrative assessment				
Services and supplies	<u>53,000</u>	<u>952</u>	<u>949</u>	<u>3</u>
Total expenditures	<u>53,000</u>	<u>890,561</u>	<u>121,212</u>	<u>769,349</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,000</u>	<u>(708,260)</u>	<u>107,871</u>	<u>816,131</u>
OTHER FINANCING USES				
Contingencies	<u>(1,590)</u>	<u>(1,590)</u>		<u>1,590</u>
CHANGE IN FUND BALANCE	(590)	(709,850)	107,871	817,721
FUND BALANCE, BEGINNING OF YEAR	<u>11,316</u>	<u>720,576</u>	<u>720,576</u>	
FUND BALANCE, END OF YEAR	<u>\$ 10,726</u>	<u>\$ 10,726</u>	<u>\$ 828,447</u>	<u>\$ 817,721</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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 92,197	\$ 92,197	\$ 88,777	\$ (3,420)
Real property taxes, delinquent			635	635
Personal property taxes, current			2,715	2,715
Personal property taxes, delinquent			55	55
Intergovernmental shared revenues				
Federal, state and local grants				
SAPTA	330,417	464,238	512,198	47,960
USDA			22,877	22,877
Child nutrition	90,124	90,124	96,990	6,866
Other grants		24,393	24,393	
Interim funding	3,704,215	3,704,215	3,704,215	
Charges for services				
Judicial				
Support and care fees	2,500	2,500	22,993	20,493
Miscellaneous				
Other donations		48,981	83,149	34,168
Investment income	5,000	5,000	7,096	2,096
Total revenues	4,224,453	4,431,648	4,566,093	134,445
EXPENDITURES				
Judicial				
China Spring youth camp				
Salaries and wages	2,185,094	2,358,103	2,291,949	66,154
Employee benefits	1,098,340	1,153,864	1,042,791	111,073
Services and supplies	953,945	1,188,564	1,233,866	(45,302)
Capital outlay		195,518	63,396	132,122
Total expenditures	4,237,379	4,896,049	4,632,002	264,047
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(12,926)	(464,401)	(65,909)	398,492
OTHER FINANCING SOURCES				
Transfers in	12,926	12,926	12,926	
CHANGE IN FUND BALANCE		(451,475)	(52,983)	398,492
FUND BALANCE, BEGINNING OF YEAR	250,000	701,475	701,475	
FUND BALANCE, END OF YEAR	\$ 250,000	\$ 250,000	\$ 648,492	\$ 398,492

## 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 438,937	\$ 438,937	\$ 421,512	\$ (17,425)
Real property taxes, delinquent			3,621	3,621
Personal property taxes, current			13,862	13,862
Personal property taxes, delinquent			390	390
Intergovernmental shared revenues				
Investment income			<u>5,343</u>	<u>5,343</u>
Total revenues	<u>438,937</u>	<u>438,937</u>	<u>444,728</u>	<u>5,791</u>
EXPENDITURES				
Judicial				
Western Nevada regional youth center				
Services and supplies	<u>433,000</u>	<u>433,000</u>	<u>433,000</u>	
Total expenditures	<u>433,000</u>	<u>433,000</u>	<u>433,000</u>	
CHANGE IN FUND BALANCE	5,937	5,937	11,728	5,791
FUND BALANCE, BEGINNING OF YEAR	<u>563,174</u>	<u>616,066</u>	<u>616,066</u>	
FUND BALANCE, END OF YEAR	<u>\$ 569,111</u>	<u>\$ 622,003</u>	<u>\$ 627,794</u>	<u>\$ 5,791</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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 2,260	\$ 2,260
EXPENDITURES				
Public works				
Erosion control (TRPA) mitigation				
Services and supplies	5,000	311,594	188,327	123,267
Capital outlay	_____	18,578	10,466	8,112
Total expenditures	5,000	330,172	198,793	131,379
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(5,000)	(330,172)	(196,533)	133,639
OTHER FINANCING SOURCES				
Transfers in	5,000	52,050	52,050	_____
CHANGE IN FUND BALANCE		(278,122)	(144,483)	133,639
FUND BALANCE, BEGINNING OF YEAR	_____	457,414	457,414	_____
FUND BALANCE, END OF YEAR	\$ _____	\$ 179,292	\$ 312,931	\$ 133,639



## 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,190,943	\$ 1,190,943	\$ 1,149,680	\$ (41,263)
Real property taxes, delinquent			7,883	7,883
Personal property taxes, current			33,179	33,179
Personal property taxes, delinquent			679	679
Charges for services				
Public safety				
Other	943,081	943,081	935,309	(7,772)
Miscellaneous				
Investment income	<u>500</u>	<u>500</u>	<u>8,879</u>	<u>8,379</u>
Total revenues	<u>2,134,524</u>	<u>2,134,524</u>	<u>2,135,609</u>	<u>1,085</u>
EXPENDITURES				
Public safety				
Technology services (911)				
Salaries and wages	1,029,520	1,029,520	968,976	60,544
Employee benefits	495,765	495,765	436,687	59,078
Services and supplies	528,572	648,463	511,169	137,294
Capital outlay	<u>22,951</u>	<u>22,951</u>	<u>          </u>	<u>22,951</u>
Total expenditures	<u>2,076,808</u>	<u>2,196,699</u>	<u>1,916,832</u>	<u>279,867</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>57,716</u>	<u>(62,175)</u>	<u>218,777</u>	<u>280,952</u>
OTHER FINANCING USES				
Contingencies	<u>(54,993)</u>	<u>(54,993)</u>	<u>          </u>	<u>54,993</u>
CHANGE IN FUND BALANCE	2,723	(117,168)	218,777	335,945
FUND BALANCE, BEGINNING OF YEAR	<u>501,344</u>	<u>791,235</u>	<u>791,235</u>	<u>          </u>
FUND BALANCE, END OF YEAR	<u>\$ 504,067</u>	<u>\$ 674,067</u>	<u>\$ 1,010,012</u>	<u>\$ 335,945</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental shared revenues				
Federal, state and local grants				
USDOT	\$ 391,231	\$ 480,524	\$ 465,827	\$ (14,697)
PY grant revenue		10,138	10,138	
CSBG	67,611	74,552	74,552	
USDA	16,230	42,962	42,962	
IIIc1	73,172	78,404	78,404	
IIIc2	87,162	73,015	73,015	
IIIb	53,044			
IIIb, homemaker	34,875	34,875	34,209	(666)
Grant-in-aid	7,690	53,044	53,044	
Charges for services				
Community support				
Client fees	10,500	10,500	10,524	24
Transit fees	11,500	11,500	12,107	607
Program income	116,000	116,000	126,742	10,742
Indigent repay	250,000	250,000		(250,000)
Culture and recreation				
Recreation fees	30,000	34,000	36,551	2,551
Miscellaneous				
Yah donations	18,000	31,000	33,091	2,091
Other donations	25,000	25,000	42,981	17,981
Other reimbursements and restitutions			5,638	5,638
Investment income	500	500	66	(434)
Total revenues	<u>1,192,515</u>	<u>1,326,014</u>	<u>1,099,851</u>	<u>(226,163)</u>
EXPENDITURES				
Community development				
Senior services				
Salaries and wages	715,955	824,155	809,924	14,231
Employee benefits	367,442	370,442	362,062	8,380
Services and supplies	939,061	980,765	994,459	(13,694)
Capital outlay		156,734	151,335	5,399
Total expenditures	<u>2,022,458</u>	<u>2,332,096</u>	<u>2,317,780</u>	<u>14,316</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(829,943)</u>	<u>(1,006,082)</u>	<u>(1,217,929)</u>	<u>(211,847)</u>
OTHER FINANCING SOURCES (USES)				
Contingencies	(22,633)	(22,633)		22,633
Proceeds from capital asset disposal		1,800	1,805	5
Transfers in	834,210	970,210	1,220,210	250,000
Total other financing sources (uses)	<u>811,577</u>	<u>949,377</u>	<u>1,222,015</u>	<u>272,638</u>
CHANGE IN FUND BALANCE	(18,366)	(56,705)	4,086	60,791
FUND BALANCE, BEGINNING OF YEAR	<u>119,536</u>	<u>157,875</u>	<u>157,875</u>	
FUND BALANCE, END OF YEAR	<u>\$ 101,170</u>	<u>\$ 101,170</u>	<u>\$ 161,961</u>	<u>\$ 60,791</u>

# DOUGLAS COUNTY

## REDEVELOPMENT AGENCY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,940,483	\$ 1,940,483	\$ 2,016,966	\$ 76,483
Real property taxes, delinquent			21,865	21,865
Personal property taxes, current			75,101	75,101
Miscellaneous				
Investment income	<u>2,000</u>	<u>2,000</u>	<u>6,578</u>	<u>4,578</u>
Total revenues	<u>1,942,483</u>	<u>1,942,483</u>	<u>2,120,510</u>	<u>178,027</u>
EXPENDITURES				
General government				
Redevelopment agency administrative				
Salaries and wages	34,885	34,885	27,476	7,409
Employee benefits	13,812	13,812	11,176	2,636
Services and supplies	<u>88,910</u>	<u>88,910</u>	<u>20,862</u>	<u>68,048</u>
Total expenditures	<u>137,607</u>	<u>137,607</u>	<u>59,514</u>	<u>78,093</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,804,876</u>	<u>1,804,876</u>	<u>2,060,996</u>	<u>256,120</u>
OTHER FINANCING USES				
Contingencies	(4,128)	(4,128)		4,128
Transfers out	<u>(1,804,876)</u>	<u>(2,022,074)</u>	<u>(2,022,074)</u>	
Total other financing uses	<u>(1,809,004)</u>	<u>(2,026,202)</u>	<u>(2,022,074)</u>	<u>4,128</u>
CHANGE IN FUND BALANCE	(4,128)	(221,326)	38,922	260,248
FUND BALANCE, BEGINNING OF YEAR	<u>24,102</u>	<u>241,300</u>	<u>241,300</u>	
FUND BALANCE, END OF YEAR	<u>\$ 19,974</u>	<u>\$ 19,974</u>	<u>\$ 280,222</u>	<u>\$ 260,248</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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 1,102,393	\$ 1,102,393	\$ 1,020,551	\$ (81,842)
Real property taxes, delinquent			19,323	19,323
Personal property taxes, current			60,205	60,205
Personal property taxes, delinquent			750	750
Intergovernmental shared revenues				
Federal, state and local grants				
USDOT		20,482	20,482	
USDA			365	365
Grant-in-aid		123,500		(123,500)
Other grants		420,060	428,043	7,983
State consolidated tax distribution	265,723	265,723	270,381	4,658
NRS county gaming licenses	18,000	18,000	27,937	9,937
Charges for services				
General government				
Applicant license fees	5,000	5,000	4,949	(51)
Miscellaneous				
Other donations	60,000	13,831	24,962	11,131
Other festivals and events	20,000	20,000	27,752	7,752
Other reimbursements and restitutions			962	962
Other rent and lease income			1,913	1,913
Investment income			6,588	6,588
Other	11,300	11,461	22,408	10,947
<b>Total revenues</b>	<b>1,482,416</b>	<b>2,000,450</b>	<b>1,937,571</b>	<b>(62,879)</b>
<b>EXPENDITURES</b>				
General government				
Town of Gardnerville				
Salaries and wages	172,216	172,765	194,548	(21,783)
Employee benefits	71,624	71,624	88,647	(17,023)
Services and supplies	253,320	205,264	137,888	67,376
<b>Total general government</b>	<b>497,160</b>	<b>449,653</b>	<b>421,083</b>	<b>28,570</b>
Public works				
Town of Gardnerville				
Salaries and wages	237,943	237,943	228,853	9,090
Employee benefits	119,233	119,233	105,795	13,438
Services and supplies	488,350	499,891	248,765	251,126
Capital outlay	356,406	1,006,213	705,297	300,916
<b>Total public works</b>	<b>1,201,932</b>	<b>1,863,280</b>	<b>1,288,710</b>	<b>574,570</b>
Culture and recreation				
Town of Gardnerville				
Services and supplies	85,250	91,999	78,217	13,782
<b>Total expenditures</b>	<b>1,784,342</b>	<b>2,404,932</b>	<b>1,788,010</b>	<b>616,922</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(301,926)</b>	<b>(404,482)</b>	<b>149,561</b>	<b>554,043</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(38,715)	(38,715)		38,715

(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, 2016

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CHANGE IN FUND BALANCE	\$ (340,641)	\$ (443,197)	\$ 149,561	\$ 592,758
FUND BALANCE, BEGINNING OF YEAR	<u>449,367</u>	<u>551,923</u>	<u>611,896</u>	<u>59,973</u>
FUND BALANCE, END OF YEAR	<u>\$ 108,726</u>	<u>\$ 108,726</u>	<u>\$ 761,457</u>	<u>\$ 652,731</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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 40,298	\$ 40,298	\$ 40,164	\$ (134)
Real property taxes, delinquent			991	991
Personal property taxes, current	400	400	603	203
Personal property taxes, delinquent			26	26
Intergovernmental shared revenues				
Federal, state and local grants				
State consolidated tax distribution	10,000	10,000	11,079	1,079
NRS county gaming licenses	540	540	540	
Charges for services				
Culture and recreation				
Recreation fees	20,000	20,000	13,246	(6,754)
Miscellaneous				
Other donations			650	650
Candy dance	262,000	262,000	272,739	10,739
Cowboy poetry and music festival	98,000	98,000	94,014	(3,986)
Other reimbursements and restitutions		18,000	20,000	2,000
Church rent			234	234
Other rent and lease income	19,000	19,000	24,368	5,368
Investment income	400	400	2,043	1,643
Other			2,648	2,648
<b>Total revenues</b>	<b>450,638</b>	<b>468,638</b>	<b>483,345</b>	<b>14,707</b>
<b>EXPENDITURES</b>				
General government				
Town of Genoa				
Salaries and wages	88,590	96,907	101,023	(4,116)
Employee benefits	42,462	42,462	42,015	447
Services and supplies	322,770	366,770	314,989	51,781
<b>Total expenditures</b>	<b>453,822</b>	<b>506,139</b>	<b>458,027</b>	<b>48,112</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,184)</b>	<b>(37,501)</b>	<b>25,318</b>	<b>62,819</b>
<b>OTHER FINANCING USES</b>				
Contingencies	(12,708)	(12,708)		12,708
<b>CHANGE IN FUND BALANCE</b>	<b>(15,892)</b>	<b>(50,209)</b>	<b>25,318</b>	<b>75,527</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>53,560</b>	<b>87,877</b>	<b>87,877</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 37,668</b>	<b>\$ 37,668</b>	<b>\$ 113,195</b>	<b>\$ 75,527</b>

# 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, 2016

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 881,280	\$ 881,280	\$ 913,357	\$ 32,077
Real property taxes, delinquent			5,081	5,081
Personal property taxes, current			26,482	26,482
Personal property taxes, delinquent			1,140	1,140
Intergovernmental shared revenues				
State consolidated tax distribution	300,000	300,000	357,639	57,639
NRS county gaming licenses	50,000	50,000	86,423	36,423
Miscellaneous				
Other donations			2,000	2,000
Other rent and lease income	33,000	33,000	38,533	5,533
Investment income			6,315	6,315
<b>Total revenues</b>	<b>1,264,280</b>	<b>1,264,280</b>	<b>1,436,970</b>	<b>172,690</b>
<b>EXPENDITURES</b>				
General government				
Town of Minden				
Salaries and wages	75,968	120,968	85,725	35,243
Employee benefits	25,611	25,611	33,855	(8,244)
Services and supplies	227,864	317,938	283,345	34,593
<b>Total general government</b>	<b>329,443</b>	<b>464,517</b>	<b>402,925</b>	<b>61,592</b>
Public works				
Town of Minden				
Salaries and wages	80,156	60,156	50,779	9,377
Employee benefits	37,653	37,653	20,036	17,617
Services and supplies	579,089	886,217	575,864	310,353
<b>Total public works</b>	<b>696,898</b>	<b>984,026</b>	<b>646,679</b>	<b>337,347</b>
Culture and recreation				
Town of Minden				
Salaries and wages	186,881	216,881	191,230	25,651
Employee benefits	89,062	89,062	78,805	10,257
Services and supplies	142,500	202,500	186,681	15,819
<b>Total culture and recreation</b>	<b>418,443</b>	<b>508,443</b>	<b>456,716</b>	<b>51,727</b>
<b>Total expenditures</b>	<b>1,444,784</b>	<b>1,956,986</b>	<b>1,506,320</b>	<b>450,666</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(180,504)</b>	<b>(692,706)</b>	<b>(69,350)</b>	<b>623,356</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(43,343)	(43,343)		43,343
Proceeds from capital asset disposal			7,220	7,220
Transfers in	200,000	200,000	200,000	
<b>Total other financing sources (uses)</b>	<b>156,657</b>	<b>156,657</b>	<b>207,220</b>	<b>50,563</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(23,847)</b>	<b>(536,049)</b>	<b>137,870</b>	<b>673,919</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>143,764</b>	<b>655,966</b>	<b>655,968</b>	<b>2</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 119,917</b>	<b>\$ 119,917</b>	<b>\$ 793,838</b>	<b>\$ 673,921</b>





# **DEBT SERVICE FUNDS**



# **DOUGLAS COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2016**

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

Douglas County Operating Resources

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

East Fork Fire Protection District

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



# DOUGLAS COUNTY

## NON-MAJOR DEBT SERVICE FUNDS COMBINING BALANCE SHEET JUNE 30, 2016

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	Douglas County Operating Resources	East Fork Fire Protection District	Total Non-major Debt Service Funds
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 1,668,625	\$ 2,290	\$ 1,670,915
Interest receivable	288		288
Due from other funds	<u>19,760</u>		<u>19,760</u>
Total assets	<u>\$ 1,688,673</u>	<u>\$ 2,290</u>	<u>\$ 1,690,963</u>
<b>LIABILITIES</b>			
Unearned revenue, current	<u>\$ 15</u>	<u>\$</u>	<u>\$ 15</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue, special assessments	<u>378</u>		<u>378</u>
Total liabilities and deferred inflows of resources	<u>393</u>		<u>393</u>
<b>FUND BALANCES</b>			
Restricted for Debt service	<u>1,688,280</u>	<u>2,290</u>	<u>1,690,570</u>
Total fund balances	<u>1,688,280</u>	<u>2,290</u>	<u>1,690,570</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,688,673</u>	<u>\$ 2,290</u>	<u>\$ 1,690,963</u>

## DOUGLAS COUNTY

### NON-MAJOR DEBT SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2016

	Douglas County Operating Resources	East Fork Fire Protection District	Total Non-major Debt Service Funds
REVENUES			
Miscellaneous	\$ 2,638	\$ 20	\$ 2,658
EXPENDITURES			
Debt service			
Principal payments	1,576,288	113,000	1,689,288
Interest expense	448,489	27,472	475,961
Fiscal charges	900		900
Total expenditures	2,025,677	140,472	2,166,149
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,023,039)	(140,452)	(2,163,491)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,785,111	141,472	1,926,583
Transfers out	(792)		(792)
Total other financing sources (uses)	1,784,319	141,472	1,925,791
CHANGE IN FUND BALANCE	(238,720)	1,020	(237,700)
FUND BALANCE, BEGINNING OF YEAR	1,927,000	1,270	1,928,270
FUND BALANCE, END OF YEAR	\$ 1,688,280	\$ 2,290	\$ 1,690,570

# 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 2,638	\$ 2,638
EXPENDITURES				
General government				
Other				
Services and supplies	_____	223,392	_____	223,392
Debt service				
Principal payments	1,576,288	1,576,288	1,576,288	
Interest expense	448,490	448,490	448,489	1
Fiscal charges	1,400	1,400	900	500
Total debt service	<u>2,026,178</u>	<u>2,026,178</u>	<u>2,025,677</u>	<u>501</u>
Total expenditures	<u>2,026,178</u>	<u>2,249,570</u>	<u>2,025,677</u>	<u>223,893</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(2,026,178)</u>	<u>(2,249,570)</u>	<u>(2,023,039)</u>	<u>226,531</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,765,351	1,765,351	1,785,111	19,760
Transfers out	_____	(792)	(792)	_____
Total other financing sources (uses)	<u>1,765,351</u>	<u>1,764,559</u>	<u>1,784,319</u>	<u>19,760</u>
CHANGE IN FUND BALANCE	(260,827)	(485,011)	(238,720)	246,291
FUND BALANCE, BEGINNING OF YEAR	<u>1,701,451</u>	<u>1,927,000</u>	<u>1,927,000</u>	_____
FUND BALANCE, END OF YEAR	<u>\$ 1,440,624</u>	<u>\$ 1,441,989</u>	<u>\$ 1,688,280</u>	<u>\$ 246,291</u>

## DOUGLAS COUNTY

### EAST FORK FIRE PROTECTION DISTRICT DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ _____ 20	\$ _____ 20
EXPENDITURES				
Debt service				
Principal payments	113,000	113,000	113,000	
Interest expense	27,472	27,472	27,472	
Fiscal charges	<u>1,000</u>	<u>2,270</u>	<u>          </u>	<u>2,270</u>
Total expenditures	<u>141,472</u>	<u>142,742</u>	<u>140,472</u>	<u>2,270</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(141,472)</u>	<u>(142,742)</u>	<u>(140,452)</u>	<u>2,290</u>
OTHER FINANCING SOURCES				
Transfers in	<u>141,472</u>	<u>141,472</u>	<u>141,472</u>	<u>          </u>
CHANGE IN FUND BALANCE		(1,270)	1,020	2,290
FUND BALANCE, BEGINNING OF YEAR	<u>          </u>	<u>1,270</u>	<u>1,270</u>	<u>          </u>
FUND BALANCE, END OF YEAR	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____ 2,290</u>	<u>\$ _____ 2,290</u>



# **CAPITAL PROJECTS FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Extraordinary Maintenance

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

Ad Valorem

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

Douglas County Construction

Accounts for the construction of necessary capital assets.

Park Residential Construction Tax

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

Regional Transportation

Accounts for major transportation projects.

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, 2016

	<u>Extraordinary Maintenance</u>	<u>Ad Valorem</u>	<u>Douglas County Construction</u>	<u>Park Residential Construction Tax</u>	<u>Regional Transportation</u>
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 656,217	\$ 3,482,912	\$ 2,226,747	\$ 1,314,565	\$ 5,167,794
Accounts receivable, net			720		1,000
Taxes receivable		27,725			12,350
Interest receivable	858	6,821	3,916	3,246	10,176
Due from other governments			56		330,896
Due from other funds			38,350		
Other assets					
<b>Total assets</b>	<u>\$ 657,075</u>	<u>\$ 3,517,458</u>	<u>\$ 2,269,789</u>	<u>\$ 1,317,811</u>	<u>\$ 5,522,216</u>
<b>LIABILITIES</b>					
Accounts payable		\$ 57	\$ 118,507	\$ 5,870	\$ 7,248
Accrued salaries, wages and benefits					5,330
Due to other funds			210		65
Unearned revenue, current			41,364	1,119,624	141,660
Due to other governments		<u>2,164</u>			
<b>Total liabilities</b>		<u>2,221</u>	<u>160,081</u>	<u>1,125,494</u>	<u>154,303</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties		<u>24,294</u>			<u>9,442</u>
<b>Total liabilities and deferred inflows of resources</b>		<u>26,515</u>	<u>160,081</u>	<u>1,125,494</u>	<u>163,745</u>
<b>FUND BALANCES</b>					
Nonspendable					
Deposits					
Restricted for					
Capital improvement projects	<u>657,075</u>	<u>3,490,943</u>	<u>2,109,708</u>	<u>192,317</u>	<u>5,358,471</u>
<b>Total fund balances</b>	<u>657,075</u>	<u>3,490,943</u>	<u>2,109,708</u>	<u>192,317</u>	<u>5,358,471</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 657,075</u>	<u>\$ 3,517,458</u>	<u>\$ 2,269,789</u>	<u>\$ 1,317,811</u>	<u>\$ 5,522,216</u>

(Continued)

## DOUGLAS COUNTY

### NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2016

	<u>Debt Financed</u>	<u>Redevelopment Agency</u>	<u>Town of Gardnerville Ad Valorem</u>	<u>Town of Genoa Ad Valorem</u>	<u>Town of Genoa Construction Reserve</u>
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 1,061,548	\$ 1,731,321	\$ 117,940	\$ 13,108	\$ 37,832
Accounts receivable, net					
Taxes receivable					
Interest receivable	186	5,921	273	22	76
Due from other governments			1,084	38	
Due from other funds					
Other assets					7,156
<b>Total assets</b>	<u>\$ 1,061,734</u>	<u>\$ 1,737,242</u>	<u>\$ 119,297</u>	<u>\$ 13,168</u>	<u>\$ 45,064</u>
<b>LIABILITIES</b>					
Accounts payable	\$	\$	\$ 34,780	\$	\$
Accrued salaries, wages and benefits					
Due to other funds	19,760				
Unearned revenue, current					
Due to other governments					
<b>Total liabilities</b>	<u>19,760</u>		<u>34,780</u>		
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue, taxes and penalties					
<b>Total liabilities and deferred inflows of resources</b>	<u>19,760</u>		<u>34,780</u>		
<b>FUND BALANCES</b>					
Nonspendable					
Deposits					7,156
Restricted for					
Capital improvement projects	<u>1,041,974</u>	<u>1,737,242</u>	<u>84,517</u>	<u>13,168</u>	<u>37,908</u>
<b>Total fund balances</b>	<u>1,041,974</u>	<u>1,737,242</u>	<u>84,517</u>	<u>13,168</u>	<u>45,064</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,061,734</u>	<u>\$ 1,737,242</u>	<u>\$ 119,297</u>	<u>\$ 13,168</u>	<u>\$ 45,064</u>

(Continued)

## DOUGLAS COUNTY

### NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2016

	Town of Minden Ad Valorem	Town of Minden Capital Equipment Construction	Total Non-major Capital Projects Funds
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 116,246	\$ 1,293,032	\$ 17,219,262
Accounts receivable, net			1,720
Taxes receivable			40,075
Interest receivable	171	3,038	34,704
Due from other governments	1,042		333,116
Due from other funds	7		38,357
Other assets			7,156
<b>Total assets</b>	<b><u>\$ 117,466</u></b>	<b><u>\$ 1,296,070</u></b>	<b><u>\$ 17,674,390</u></b>
<b>LIABILITIES</b>			
Accounts payable	\$	\$ 1,232	\$ 167,694
Accrued salaries, wages and benefits			5,330
Due to other funds		297	20,332
Unearned revenue, current			1,302,648
Due to other governments			2,164
<b>Total liabilities</b>		<b><u>1,529</u></b>	<b><u>1,498,168</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue, taxes and penalties			33,736
<b>Total liabilities and deferred inflows of resources</b>		<b><u>1,529</u></b>	<b><u>1,531,904</u></b>
<b>FUND BALANCES</b>			
Nonspendable			
Deposits			7,156
Restricted for			
Capital improvement projects	117,466	1,294,541	16,135,330
<b>Total fund balances</b>	<b><u>117,466</u></b>	<b><u>1,294,541</u></b>	<b><u>16,142,486</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 117,466</u></b>	<b><u>\$ 1,296,070</u></b>	<b><u>\$ 17,674,390</u></b>

# DOUGLAS COUNTY

## NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2016

	<u>Extraordinary Maintenance</u>	<u>Ad Valorem</u>	<u>Douglas County Construction</u>	<u>Park Residential Construction Tax</u>	<u>Regional Transportation</u>
REVENUES					
Taxes	\$	\$ 1,162,450	\$	\$ 650,699	\$ 1,151,571
Licenses, permits, franchise and other fees			300,000		
Intergovernmental shared revenues			33,072		1,261,587
Miscellaneous	<u>4,381</u>	<u>29,914</u>	<u>84,262</u>	<u>3,786</u>	<u>109,212</u>
Total revenues	<u>4,381</u>	<u>1,192,364</u>	<u>417,334</u>	<u>654,485</u>	<u>2,522,370</u>
EXPENDITURES					
Current					
General government			593,466		
Public works					1,100,084
Culture and recreation				2,855	
Total current			<u>593,466</u>	<u>2,855</u>	<u>1,100,084</u>
Capital outlay					
General government			294,286		
Public works					1,810,745
Culture and recreation				448,608	
Total capital outlay			<u>294,286</u>	<u>448,608</u>	<u>1,810,745</u>
Total expenditures			<u>887,752</u>	<u>451,463</u>	<u>2,910,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>4,381</u>	<u>1,192,364</u>	<u>(470,418)</u>	<u>203,022</u>	<u>(388,459)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	250,000		819,235		1,136,729
Transfers out		<u>(1,042,500)</u>	<u>(47,050)</u>		<u>(427,915)</u>
Total other financing sources (uses)	<u>250,000</u>	<u>(1,042,500)</u>	<u>772,185</u>		<u>708,814</u>
CHANGE IN FUND BALANCE	254,381	149,864	301,767	203,022	320,355
FUND BALANCE, BEGINNING OF YEAR	<u>402,694</u>	<u>3,341,079</u>	<u>1,807,941</u>	<u>(10,705)</u>	<u>5,038,116</u>
FUND BALANCE, END OF YEAR	<u>\$ 657,075</u>	<u>\$ 3,490,943</u>	<u>\$ 2,109,708</u>	<u>\$ 192,317</u>	<u>\$ 5,358,471</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, 2016

	<u>Debt Financed</u>	<u>Redevelopment Agency</u>	<u>Town of Gardnerville Ad Valorem</u>	<u>Town of Genoa Ad Valorem</u>	<u>Town of Genoa Construction Reserve</u>
<b>REVENUES</b>					
Taxes	\$	\$	\$ 45,902	\$ 1,630	\$
Licenses, permits, franchise and other fees					
Intergovernmental shared revenues					
Miscellaneous	<u>1,559</u>	<u>6,447</u>	<u>1,103</u>	<u>104</u>	<u>324</u>
Total revenues	<u>1,559</u>	<u>6,447</u>	<u>47,005</u>	<u>1,734</u>	<u>324</u>
<b>EXPENDITURES</b>					
Current					
General government		20,090			
Public works					
Culture and recreation					
Total current		<u>20,090</u>			
Capital outlay					
General government	121,455	905,041	115,212		
Public works					
Culture and recreation					
Total capital outlay	<u>121,455</u>	<u>905,041</u>	<u>115,212</u>		
Total expenditures	<u>121,455</u>	<u>925,131</u>	<u>115,212</u>		
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(119,896)</u>	<u>(918,684)</u>	<u>(68,207)</u>	<u>1,734</u>	<u>324</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in		2,022,074			
Transfers out	<u>(19,760)</u>	<u>(2,000,000)</u>			
Total other financing sources (uses)	<u>(19,760)</u>	<u>22,074</u>			
CHANGE IN FUND BALANCE	(139,656)	(896,610)	(68,207)	1,734	324
FUND BALANCE, BEGINNING OF YEAR	<u>1,181,630</u>	<u>2,633,852</u>	<u>152,724</u>	<u>11,434</u>	<u>44,740</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,041,974</u>	<u>\$ 1,737,242</u>	<u>\$ 84,517</u>	<u>\$ 13,168</u>	<u>\$ 45,064</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, 2016

	Town of Minden Ad Valorem	Town of Minden Capital Equipment Construction	Total Non-major Capital Projects Funds
<b>REVENUES</b>			
Taxes	\$ 44,145	\$	\$ 3,056,397
Licenses, permits, franchise and other fees			300,000
Intergovernmental shared revenues		43,526	1,338,185
Miscellaneous	<u>807</u>	<u>12,281</u>	<u>254,180</u>
Total revenues	<u>44,952</u>	<u>55,807</u>	<u>4,948,762</u>
<b>EXPENDITURES</b>			
Current			
General government			613,556
Public works			1,100,084
Culture and recreation			<u>2,855</u>
Total current			<u>1,716,495</u>
Capital outlay			
General government		69,017	1,505,011
Public works			1,810,745
Culture and recreation			<u>448,608</u>
Total capital outlay		<u>69,017</u>	<u>3,764,364</u>
Total expenditures		<u>69,017</u>	<u>5,480,859</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>44,952</u>	<u>(13,210)</u>	<u>(532,097)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			4,228,038
Transfers out		<u>(200,000)</u>	<u>(3,737,225)</u>
Total other financing sources (uses)		<u>(200,000)</u>	<u>490,813</u>
CHANGE IN FUND BALANCE	44,952	(213,210)	(41,284)
FUND BALANCE, BEGINNING OF YEAR	<u>72,514</u>	<u>1,507,751</u>	<u>16,183,770</u>
FUND BALANCE, END OF YEAR	<u>\$ 117,466</u>	<u>\$ 1,294,541</u>	<u>\$ 16,142,486</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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ 700	\$ 700	\$ 4,381	\$ 3,681
EXCESS OF REVENUES OVER EXPENDITURES	700	700	4,381	3,681
OTHER FINANCING SOURCES				
Transfers in		250,000	250,000	
CHANGE IN FUND BALANCE	700	250,700	254,381	3,681
FUND BALANCE, BEGINNING OF YEAR	645,572	402,694	402,694	
FUND BALANCE, END OF YEAR	\$ 646,272	\$ 653,394	\$ 657,075	\$ 3,681

# 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 1,161,984	\$ 1,161,984	\$ 1,118,513	\$ (43,471)
Real property taxes, delinquent			8,298	8,298
Personal property taxes, current			34,925	34,925
Personal property taxes, delinquent			714	714
Miscellaneous				
Investment income	<u>10,000</u>	<u>10,000</u>	<u>29,914</u>	<u>19,914</u>
Total revenues	<u>1,171,984</u>	<u>1,171,984</u>	<u>1,192,364</u>	<u>20,380</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,171,984</u>	<u>1,171,984</u>	<u>1,192,364</u>	<u>20,380</u>
OTHER FINANCING USES				
Transfers out	<u>(1,042,500)</u>	<u>(1,042,500)</u>	<u>(1,042,500)</u>	
CHANGE IN FUND BALANCE	129,484	129,484	149,864	20,380
FUND BALANCE, BEGINNING OF YEAR	<u>3,323,317</u>	<u>3,341,079</u>	<u>3,341,079</u>	
FUND BALANCE, END OF YEAR	<u>\$ 3,452,801</u>	<u>\$ 3,470,563</u>	<u>\$ 3,490,943</u>	<u>\$ 20,380</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
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		33,017	33,072	55
Miscellaneous				
Other reimbursements and restitutions		68,096	68,817	721
Investment income	2,000	2,000	15,445	13,445
Total revenues	<u>302,000</u>	<u>403,113</u>	<u>417,334</u>	<u>14,221</u>
<b>EXPENDITURES</b>				
General government				
Other				
Services and supplies	252,000	1,417,212	593,466	823,746
Capital outlay	50,000	568,947	294,286	274,661
Total expenditures	<u>302,000</u>	<u>1,986,159</u>	<u>887,752</u>	<u>1,098,407</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES		<u>(1,583,046)</u>	<u>(470,418)</u>	<u>1,112,628</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	819,235	819,235	
Transfers out		(47,050)	(47,050)	
Total other financing sources (uses)	<u>50,000</u>	<u>772,185</u>	<u>772,185</u>	
CHANGE IN FUND BALANCE	50,000	(810,861)	301,767	1,112,628
FUND BALANCE, BEGINNING OF YEAR	<u>1,514,589</u>	<u>1,807,941</u>	<u>1,807,941</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,564,589</u>	<u>\$ 997,080</u>	<u>\$ 2,109,708</u>	<u>\$ 1,112,628</u>

## DOUGLAS COUNTY

### PARK RESIDENTIAL CONSTRUCTION TAX CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Construction taxes	\$ 3,473	\$ 654,172	\$ 650,699	\$ (3,473)
Miscellaneous			3,786	3,786
Investment income				
Total revenues	<u>3,473</u>	<u>654,172</u>	<u>654,485</u>	<u>313</u>
EXPENDITURES				
Culture and recreation				
Park residential construction				
Services and supplies	2,855	2,855	2,855	
Capital outlay		640,612	448,608	192,004
Total expenditures	<u>2,855</u>	<u>643,467</u>	<u>451,463</u>	<u>192,004</u>
CHANGE IN FUND BALANCE	618	10,705	203,022	192,317
FUND BALANCE, BEGINNING OF YEAR	<u>(618)</u>	<u>(10,705)</u>	<u>(10,705)</u>	
FUND BALANCE, END OF YEAR	<u>\$</u>	<u>\$</u>	<u>\$ 192,317</u>	<u>\$ 192,317</u>

# DOUGLAS COUNTY

## REGIONAL TRANSPORTATION CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Taxes				
Real property taxes, current	\$ 936,097	\$ 936,097	\$ 888,835	\$ (47,262)
Real property taxes, delinquent			5,037	5,037
Personal property taxes, current			38,280	38,280
Personal property taxes, delinquent			509	509
Construction taxes	100,000	177,900	218,910	41,010
Intergovernmental shared revenues				
Federal, state and local grants				
USDOT	600,000	600,000		(600,000)
Other grants			1,291	1,291
Motor vehicle fuel taxes	778,118	778,118	1,260,296	482,178
Miscellaneous				
Other donations			66,667	66,667
Investment income	10,000	10,000	42,545	32,545
<b>Total revenues</b>	<u>2,424,215</u>	<u>2,502,115</u>	<u>2,522,370</u>	<u>20,255</u>
<b>EXPENDITURES</b>				
Public works				
Regional transportation				
Salaries and wages	119,632	119,632	119,535	97
Employee benefits	50,511	50,511	50,001	510
Services and supplies	888,421	1,198,567	930,548	268,019
Capital outlay	4,432,860	4,514,520	1,810,745	2,703,775
<b>Total expenditures</b>	<u>5,491,424</u>	<u>5,883,230</u>	<u>2,910,829</u>	<u>2,972,401</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<u>(3,067,209)</u>	<u>(3,381,115)</u>	<u>(388,459)</u>	<u>2,992,656</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,136,729	1,136,729	1,136,729	
Transfers out	(427,915)	(427,915)	(427,915)	
<b>Total other financing sources (uses)</b>	<u>708,814</u>	<u>708,814</u>	<u>708,814</u>	
<b>CHANGE IN FUND BALANCE</b>	(2,358,395)	(2,672,301)	320,355	2,992,656
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>3,757,119</u>	<u>5,038,116</u>	<u>5,038,116</u>	
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 1,398,724</u>	<u>\$ 2,365,815</u>	<u>\$ 5,358,471</u>	<u>\$ 2,992,656</u>

## 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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ _____	\$ _____	\$ 1,559	\$ 1,559
EXPENDITURES				
General government				
Other				
Capital outlay	_____	1,161,914	121,455	1,040,459
Total expenditures	_____	1,161,914	121,455	1,040,459
DEFICIENCY OF REVENUES UNDER EXPENDITURES	_____	(1,161,914)	(119,896)	1,042,018
OTHER FINANCING USES				
Transfers out	_____	_____	(19,760)	(19,760)
CHANGE IN FUND BALANCE		(1,161,914)	(139,656)	1,022,258
FUND BALANCE, BEGINNING OF YEAR	_____	1,181,630	1,181,630	_____
FUND BALANCE, END OF YEAR	\$ _____	\$ 19,716	\$ 1,041,974	\$ 1,022,258



# 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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous				
Investment income	\$ 2,000	\$ 2,000	\$ 6,447	\$ 4,447
EXPENDITURES				
General government				
Other				
Services and supplies	91	91	20,090	(19,999)
Capital outlay		911,112	905,041	6,071
Total expenditures	91	911,203	925,131	(13,928)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,909	(909,203)	(918,684)	(9,481)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,804,876	2,022,074	2,022,074	
Transfers out		(2,000,000)	(2,000,000)	
Total other financing sources (uses)	1,804,876	22,074	22,074	
CHANGE IN FUND BALANCE	1,806,785	(887,129)	(896,610)	(9,481)
FUND BALANCE, BEGINNING OF YEAR	1,688,362	2,633,852	2,633,852	
FUND BALANCE, END OF YEAR	\$ 3,495,147	\$ 1,746,723	\$ 1,737,242	\$ (9,481)

## 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 45,883	\$ 45,883	\$ 45,902	\$ 19
Miscellaneous				
Investment income			1,103	1,103
Total revenues	<u>45,883</u>	<u>45,883</u>	<u>47,005</u>	<u>1,122</u>
EXPENDITURES				
General government				
Other				
Capital outlay	85,000	126,463	115,212	11,251
Total expenditures	<u>85,000</u>	<u>126,463</u>	<u>115,212</u>	<u>11,251</u>
CHANGE IN FUND BALANCE	(39,117)	(80,580)	(68,207)	12,373
FUND BALANCE, BEGINNING OF YEAR	<u>111,261</u>	<u>152,724</u>	<u>152,724</u>	
FUND BALANCE, END OF YEAR	<u>\$ 72,144</u>	<u>\$ 72,144</u>	<u>\$ 84,517</u>	<u>\$ 12,373</u>

## 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, 2016

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Real property taxes, current	\$ 1,630	\$ 1,630	\$ 1,630	\$
Miscellaneous				
Investment income			104	104
Total revenues	1,630	1,630	1,734	104
CHANGE IN FUND BALANCE	1,630	1,630	1,734	104
FUND BALANCE, BEGINNING OF YEAR	11,405	11,434	11,434	
FUND BALANCE, END OF YEAR	\$ 13,035	\$ 13,064	\$ 13,168	\$ 104

# 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, 2016

---

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Miscellaneous				
Investment income	\$ <u>100</u>	\$ <u>100</u>	\$ <u>324</u>	\$ <u>224</u>
CHANGE IN FUND BALANCE	100	100	324	224
FUND BALANCE, BEGINNING OF YEAR	<u>44,655</u>	<u>44,740</u>	<u>44,740</u>	
FUND BALANCE, END OF YEAR	<u>\$ 44,755</u>	<u>\$ 44,840</u>	<u>\$ 45,064</u>	<u>\$ 224</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Real property taxes, current	\$ 43,170	\$ 43,170	\$ 44,145	\$ 975
Miscellaneous			807	807
Investment income				
Total revenues	<u>43,170</u>	<u>43,170</u>	<u>44,952</u>	<u>1,782</u>
EXPENDITURES				
General government				
Other				
Capital outlay		4,669		4,669
CHANGE IN FUND BALANCE	43,170	38,501	44,952	6,451
FUND BALANCE, BEGINNING OF YEAR	<u>67,845</u>	<u>72,514</u>	<u>72,514</u>	
FUND BALANCE, END OF YEAR	<u><u>\$ 111,015</u></u>	<u><u>\$ 111,015</u></u>	<u><u>\$ 117,466</u></u>	<u><u>\$ 6,451</u></u>

## DOUGLAS COUNTY

### TOWN OF MINDEN CAPITAL EQUIPMENT CONSTRUCTION CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental shared revenues				
Federal, state and local grants				
Other grants	\$ 314,199	\$ 314,199	\$ 43,526	\$ (270,673)
Miscellaneous				
Investment income	<u>3,000</u>	<u>3,000</u>	<u>12,281</u>	<u>9,281</u>
Total revenues	<u>317,199</u>	<u>317,199</u>	<u>55,807</u>	<u>(261,392)</u>
EXPENDITURES				
General government				
Other				
Services and supplies	70,000	70,000		70,000
Capital outlay	<u>390,199</u>	<u>390,199</u>	<u>69,017</u>	<u>321,182</u>
Total expenditures	<u>460,199</u>	<u>460,199</u>	<u>69,017</u>	<u>391,182</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(143,000)</u>	<u>(143,000)</u>	<u>(13,210)</u>	<u>129,790</u>
OTHER FINANCING USES				
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	
CHANGE IN FUND BALANCE	(343,000)	(343,000)	(213,210)	129,790
FUND BALANCE, BEGINNING OF YEAR	<u>846,878</u>	<u>1,507,751</u>	<u>1,507,751</u>	
FUND BALANCE, END OF YEAR	<u>\$ 503,878</u>	<u>\$ 1,164,751</u>	<u>\$ 1,294,541</u>	<u>\$ 129,790</u>

# **MAJOR ENTERPRISE FUNDS**





**DOUGLAS COUNTY**  
**MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Regional Water Utility

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

Sewer Utility

Accounts for the operations of the Douglas County sewer system.

Carson Valley Water Utility

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

Lake Tahoe Water Utility

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

Town of Minden Wholesale Water Utility

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

Town of Minden Water Company

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



# DOUGLAS COUNTY

## REGIONAL WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Charges for services	\$ 1,151,537	\$ 1,151,537	\$ 1,024,484	\$ (127,053)
OPERATING EXPENSES				
Salaries and wages	26,959	26,959	30,746	(3,787)
Employee benefits	13,578	13,578	20,924	(7,346)
Services and supplies	966,558	1,007,857	903,581	104,276
Depreciation	465,000	482,000	481,327	673
Total operating expenses	1,472,095	1,530,394	1,436,578	93,816
Operating loss	(320,558)	(378,857)	(412,094)	(33,237)
NONOPERATING REVENUES				
Investment income	500	500	1,162	662
Miscellaneous			365	365
Total nonoperating revenues	500	500	1,527	1,027
Loss before capital contributions and transfers	(320,058)	(378,357)	(410,567)	(32,210)
CAPITAL CONTRIBUTIONS				
Capital contributions	125,000			
Water capacity fees		125,000	125,000	
TRANSFERS				
Transfers out	(125,000)	(125,000)	(125,000)	
CHANGE IN NET POSITION	\$ (320,058)	\$ (378,357)	(410,567)	\$ (32,210)
NET POSITION, BEGINNING OF YEAR			16,123,836	
NET POSITION, END OF YEAR			\$ 15,713,269	

# DOUGLAS COUNTY

## SEWER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,952,392	\$ 1,952,392	\$ 2,040,927	\$ 88,535
OPERATING EXPENSES				
Salaries and wages	309,924	309,924	319,762	(9,838)
Employee benefits	136,856	136,856	147,831	(10,975)
Services and supplies	863,323	873,029	530,746	342,283
Depreciation	800,000	800,000	874,531	(74,531)
Total operating expenses	<u>2,110,103</u>	<u>2,119,809</u>	<u>1,872,870</u>	<u>246,939</u>
Operating income (loss)	<u>(157,711)</u>	<u>(167,417)</u>	<u>168,057</u>	<u>335,474</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	7,000	7,000	36,586	29,586
Interest and fiscal charges	(128,833)	(178,833)	(132,565)	46,268
Gain (loss) on capital asset disposition			(187,242)	(187,242)
Miscellaneous			2,322	2,322
Total nonoperating revenues (expenses)	<u>(121,833)</u>	<u>(171,833)</u>	<u>(280,899)</u>	<u>(109,066)</u>
Loss before capital contributions and transfers	<u>(279,544)</u>	<u>(339,250)</u>	<u>(112,842)</u>	<u>226,408</u>
CAPITAL CONTRIBUTIONS				
Connection charges			192,015	192,015
TRANSFERS				
Transfers in		2,000,000	2,000,000	
CHANGE IN NET POSITION	<u>\$ (279,544)</u>	<u>\$ 1,660,750</u>	2,079,173	<u>\$ 418,423</u>
NET POSITION, BEGINNING OF YEAR			<u>22,706,015</u>	
NET POSITION, END OF YEAR			<u>\$ 24,785,188</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 3,038,863	\$ 3,038,863	\$ 2,846,705	\$ (192,158)
OPERATING EXPENSES				
Salaries and wages	468,763	468,763	431,717	37,046
Employee benefits	218,263	218,263	149,263	69,000
Services and supplies	865,925	879,617	756,674	122,943
Depreciation	815,000	870,000	800,787	69,213
Total operating expenses	<u>2,367,951</u>	<u>2,436,643</u>	<u>2,138,441</u>	<u>298,202</u>
Operating income (loss)	<u>670,912</u>	<u>602,220</u>	<u>708,264</u>	<u>106,044</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	10,000	10,000	39,340	29,340
Interest and fiscal charges	(331,804)	(334,564)	(288,942)	45,622
Intergovernmental shared revenues	42,390	42,390	130,976	88,586
Miscellaneous	<u>          </u>	<u>          </u>	99,213	99,213
Total nonoperating revenues (expenses)	<u>(279,414)</u>	<u>(282,174)</u>	<u>(19,413)</u>	<u>262,761</u>
Income (loss) before capital contributions and transfers	<u>391,498</u>	<u>320,046</u>	<u>688,851</u>	<u>368,805</u>
CAPITAL CONTRIBUTIONS				
Connection charges	<u>          </u>	<u>          </u>	137,901	137,901
TRANSFERS				
Transfers in	<u>125,000</u>	<u>125,000</u>	125,000	<u>          </u>
CHANGE IN NET POSITION	<u>\$ 516,498</u>	<u>\$ 445,046</u>	951,752	<u>\$ 506,706</u>
NET POSITION, BEGINNING OF YEAR			<u>23,633,401</u>	
NET POSITION, END OF YEAR			<u>\$ 24,585,153</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,656,652	\$ 1,656,652	\$ 1,729,295	\$ 72,643
OPERATING EXPENSES				
Salaries and wages	317,372	317,372	303,471	13,901
Employee benefits	140,434	140,434	(6,798)	147,232
Services and supplies	570,222	571,542	402,887	168,655
Depreciation	700,000	700,000	673,918	26,082
Total operating expenses	<u>1,728,028</u>	<u>1,729,348</u>	<u>1,373,478</u>	<u>355,870</u>
Operating income	<u>(71,376)</u>	<u>(72,696)</u>	<u>355,817</u>	<u>428,513</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	1,700	1,700	23,849	22,149
Interest and fiscal charges	(164,307)	(164,307)	(145,421)	18,886
Lease revenues	31,680	31,680	34,560	2,880
Miscellaneous	<u>          </u>	<u>          </u>	38,824	38,824
Total nonoperating revenues (expenses)	<u>(130,927)</u>	<u>(130,927)</u>	<u>(48,188)</u>	<u>82,739</u>
Income (loss) before capital contributions and transfers	<u>(202,303)</u>	<u>(203,623)</u>	<u>307,629</u>	<u>511,252</u>
CAPITAL CONTRIBUTIONS				
Connection charges	<u>          </u>	<u>          </u>	141,851	141,851
Capital grants	<u>          </u>	<u>          </u>	49,511	49,511
Total capital contributions	<u>          </u>	<u>          </u>	<u>191,362</u>	<u>191,362</u>
TRANSFERS				
Transfers in	<u>112,500</u>	<u>112,500</u>	<u>112,500</u>	<u>          </u>
CHANGE IN NET POSITION	<u>\$ (89,803)</u>	<u>\$ (91,123)</u>	611,491	<u>\$ 702,614</u>
NET POSITION, BEGINNING OF YEAR			<u>12,929,875</u>	
NET POSITION, END OF YEAR			<u>\$ 13,541,366</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ <u>1,250,622</u>	\$ <u>1,250,622</u>	\$ <u>1,044,901</u>	\$ <u>(205,721)</u>
OPERATING EXPENSES				
Salaries and wages	231,427	231,427	194,772	36,655
Employee benefits	99,283	99,283	142,556	(43,273)
Services and supplies	588,389	618,719	598,607	20,112
Depreciation	<u>200,000</u>	<u>550,000</u>	<u>423,983</u>	<u>126,017</u>
Total operating expenses	<u>1,119,099</u>	<u>1,499,429</u>	<u>1,359,918</u>	<u>139,511</u>
Operating income (loss)	<u>131,523</u>	<u>(248,807)</u>	<u>(315,017)</u>	<u>(66,210)</u>
NONOPERATING REVENUES				
Investment income	1,000	1,000	9,229	8,229
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>3,478</u>	<u>3,478</u>
Total nonoperating revenues	<u>1,000</u>	<u>1,000</u>	<u>12,707</u>	<u>11,707</u>
Income (loss) before transfers	<u>132,523</u>	<u>(247,807)</u>	<u>(302,310)</u>	<u>(54,503)</u>
TRANSFERS				
Transfers in	<u>                    </u>	<u>                    </u>	<u>830,146</u>	<u>830,146</u>
CHANGE IN NET POSITION	<u>\$ <u>132,523</u></u>	<u>\$ <u>(247,807)</u></u>	<u>527,836</u>	<u>\$ <u>775,643</u></u>
NET POSITION, BEGINNING OF YEAR			<u>13,376,151</u>	
NET POSITION, END OF YEAR			<u>\$ <u>13,903,987</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 893,000	\$ 893,000	\$ 1,002,622	\$ 109,622
OPERATING EXPENSES				
Salaries and wages	183,084	183,084	167,766	15,318
Employee benefits	94,063	94,063	24,196	69,867
Services and supplies	519,084	519,084	357,403	161,681
Depreciation	250,000	450,000	259,219	190,781
Total operating expenses	<u>1,046,231</u>	<u>1,246,231</u>	<u>808,584</u>	<u>437,647</u>
Operating income (loss)	<u>(153,231)</u>	<u>(353,231)</u>	<u>194,038</u>	<u>547,269</u>
NONOPERATING REVENUES				
Investment income	12,000	12,000	38,995	26,995
Lease revenues	<u>          </u>	<u>          </u>	<u>200</u>	<u>200</u>
Total nonoperating revenues	<u>12,000</u>	<u>12,000</u>	<u>39,195</u>	<u>27,195</u>
Income (loss) before capital contributions and transfers	<u>(141,231)</u>	<u>(341,231)</u>	<u>233,233</u>	<u>574,464</u>
CAPITAL CONTRIBUTIONS				
Connection charges	<u>          </u>	<u>          </u>	<u>306,410</u>	<u>306,410</u>
TRANSFERS				
Transfers out	<u>          </u>	<u>          </u>	<u>(830,146)</u>	<u>(830,146)</u>
CHANGE IN NET POSITION	<u>\$ (141,231)</u>	<u>\$ (341,231)</u>	<u>(290,503)</u>	<u>\$ 50,728</u>
NET POSITION, BEGINNING OF YEAR			<u>12,322,580</u>	
NET POSITION, END OF YEAR			<u>\$ 12,032,077</u>	



# **NON-MAJOR ENTERPRISE FUNDS**



**DOUGLAS COUNTY**  
**NON-MAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

Ridgeview Water Utility

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

Town of Gardnerville Health and Sanitation

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

Town of Minden Trash

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



**DOUGLAS COUNTY**  
**NON-MAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
<b>ASSETS</b>				
Current assets				
Cash, cash equivalents and investments	\$ 12,245	\$ 829,641	\$ 789,229	\$ 1,631,115
Accounts receivable, net		68,451	96,356	164,807
Interest receivable	34	1,459	1,235	2,728
Prepaid items		18,262	10,748	29,010
Restricted assets				
Cash, cash equivalents and investments	<u>1,667</u>			<u>1,667</u>
Total current assets	<u>13,946</u>	<u>917,813</u>	<u>897,568</u>	<u>1,829,327</u>
Noncurrent assets				
Capital assets, net of accumulated depreciation and amortization				
Land		202,376	32,615	234,991
Construction in progress		5,288		5,288
Buildings and building improvements		246,833		246,833
Machinery, equipment and software		<u>376,841</u>		<u>376,841</u>
Total noncurrent assets		<u>831,338</u>	<u>32,615</u>	<u>863,953</u>
Total assets	<u>13,946</u>	<u>1,749,151</u>	<u>930,183</u>	<u>2,693,280</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions		<u>78,731</u>	<u>46,768</u>	<u>125,499</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable		30,328	24,542	54,870
Accrued salaries, wages and benefits		13,025	4,401	17,426
Due to other funds		5,692	138	5,830
Unearned revenue, current		8,741	2,091	10,832
Interest payable	13			13
Compensated absences		24,115	7,963	32,078
Bonds and notes payable	<u>3,120</u>			<u>3,120</u>
Total current liabilities	<u>3,133</u>	<u>81,901</u>	<u>39,135</u>	<u>124,169</u>
Noncurrent liabilities				
Postemployment benefits other than pensions		26,945	15,358	42,303
Net pension liability		<u>492,096</u>	<u>292,313</u>	<u>784,409</u>
Total noncurrent liabilities		<u>519,041</u>	<u>307,671</u>	<u>826,712</u>
Total liabilities	<u>3,133</u>	<u>600,942</u>	<u>346,806</u>	<u>950,881</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions		<u>64,621</u>	<u>38,386</u>	<u>103,007</u>
<b>NET POSITION</b>				
Net investment in capital assets		831,338	32,615	863,953
Debt service	1,667			1,667
Unrestricted	<u>9,146</u>	<u>330,981</u>	<u>559,144</u>	<u>899,271</u>
Total net position	<u>\$ 10,813</u>	<u>\$ 1,162,319</u>	<u>\$ 591,759</u>	<u>\$ 1,764,891</u>

# DOUGLAS COUNTY

## NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ _____	\$ 1,072,457	\$ 647,767	\$ 1,720,224
OPERATING EXPENSES				
Salaries and wages		338,070	115,818	453,888
Employee benefits		148,600	2,053	150,653
Services and supplies		479,115	280,609	759,724
Depreciation		53,054	13,112	66,166
Total operating expenses		<u>1,018,839</u>	<u>411,592</u>	<u>1,430,431</u>
Operating income		<u>53,618</u>	<u>236,175</u>	<u>289,793</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	133	6,965	6,081	13,179
Interest and fiscal charges	(219)			(219)
Total nonoperating revenues (expenses)	<u>(86)</u>	<u>6,965</u>	<u>6,081</u>	<u>12,960</u>
CHANGE IN NET POSITION	(86)	60,583	242,256	302,753
NET POSITION, BEGINNING OF YEAR	<u>10,899</u>	<u>1,101,736</u>	<u>349,503</u>	<u>1,462,138</u>
NET POSITION, END OF YEAR	<u>\$ 10,813</u>	<u>\$ 1,162,319</u>	<u>\$ 591,759</u>	<u>\$ 1,764,891</u>

# DOUGLAS COUNTY

## NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

	Ridgeview Water Utility	Town of Gardnerville Health and Sanitation	Town of Minden Trash	Total Non-major Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$	\$ 1,067,784	\$ 655,337	\$ 1,723,121
Cash payments for goods and services		(493,686)	(299,633)	(793,319)
Cash payments for employee services and benefits		(453,715)	(165,130)	(618,845)
Net cash provided by operating activities		<u>120,383</u>	<u>190,574</u>	<u>310,957</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets		(5,288)		(5,288)
Principal payments on debt	(2,925)			(2,925)
Interest payments on debt	(231)			(231)
Net cash used in capital financing activities	<u>(3,156)</u>	<u>(5,288)</u>		<u>(8,444)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	<u>132</u>	<u>6,872</u>	<u>5,999</u>	<u>13,003</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(3,024)</b>	<b>121,967</b>	<b>196,573</b>	<b>315,516</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>16,936</u></b>	<b><u>707,674</u></b>	<b><u>592,656</u></b>	<b><u>1,317,266</u></b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 13,912</u></b>	<b><u>\$ 829,641</u></b>	<b><u>\$ 789,229</u></b>	<b><u>\$ 1,632,782</u></b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income	\$	\$ 53,618	\$ 236,175	\$ 289,793
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization		53,054	13,113	66,167
(Increase) decrease in operating assets				
Accounts receivable		4,281	6,507	10,788
Due from other funds		210	128	338
Prepaid expenses		(9,164)	935	(8,229)
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses		(13,974)	3,289	(10,685)
Accrued salaries and benefits		4,402	898	5,300
Due to other funds			(23,760)	(23,760)
Unearned revenue		2,268	1,446	3,714
Contract retentions payable		(2,865)		(2,865)
Compensated absences		10,155	(1,760)	8,395
Postemployment benefits other than pensions		1,650	1,065	2,715
Net pension liability		16,748	(47,462)	(30,714)
Total adjustments		<u>66,765</u>	<u>(45,601)</u>	<u>21,164</u>
Net cash provided by operating activities	\$	<u>\$ 120,383</u>	<u>\$ 190,574</u>	<u>\$ 310,957</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, 2016

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	\$ 20	\$ 20	\$ 133	\$ 113
Interest and fiscal charges	<u>(237)</u>	<u>(237)</u>	<u>(219)</u>	<u>18</u>
Total nonoperating revenues (expenses)	<u>(217)</u>	<u>(217)</u>	<u>(86)</u>	<u>131</u>
CHANGE IN NET POSITION	<u>\$ (217)</u>	<u>\$ (217)</u>	<u>(86)</u>	<u>\$ 131</u>
NET POSITION, BEGINNING OF YEAR			<u>10,899</u>	
NET POSITION, END OF YEAR			<u>\$ 10,813</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 924,000	\$ 924,000	\$ 1,072,457	\$ 148,457
OPERATING EXPENSES				
Salaries and wages	295,505	295,505	338,070	(42,565)
Employee benefits	134,040	134,040	148,600	(14,560)
Services and supplies	418,288	493,852	479,115	14,737
Depreciation	50,000	50,000	53,054	(3,054)
Total operating expenses	<u>897,833</u>	<u>973,397</u>	<u>1,018,839</u>	<u>(45,442)</u>
Operating income (loss)	<u>26,167</u>	<u>(49,397)</u>	<u>53,618</u>	<u>103,015</u>
NONOPERATING REVENUES				
Investment income			6,965	6,965
CHANGE IN NET POSITION	<u>\$ 26,167</u>	<u>\$ (49,397)</u>	60,583	<u>\$ 109,980</u>
NET POSITION, BEGINNING OF YEAR			<u>1,101,736</u>	
NET POSITION, END OF YEAR			<u>\$ 1,162,319</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 628,000	\$ 628,000	\$ 647,767	\$ 19,767
OPERATING EXPENSES				
Salaries and wages	210,077	210,077	115,818	94,259
Employee benefits	107,367	107,367	2,053	105,314
Services and supplies	304,050	304,050	280,609	23,441
Depreciation	60,000	60,000	13,112	46,888
Total operating expenses	<u>681,494</u>	<u>681,494</u>	<u>411,592</u>	<u>269,902</u>
Operating income (loss)	<u>(53,494)</u>	<u>(53,494)</u>	<u>236,175</u>	<u>289,669</u>
NONOPERATING REVENUES				
Investment income			6,081	6,081
CHANGE IN NET POSITION	<u>\$ (53,494)</u>	<u>\$ (53,494)</u>	242,256	<u>\$ 295,750</u>
NET POSITION, BEGINNING OF YEAR			<u>349,503</u>	
NET POSITION, END OF YEAR			<u>\$ 591,759</u>	

# **INTERNAL SERVICE FUNDS**



# **DOUGLAS COUNTY**

## **INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2016**

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

**Risk Management**

Accounts for the management and funding of various insurance needs.

**Self-insurance Dental**

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

**Motor Pool**

Accounts for the provision and maintenance of County vehicles.



**DOUGLAS COUNTY**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
<b>ASSETS</b>				
Current assets				
Cash, cash equivalents and investments	\$ 3,286,382	\$ 828,295	\$ 277,873	\$ 4,392,550
Accounts receivable, net		104	42,311	42,415
Taxes receivable	9,274			9,274
Interest receivable	10,119	1,683	999	12,801
Due from other funds	393,827			393,827
Inventories			314,949	314,949
Prepaid items	<u>641,728</u>			<u>641,728</u>
Total current assets	<u>4,341,330</u>	<u>830,082</u>	<u>636,132</u>	<u>5,807,544</u>
Noncurrent assets				
Capital assets, net of accumulated depreciation and amortization				
Construction in progress			64,533	64,533
Buildings and building improvements			1,708	1,708
Machinery, equipment and software			<u>546,125</u>	<u>546,125</u>
Total noncurrent assets			<u>612,366</u>	<u>612,366</u>
Total assets	<u>4,341,330</u>	<u>830,082</u>	<u>1,248,498</u>	<u>6,419,910</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions	<u>20,178</u>		<u>90,585</u>	<u>110,763</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	15,775	19,049	50,227	85,051
Accrued salaries, wages and benefits	547,749		12,921	560,670
Due to other funds	26	337	523	886
Claims and judgments		46,162		46,162
Compensated absences	<u>8,045</u>		<u>33,644</u>	<u>41,689</u>
Total current liabilities	<u>571,595</u>	<u>65,548</u>	<u>97,315</u>	<u>734,458</u>
Noncurrent liabilities				
Postemployment benefits other than pensions	2,793		23,408	26,201
Net pension liability	<u>126,119</u>		<u>566,180</u>	<u>692,299</u>
Total noncurrent liabilities	<u>128,912</u>		<u>589,588</u>	<u>718,500</u>
Total liabilities	<u>700,507</u>	<u>65,548</u>	<u>686,903</u>	<u>1,452,958</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unamortized amounts related to pensions	<u>16,563</u>		<u>74,350</u>	<u>90,913</u>
<b>NET POSITION</b>				
Net investment in capital assets			612,366	612,366
Restricted				
Insurance liabilities	3,644,438	764,534		4,408,972
Unrestricted			<u>(34,536)</u>	<u>(34,536)</u>
Total net position	<u>\$ 3,644,438</u>	<u>\$ 764,534</u>	<u>\$ 577,830</u>	<u>\$ 4,986,802</u>

# DOUGLAS COUNTY

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 3,080,118	\$ 340,726	\$ 1,478,431	\$ 4,899,275
OPERATING EXPENSES				
Salaries and wages	50,988		339,000	389,988
Employee benefits	45,751		149,419	195,170
Services and supplies	2,737,434	395,815	968,859	4,102,108
Depreciation			154,132	154,132
Total operating expenses	<u>2,834,173</u>	<u>395,815</u>	<u>1,611,410</u>	<u>4,841,398</u>
Operating income (loss)	<u>245,945</u>	<u>(55,089)</u>	<u>(132,979)</u>	<u>57,877</u>
NONOPERATING REVENUES				
Investment income	36,215	6,731	3,366	46,312
Property taxes	193,981			193,981
Gain (loss) on capital asset disposition			6,723	6,723
Miscellaneous	11,386		12	11,398
Total nonoperating revenues	<u>241,582</u>	<u>6,731</u>	<u>10,101</u>	<u>258,414</u>
Income (loss) before transfers	<u>487,527</u>	<u>(48,358)</u>	<u>(122,878)</u>	<u>316,291</u>
TRANSFERS				
Transfers in			45,000	45,000
CHANGE IN NET POSITION	487,527	(48,358)	(77,878)	361,291
NET POSITION, BEGINNING OF YEAR	<u>3,156,911</u>	<u>812,892</u>	<u>655,708</u>	<u>4,625,511</u>
NET POSITION, END OF YEAR	<u>\$ 3,644,438</u>	<u>\$ 764,534</u>	<u>\$ 577,830</u>	<u>\$ 4,986,802</u>



# DOUGLAS COUNTY

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2016

	Risk Management	Self-insurance Dental	Motor Pool	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from interfund services	\$ 2,151,967	\$ 367,792	\$ 1,401,348	\$ 3,921,107
Cash payments for interfund goods and services	(4,178,803)	(378,704)	(963,011)	(5,520,518)
Cash payments for interfund employee services and benefits	474,018		(465,432)	8,586
Net cash used in operating activities	(1,552,818)	(10,912)	(27,095)	(1,590,825)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in			45,000	45,000
Property taxes	188,678			188,678
Net cash provided by noncapital financing activities	188,678		45,000	233,678
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets			(261,445)	(261,445)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income received	35,895	6,641	3,359	45,895
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,328,245)	(4,271)	(240,181)	(1,572,697)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,614,627	832,566	518,054	5,965,247
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,286,382	\$ 828,295	\$ 277,873	\$ 4,392,550
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 245,945	\$ (55,089)	\$ (132,979)	\$ 57,877
Adjustments to reconcile operating income (loss) to net cash used in operating activities				
Depreciation and amortization			154,132	154,132
(Increase) decrease in operating assets				
Accounts receivable	30,410	763	15,068	46,241
Due from other governments	1,145			1,145
Due from other funds	(317,978)	26,303		(291,675)
Inventories			(92,151)	(92,151)
Prepaid expenses	(641,728)			(641,728)
Increase (decrease) in operating liabilities				
Accounts payable and accrued expenses	(1,441,395)	16,774	5,325	(1,419,296)
Accrued salaries and benefits	545,418		1,416	546,834
Due to other funds	26	337	523	886
Compensated absences	580		24,556	25,136
Postemployment benefits other than pensions	218		719	937
Net pension liability	24,541		(3,704)	20,837
Total adjustments	(1,798,763)	44,177	105,884	(1,648,702)
Net cash used in operating activities	\$ (1,552,818)	\$ (10,912)	\$ (27,095)	\$ (1,590,825)

# 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 2,801,209	\$ 2,801,209	\$ 3,080,118	\$ 278,909
OPERATING EXPENSES				
Salaries and wages	71,521	71,521	50,988	20,533
Employee benefits	29,828	29,828	45,751	(15,923)
Services and supplies	<u>2,887,322</u>	<u>2,890,655</u>	<u>2,737,434</u>	<u>153,221</u>
Total operating expenses	<u>2,988,671</u>	<u>2,992,004</u>	<u>2,834,173</u>	<u>157,831</u>
Operating income (loss)	<u>(187,462)</u>	<u>(190,795)</u>	<u>245,945</u>	<u>436,740</u>
NONOPERATING REVENUES				
Investment income	3,000	3,000	36,215	33,215
Property taxes	192,725	192,725	193,981	1,256
Miscellaneous	<u>          </u>	<u>          </u>	<u>11,386</u>	<u>11,386</u>
Total nonoperating revenues	<u>195,725</u>	<u>195,725</u>	<u>241,582</u>	<u>45,857</u>
CHANGE IN NET POSITION	<u>\$ 8,263</u>	<u>\$ 4,930</u>	487,527	<u>\$ 482,597</u>
NET POSITION, BEGINNING OF YEAR			<u>3,156,911</u>	
NET POSITION, END OF YEAR			<u>\$ 3,644,438</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, 2016

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ <u>424,000</u>	\$ <u>424,000</u>	\$ <u>340,726</u>	\$ <u>(83,274)</u>
OPERATING EXPENSES				
Services and supplies	<u>436,051</u>	<u>436,051</u>	<u>395,815</u>	<u>40,236</u>
Operating loss	<u>(12,051)</u>	<u>(12,051)</u>	<u>(55,089)</u>	<u>(43,038)</u>
NONOPERATING REVENUES				
Investment income	<u>15,000</u>	<u>15,000</u>	<u>6,731</u>	<u>(8,269)</u>
CHANGE IN NET POSITION	\$ <u><u>2,949</u></u>	\$ <u><u>2,949</u></u>	<u>(48,358)</u>	\$ <u><u>(51,307)</u></u>
NET POSITION, BEGINNING OF YEAR			<u>812,892</u>	
NET POSITION, END OF YEAR			\$ <u><u>764,534</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ 1,361,826	\$ 1,421,826	\$ 1,478,431	\$ 56,605
OPERATING EXPENSES				
Salaries and wages	339,319	339,319	339,000	319
Employee benefits	165,725	165,725	149,419	16,306
Services and supplies	717,666	997,666	968,859	28,807
Depreciation	<u>166,000</u>	<u>166,000</u>	<u>154,132</u>	<u>11,868</u>
Total operating expenses	<u>1,388,710</u>	<u>1,668,710</u>	<u>1,611,410</u>	<u>57,300</u>
Operating loss	<u>(26,884)</u>	<u>(246,884)</u>	<u>(132,979)</u>	<u>113,905</u>
NONOPERATING REVENUES				
Investment income			3,366	3,366
Gain (loss) on capital asset disposition	25,000	25,000	6,723	(18,277)
Miscellaneous			<u>12</u>	<u>12</u>
Total nonoperating revenues	<u>25,000</u>	<u>25,000</u>	<u>10,101</u>	<u>(14,899)</u>
Loss before transfers	<u>(1,884)</u>	<u>(221,884)</u>	<u>(122,878)</u>	<u>99,006</u>
TRANSFERS				
Transfers in		<u>45,000</u>	<u>45,000</u>	
CHANGE IN NET POSITION	<u>\$ (1,884)</u>	<u>\$ (176,884)</u>	<u>(77,878)</u>	<u>\$ 99,006</u>
NET POSITION, BEGINNING OF YEAR			<u>655,708</u>	
NET POSITION, END OF YEAR			<u>\$ 577,830</u>	

# **FIDUCIARY FUNDS**



# DOUGLAS COUNTY

## AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2016

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

Douglas County School District

Accounts for the collection and distribution of apportioned property taxes.

Douglas County School District Debt

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

Carson Water Sub-conservancy District

Accounts for the collection and distribution of apportioned property taxes.

Cave Rock General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Douglas County Sewer Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Elk Point Sanitation District

Accounts for the collection and distribution of charges for services.

Gardnerville Ranchos General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Genoa Lakes Assessment District

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

Indian Hills General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Kingsbury General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Lakeridge General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Logan Creek General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Minden-Gardnerville Sanitation District

Accounts for the collection and distribution of apportioned property taxes.

Oliver Park General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Round Hill General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Sierra Estates General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Skyland General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Tahoe-Douglas Sanitation District

Accounts for the collection and distribution of charges for services.

Tahoe-Douglas Fire Protection District

Accounts for the collection and distribution of apportioned property taxes.

Topaz Ranch Estates General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

**DOUGLAS COUNTY**  
**AGENCY FUNDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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Zephyr Cove General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Zephyr Heights General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

Zephyr Knolls General Improvement District

Accounts for the collection and distribution of apportioned property taxes.

East Fork Swimming Pool District

Accounts for the collection and distribution of apportioned property taxes.

Inmate Commissary

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

Inmates Trust

Accounts for inmate commissary funds administered by the Sheriff Department.

Douglas County Mosquito Abatement District

Accounts for the inmate funds held by the Sheriff Department.

State of Nevada

Accounts for the collection and distribution of apportioned property taxes.

Department of Wildlife

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.

Range Improvements

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

Sierra Forest Fire Protection District

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



**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2016**

	Douglas County School District	Douglas County School District Debt	Carson Water Sub- conservancy District	Cave Rock General Improvement District	Douglas County Sewer Improvement District	Elk Point Sanitation District	Gardnerville Ranchos General Improvement District	Genoa Lakes Assessment District
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 55,918	\$ 5,386	\$ 1,257	\$ 353	\$ 1,340		\$ 1,626	\$ 242,984
Accounts receivable, net	9,107							
Taxes receivable	253,930	35,171	7,093	4		1	6,878	
Interest receivable								42
Due from other governments	116,686							
Special assessments receivable								2,481
Inventories								
Total assets	<u>\$ 435,641</u>	<u>\$ 40,557</u>	<u>\$ 8,350</u>	<u>\$ 357</u>	<u>\$ 1,340</u>	<u>\$ 1</u>	<u>\$ 8,504</u>	<u>\$ 245,507</u>
<b>LIABILITIES</b>								
Due to others	<u>\$ 435,641</u>	<u>\$ 40,557</u>	<u>\$ 8,350</u>	<u>\$ 357</u>	<u>\$ 1,340</u>	<u>\$ 1</u>	<u>\$ 8,504</u>	<u>\$ 245,507</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2016**

	Indian Hills General Improvement District	Kingsbury General Improvement District	Lakeridge General Improvement District	Minden- Gardnerville Sanitation District	Oliver Park General Improvement District	Round Hill General Improvement District	Skyland General Improvement District	Tahoe-Douglas Sanitation District
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 1,022	\$ 651	\$	\$ 1,828	\$ 295	\$ 75	\$	\$ (8)
Accounts receivable, net								
Taxes receivable	6,719	10,572	1	6,302	1,221	626	49	1,065
Interest receivable								
Due from other governments								
Special assessments receivable								
Inventories								
Total assets	<u>\$ 7,741</u>	<u>\$ 11,223</u>	<u>\$ 1</u>	<u>\$ 8,130</u>	<u>\$ 1,516</u>	<u>\$ 701</u>	<u>\$ 49</u>	<u>\$ 1,057</u>
<b>LIABILITIES</b>								
Due to others	<u>\$ 7,741</u>	<u>\$ 11,223</u>	<u>\$ 1</u>	<u>\$ 8,130</u>	<u>\$ 1,516</u>	<u>\$ 701</u>	<u>\$ 49</u>	<u>\$ 1,057</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2016**

	Tahoe-Douglas Fire Protection District	Topaz Ranch Estates General Improvement District	Zephyr Cove General Improvement District	Zephyr Heights General Improvement District	Zephyr Knolls General Improvement District	East Fork Swimming Pool District	Inmate Commissary	Inmates Trust
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 3,077	\$ 1,147	\$	\$ (57)	\$ 555	\$ 5,792	\$ 69,504	\$ 2,798
Accounts receivable, net								229
Taxes receivable	47,825	6,470	71	2,108	89	32,333		
Interest receivable								
Due from other governments								
Special assessments receivable								
Inventories								
Total assets	<u>\$ 50,902</u>	<u>\$ 7,617</u>	<u>\$ 71</u>	<u>\$ 2,051</u>	<u>\$ 644</u>	<u>\$ 38,125</u>	<u>\$ 69,504</u>	<u>\$ 3,027</u>
<b>LIABILITIES</b>								
Due to others	<u>\$ 50,902</u>	<u>\$ 7,617</u>	<u>\$ 71</u>	<u>\$ 2,051</u>	<u>\$ 644</u>	<u>\$ 38,125</u>	<u>\$ 69,504</u>	<u>\$ 3,027</u>

(Continued)

**DOUGLAS COUNTY**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2016**

	Douglas County Mosquito Abatement District	State of Nevada	Department of Wildlife	Range Improvements	Total Agency Funds
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 1,092,527	\$ 955,660	\$ 1,165	\$ 165	\$ 2,445,060
Accounts receivable, net		27,517			36,853
Taxes receivable	6,599	57,435			482,562
Interest receivable	1,979				2,021
Due from other governments	23,430	191	3,692		143,999
Special assessments receivable					2,481
Inventories	<u>32,557</u>				<u>32,557</u>
Total assets	<u>\$ 1,157,092</u>	<u>\$ 1,040,803</u>	<u>\$ 4,857</u>	<u>\$ 165</u>	<u>\$ 3,145,533</u>
<b>LIABILITIES</b>					
Due to others	<u>\$ 1,157,092</u>	<u>\$ 1,040,803</u>	<u>\$ 4,857</u>	<u>\$ 165</u>	<u>\$ 3,145,533</u>

# DOUGLAS COUNTY

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>DOUGLAS COUNTY SCHOOL DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 180,422	\$ 19,630,839	\$ 19,755,343	\$ 55,918
Accounts receivable, net	98,262	9,107	98,262	9,107
Taxes receivable	297,859	2,594	46,523	253,930
Interest receivable	3		3	
Due from other governments	153,176	197,525	234,015	116,686
	<u>729,722</u>	<u>19,840,065</u>	<u>20,134,146</u>	<u>435,641</u>
Total assets	\$ <u>729,722</u>	\$ <u>19,840,065</u>	\$ <u>20,134,146</u>	\$ <u>435,641</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>729,722</u>	\$ <u>19,840,065</u>	\$ <u>20,134,146</u>	\$ <u>435,641</u>
<b>DOUGLAS COUNTY SCHOOL DISTRICT DEBT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 16,271	\$ 2,644,967	\$ 2,655,852	\$ 5,386
Accounts receivable, net	740	1,544	2,284	
Taxes receivable	38,506	296	3,631	35,171
Due from other governments	20,423	10,779	31,202	
	<u>75,940</u>	<u>2,657,586</u>	<u>2,692,969</u>	<u>40,557</u>
Total assets	\$ <u>75,940</u>	\$ <u>2,657,586</u>	\$ <u>2,692,969</u>	\$ <u>40,557</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>75,940</u>	\$ <u>2,657,586</u>	\$ <u>2,692,969</u>	\$ <u>40,557</u>
<b>CARSON WATER SUB-CONSERVANCY DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 3,403	\$ 485,205	\$ 487,351	\$ 1,257
Accounts receivable, net	207		207	
Taxes receivable	8,479	131	1,517	7,093
Due from other governments	4,423	2,285	6,708	
	<u>16,512</u>	<u>487,621</u>	<u>495,783</u>	<u>8,350</u>
Total assets	\$ <u>16,512</u>	\$ <u>487,621</u>	\$ <u>495,783</u>	\$ <u>8,350</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>16,512</u>	\$ <u>487,621</u>	\$ <u>495,783</u>	\$ <u>8,350</u>
<b>CAVE ROCK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 116	\$ 81,552	\$ 81,315	\$ 353
Taxes receivable		4		4
Due from other governments	242	116	358	
	<u>358</u>	<u>81,672</u>	<u>81,673</u>	<u>357</u>
Total assets	\$ <u>358</u>	\$ <u>81,672</u>	\$ <u>81,673</u>	\$ <u>357</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>358</u>	\$ <u>81,672</u>	\$ <u>81,673</u>	\$ <u>357</u>
<b>DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ <u>1,130</u>	\$ <u>2,376,571</u>	\$ <u>2,376,361</u>	\$ <u>1,340</u>
<b>LIABILITIES</b>				
Due to others	\$ <u>1,130</u>	\$ <u>2,376,571</u>	\$ <u>2,376,361</u>	\$ <u>1,340</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>ELK POINT SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 3,351	\$ 3,351	\$
Taxes receivable		1		1
Due from other governments	<u>540</u>		<u>540</u>	
Total assets	<u>\$ 540</u>	<u>\$ 3,352</u>	<u>\$ 3,891</u>	<u>\$ 1</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 540</u>	<u>\$ 3,352</u>	<u>\$ 3,891</u>	<u>\$ 1</u>
<b>GARDNERVILLE RANCHOS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 5,001	\$ 762,006	\$ 765,381	\$ 1,626
Accounts receivable, net	588		588	
Taxes receivable	12,001		5,123	6,878
Due from other governments	<u>4,682</u>	<u>2,250</u>	<u>6,932</u>	
Total assets	<u>\$ 22,272</u>	<u>\$ 764,256</u>	<u>\$ 778,024</u>	<u>\$ 8,504</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 22,272</u>	<u>\$ 764,256</u>	<u>\$ 778,024</u>	<u>\$ 8,504</u>
<b>GENOA LAKES ASSESSMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 242,672	\$ 312		\$ 242,984
Interest receivable	18	42	18	42
Special assessments receivable	<u>2,481</u>			<u>2,481</u>
Total assets	<u>\$ 245,171</u>	<u>\$ 354</u>	<u>\$ 18</u>	<u>\$ 245,507</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 245,171</u>	<u>\$ 354</u>	<u>\$ 18</u>	<u>\$ 245,507</u>
<b>INDIAN HILLS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 3,000	\$ 787,671	\$ 789,649	\$ 1,022
Accounts receivable, net	716		716	
Taxes receivable	10,028		3,309	6,719
Due from other governments	<u>4,371</u>	<u>2,554</u>	<u>6,925</u>	
Total assets	<u>\$ 18,115</u>	<u>\$ 790,225</u>	<u>\$ 800,599</u>	<u>\$ 7,741</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 18,115</u>	<u>\$ 790,225</u>	<u>\$ 800,599</u>	<u>\$ 7,741</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>KINGSBURY GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 6,004	\$ 769,944	\$ 775,297	\$ 651
Accounts receivable, net	146		146	
Taxes receivable	8,652	1,920		10,572
Due from other governments	<u>1,859</u>	<u>1,063</u>	<u>2,922</u>	
Total assets	<u>\$ 16,661</u>	<u>\$ 772,927</u>	<u>\$ 778,365</u>	<u>\$ 11,223</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 16,661</u>	<u>\$ 772,927</u>	<u>\$ 778,365</u>	<u>\$ 11,223</u>
<b>LAKERIDGE GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 321	\$ 28,678	\$ 28,999	\$
Taxes receivable		1		1
Due from other governments	<u>606</u>		<u>606</u>	
Total assets	<u>\$ 927</u>	<u>\$ 28,679</u>	<u>\$ 29,605</u>	<u>\$ 1</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 927</u>	<u>\$ 28,679</u>	<u>\$ 29,605</u>	<u>\$ 1</u>
<b>LOGAN CREEK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 84	\$ 87,128	\$ 87,212	\$
Due from other governments	<u>351</u>	<u>84</u>	<u>435</u>	
Total assets	<u>\$ 435</u>	<u>\$ 87,212</u>	<u>\$ 87,647</u>	<u>\$</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 435</u>	<u>\$ 87,212</u>	<u>\$ 87,647</u>	<u>\$</u>
<b>MINDEN-GARDNERVILLE SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,145	\$ 380,997	\$ 380,314	\$ 1,828
Accounts receivable, net	277		277	
Taxes receivable	9,622	68	3,388	6,302
Due from other governments	<u>1,505</u>	<u>814</u>	<u>2,319</u>	
Total assets	<u>\$ 12,549</u>	<u>\$ 381,879</u>	<u>\$ 386,298</u>	<u>\$ 8,130</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 12,549</u>	<u>\$ 381,879</u>	<u>\$ 386,298</u>	<u>\$ 8,130</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>OLIVER PARK GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 105	\$ 44,859	\$ 44,669	\$ 295
Accounts receivable, net	10		10	
Taxes receivable	1,804	91	674	1,221
Due from other governments	<u>204</u>		<u>204</u>	
Total assets	<u>\$ 2,123</u>	<u>\$ 44,950</u>	<u>\$ 45,557</u>	<u>\$ 1,516</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 2,123</u>	<u>\$ 44,950</u>	<u>\$ 45,557</u>	<u>\$ 1,516</u>
<b>ROUND HILL GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1	\$ 40,053	\$ 39,979	\$ 75
Taxes receivable		<u>626</u>		<u>626</u>
Total assets	<u>\$ 1</u>	<u>\$ 40,679</u>	<u>\$ 39,979</u>	<u>\$ 701</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1</u>	<u>\$ 40,679</u>	<u>\$ 39,979</u>	<u>\$ 701</u>
<b>SIERRA ESTATES GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$</u>	<u>\$ 28,743</u>	<u>\$ 28,743</u>	<u>\$</u>
<b>LIABILITIES</b>				
Due to others	<u>\$</u>	<u>\$ 28,743</u>	<u>\$ 28,743</u>	<u>\$</u>
<b>SKYLAND GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 47	\$ 51,623	\$ 51,670	\$
Taxes receivable	120		71	49
Due from other governments	<u>1,733</u>	<u>47</u>	<u>1,780</u>	
Total assets	<u>\$ 1,900</u>	<u>\$ 51,670</u>	<u>\$ 53,521</u>	<u>\$ 49</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,900</u>	<u>\$ 51,670</u>	<u>\$ 53,521</u>	<u>\$ 49</u>
<b>TAHOE-DOUGLAS SANITATION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 389	\$ 166,405	\$ 166,802	\$ (8)
Taxes receivable	787	278		1,065
Due from other governments	<u>908</u>	<u>241</u>	<u>1,149</u>	
Total assets	<u>\$ 2,084</u>	<u>\$ 166,924</u>	<u>\$ 167,951</u>	<u>\$ 1,057</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 2,084</u>	<u>\$ 166,924</u>	<u>\$ 167,951</u>	<u>\$ 1,057</u>

(Continued)



## DOUGLAS COUNTY

### AGENCY FUNDS

#### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>TAHOE-DOUGLAS FIRE PROTECTION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 22,637	\$ 5,603,757	\$ 5,623,317	\$ 3,077
Accounts receivable, net	284		284	
Taxes receivable	42,143	5,991	309	47,825
Due from other governments	<u>17,496</u>	<u>11,743</u>	<u>29,239</u>	
Total assets	<u>\$ 82,560</u>	<u>\$ 5,621,491</u>	<u>\$ 5,653,149</u>	<u>\$ 50,902</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 82,560</u>	<u>\$ 5,621,491</u>	<u>\$ 5,653,149</u>	<u>\$ 50,902</u>
<b>TOPAZ RANCH ESTATES GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 4,768	\$ 167,034	\$ 170,655	\$ 1,147
Accounts receivable, net	202		202	
Taxes receivable	8,772		2,302	6,470
Due from other governments	<u>3,630</u>		<u>3,630</u>	
Total assets	<u>\$ 17,372</u>	<u>\$ 167,034</u>	<u>\$ 176,789</u>	<u>\$ 7,617</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 17,372</u>	<u>\$ 167,034</u>	<u>\$ 176,789</u>	<u>\$ 7,617</u>
<b>ZEPHYR COVE GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 20	\$ 16,633	\$ 16,653	
Taxes receivable	45	26		71
Due from other governments	<u>69</u>		<u>69</u>	
Total assets	<u>\$ 134</u>	<u>\$ 16,659</u>	<u>\$ 16,722</u>	<u>\$ 71</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 134</u>	<u>\$ 16,659</u>	<u>\$ 16,722</u>	<u>\$ 71</u>
<b>ZEPHYR HEIGHTS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 138	\$ 86,500	\$ 86,695	\$ (57)
Taxes receivable	910	1,220	22	2,108
Due from other governments	<u>267</u>		<u>267</u>	
Total assets	<u>\$ 1,315</u>	<u>\$ 87,720</u>	<u>\$ 86,984</u>	<u>\$ 2,051</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,315</u>	<u>\$ 87,720</u>	<u>\$ 86,984</u>	<u>\$ 2,051</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>ZEPHYR KNOLLS GENERAL IMPROVEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 76	\$ 39,814	\$ 39,335	\$ 555
Taxes receivable	234		145	89
Due from other governments	<u>138</u>	<u>76</u>	<u>214</u>	<u></u>
Total assets	<u>\$ 448</u>	<u>\$ 39,890</u>	<u>\$ 39,694</u>	<u>\$ 644</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 448</u>	<u>\$ 39,890</u>	<u>\$ 39,694</u>	<u>\$ 644</u>
<b>EAST FORK SWIMMING POOL DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 11,321	\$ 1,914,881	\$ 1,920,410	\$ 5,792
Accounts receivable, net	904		904	
Taxes receivable	45,107		12,774	32,333
Due from other governments	<u>13,479</u>	<u>6,930</u>	<u>20,409</u>	<u></u>
Total assets	<u>\$ 70,811</u>	<u>\$ 1,921,811</u>	<u>\$ 1,954,497</u>	<u>\$ 38,125</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 70,811</u>	<u>\$ 1,921,811</u>	<u>\$ 1,954,497</u>	<u>\$ 38,125</u>
<b>INMATE COMMISSARY</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 66,500</u>	<u>\$ 39,368</u>	<u>\$ 36,364</u>	<u>\$ 69,504</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 66,500</u>	<u>\$ 39,368</u>	<u>\$ 36,364</u>	<u>\$ 69,504</u>
<b>INMATES TRUST</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 3,816		\$ 1,018	\$ 2,798
Accounts receivable, net	<u>229</u>			<u>229</u>
Total assets	<u>\$ 4,045</u>	<u>\$</u>	<u>\$ 1,018</u>	<u>\$ 3,027</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 4,045</u>	<u>\$</u>	<u>\$ 1,018</u>	<u>\$ 3,027</u>
<b>DOUGLAS COUNTY MOSQUITO ABATEMENT DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 963,266	\$ 635,876	\$ 506,615	\$ 1,092,527
Accounts receivable, net	228		228	
Taxes receivable	7,915	149	1,465	6,599
Interest receivable	1,860	708	589	1,979
Due from other governments	23,530	23,430	23,530	23,430
Inventories	32,557			32,557
Prepaid items	<u>10,530</u>		<u>10,530</u>	<u></u>
Total assets	<u>\$ 1,039,886</u>	<u>\$ 660,163</u>	<u>\$ 542,957</u>	<u>\$ 1,157,092</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,039,886</u>	<u>\$ 660,163</u>	<u>\$ 542,957</u>	<u>\$ 1,157,092</u>

(Continued)

# DOUGLAS COUNTY

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

	Balance July 1, 2015 (Restated)	Additions	Deductions	Balance June 30, 2016
<b>STATE OF NEVADA</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 874,013	\$ 7,844,230	\$ 7,762,583	\$ 955,660
Accounts receivable, net	29,545	74,618	76,646	27,517
Taxes receivable	67,505	584	10,654	57,435
Due from other governments	<u>25,467</u>	<u>907</u>	<u>26,183</u>	<u>191</u>
Total assets	<u>\$ 996,530</u>	<u>\$ 7,920,339</u>	<u>\$ 7,876,066</u>	<u>\$ 1,040,803</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 996,530</u>	<u>\$ 7,920,339</u>	<u>\$ 7,876,066</u>	<u>\$ 1,040,803</u>
<b>DEPARTMENT OF WILDLIFE</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 2,553	\$ 840	\$ 2,228	\$ 1,165
Due from other governments	<u>                    </u>	<u>3,692</u>	<u>                    </u>	<u>3,692</u>
Total assets	<u>\$ 2,553</u>	<u>\$ 4,532</u>	<u>\$ 2,228</u>	<u>\$ 4,857</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 2,553</u>	<u>\$ 4,532</u>	<u>\$ 2,228</u>	<u>\$ 4,857</u>
<b>RANGE IMPROVEMENTS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$                    </u>	<u>\$ 165</u>	<u>\$                    </u>	<u>\$ 165</u>
<b>LIABILITIES</b>				
Due to others	<u>\$                    </u>	<u>\$ 165</u>	<u>\$                    </u>	<u>\$ 165</u>
<b>SIERRA FOREST FIRE PROTECTION DISTRICT</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 1,648</u>	<u>\$                    </u>	<u>\$ 1,648</u>	<u>\$                    </u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 1,648</u>	<u>\$                    </u>	<u>\$ 1,648</u>	<u>\$                    </u>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 2,410,867	\$ 44,720,002	\$ 44,685,809	\$ 2,445,060
Accounts receivable, net	132,338	85,269	180,754	36,853
Taxes receivable	560,489	13,980	91,907	482,562
Interest receivable	1,881	750	610	2,021
Due from other governments	279,099	264,536	399,636	143,999
Special assessments receivable	2,481			2,481
Inventories	32,557			32,557
Prepaid items	<u>10,530</u>	<u>                    </u>	<u>10,530</u>	<u>                    </u>
Total assets	<u>\$ 3,430,242</u>	<u>\$ 45,084,537</u>	<u>\$ 45,369,246</u>	<u>\$ 3,145,533</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 3,430,242</u>	<u>\$ 45,084,537</u>	<u>\$ 45,369,246</u>	<u>\$ 3,145,533</u>



**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, 2016, 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 8, 2016.

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

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

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's basic financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2016 - 001 and 2016 - 002, to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2016 - 003 through 2016 - 012 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 8, 2016.

**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 8, 2016

# **STATISTICAL SECTION**





**DOUGLAS COUNTY**  
**STATISTICAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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**Financial Trends**

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

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

**Revenue Capacity**

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

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

**Debt Capacity**

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

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

**Demographic and Economic Information**

The following tables contain demographic and economic information to enable the reader to understand the environment within which financial activities take place.

- Demographic and Economic Statistics
- Principal Employers

**Operating Information**

The following tables contain operating information to enable the reader to understand how the information contained in the comprehensive annual financial report relates to services provided and activities performed.

- Full-time Equivalent County Government Employees by Function/Program
- Operating indicators by Function/Program
- Capital Asset Statistics by Function/Program



# DOUGLAS COUNTY

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Governmental activities										
Net investment in capital assets	\$ 143,029,306	\$ 138,411,778	\$ 130,339,290	\$ 124,719,545	\$ 118,950,227	\$ 114,307,598	\$ 97,260,853	\$ 103,681,416	\$ 103,545,887	\$ 104,928,853
Restricted	34,914,006	34,763,858	35,871,856	34,737,365	28,137,701	31,497,861	41,549,199	38,473,264	41,170,332	40,481,940
Unrestricted	8,006,378	7,236,624	7,921,772	5,126,619	9,410,929	6,020,274	10,379,283	7,044,229	(63,536,635)	(61,152,671)
Total governmental activities	<u>185,949,690</u>	<u>180,412,260</u>	<u>174,132,918</u>	<u>164,583,529</u>	<u>156,498,857</u>	<u>151,825,733</u>	<u>149,189,335</u>	<u>149,198,909</u>	<u>81,179,584</u>	<u>84,258,122</u>
Business-type activities										
Net investment in capital assets	41,075,923	46,737,483	51,023,769	53,113,523	60,009,289	68,716,591	77,024,668	82,994,996	87,721,290	87,557,422
Restricted	20,225,206	16,731,785	6,621	83,689	9,175,026	5,815,718	6,720,290	716,905	684,789	686,457
Unrestricted	(60,802)		12,328,987	11,113,077	10,715,465	10,628,958	10,215,473	15,144,474	14,096,082	18,031,435
Total business-type activities	<u>61,240,327</u>	<u>63,469,268</u>	<u>63,359,377</u>	<u>64,310,289</u>	<u>79,899,780</u>	<u>85,161,267</u>	<u>93,960,431</u>	<u>98,856,375</u>	<u>102,502,161</u>	<u>106,275,314</u>
Primary government										
Net investment in capital assets	184,105,229	185,149,261	181,363,059	177,833,068	178,959,516	183,024,189	174,285,521	186,676,412	191,267,177	192,486,275
Restricted	55,139,212	51,495,643	35,878,477	34,821,054	37,312,727	37,313,579	48,269,489	39,190,169	41,855,121	41,168,397
Unrestricted	7,945,576	7,236,624	20,250,759	16,239,696	20,126,394	16,649,232	20,594,756	22,188,703	(49,440,553)	(43,121,236)
Total primary government	<u>\$ 247,190,017</u>	<u>\$ 243,881,528</u>	<u>\$ 237,492,295</u>	<u>\$ 228,893,818</u>	<u>\$ 236,398,637</u>	<u>\$ 236,987,000</u>	<u>\$ 243,149,766</u>	<u>\$ 248,055,284</u>	<u>\$ 183,681,745</u>	<u>\$ 190,533,436</u>

# DOUGLAS COUNTY

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

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
<b>Expenses</b>										
Governmental activities										
General government	\$ 15,630,639	\$ 13,750,103	\$ 14,933,431	\$ 20,332,452	\$ 13,462,632	\$ 14,143,289	\$ 12,759,577	\$ 13,920,640	\$ 12,956,802	\$ 13,389,921
Judicial	10,946,586	12,261,155	12,913,402	12,591,688	12,514,301	12,226,899	12,226,063	13,425,448	13,915,522	14,168,982
Public safety	26,707,218	27,478,421	28,665,303	34,885,866	28,972,348	29,076,749	28,378,343	29,498,459	29,112,782	29,650,696
Public works	8,052,443	14,864,805	15,006,057	6,087,636	15,049,600	14,917,989	16,452,157	13,034,974	7,294,588	8,153,262
Community development	1,623,120	1,725,197	1,543,640	1,656,154	1,649,980	1,596,554	1,557,705	3,605,357	4,186,295	4,365,400
Culture and recreation	12,760,436	12,027,767	10,658,583	9,736,713	11,255,130	12,078,470	11,742,073	11,803,428	14,539,072	15,421,278
Health and sanitation	480,220	578,163	744,968	687,494	759,172	851,264	906,878	953,423	496,018	585,814
Welfare	2,782,986	2,650,909	2,483,429	2,785,155	2,716,557	2,743,465	2,369,403	2,267,169	2,425,146	2,669,742
Interest on long-term debt	3,104,351	1,062,971	988,093	550,951	535,861	441,282	567,522	600,564	616,123	463,933
Total governmental activities	<u>82,087,999</u>	<u>86,399,491</u>	<u>87,936,906</u>	<u>89,314,109</u>	<u>86,915,581</u>	<u>88,075,961</u>	<u>86,959,721</u>	<u>89,109,462</u>	<u>85,542,348</u>	<u>88,869,028</u>
Business-type activities										
Water	3,921,224	4,297,600	4,914,857	5,410,559	5,620,789	5,856,011	6,616,855	6,959,476	7,613,179	7,791,526
Sewer	1,928,635	2,038,757	1,725,307	2,123,329	1,947,813	1,853,004	1,972,400	1,937,546	1,779,765	1,951,823
Trash	1,461,558	1,557,103	1,522,602	1,438,802	1,242,470	1,255,222	1,375,266	1,462,808	1,486,407	1,430,122
Total business-type activities	<u>7,311,417</u>	<u>7,893,460</u>	<u>8,162,766</u>	<u>8,972,690</u>	<u>8,811,072</u>	<u>8,964,237</u>	<u>9,964,521</u>	<u>10,359,830</u>	<u>10,879,351</u>	<u>11,173,471</u>
Total primary government expenses	<u>\$ 89,399,416</u>	<u>\$ 94,292,951</u>	<u>\$ 96,099,672</u>	<u>\$ 98,286,799</u>	<u>\$ 95,726,653</u>	<u>\$ 97,040,198</u>	<u>\$ 96,924,242</u>	<u>\$ 99,469,292</u>	<u>\$ 96,421,699</u>	<u>\$ 100,042,499</u>
<b>Program revenues</b>										
Governmental activities										
Charges for services	\$ 15,119,952	\$ 14,704,543	\$ 14,467,242	\$ 12,838,861	\$ 11,211,501	\$ 12,164,170	\$ 11,675,481	\$ 12,035,744	\$ 13,941,613	\$ 14,842,089
Operating grants and contributions	5,768,343	5,606,286	6,011,301	6,819,142	5,885,782	5,846,475	6,386,270	6,819,224	6,853,920	7,087,302
Capital grants and contributions	3,332,282	2,695,821	1,467,357	1,070,919	2,139,500	4,861,835	4,277,630	2,135,366	395,150	2,302,348
Total governmental activities	<u>24,220,577</u>	<u>23,006,650</u>	<u>21,945,900</u>	<u>20,728,922</u>	<u>19,236,783</u>	<u>22,872,480</u>	<u>22,339,381</u>	<u>20,990,334</u>	<u>21,190,683</u>	<u>24,231,739</u>
Business-type activities										
Charges for services	10,555,805	6,264,516	6,298,078	7,324,692	7,971,480	9,018,394	9,712,890	10,506,035	11,214,386	11,540,124
Operating grants and contributions	48,927	63,470	175,906	175,906	175,906	175,906	175,906	175,906	175,906	175,906
Capital grants and contributions	775,041	3,082,213	1,379,084	1,286,485	5,701,941	5,474,311	8,903,653	4,920,192	6,143,818	952,688
Total business-type activities	<u>11,379,773</u>	<u>9,410,199</u>	<u>7,677,162</u>	<u>8,787,083</u>	<u>13,673,421</u>	<u>14,492,705</u>	<u>18,616,543</u>	<u>15,426,227</u>	<u>17,358,204</u>	<u>12,492,812</u>
Total primary government program revenues	<u>\$ 35,600,350</u>	<u>\$ 32,416,849</u>	<u>\$ 29,623,062</u>	<u>\$ 29,516,005</u>	<u>\$ 32,910,204</u>	<u>\$ 37,365,185</u>	<u>\$ 40,955,924</u>	<u>\$ 36,416,561</u>	<u>\$ 38,548,887</u>	<u>\$ 36,724,551</u>
Net (expenses) program revenues										
Governmental activities	\$ (57,867,422)	\$ (63,392,841)	\$ (65,991,006)	\$ (68,585,187)	\$ (67,678,798)	\$ (65,203,481)	\$ (64,620,340)	\$ (68,119,128)	\$ (64,351,665)	\$ (64,637,289)
Business-type activities	4,068,356	1,516,739	(485,604)	(185,607)	4,862,349	5,528,468	8,652,022	5,066,397	6,478,853	1,319,341
Primary government	<u>\$ (53,799,066)</u>	<u>\$ (61,876,102)</u>	<u>\$ (66,476,610)</u>	<u>\$ (68,770,794)</u>	<u>\$ (62,816,449)</u>	<u>\$ (59,675,013)</u>	<u>\$ (55,968,318)</u>	<u>\$ (63,052,731)</u>	<u>\$ (57,872,812)</u>	<u>\$ (63,317,948)</u>

(Continued)

# DOUGLAS COUNTY

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

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 25,168,814	\$ 27,612,573	\$ 31,231,745	\$ 32,173,807	\$ 35,072,843	\$ 34,769,957	\$ 35,708,589	\$ 35,969,749	\$ 37,221,860	\$ 37,898,647
Intergovernmental consolidated taxes	15,200,055	15,332,393	15,012,808	14,091,197	12,587,763	13,101,548	13,807,613	12,824,547	13,303,618	13,605,461
Intergovernmental franchise and public service taxes	12,462,305	12,367,268	11,547,741	11,272,514	11,303,740	11,402,128	12,196,317	13,922,258	14,873,641	18,049,946
Investment income	3,131,629	2,219,410	1,275,728	933,558	469,488	381,394	(79,959)	296,778	312,694	536,416
Gain on disposal of capital assets					44,400	25,231	31,100	262,461	45,235	
Miscellaneous	2,418,566	241,998	581,317	201,690	517,316	283,224	362,782	269,635	740,117	35,552
Transfers	(415,000)	81,769	62,325	363,032	(401,424)	566,875	(42,500)	91,336	(100,000)	(2,112,500)
Total governmental activities	<u>57,966,369</u>	<u>57,855,411</u>	<u>59,711,664</u>	<u>59,035,798</u>	<u>59,594,126</u>	<u>60,530,357</u>	<u>61,983,942</u>	<u>63,636,764</u>	<u>66,397,165</u>	<u>68,013,522</u>
Business-type activities										
Investment income	1,023,562	665,859	346,413	935,834	189,116	128,513	(15,250)	64,467	88,283	162,340
Gain on disposal of capital assets						2,720	475	(9,227)	238,983	
Gain on disposal of water rights					10,066,948	35,475	6,450			
Miscellaneous	10,413	128,112	91,625	563,717	69,654	133,186	112,967	107,249	110,505	178,972
Transfers	415,000	(81,769)	(62,325)	(363,032)	401,424	(566,875)	42,500	91,336	100,000	2,112,500
Total business-type activities	<u>1,448,975</u>	<u>712,202</u>	<u>375,713</u>	<u>1,136,519</u>	<u>10,727,142</u>	<u>(266,981)</u>	<u>147,142</u>	<u>253,825</u>	<u>537,771</u>	<u>2,453,812</u>
Total primary government general revenues and other changes in net position	<u>\$ 59,415,344</u>	<u>\$ 58,567,613</u>	<u>\$ 60,087,377</u>	<u>\$ 60,172,317</u>	<u>\$ 70,321,268</u>	<u>\$ 60,263,376</u>	<u>\$ 62,131,084</u>	<u>\$ 63,890,589</u>	<u>\$ 66,934,936</u>	<u>\$ 70,467,334</u>
Change in net position										
Governmental activities	\$ 98,947	\$ (5,537,430)	\$ (6,279,342)	\$ (9,549,389)	\$ (8,084,672)	\$ (4,673,124)	\$ (2,636,398)	\$ (4,482,364)	\$ 2,045,500	\$ 3,376,233
Business-type activities	5,517,331	2,228,941	(109,891)	950,912	15,589,491	5,261,487	8,799,164	5,320,222	7,016,624	3,773,153
Primary government	<u>\$ 5,616,278</u>	<u>\$ (3,308,489)</u>	<u>\$ (6,389,233)</u>	<u>\$ (8,598,477)</u>	<u>\$ 7,504,819</u>	<u>\$ 588,363</u>	<u>\$ 6,162,766</u>	<u>\$ 837,858</u>	<u>\$ 9,062,124</u>	<u>\$ 7,149,386</u>

# DOUGLAS COUNTY

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

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011 <sup>1</sup>	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
General fund										
Reserved	\$ 3,029,683	\$ 2,905,766	\$ 2,850,000	\$ 550,000	\$	\$	\$	\$	\$	\$
Unreserved	6,185,819	7,236,624	5,071,772	6,813,720						
Nonspendable					200,695	218,660	343,265	274,825	207,410	430,324
Restricted								1,218,189	2,532,913	991,494
Committed					1,400,000	600,000	1,294,633	700,000		
Assigned					356,353	359,129	358,767	372,803	741,428	365,055
Unassigned					5,048,153	6,222,138	6,472,622	8,032,077	8,644,481	9,504,350
Total general fund	<u>\$ 9,215,502</u>	<u>\$ 10,142,390</u>	<u>\$ 7,921,772</u>	<u>\$ 7,363,720</u>	<u>\$ 7,005,201</u>	<u>\$ 7,399,927</u>	<u>\$ 8,469,287</u>	<u>\$ 10,597,894</u>	<u>\$ 12,126,232</u>	<u>\$ 11,291,223</u>
Other governmental funds										
Reserved	\$ 6,505,085	\$ 3,947,151	\$ 3,254,800	\$ 1,750,000	\$	\$	\$	\$	\$	\$
Unreserved	32,961,695	31,951,398	27,594,979	29,503,642						
Nonspendable					1,785,489	1,925,518	142,515	471,571	491,191	225,732
Restricted					27,467,556	29,947,380	39,036,750	32,644,628	34,667,616	35,082,474
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
Unassigned					(2,702,143)	(2,717,138)	(974,750)			(12,348)
Total other governmental funds	<u>\$ 39,466,780</u>	<u>\$ 35,898,549</u>	<u>\$ 30,849,779</u>	<u>\$ 31,253,642</u>	<u>\$ 30,727,591</u>	<u>\$ 32,720,488</u>	<u>\$ 45,704,085</u>	<u>\$ 38,045,788</u>	<u>\$ 37,900,924</u>	<u>\$ 38,960,058</u>

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, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
<b>REVENUES</b>										
Taxes	\$ 32,634,563	\$ 34,481,033	\$ 37,076,514	\$ 38,062,804	\$ 37,447,577	\$ 38,789,371	\$ 40,245,485	\$ 40,828,495	\$ 42,077,709	\$ 44,860,047
Licenses, permits, franchise and other fees	3,651,443	3,928,904	3,989,598	4,195,489	5,635,224	5,840,692	6,398,025	6,772,576	7,509,105	7,651,751
Intergovernmental shared revenues	28,680,030	26,883,113	26,037,653	25,267,945	24,543,016	25,866,294	25,985,608	25,096,589	24,858,501	27,930,886
Charges for services	10,535,626	10,591,598	9,863,571	7,627,342	7,562,033	12,689,359	12,855,547	8,767,368	9,748,495	10,378,842
Fines and forfeitures	1,163,752	1,135,975	1,375,971	1,380,188	1,154,998	1,263,195	1,280,851	954,553	1,305,047	1,381,775
Miscellaneous	5,909,243	4,772,318	3,787,151	3,476,691	3,682,081	3,154,921	3,103,066	2,826,380	3,977,509	4,484,657
<b>Total revenues</b>	<b>82,574,657</b>	<b>81,792,941</b>	<b>82,130,458</b>	<b>80,010,459</b>	<b>80,024,929</b>	<b>87,603,832</b>	<b>89,868,582</b>	<b>85,245,961</b>	<b>89,476,366</b>	<b>96,687,958</b>
<b>EXPENDITURES</b>										
<b>Current</b>										
General government	13,291,165	15,728,435	12,287,666	16,496,432	11,133,656	10,927,419	11,632,355	11,388,627	11,736,808	12,272,881
Judicial	10,946,583	12,183,104	12,746,268	12,775,254	12,375,369	12,203,225	12,395,999	13,130,475	13,794,787	14,323,765
Public safety	25,612,612	29,209,561	27,417,784	27,170,907	28,542,200	32,491,517	32,969,504	28,846,546	29,058,272	30,473,247
Public works	8,052,444	7,223,201	5,756,364	5,136,797	6,930,431	6,901,817	7,545,142	4,777,687	5,040,254	5,294,947
Community development	1,623,121	1,697,970	1,562,077	1,656,154	1,521,888	1,456,138	1,568,298	3,543,405	4,122,507	4,419,829
Culture and recreation	12,760,434	12,213,033	9,467,045	9,100,537	10,010,385	10,883,499	12,951,128	10,808,355	11,294,221	13,103,680
Health and sanitation	480,221	498,213	670,930	687,493	676,597	789,334	830,716	878,651	967,484	972,487
Welfare	2,782,984	2,654,917	2,534,479	2,766,844	3,049,754	3,189,580	2,843,146	2,375,557	2,567,844	2,875,513
<b>Total current</b>	<b>75,549,564</b>	<b>81,408,434</b>	<b>72,442,613</b>	<b>75,790,418</b>	<b>74,240,280</b>	<b>78,842,529</b>	<b>82,736,288</b>	<b>75,749,303</b>	<b>78,582,177</b>	<b>83,736,349</b>
Capital outlay	3,832,452		7,365,089	3,113,518	5,092,843	4,091,928	5,125,081	16,805,506	7,503,169	8,166,219
<b>Debt service</b>										
Principal payments	2,000,445	2,173,400	2,005,661	2,074,867	2,124,187	2,028,222	4,022,234	2,080,942	2,918,524	1,689,288
Interest expense	1,091,074	1,053,160	975,383	847,271	646,184	546,522	540,593	640,402	561,859	475,961
Debt issuance costs							347,863		74,019	
Fiscal charges	12,833	9,811	12,710	8,899	30,682	9,132	5,788	2,800	1,300	900
<b>Total debt service</b>	<b>3,104,352</b>	<b>3,236,371</b>	<b>2,993,754</b>	<b>2,931,037</b>	<b>2,801,053</b>	<b>2,583,876</b>	<b>4,916,478</b>	<b>2,724,144</b>	<b>3,555,702</b>	<b>2,166,149</b>
<b>Total expenditures</b>	<b>82,486,368</b>	<b>84,644,805</b>	<b>82,801,456</b>	<b>81,834,973</b>	<b>82,134,176</b>	<b>85,518,333</b>	<b>92,777,847</b>	<b>95,278,953</b>	<b>89,641,048</b>	<b>94,068,717</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>88,289</b>	<b>(2,851,864)</b>	<b>(670,998)</b>	<b>(1,824,514)</b>	<b>(2,109,247)</b>	<b>2,085,499</b>	<b>(2,909,265)</b>	<b>(10,032,992)</b>	<b>(164,682)</b>	<b>2,619,241</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from capital asset disposal	59,563	78,227	1,238,029	17,051	50,521	44,388	22,916	262,461	41,530	28,829
Issuance of debt				1,115,000			16,559,000		1,395,000	
Proceeds from tax sales		45,761	112,192				62,175			
Transfers in	7,929,276	6,625,351	9,162,882	16,001,907	16,156,183	9,838,917	10,443,313	12,700,382	15,777,949	9,586,182
Transfers out	(8,594,266)	(6,538,818)	(10,461,493)	(15,463,633)	(14,982,027)	(9,581,181)	(10,125,182)	12,795,384	(15,877,949)	(11,743,682)
<b>Total other financing sources (uses)</b>	<b>(605,427)</b>	<b>210,521</b>	<b>51,610</b>	<b>1,670,325</b>	<b>1,224,677</b>	<b>302,124</b>	<b>16,962,222</b>	<b>25,758,227</b>	<b>1,336,530</b>	<b>(2,128,671)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>\$ (517,138)</b>	<b>\$ (2,641,343)</b>	<b>\$ (619,388)</b>	<b>\$ (154,189)</b>	<b>\$ (884,570)</b>	<b>\$ 2,387,623</b>	<b>\$ 14,052,957</b>	<b>\$ 15,725,235</b>	<b>\$ 1,171,848</b>	<b>\$ 490,570</b>
Debt service as a percentage of noncapital expenditures	<u>3.93 %</u>	<u>3.81 %</u>	<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>

# DOUGLAS COUNTY

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE REAL PROPERTY<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agriculture Property	Other	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Value	Ratio of Total Taxable Assessed to Total Estimated Actual Value <sup>2</sup>
2007	\$ 208,128,409	\$ 2,435,319,267	\$ 161,326,704	\$ 196,751,164	\$ 27,843,532	\$ 106,340,220	\$ 3,135,709,296	1.0276	\$ 8,959,169,417	35.00 %
2008	260,673,674	2,685,456,473	164,848,791	218,374,619	31,846,468	109,338,205	3,470,538,230	1.0867	9,915,823,514	35.00 %
2009	281,699,610	2,745,947,562	169,925,034	237,304,292	34,895,344	123,824,535	3,593,596,377	1.0730	10,267,418,220	35.00 %
2010	242,265,608	2,659,317,453	170,147,126	235,332,287	34,851,324	122,034,526	3,463,948,324	1.0827	9,896,995,211	35.00 %
2011	185,955,529	2,378,591,324	136,171,618	204,823,542	35,448,331	121,504,502	3,062,494,846	1.1335	8,749,985,274	35.00 %
2012	157,536,347	2,202,222,206	131,726,676	192,432,930	34,078,346	119,671,379	2,837,667,884	1.1680	8,107,622,526	35.00 %
2013	140,511,652	2,073,189,096	125,413,683	190,292,488	33,250,086	119,244,496	2,681,901,501	1.1680	7,662,575,717	35.00 %
2014	128,323,217	1,998,798,888	123,443,892	183,979,101	33,064,929	123,828,366	2,591,438,393	1.1680	7,404,109,694	35.00 %
2015	121,972,775	2,126,479,166	131,840,709	189,315,812	34,487,384	129,350,505	2,733,446,351	1.1680	7,809,846,717	35.00 %
2016	92,358,338	2,259,819,065	105,742,640	176,975,581	38,144,639	140,925,604	2,813,965,867	1.1680	8,039,902,477	35.00 %

1. Source - Douglas County Assessor's Office
2. Pursuant to State statute, all property is assessed at 35% of its estimated value.



# DOUGLAS COUNTY

## PROPERTY TAX RATES<sup>1</sup> - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$100 OF ASSESSED VALUE<sup>2</sup>) LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Douglas County, Direct Rates			Overlapping Rates				
	General Fund	Other Funds	Total Direct Tax Rate	State of Nevada	Douglas County School District	Town of Minden	Town of Gardnerville	Town of Genoa
2007	0.7569	0.2707	1.0276	0.1700	0.8500	0.6608	0.6141	0.2165
2008	0.7776	0.3091	1.0867	0.1700	0.8500	0.6951	0.6248	0.3530
2009	0.7619	0.3111	1.0730	0.1700	0.8500	0.7002	0.5935	0.3704
2010	0.7666	0.3161	1.0827	0.1700	0.8500	0.7114	0.5847	0.4053
2011	0.8332	0.3003	1.1335	0.1700	0.8500	0.7126	0.6699	0.3929
2012	0.8690	0.2990	1.1680	0.1700	0.8500	0.6677	0.6677	0.3929
2013	0.8687	0.2993	1.1680	0.1700	0.8500	0.6677	0.6677	0.5133
2014	0.8687	0.2993	1.1680	0.1700	0.8500	0.6677	0.6677	0.5133
2015	0.8690	0.2990	1.1680	0.1700	0.8500	0.6677	0.6677	0.5548
2016	0.8716	0.2964	1.1680	0.1700	0.8500	0.6677	0.6677	0.5856

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		
2007	0.3038	0.1580	4.8142	1.3928	9.1802	10.2078	
2008	0.3038	0.1580	4.8745	1.3938	9.4230	10.5097	
2009	0.3113	0.1580	4.9411	0.9837	9.0782	10.1512	
2010	0.3316	0.1580	5.0409	1.0328	9.2847	10.3674	
2011	0.3329	0.1592	5.2997	1.0340	9.6212	10.7547	
2012	0.3282	0.1592	4.9725	1.0340	9.2422	10.4102	
2013	0.3282	0.1592	5.0966	0.9995	9.4522	10.6202	
2014	0.3282	0.1592	5.1072	0.9495	9.4128	10.5808	
2015	0.3282	0.1592	5.5726	0.9495	9.9197	11.0877	
2016	0.3282	0.1592	5.1805	0.9495	9.5584	10.7264	

1. Source - Douglas County Assessor's Office

**DOUGLAS COUNTY**  
**PRINCIPAL PROPERTY TAXPAYERS<sup>1,2</sup>**  
**CURRENT AND NINE YEARS AGO**  
**(UNAUDITED)**

Taxpayer	2016			2007		
	Taxable Assessed Value <sup>3</sup>	Rank	Percentage of Taxable Assess Value <sup>4</sup>	Taxable Assessed Value <sup>3</sup>	Rank	Percentage of Taxable Assess Value <sup>4</sup>
Caesar's Entertainment	\$ 70,788,476	1	2.52 %	\$		%
Edgewood Companies	43,932,797	2	1.56 %			%
Harich Tahoe Development	18,198,942	3	0.65 %	26,986,464	3	0.86 %
Bently Nevada LLC (GE)	13,272,833	4	0.47 %			%
Starbucks	12,603,957	5	0.45 %	9,207,248	9	0.29 %
Bently Family Ltd Partnership	12,597,530	6	0.45 %			%
Wal-Mart Real Estate Bus. Trust	10,816,542	7	0.38 %			%
Carson Valley Center LLC/ AIG	9,945,472	8	0.35 %	12,580,916	5	0.40 %
Tranquil Investments	9,424,849	9	0.33 %			%
Sierra Sunset LLC	8,888,781	10	0.32 %	10,208,207	8	0.33 %
Harrah's and Harvey's				90,212,169	1	2.88 %
NV Energy/Sierra Pacific Power				17,896,681	4	0.57 %
Syncon Homes				12,003,631	6	0.38 %
Frontier Communications/Verizon				11,018,955	7	0.35 %
Park Cattle Compnay				51,588,016	2	1.65 %
Horowitz, Joel & Ann				9,095,357	10	0.29 %
	<u>\$ 210,470,179</u>		<u>7.48 %</u>	<u>\$ 250,797,644</u>		<u>8.00 %</u>

1. Located in Douglas County, Nevada
2. Source - Douglas County Assessor's Office
3. Taxable assessed value is 35% of appraised value.
4. See the "Assessed and Estimated Actual Value of Taxable Property" table for assessed property value data.

**DOUGLAS COUNTY**  
**PROPERTY TAX LEVIES AND COLLECTIONS<sup>1</sup>**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>For the Year Ended June 30,</u>	<u>Tax Levy</u>	<u>Current Tax Levy Collections</u>	<u>Percent of Tax Levy Collected</u>	<u>Delinquent Tax Levy Collections</u>	<u>Total Tax Levy Collected</u>	<u>Percent of Total Tax Levy Collected to Tax Levy</u>
2007	\$ 58,312,147	\$ 57,948,527	99.3764 %	\$ 257,957	\$ 58,206,484	99.8188 %
2008	63,239,905	62,474,935	98.7904 %	298,855	62,773,790	99.2629 %
2009	67,271,364	65,978,528	98.0782 %	547,950	66,526,478	98.8927 %
2010	67,801,594	66,423,941	97.9681 %	1,056,345	67,480,286	99.5261 %
2011	67,842,609	66,492,160	98.0094 %	1,267,647	67,759,807	99.8779 %
2012	67,849,984	66,994,035	98.7385 %	843,384	67,837,419	99.9815 %
2013	68,107,802	67,414,716	98.9824 %	482,004	67,896,720	99.6901 %
2014	67,656,118	67,038,862	99.0877 %	530,415	67,569,277	99.8716 %
2015	70,290,700	69,398,098	98.7301 %	690,933	70,089,031	99.7131 %
2016	71,095,242	70,592,469	99.2928 %		70,592,469	99.2928 %

1. Source - Douglas County Treasurer-Clerk and Finance Division

# DOUGLAS COUNTY

## RATIOS OF OUTSTANDING DEBT<sup>1</sup> BY TYPE LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Governmental Activities						Business-type Activities		Percentage of Douglas County Personal Income <sup>2</sup>	Douglas County Per Capita <sup>2</sup>
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	General			Obligation/Pledged Revenue Bonds	Total Primary Government		
				Revenue Bonds	Obligation/Pledged Revenue Bonds	Other				
2007	\$ 8,915,000	\$ 271,954	\$	\$ 2,295,000	\$ 5,938,000	\$	\$ 18,605,771	\$ 36,025,725	1.37 %	\$ 688
2008	7,945,000	165,834		2,055,000	5,504,000		17,803,542	33,473,376	1.32 %	642
2009	6,935,000	118,399		1,805,000	4,986,000		16,933,304	30,777,703	1.33 %	599
2010	5,890,000	71,079		1,550,000	4,446,000		16,699,218	28,656,297	1.23 %	610
2011	4,805,000			1,380,000	3,914,000		20,354,011	30,453,011	1.26 %	639
2012	3,670,000			1,205,000	3,389,000		19,429,026	27,693,026	1.09 %	577
2013	11,417,797			1,020,000	9,677,000		18,794,989	40,909,786	1.58 %	844
2014	9,995,855			830,000	9,264,217		18,448,247	38,538,319	1.42 %	794
2015	8,508,000		272,331	1,710,000	8,073,108		16,872,058	35,435,497	% <sup>3</sup>	735
2016	7,490,000		230,043	1,442,000	7,659,000		14,748,400	31,569,443	% <sup>3</sup>	<sup>3</sup>

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. See the "Demographic and Economic Statistics" table for the County's population and personal income data.
3. Information was not available at the time of printing.

# DOUGLAS COUNTY

## RATIOS OF GENERAL BONDED DEBT<sup>1</sup> OUTSTANDING LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	General Obligation Bonds	General Obligation/Pledged Revenue Bonds	Total General Bonded Debt <sup>2</sup>	Percentage of Estimated Actual Property Value <sup>3</sup>	Douglas County Per Capita <sup>4</sup>	Amounts Available to Repay General Bonded Debt	Net General Bonded Debt
2007	\$ 8,915,000	\$ 24,543,771	\$ 33,458,771	0.37 %	\$ 639	\$ 910,108	\$ 32,548,663
2008	7,945,000	23,307,542	31,252,542	0.32 %	600	1,001,530	30,251,012
2009	6,935,000	21,919,304	28,854,304	0.28 %	561	1,201,597	27,652,707
2010	5,890,000	21,145,218	27,035,218	0.27 %	575	1,071,067	25,964,151
2011	4,805,000	24,268,011	29,073,011	0.33 %	610	1,234,672	27,838,339
2012	3,670,000	22,818,026	26,488,026	0.33 %	552	1,249,572	25,238,454
2013	11,417,797	28,471,989	39,889,786	0.52 %	823	1,124,544	38,765,242
2014	9,995,855	27,712,464	37,708,319	0.51 %	777	1,166,791	36,541,528
2015	8,508,000	24,945,166	33,453,166	0.43 %	694	1,548,057	31,905,109
2016	7,490,000	22,407,400	29,897,400	0.37 %	5 <sup>5</sup>	1,341,421	28,555,979

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. No resources have been restricted for the payment of debt principal; therefore, net and total general bonded debt are the same.
3. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
4. See the "Demographic and Economic Statistics" table for the County's population data.
5. Information was not available at the time of printing.

# DOUGLAS COUNTY

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT<sup>1, 2</sup>

**JUNE 30, 2016**

**IN THOUSANDS**

**(UNAUDITED)**

	General Obligation Debt	Percent Applicable	Applicable General Obligation Debt
Douglas County	\$ 29,302,400	100.00 %	\$ <u>29,302,400</u>
Overlapping governments			
Indian Hills GID	2,629,974	3.76 %	98,887
Kingsbury GID	23,311,671	8.44 %	1,967,505
Round Hill GID	1,112,878	4.07 %	45,294
Sierra Estates GID	159,142	0.15 %	239
Topaz Ranch Estates GID	443,094	0.73 %	3,235
Douglas County School District	43,377,000	100.00 %	43,377,000
East Fork Fire Protection District	<u>595,000</u>	57.77 %	<u>343,732</u>
Total overlapping governments	<u>71,628,759</u>		<u>45,835,892</u>
Total direct and overlapping debt	<u><u>100,931,159</u></u>		<u><u>\$ 75,138,292</u></u>

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

2. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident; and therefore, responsible for repaying the debt, of each overlapping government. Debt amounts for overlapping entities in the various governments were provided by State of Nevada, Department of Taxation, "Annual Local Government Indebtedness Report " as of June 30, 2016.

# DOUGLAS COUNTY

## LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Total taxable assessed property value	1 <u>\$ 3,135,709,296</u>	<u>\$ 3,470,538,230</u>	<u>\$ 3,593,596,377</u>	<u>\$ 3,463,948,324</u>	<u>\$ 3,062,494,846</u>	<u>\$ 2,837,667,884</u>	<u>\$ 2,681,901,501</u>	<u>\$ 2,591,438,393</u>	<u>\$ 2,733,446,351</u>	<u>\$ 2,813,965,867</u>
Legal debt Margin										
Legal debt limit (10% of taxable assessed property value)	\$ 313,570,930	\$ 347,053,823	\$ 359,359,638	\$ 346,394,832	\$ 306,249,485	\$ 283,766,788	\$ 268,190,150	\$ 259,143,839	\$ 273,344,635	\$ 281,396,587
Debt applicable to debt limit Net general bonded debt	2 <u>32,548,663</u>	<u>30,251,012</u>	<u>27,652,707</u>	<u>25,964,151</u>	<u>27,838,339</u>	<u>25,238,454</u>	<u>38,765,242</u>	<u>36,541,528</u>	<u>31,905,109</u>	<u>28,555,979</u>
Legal debt margin	<u>\$ 281,022,267</u>	<u>\$ 316,802,811</u>	<u>\$ 331,706,931</u>	<u>\$ 320,430,681</u>	<u>\$ 278,411,146</u>	<u>\$ 258,528,334</u>	<u>\$ 229,424,908</u>	<u>\$ 222,602,311</u>	<u>\$ 241,439,526</u>	<u>\$ 252,840,608</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>10.38 %</u>	<u>8.72 %</u>	<u>7.69 %</u>	<u>7.50 %</u>	<u>9.09 %</u>	<u>8.89 %</u>	<u>14.45 %</u>	<u>14.10 %</u>	<u>11.67 %</u>	<u>10.15 %</u>

1. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
2. See the "Ratios of General Bonded Debt Outstanding" table for the calculation of net general bonded debt.

**DOUGLAS COUNTY**  
**PLEDGED REVENUE BOND<sup>1</sup> COVERAGE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

For the Year Ended June 30,	Gross Pledged		Debt Service		Coverage
	Revenue	<sup>2</sup>	Principal	Interest	
2007	\$ 1,838,189	\$	235,000	\$ 79,624	5.84 %
2008	1,818,365		240,000	73,980	5.79 %
2009	1,936,614		250,000	67,543	6.10 %
2010	1,792,104		255,000	60,280	5.68 %
2011	1,701,268		170,000	53,480	7.61 %
2012	1,608,845		175,000	47,443	7.23 %
2013	1,632,609		185,000	41,143	7.22 %
2014	1,696,380		190,000	34,533	7.56 %
2015	1,739,363		195,000	27,650	7.81 %
2016	2,220,936		205,000	20,348	9.86 %

1. Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.
2. Pledged revenues include a tax currently levied at the rate of four cents per gallon by the County and the County's interest in taxes equal in the aggregate to 5.35 cents per gallon, levied by the State of Nevada on certain motor vehicle fuel sold in the County and the State.



**DOUGLAS COUNTY**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

For the Year Ended June 30,	Population		Personal Income		Per Capita Personal Income		Labor Force		Unemployment Rate	
		<sup>1</sup>		<sup>2</sup>				<sup>3</sup>		<sup>3</sup>
2007	52,386		\$ 2,623,464,000		\$ 50,079		\$ 22,190		5.0 %	
2008	52,131		2,538,135,000		48,688		22,406		7.8 %	
2009	51,390		2,312,208,000		44,993		22,666		12.0 %	
2010	46,997		2,334,086,000		49,665		22,672		14.6 %	
2011	47,661		2,412,207,000		50,612		22,533		14.0 %	
2012	48,015		2,544,673,000		52,997		21,634		12.0 %	
2013	48,478		2,586,748,000		53,359		21,247		10.6 %	
2014	48,553		2,714,921,000		55,917		21,200		8.5 %	
2015	48,223						22,406		7.0 %	
2016		<sup>4</sup>		<sup>4</sup>		<sup>4</sup>	22,962		6.3 %	

1. Nevada Department of Taxation Publications, Population Statistics and Reports
2. U.S. Department of Commerce, Bureau of Economic Analysis, fiscal year 2013 and prior
3. State of Nevada - Nevada Department of Employment, Training and Rehabilitation- <http://www.nevadaworkforce.com>
4. Information was not available at the time of printing.

**DOUGLAS COUNTY**  
**PRINCIPAL EMPLOYERS<sup>1</sup>**  
**CURRENT AND NINE YEARS AGO**  
**(UNAUDITED)**

Clark County Employer	2016			2007		
	Employees <sup>1</sup>	Rank	Percentage of Total Douglas County Employment	Employees <sup>1</sup>	Rank	Percentage of Total Douglas County Employment
Harrah's	1,000 - 1,499	1	5.53 %	1,800 - 1,899	1	8.19 %
Douglas County School District	1,000 - 1,499	2	5.53 %	900 - 999	4	4.20 %
Montblue Resort/Caesar's Tahoe	500 - 599	3	2.43 %	1,400 - 1,499	3	6.42 %
Bentley, NV	500 - 599	4	2.43 %	600 - 699	6	2.88 %
Douglas County	500 - 599	5	2.43 %	500 - 599	8	2.43 %
Harvey's	500 - 599	6	2.43 %	1,500 - 1,599	2	6.86 %
Hard Rock Hotel & Casino	400 - 499	7	1.99 %			%
Carson Valley Inn	300 - 399	8	1.11 %	500 - 599	7	2.43 %
Lakeside Inn & Casino	200 - 299	9	1.11 %	300 - 399	9	1.55 %
Heavenly Valley LTD	200 - 299	10	1.11 %	200 - 299	10	1.11 %
Horizon Casino Resort				700 - 799	5	3.32 %

1. Source - State of Nevada, Department of Employment, Training & Rehabilitation, Employment Security Department.

# DOUGLAS COUNTY

## FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Governmental activities										
General government	73	74	69	66	65	66	69	68	79	80
Judicial	116	115	116	113	109	104	109	113	123	129
Public safety	147	146	149	139	143	145	141	138	143	143
Public works	61	61	55	45	42	39	38	39	36	39
Community development	2	2	2	2	2	2	2	2	21	24
Culture and recreation	98	100	94	80	75	68	68	70	62	67
Health and sanitation	4	4	4	5	4	4	5	5	6	6
Welfare	9	7	7	7	7	7	8	8	9	9
Total governmental activities	<u>510</u>	<u>509</u>	<u>496</u>	<u>457</u>	<u>447</u>	<u>435</u>	<u>440</u>	<u>443</u>	<u>479</u>	<u>497</u>
Business-type activities										
Water	9	8	10	12	13	13	13	13	15	15
Sewer	4	5	6	4	4	4	5	5	5	5
Total business-type activities	<u>13</u>	<u>13</u>	<u>16</u>	<u>16</u>	<u>17</u>	<u>17</u>	<u>18</u>	<u>18</u>	<u>20</u>	<u>20</u>
Total full-time equivalent employees	<u><u>523</u></u>	<u><u>522</u></u>	<u><u>512</u></u>	<u><u>473</u></u>	<u><u>464</u></u>	<u><u>452</u></u>	<u><u>458</u></u>	<u><u>461</u></u>	<u><u>499</u></u>	<u><u>517</u></u>

1. Source - Douglas County Finance Department

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Assessor <sup>2</sup>										
Real Estate Trends - Tahoe Township										
Number of Sales	85	77	86	92	94	121	142	136	104	3
Median Sales Price	\$ 1,000,000	\$ 600,000	\$ 500,000	\$ 555,000	\$ 553,000	\$ 474,900	\$ 632,500	\$ 635,750	\$ 650,000	\$ 3
Average Sales Price	\$ 1,763,815	\$ 1,033,974	\$ 838,105	\$ 913,510	\$ 1,120,720	\$ 744,327	\$ 1,058,530	\$ 1,123,556	\$ 923,774	\$ 3
Average Residential Square Foot	2,987	2,388	2,399	2,789	2,724	2,532	2,627	2,476	2,455	3
Real Estate Trends - East Fork Township										
Number of Sales	606	492	578	595	697	806	805	778	881	3
Median Sales Price	\$ 369,900	\$ 290,000	\$ 240,000	\$ 216,770	\$ 189,900	\$ 195,000	\$ 254,125	\$ 270,000	\$ 302,000	\$ 3
Average Sales Price	\$ 437,519	\$ 355,507	\$ 302,185	\$ 261,821	\$ 233,695	\$ 239,647	\$ 291,407	\$ 305,718	\$ 332,951	\$ 3
Average Residential Square Foot	1,988	1,946	2,006	1,940	1,928	1,970	1,901	1,943	1,953	3
Real Estate Trends - Combined Douglas County										
Number of Sales	690	569	664	687	791	927	947	914	985	3
Median Sales Price	\$ 398,000	\$ 325,000	\$ 260,000	\$ 240,000	\$ 200,000	\$ 217,000	\$ 272,900	\$ 293,750	\$ 320,000	\$ 3
Average Sales Price	\$ 600,904	\$ 447,321	\$ 371,576	\$ 349,092	\$ 339,106	\$ 305,522	\$ 401,480	\$ 427,825	\$ 395,332	\$ 3
Average Residential Square Foot	2,112	2,006	2,056	2,054	2,022	2,044	2,034	2,023	2,004	3
Sales of Houses in Same Year as Built										
Number of Sales	61	20	17	5	3	28	60	63	78	3
Median Sales Price	\$ 460,083	\$ 767,000	\$ 389,500	\$ 425,000	\$ 512,757	\$ 306,950	\$ 299,500	\$ 364,000	\$ 380,166	\$ 3
Average Sales Price	\$ 493,567	\$ 1,001,356	\$ 371,576	\$ 462,725	\$ 527,586	\$ 396,664	\$ 389,546	\$ 387,889	\$ 426,251	\$ 3
Average Residential Square Foot	2,194	3,088	2,337	2,943	2,926	2,558	2,329	2,308	2,301	3
Number of Deeds Filed Listed as										
Trustee's	66	233	250	276	224	92	31	64	71	3
Single Family Dwelling Permits Issued	169	163	38	39	36	38	72	70	71	3
Machinery, Equipment, and Fixtures										
Unsecured	\$ 58,896,436	\$ 48,156,194	\$ 60,567,351	\$ 56,488,516	\$ 53,531,340	\$ 50,635,867	\$ 48,688,411	\$ 51,925,113	\$ 52,391,821	\$ 59,739,538
Secured	\$ 15,501,975	\$ 14,615,794	\$ 14,088,063	\$ 12,895,854	\$ 11,535,319	\$ 9,252,531	\$ 8,922,291	\$ 8,411,099	\$ 8,194,263	\$ 8,870,393
Recorder										
Marriages	2,523	2,126	1,839	1,385	1,270	1,171	1,125	906	1,002	959
Recorded Documents	25,630	21,865	20,277	19,954	19,496	19,156	21,444	19,047	20,103	18,074
Recording Fees	\$ 479,523	\$ 403,397	\$ 367,166	\$ 451,602	\$ 565,376	\$ 424,804	\$ 467,433	\$ 383,306	\$ 341,435	\$ 350,366
Transfers	7,244	6,765	5,734	6,100	5,512	6,497	6,268	6,524	6,268	5,801
Exempt Transfers	2,766	2,490	2,272	2,096	2,120	2,106	2,325	1,921	2,068	1,934
Real Property Transfer Tax	\$ 3,064,227	\$ 2,401,438	\$ 1,695,929	\$ 1,714,878	\$ 1,780,600	\$ 1,574,651	\$ 2,237,118	\$ 2,508,009	\$ 2,507,452	\$ 2,650,770
Water Rights Deeds	37	62	108	33	28	40	40	43	36	38
Notices of Default	638	662	1,030	932	938	797	312	183	194	172
Records Management										
Number of files delivered	1,342	1,631	1,476	1,178	863	733	834	754	872	819
Number of boxes received	359	333	234	254	283	178	474	189	159	295
Number of boxes destroyed	222	217	583	349	930	642	1,019	1,165	1,326	883
Number of boxes scanned	18	27	33	141	157	114	180	230		
Number of images scanned	5	5	5	5	5	5	5	5	191,087	115,234
Number of film rolls processed	259	266	187	207	186	437	467	175		
Number of sealing's processed			177	572	678	243	203	129	183	123

(Continued)

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
China Spring Youth Camp										
Number of Residents	159	187	175	153	146	149	138	131	193	169
Successful Releases	121	156	128	123	123	121	1,007	109	106	128
Medical Releases	5	3	5	7	7	4	4	4	3	30
Failure of Program	33	28	42	23	16	24	27	18	28	1
Committing Offense Type										
Drugs and Alcohol	68	87	66	65	76	80	77	79	54	41
Crime Against Property	57	62	56	48	33	34	38	25	38	51
Crime Against Person	23	24	33	27	34	30	21	21	32	77
Other	11	14	20	13	10	5	2	6	18	
Sheriff	2									
Calls for service		35,561	37,574	40,374	42,557	42,155	36,164	35,753	36,825	3
Number of Arrests		2,428	2,462	2,426	2,462	2,663	2,495	3,007	2,090	3
Number of Permits		3,282	3,251	2,752	2,808	3,128	3,443	3,512	3,444	3
Coroner		249	268	240	264	239	299	295	305	3
Number of Citations		4,469	5,588	5,036	5,944	5,966	5,717	5,577	5,879	3
Number of Releases from Jail		2,778	2,888	2,602	2,482	2,711	2,557	2,583	2,586	3
Average Daily Jail Population		77	84	81	60	63	63	76	62	3
Number of Investigator Assigned Cases		745	753	635	722	577	550	638	733	3
Judicial, Court Appointed Special Advocates										
Number of Cases as of January 1st	29	27	35	33	46	44	34	39	32	52
Number of Children as of January 1st	57	44	46	49	72	75	65	66	54	89
New Cases	22	36	40	50	57	55	51	33	25	22
New Children	32	45	61	78	98	97	61	56	44	36
Closed Cases	51	26	39	34	67	64	46	44	29	30
Closed Children	27	40	58	50	92	105	88	75	49	53
Library										
Circulation of Materials	174,265	190,264	195,064	190,519	188,363	176,204	177,514	181,406	171,022	179,129
Library Patrons	22,122	24,665	26,623	31,913	33,915	35,556	37,112	38,286	35,216	32,652
Library Visits	153,816	154,794	142,962	143,555	147,207	147,571	148,834	153,699	120,193	117,677
Program Attendance	14,226	12,834	10,759	9,427	11,068	8,542	8,171	8,634	7,495	8,671
Summer Reading Participants	803	976	1,180	772	1,096	933	1,039	947	829	922
Public Safety, 911	2									
Calls For Service	61,595	63,556	63,171	66,266	70,435	73,602	75,768	76,218	75,512	3
Total Case Numbers Issued										
Douglas County Sheriff Office		36,627	38,657	41,008	43,134	42,899	36,673	37,188	37,589	3
Washoe Tribe Police Department		2,889	2,766	1,895	1,940	1,761	2,100	2,161	2,033	3
East Fork Fire Protection District		4,897	4,903	4,767	5,209	5,510	5,452	6,266	6,033	3
Tahoe-Douglas Fire District		1,907	1,748	1,677	1,813	1,769	1,982	2,050	2,069	3

(Continued)

# DOUGLAS COUNTY

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Community Development and Support										
Single Family Dwelling Permits	145	48	43	35	35	49	107	151	137	<sup>3</sup>
Single Family Dwelling Valuation	\$ 50,814,964	\$ 22,377,950	\$ 17,204,657	\$ 16,207,102	\$ 11,106,794	\$ 16,042,805	\$ 38,094,761	\$ 56,185,007	\$ 54,779,818	\$ <sup>3</sup>
New Commercial Building Permits	16	19	8	8	8	10	7	6	16	<sup>3</sup>
New Commercial Building Valuation	\$ 7,732,733	\$ 17,453,391	\$ 2,904,777	\$ 3,434,208	\$ 2,142,620	\$ 6,564,732	\$ 1,858,308	\$ 1,589,077	\$ 26,335,779	\$ <sup>3</sup>
Multi-Family Residential Permits	5	3		2			2			<sup>3</sup>
Multi-Family Residential Valuation	\$ 19,445,650	\$ 967,363	\$	\$ 3,401,936	\$	\$	\$ 3,765,620	\$	\$	\$ <sup>3</sup>
Manufactured Homes Permits	2	1	3	1	1		1	2	2	<sup>3</sup>
Health and Sanitation, Landfill Tonnages										
Douglas Disposal	2,971	3,222	2,619	1,539	306	156	186	405	536	478
Bently Agrowdynamics	223	241	317	338	311	350	373	365	408	355
Carson City	1,851	1,681	1,721	2,626	3,825	3,677	3,608	3,405	3,456	3,676
Social Services										
Number of households seeking assistance with rent, utilities and/or food	1,579	1,938	2,040	2,128	2,049	2,219	4	4	4	4
Number of households seeking assistance (includes rent, utilities, food, medical, transitional housing and/or other services)	2,132	2,518	2,496	2,496	2,846	3,172	4	4	4	4
Number of households seeking assistance from Social Services for the first time.	391	473	426	462	455	434	4	4	4	4
Animal Care										
Calls for Service	1,429	1,682	1,409	1,780	1,771	1,763	1,422	1,430	1,462	1,507
Cases Submitted to the District Attorney for Prosecution	74	34	60	65	58	56	40	57	67	52
Bite Reports	137	101	120	155	111	110	106	110	115	147
Adoptions	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup> 315	<sup>5</sup> 328	<sup>5</sup> 320	<sup>5</sup> 312
Impounds	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup>	<sup>5</sup> 676	<sup>5</sup> 711	<sup>5</sup> 677	<sup>5</sup> 522

1. Source - Various Douglas County departments.
2. Information is based on a calendar year.
3. Information was not available at the time of printing.
4. Information is no longer tracked.
5. Information was not tracked in these years.

# DOUGLAS COUNTY

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
General Government										
Information technology										
Business applications	68	68	69	69	69	71	71	76	76	59
Networked buildings	21	21	21	21	21	21	21	21	21	21
Networked computers	375	375	375	375	375	375	375	375	400	412
Microwave linear mileage	63	63	63	63	63	63	63	63	63	63
GIS mapped (square miles)	786	1,860	1,860	1,860	4,308	4,308	4,308	4,308	4,308	4,308
Equipment services										
Ambulance/emergency vehicles	6	6	7	8	8	8	8	9	10	10
County vehicles	92	111	129	146	157	165	177	185	196	209
Town vehicles	7	8	8	8	8	8	8	10	13	16
East Fork Fire & Paramedic District vehicles	14	15	17	17	17	17	17	18	18	18
Judicial										
District courts/justice courts	4	4	4	4	4	4	4	4	4	4
District courts/justice courts locations	2	2	2	2	2	2	2	2	2	2
Public Safety										
Sheriffs detention center	2	2	2	2	2	2	2	2	2	2
Sheriffs substations	4	4	4	4	4	4	4	4	4	4
Sheriffs patrol/search and rescue boats	1	1	1	1	1	1	1	1	1	1
Regional emergency operations/training center				1	1	1	1	1	1	1
Public Works										
Paved roads (miles)	167	168	169	171	171	171	171	171	177	178
Grinding roads (miles)	43	43	43	43	43	43	43	43	44	46
Unpaved roads (miles)	17	17	17	17	17	17	17	17	14	12
Traffic Signals	17	17	17	17	17	17	18	18	18	18
Bridges	12	13	13	13	13	13	13	14	14	14
Utilities										
Water mains (miles)	107	107	109	109	114	114	117	117	117	117
Sewer forcemains (miles)	15	15	15	15	15	15	15	15	15	15
Sewer mains (miles)	51	51	51	51	51	51	51	51	51	51
Developed park acreage	177	177	177	177	177	177	177	177	196	197
Storm drains (miles)	4	4	4	4	4	4	4	4	4	4

(Continued)

# DOUGLAS COUNTY

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Culture and Recreation										
Libraries	2	2	2	2	2	2	2	2	2	2
Recreation building	4	4	4	4	4	4	4	4	4	4
Gross park acreage	760	760	760	760	760	760	760	760	760	760
Undeveloped park acreage	578	578	578	578	578	578	578	578	559	558
Concession stands	8	8	8	8	8	8	8	8	8	8
Playgrounds	15	15	15	15	15	15	15	15	15	15
Swimming pools/waterpark	1	1	1	1	1	1	1	1	1	1
Picnic tables	187	187	187	187	187	187	187	187	187	193
Gazebo/group area	10	10	10	10	10	10	10	10	10	11
Baseball fields	19	19	19	19	19	19	19	19	19	19
Soccer fields	15	15	15	15	15	15	15	15	15	15
Tennis courts	14	14	14	14	14	14	14	14	14	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 each of the County's major federal programs for the year ended June 30, 2016. The County's major federal programs are 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 each of the County's major federal programs 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 each major federal program. However, our audit does not provide a legal determination of the County's compliance.

**Opinion on Each 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 each of the County's major federal programs for the year ended June 30, 2016.

**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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated December 8, 2016, 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 8, 2016

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed-through South Tahoe Public Utility District Cooperative Forestry Assistance	10.664	15-DG-11052012-128	\$	\$ 28,588
School and Roads Cluster Passed-through State of Nevada, Controller Schools and Roads - Grants to States	10.665	N/A		29,256
Passed-through State of Nevada, Department of Administration Senior Farmers Market Nutrition Program	10.576	N/A		3,000
Passed-through State of Nevada, Department of Administration Specialty Crop Block Grant Program	10.170	12-25-B-1683		365
Child Nutrition Cluster Passed-through State of Nevada, Department of Administration				
School Breakfast Program	10.553	R-305-11		34,986
National School Lunch Program	10.555	R-305-11		62,004
National School Lunch Program - Commodities	10.555	E066		22,877
National School Lunch Program - Equipment Grant	10.579	N/A		24,393
Subtotal Child Nutrition Cluster			_____	_____ 144,260
Total U.S. Department of Agriculture			_____	_____ 205,469
U.S Department of Health and Human Services				
Passed-through State of Nevada, Department of Health and Human Services				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	15094TX, 15078, 15158, 15226		467,181
Child Support Enforcement	93.563	Acc No 3238, Acc No 3239		243,584
Aging Cluster Passed-through State of Nevada, Department of Health and Human Services				
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	04-000-02-BC-16		25,540
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	04-000-07-13-15, 04-000- 07-13-16, 04-000-04-24- 15, 04-000-4-24-16	7,924	237,815
Nutrition Services Incentive Program	93.053	04-000-57-NX-15		41,462
Subtotal Aging Cluster			_____ 7,924	_____ 304,817
CSBG Cluster Passed-through State of Nevada Office of Community Services				
Community Services Block Grant	93.569	N/A		160,090
Total U.S Department of Health and Human Services			_____ 7,924	_____ 1,175,672

(Continued)

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024			5,206
Passed-through State of Nevada, Department of Public Safety Emergency Management Performance Grants	97.042	9704214, 9704215, 9704216		72,534
Pre-disaster Mitigation	97.047	970479-3000, 970479- 3100, 9704710-3200	67,321	100,594
Homeland Security Grant Program	97.067	97067HL3, 97067HL4, 97067HL5		17,777
Total U.S. Department of Homeland Security			<u>67,321</u>	<u>196,111</u>
U.S Department of Housing and Urban Development				
Supportive Housing Program	14.235			101,001
Passed-through State of Nevada, Governor's Office of Economic Development Community Development Block Grant	14.228	14/PF/03, 15/ED/17, 15/PCB/15	11,874	100,574
Passed-through State of Nevada, Department of Business and Industry Emergency Solutions Grant Program	14.231	E15-DC-32-001		8,000
Total U.S Department of Housing and Urban Development			<u>11,874</u>	<u>209,575</u>
U.S. Department of Interior				
National Wildlife Refuge Fund	15.659			840
Passed-through State of Nevada, Division of State Parks Outdoor Recreation Acquisition, Development and Planning	15.916	32-00326		13,218
Total U.S. Department of Interior			<u>14,058</u>	<u>14,058</u>

(Continued)

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

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 Justice				
Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program	16.589 *			195,112
Passed-through State of Nevada, Office of Attorney General Violence Against Women Formula Grants	16.588	2014-VAWA-07, 2015- VAWA-07		23,361
Support for Adam Walsh Act Implementation Grant Program	16.750	2014-AW-BX-0048		5,910
Passed-through State of Nevada, Department of Motor Vehicle and Public Safety Edward Byrne Memorial Justice Assistance Grant Program	16.738	14-JAG-02, 14-JAG-05, 15- JAG-04, 15-JAG-06		120,157
Total U.S. Department of Justice			<u>          </u>	<u>344,540</u>
U.S. Department of Transportation				
Airport Improvement Program	20.106 *			1,761,842
Passed-through State of Nevada, Department of Transportation Formula Grants for Rural Areas	20.509 *	PR422-14-802, PR491-15- 802, PR583-15-802		438,429
Highway Planning and Construction Cluster Passed-through State of Nevada, Department of Transportation Highway Planning and Construction	20.205			64,008
Federal Transit Cluster Passed-through State of Nevada, Department of Transportation Bus and Bus Facilities Formula Program	20.526	PR583-15-802		61,197
Passed-through State of Nevada, Department of Public Safety Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	15-HMEP-04-02, 15- HMEP-04-03		6,762
Highway Safety Cluster Passed-through State of Nevada, Department of Motor Vehicle and Public Safety State and Community Highway Safety	20.600	JF-2015-DCSO, JF-2016- DCSO		58,399
State Traffic Safety Information System Improvements Grants	20.610	TS 2015-DCSO-00131		10,000
National Priority Safety Programs	20.616	TS 2015		31,000
Subtotal Highway Safety Cluster			<u>          </u>	<u>99,399</u>
Total U.S. Department of Transportation			<u>          </u>	<u>2,431,637</u>

(Continued)

## DOUGLAS COUNTY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2016

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 Environmental Protection Agency				
Passed-through State of Nevada, Department of Environmental Protection Capitalization Grants for Drinking Water State Revolving Funds	66.468	DW1502		91,469
Total U.S Environmental Protection Agency			<u>91,469</u>	<u>91,469</u>
U.S. Institute of Museum and Library Services				
Passed-through State of Nevada, Library and Archives Grants to States	45.310	LSTA 2015-20		2,900
Total U.S. Institute of Museum and Library Services			<u>2,900</u>	<u>2,900</u>
U.S. Social Security Administration				
Social Security Disability Insurance	96.001			800
Total U.S. Social Security Administration			<u>800</u>	<u>800</u>
Total federal expenditures			<u>\$ 87,119</u>	<u>\$ 4,672,231</u>

\* A major program



# DOUGLAS COUNTY

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2016

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### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Douglas County (the County) under programs of the federal government for the year ended June 30, 2016. 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, 2016

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### Section I - Summary of Auditors' Results

#### Financial Statements

Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	Yes
Significant deficiencies identified that are not considered to be material weaknesses	Yes
Noncompliance material to financial statements	No

#### Federal Awards

Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings required to be reported in accordance with 2 CFR 200.516(a)	No

#### Identification of major programs

CFDA number	16.589
Name of federal program or cluster	U.S. Department of Justice, Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program
CFDA number	20.106
Name of federal program or cluster	U.S. Department of Transportation, Airport Improvement Program
CFDA number	20.509
Name of federal program or cluster	U.S. Department of Transportation, Formula Grants for Rural Areas

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, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards***

2016 - 001

Criteria or specific requirement

Internal controls over cash shall be sufficient to provide reasonable assurance that cash is safeguarded against misappropriation and that transactions are executed in accordance with management's authorization.

Bank and investment account reconciliations and supporting documentation should be complete, accurate and timely. Transactions, relating to cash and investments, should be recorded promptly in the County's official general ledger. There should be an independent review of bank and investment account reconciliations to provide reasonable assurance of the prompt and accurate recording of cash and investment related transactions.

Condition and context

We noted the following information related to the County's 3 investment and 18 bank accounts:

The main reconciliation combines 2 bank and all 3 investment accounts and included an unknown variance of approximately \$138,000 at year end.

Some bank and investment account reconciliations (including, specifically, the main reconciliation) for the month of June 2016, were not completed by the Treasurer's office and shared with the Finance Division until mid-October 2016.

Most bank and investment account reconciliations, which were shared with the Finance Division for the month of June 2016, did not indicate who the preparer was or bear evidence of independent review and approval; however, such documentation was retained by the Treasurer's office and shared with the Finance Division in early-December 2016.

Effect

Failure to reconcile all bank and investment accounts timely and to promptly record the related cash and investment related transactions in the County's official general ledger could result in misappropriation of assets and/or fraudulent financial reporting.

Cause

Failure to reconcile all bank and investment accounts timely and to identify and record the related cash and investment related transactions promptly in the County's official general ledger.

Recommendation

All bank and investment account reconciliations should be prepared by the Treasurer's office and shared with the Finance Division monthly (within 30 days of month end), with all reconciling items identified and, if applicable, promptly recorded in the County's official general ledger.

Reconciliations should indicate who the preparer was and be reviewed and approved by someone independent of the reconciliation preparation, with such review and approval dated and documented.

Management's response

Management informed us that in reconciling the main cash account in the County's financial system Treasurer's staff have been working diligently researching available past records to try to determine the sources of the variance between the general ledger and the bank reconciliation that has been ongoing for a number of years past. Treasurer's staff provided the Finance Division the final amount of the undetermined variance in October for recording in the general ledger. Treasurer office management believes that the reason this variance was ongoing for a number of years past was due in part to an unfilled vacancy in the accountant position in the Treasurer's office that was integral to the timely reconciliation of bank and investment accounts to the County general ledger. In fiscal year 2016, the Treasurer's office requested the Board of County Commissioners and was granted authority to reinstate the position of accountant in the Treasurer's office for fiscal year 2017 and this position was filled in mid-July. Among the chief duties of this position is the timely reconciliation of all bank and investment accounts, which will allow for timely review by Treasurer office management and submittal to the Finance Division.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 002

Criteria or specific requirement

General Computing Controls:

Passwords for financial applications should meet minimum standards to decrease the likelihood that critical systems are compromised. Generic, multi-user accounts should be eliminated. All users should login in using their own identifying credentials. Best practice for password configuration is:

Minimum 8 characters

Complexity - 3 out of 4 of the following required - Upper or Lower case, Numeric, Symbols

Forced password change at least quarterly

Can not reuse last 10 passwords

Lockout after 3 attempts

Condition and context

Core System:

The Core system does not have the capability to modify the password configuration of the users. In addition, review of the Core system authorized user list revealed 5 generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights. Furthermore, the Core system can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.

New World System:

The New World system has its own set of password configuration rules, but does not enforce typical length and complexity rules. The security works in conjunction with the County's active directory password configuration, which is also not set to enforce length or complexity. There is no requirement to periodically change user passwords and we were unable to determine if any user passwords had been changed subsequent to initial set up.

Infinium System:

The Infinium system relies on the password settings of the underlying AS/400 system, which is currently set at a minimum of 5 characters, but does not enforce typical length and complexity rules. These passwords must be changed every 90 days.

Effect

Ineffectual passwords and generic, multi-user accounts increase the risk of the system being compromised by a unauthorized user, allow anonymous changes to be made and provide an opportunity for malicious users to easily and anonymously gain unauthorized access possibly resulting in inappropriate modifications or loss of financial data, materially misstated financial statements and disruption of County operations.

Cause

A County-wide policy for the configuration and use of minimum password standards (including password changes) was not developed and implemented.

Recommendation

Complete and document a review of the authorized user lists for the Core, New World and Infinium Systems and remove all generic multi-user accounts.

The password policy approved by the Board of County Commissioners on January 7, 2016, should be implemented for all users and procedures developed to monitor and enforce uniform compliance with the policy.

(Continued)

**DOUGLAS COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2016**

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Management's response

Management informed us that with the exception of current Core station users, that multi-user accounts have been eliminated from active directory and will not be used moving forward. The continued use of multi-use accounts for Core machines is a necessary temporary condition that will be appropriately managed until Core is replaced, beginning in the spring of 2017. Management also informed us that with the replacement of Core, a new password policy will be implemented for all users in fiscal year 2018.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 003

Criteria or specific requirement

General Computing Controls:

Data backup is a critical component of system management. All data should be backed up using a medium that provides for restoration at a future date and such restoration ability should be periodically tested to verify data integrity. A copy of the backed-up data should be stored offsite.

Condition and context

Core, New World and Infinium Systems:

A backup system has been implemented that backs up each server at a minimum of daily with the backed up information stored offsite. However, no restoration testing has been performed to ensure that data and systems can be recovered from backup.

Effect

If system data is being backed-up and is recoverable it could take considerable time and effort to find and restore the data. However, if system data is not being completely and accurately backed-up or is unrecoverable, all system data would be lost. Either scenario could result in a considerable disruption to County operations.

Cause

Data restoration from backed-up data has not been tested.

Recommendation

Develop and implement a quarterly restoration test that validates that data backups can be successfully restored. Where possible, rotate the test through the critical systems.

Management's response

Management informed us that a data verification and restoration process to meet general computing controls will be tested and implemented in fiscal year 2017.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 004

Criteria or specific requirement	General Computing Controls: Physical access to the servers, databases, and backup media containing financial information are to be kept secure, with access limited to those required to perform their duties.
Condition and context	Server closets and other sensitive IT working areas may be accessed using electronic card keys and/or physical keys. The distribution of physical keys to such areas has not been appropriately controlled; and therefore, an unknown number of people have physical keys and unrestricted access to the server closets and other sensitive IT working areas.
Effect	Access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases, representing a risk to the accountability and integrity of the financial data.
Cause	The lack of policies and procedures, along with no access review and control process, exposed the servers and databases to a significantly large number of employees, program vendors, outside consultants, and potentially others.
Recommendation	The physical key locks to server closets and other sensitive IT working areas should be changed and the distribution and use of both physical keys and key cards should be controlled, documented and monitored. For all server closets and other sensitive IT working areas where access can not be fully restricted, other control procedures should be implemented to improve the security of these areas.
Management's response	Management informed us that server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented. The remaining server closets and other sensitive IT working areas will be re-keyed with physical keys or otherwise secured.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 005

Criteria or specific requirement

General Computing Controls:

Granting of system access rights to new employees, updating such rights for an employee status change, and removing (deactivating) such rights upon employee separation from County employment (commonly referred to as "employee on/off boarding") is a critical control in ensuring only authorized users have systems access.

Condition and context

Core, New World and Infinium Systems:

Although a written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring all terminated employee rights must be deactivated within 24 hours and have implemented a process to control both assigning rights to new users and promptly turning off terminated users, there is inconsistency in communication between individual departments/divisions, human resources and information technology. As a result, terminated employee rights are not being deactivated within the 24 hour period.

Effect

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

Cause

A policy governing the employee on/off boarding has not been established and enforced.

Recommendation

The County divisions and departments must continue to work together to uniformly implement the approved employee on/off boarding policy to ensure the off boarding process is completed timely, including the removal of user access.

Management's response

Management informed us that IT processes related to employee on/off boarding have been documented and controlled and that management will be working with human resources to document and automate workflow between supervisors, human resources and technology services.

(Continued)



# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 006

Criteria or specific requirement

General Computing Controls:

Policies and procedures (*i.e.*, how to operate and manage the system) are necessary for the proper systems management, oversight, and operations.

In addition, identification of defined roles and decision makers are required to manage daily operations adequately and efficiently manage the daily operations

Condition and context

Core, New World and Infinium Systems:

There is no documentation of roles and user group definitions using, for example, a RACI (Responsible, Accountable, Consult, Inform) chart or segregation of duties matrix.

Core System:

We were unable to identify a specific person with administration responsibility (ownership) of the Core system.

New World and Infinium Systems:

While we were able to identify a specific person with administration responsibility (ownership) of the New World and Infinium systems, there is no documentation of such administration responsibility.

Effect

The lack of documented policies and procedures leaves current operations vulnerable to errors or omissions and does not allow for any formal review and improvement over the management of the systems.

Furthermore, insufficient accountability of users and administrators of the systems could result in impairment of the functionality and stability of the County's financial accounting process.

Cause

Historically a culture existed where the necessity of cohesive, effective general computing controls were not understood, implemented, or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties or independent oversight.

Recommendation

Perform and document an assessment of policies and procedures to identify critical policies and procedures to be created over general computing controls. The resulting overall plan should include a priority of events, timeline, and documentation standards by which all other policies and procedures will be created.

Review and document the roles and responsibilities for both the front end business users and back end technology administration and support. This documentation should identify a specific person or persons with administration responsibility (ownership) of the Core, New World and Infinium 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 perform an assessment of policies and procedures to identify critical policies and procedures that should be addressed to ensure proper computing controls. The Technology Services Department has been, and will continue to work closely with departments to identify and document the roles and responsibilities of business users, subject matter experts and technology administration and application support, in addressing policies and procedures to implement and maintain proper computing controls.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 007

Criteria or specific requirement

General Computing Controls:

IT service and support vendor oversight and management is critical to provide assurances that such vendors only have the minimum required access that is restricted to times when their assistance is required.

Condition and context

Although vendor oversight has drastically improved, IT service and support vendors are not fully documented and access to the systems is not fully controlled. Specifically, some IT service and support vendors continue to have access rights to systems that should be reviewed and modified.

Effect

The use of untethered, unrestricted IT service and support vendor service accounts allows anonymous, and possibly unauthorized or malicious, access to significantly elevated user rights to critical systems and processes and could result in impairment of the functionality and stability of the County's financial accounting process and disruption of County operations.

Cause

The previous IT administration fostered a culture where cohesive, effective general computing controls were not implemented or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties and independent oversight. As a result, some user groups have forged a relationships with IT service and support vendors (whose operations are basic and do not comply with current industry standards) and have granted such vendors untethered, unrestricted access into the entire network through an open fiber connection.

Recommendation

Develop, document and implement an IT service and support vendor oversight and management policies and procedures to ensure appropriate internal controls over vendor access and to minimize the County's risk.

Management's response

Management informed us that the Technology Services Department will continue to evaluate the need for vendor access accounts to ensure appropriate monitoring when vendor access is necessary. Requests for such access will require specific terms and conditions.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 008

Criteria or specific requirement

General Computing Controls:

Automated service accounts are required for daily operations and autonomous communications between applications and the server operating systems. Due to the significantly elevated user rights of automated service accounts, the distribution of these passwords should be tightly controlled, and where feasible, the password should be periodically changed.

Condition and context

Automated service accounts are not fully documented or understood. We noted some obsolete service accounts that should have been removed and others for which the password has been distributed to individuals that do not require access.

Effect

The use of automated service accounts allows anonymous, and possibly unauthorized or malicious, access to significantly elevated user rights to critical systems and processes and could result in impairment of the functionality and stability of the County's financial accounting process and disruption of County operations.

Cause

The previous IT administration fostered a culture where cohesive, effective general computing controls were not implemented, or discussed resulting in the creation of shadow IT Divisions designed to meet the needs of specific user groups, with little or no segregation of duties and independent oversight. As a result, the lack of policies and procedures, along with no review process for access, allowed a situation to grow where access to automated service accounts were provided to a number of individuals that do not require access to appropriately perform assigned duties.

Recommendation

Develop and document a service account process to limit access of automated 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 automated service account for actual required permissions and remove users, services and access such as "log on locally". Only allow automated service accounts in the administrator user group when absolutely necessary.

Management's response

Management informed us that the Technology Services Department has evaluated existing service accounts, future administrator accounts will be limited to only those systems where required, and all service accounts will be documented.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 009

Criteria or specific requirement	General Computing Controls:  The IT Division provides Disaster Recovery (DR) of technology to support the County's Business Continuity Plan (BCP). This includes the ability to recover data, by system or server, in a specified amount of time allowing County operations to continue.
Condition and context	Formal, written DR and BCP plans to recover IT systems and servers do not exist. Although, the East Fork Fire Protection District has prepared an emergency preparedness manual, the County's ability to recover data and restore critical operations following a disaster is nearly non-existent.
Effect	In the event of a disaster, the IT Division will be required to acquire new equipment and attempt the recovery of systems and data from backups. This recovery process would disrupt County operations for an extended period.
Cause	Formal, written DR and BCP plans have not been designed, documented or tested.
Recommendation	Develop an IT centric DR plan, which includes options to recover in the event of a disaster, whether limited (water dripping on a single server rack) or catastrophic (fire in the IT working area). Once complete, develop a process to review the DR plan once a year to ensure continued completeness, accuracy, and ability to execute.  Upon completion of the IT centric DR plan, work with other County divisions and departments to develop a BCP to ensure that critical County operations could continue in the event of various local or catastrophic disasters.
Management's response	Management informed us that they are evaluating BCP and DR requirements and that formal DR and BCP plans will be developed. The need for additional back-up hardware has also been identified in this process and included in the County's capital improvement plan.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 010

Criteria or specific requirement	General Computing Controls:  System logs on hardware, software applications and server operating systems creates an investigative path to determine the nature and extent of a system breach or failure. In addition, systems should be reviewed, every 30-90 days, to ensure that terminated users have been removed, user role changes have been implemented, group access rights are appropriate and group membership is appropriate
Condition and context	A log server was installed in July 2015 and tested, but has not been fully implemented. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data.
Effect	The lack of exception reporting and failure to periodically review system logs may result in unnoticed system breaches, unauthorized access, anonymous changes and malicious user access resulting in inappropriate modifications or loss of financial data and materially misstated financial statements.
Cause	The lack of exception reporting and system log reviews allowed unauthorized access to servers and databases by a large number of employees, program vendors, outside consultants, and potentially others.
Recommendation	Establish system logs for all hardware, software applications and server operating systems. Implement a procedure to ensure 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 in the Core, New World and Infinium systems.
Management's response	Management informed us that while logs are being generated there are no systems in place to report on event management. The Technology Services Department will be requesting funding in fiscal year 2017 for a consolidated logging and event management system.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2016 - 011

Criteria or specific requirement	General Computing Controls:  Best practices dictate that each PC or terminal screen should be locked after 5-10 minutes of non-use.
Condition and context	Group policy settings that control screen timeouts have been configured and implemented in a few of the organizational units of the active directory, but has not been implement County-wide
Effect	The public nature of the County's buildings presents significant risk that an unauthorized individual may gain access to the financial systems through an unlocked account possibly resulting in inappropriate modifications, misuse or loss of financial data.
Cause	Configurations and implementation of group policy settings that control screen timeouts has not been completed.
Recommendation	Implement group policy settings to enforce, County-wide, a screen timeout after 10 minutes of non-use.
Management's response	Management informed us that the ten minute screen lock has been implemented County-wide and is being enforced as of December 9, 2016.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2016 - 012

Criteria or specific requirement

Payment Card Industry (PCI), Network Security:

All systems must be protected from unauthorized access from untrusted networks, whether entering the system via the internet as e-commerce, employee internet access through desktop browsers, employee e-mail access, dedicated connections such as business-to-business connections, wireless networks, or other sources. A strong security policy sets the security tone for the whole entity and informs personnel what is expected of them. All personnel should be aware of the sensitivity of data and their responsibilities for protecting it.

Firewalls are devices that control computer traffic allowed between the County's internal, trusted networks and external, untrusted networks, as well as traffic into and out of more sensitive areas within the County's internal trusted networks. The card holder data environment is an example of a more sensitive area within the County's trusted network.

Sensitive information must be encrypted during transmission over networks that are easily accessed by malicious individuals. Misconfigured wireless networks and vulnerabilities in legacy encryption and authentication protocols continue to be targets of malicious individuals who exploit these vulnerabilities to gain privileged access to cardholder data environments.

Malicious software, commonly referred to as "malware" (including viruses, worms, and Trojans) enters the network during many business-approved activities including employee e-mail and use of the internet, mobile computers, and storage devices, resulting in the exploitation of system vulnerabilities. Anti-virus software must be used on all systems commonly affected by malware to protect systems from current and evolving malicious software threats. Additional anti-malware solutions may be considered as a supplement to the anti-virus software; however, such additional solutions do not replace the need for anti-virus software to be in place.

Assigning a unique identification code or password to each person with access ensures that each individual is uniquely accountable for their actions. When such accountability is in place, actions taken on critical data and systems are performed by, and can be traced to, known and authorized users and processes. The effectiveness of a password is largely determined by the design and implementation of the authentication system, particularly how frequently password attempts can be made and the security methods to protect user passwords at the point of entry, during transmission, and while in storage.

Any physical access to data or systems that houses cardholder data provides the opportunity for individuals to access devices or data and to remove systems or hardcopy, and should be appropriately restricted.

Logging mechanisms and the ability to track user activities are critical in preventing, detecting, or minimizing the impact of a card holder data compromise.

Vulnerabilities are being discovered continually by malicious individuals and researchers, and may be introduced by new software. System components, processes, and custom software should be tested frequently to ensure security controls continue to reflect a changing environment.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2016

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Condition and context	<p>Some County locations, system and networks are more secure than others; however, certain vendors have uncontrolled and unmonitored network access. Given the current level of general computing controls, the overall security of the network can not be ascertained.</p> <p>Most connections to credit card devices run across open networks. It is not currently understood or documented how PCI data flows through the County's network, where the endpoints are located, and how best to manage the transmission of card holder data.</p> <p>The malware protection program currently used by the County does not fully cover all necessary devices and may not be updating all installed devices with current definitions. In addition, there are some systems, such as the Core system (previously discussed), that can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.</p> <p>As discussed in prior findings:</p> <ul style="list-style-type: none"><li>Password complexity, user accounts (including the use of generic, multi-user accounts), vendor access and system monitoring processes do not meet current industry best practices</li><li>Physical access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases. In addition, not all endpoints for data entry are adequately controlled after hours</li><li>System logs and exception reporting have not been fully established and implemented</li><li>A formal, written change and patch management process does not exist</li></ul>
Effect	<p>Unauthorized access to, and uncontrolled, servers and connected infrastructure, other hardware, software applications, server operating systems, and networks can lead to a compromise of card holder data for both the County and any individuals with information saved in the County's network.</p>
Cause	<p>Procedures to ensure PCI compliance have not been developed.</p>
Recommendation	<p>Develop, document and implement a plan to address identified security issues to ensure compliance with the most recent PCI standards. This plan should include all 40 findings noted in the June 2015 PCI assessment and not be limited to the following significant findings:</p> <ul style="list-style-type: none"><li>Security around credentials varies from lax to nonexistent. The use of shared or generic accounts creates a significant risk.</li><li>Credit card information is being written down and/or manually stored. Card holder data, including the credit card number must be stored securely. All written credit card data must be managed appropriately and should have policies and procedures that guide the storage and destruction of that data.</li><li>Network and infrastructure documentation is in the very beginning stage of development. Additional documentation of policies and procedures is required including creation of a Security Program, Risk Assessment, and an Incident Response Plan.</li><li>Critical systems are either not in place or outdated putting PCI data at risk. These include the continued use of computers using Windows XP, a severely outdated treasury system (CORE) and lack of formal patch management.</li><li>Insecure systems contain and/or transmit data in a non-PCI compliant format. Data is currently transmitted insecurely either on systems with weak encryption such as SSL (Secure Socket Layer) or processed on insecure website servers.</li></ul>
Management's response	<p>Management informed us that they are in the process of implementing the identified recommendations to strengthen security and ensure compliance with current PCI standards.</p>

(Continued)



**DOUGLAS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2016**

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

None reported



# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2015

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards*

2015 - 001

Criteria or specific requirement

Internal controls over cash shall be sufficient to provide reasonable assurance that cash is safeguarded against misappropriation and that transactions are executed in accordance with management's authorization.

Bank and investment account reconciliations and supporting documentation should be complete, accurate and timely. Transactions, relating to cash and investments, should be recorded promptly in the County's official general ledger. There should be an independent review of bank and investment account reconciliations to provide reasonable assurance of the prompt and accurate recording of cash and investment related transactions.

Condition and context

We noted the following information related to the County's 3 investment and 14 bank accounts:

The main reconciliation combines 2 bank and all 3 investment accounts and included an unknown variance of approximately \$110,000 and \$272,000 (including \$70,000 from a prior year) of bank deposits that had not been identified and recorded in the County's official general ledger.

All bank and investment account reconciliations for the month of June 2015, were completed by the Treasury and provided to the Finance Division in November 2015.

Due to the County's decentralized operational structure, there are numerous independent revenue collection sites within the County. Although many of the independent cash collection sites are making daily deposits, some are weekly and others are "as needed," which significantly complicates the reconciliation process as credit card transactions and wire transfers (such as grant funds and other reimbursements) are reflected immediately by the bank, but may not be deposited with or identified by the Treasury until a significantly later date.

Current status

Effective with the appointment of a new Clerk/Treasurer in February 2015, significant progress was made to improve internal controls over cash to ensure that all bank accounts are included in the County's official general ledger and complete and accurate reconciliations are prepared and reviewed timely.

However, some bank and investment account reconciliations for the month of June 2016, were not completed by the Treasury and shared with the Finance Division until October 2016, and the main reconciliation continued to include an unknown variance of approximately \$138,000. See finding 2016-001.

Reasons for this finding's recurrence

Treasurer office management believes that the reason this variance was ongoing for a number of years past was due in part to an unfilled vacancy in the accountant position in the Treasurer's office that was integral to the timely reconciliation of bank and investment accounts to the County general ledger.

Partial corrective action taken

In fiscal year 2016, the Treasurer's office requested the Board of County Commissioners and was granted authority to reinstate the position of accountant in the Treasurer's office for fiscal year 2017 and this position was filled in mid-July. Among the chief duties of this position is the timely reconciliation of all bank and investment accounts, which will allow for timely review by Treasurer office management and submittal to the Finance Division.

Planned corrective action

Contact person: Kathy Lewis, Clerk/Treasurer (klewis@co.douglas.nv.us)

Implementation date: June 30, 2017

In fiscal year 2016, the Treasurer's office requested the Board of County Commissioners and was granted authority to reinstate the position of accountant in the Treasurer's office for fiscal year 2017 and this position was filled in mid-July. Among the chief duties of this position is the timely reconciliation of all bank and investment accounts, which will allow for timely review by Treasurer office management and submittal to the Finance Division.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 002

Criteria or specific requirement	Collection and recording of revenue transactions should be identifiable, tracked and verified by individual transactions to ensure appropriate accounting recognition and financial statement reporting.
Condition and context	There are numerous independent revenue collection sites within the County that are using various independent accounting systems ( <i>i.e.</i> , a ledger pad, Excel, QuickBooks, Core and New World Systems). These independent revenue collection sites summarize their collection activity by type ( <i>i.e.</i> , cash, checks and credit cards) and make a "batch" deposit with the Treasury; and although, some of the independent cash collection sites do make daily deposits, many are made weekly or "as needed." In addition, these independent revenue collection sites and other departments/divisions within the County periodically request grant funds and other reimbursements without notifying the Treasury of such requests. All of which further complicates the identification and tracking (verification) of individual transactions and, as discussed in finding 2015-001, makes the bank reconciliation process unduly complex.
Current status	Although the numerous independent revenue collection sites within the County continue to use various different accounting systems ( <i>i.e.</i> , a ledger pad, Excel, QuickBooks, Core and New World Systems), these sites are now making timely deposits with the Treasury and are notifying the Treasury of pending deposits resulting from grant funds and other reimbursement requests. Therefore, this finding appears to have been substantially corrected.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2015 - 003

Criteria or specific requirement

Core, New World and Infinium Systems, General Computing Controls:

Configuration management and hardening ensures that existing and new instances of the servers and connected infrastructure, such as routers, switches, server operating systems, and databases are consistently configured and protected.

Changes to the hardware, software applications and the server operating systems must be understood and verified to minimize risk to data integrity and downtime to the application. In addition, program vendors regularly discover vulnerabilities in both the applications and the server operating systems, which should be evaluated timely.

Condition and context

Core, New World and Infinium Systems:

There is no documentation for the configuration of the existing systems and potentially unnecessary services that can be eliminated have not been identified.

Core System:

Hardware changes, program updates and patches to the application and the server operating system have not been made to the Core system since its installation over a decade ago and a patch management process does not exist. In addition, the version of Core that is currently in use requires the use of Windows XP, which is no longer supported (and patched) by Microsoft.

New World and Infinium Systems:

A formal, written change and patch management process does not exist. Changes are made to the New World and Infinium systems as necessary and occur directly on the production systems without a documented back-out (recovery) plan or an understanding of the potential impact. We were unable to determine if, or when, any patches had been applied to the New World and Infinium software applications or server operating systems.

Current status

Although the the Core system has not yet upgraded, it has been moved from an obsolete physical server to a virtual server running in a more stable VMWare system, but continues to represent a significant vulnerability. However, a "change managment" policy was approved, implemented and is being followed. In addition, a patch management process was approved, implemented and is used for patching both desktops and servers. Therefore, this finding appears to have been corrected.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 004

Criteria or specific requirement

Core, New World and Infinium Systems, General Computing Controls:

Passwords for financial applications should meet minimum standards to decrease the likelihood that critical systems are compromised. Generic, multi-user accounts should be eliminated. All users should login in using their own identifying credentials. Best practice for password configuration is:

Minimum 8 characters

Complexity - 3 out of 4 of the following required – Upper or Lower case, Numeric, Symbols

Forced password change at least quarterly

Can not reuse last 10 passwords

Lockout after 3 attempts

Condition and context

Core System:

The Core system does not have the capability to modify the password configuration of the users. In addition, review of the Core system authorized user list revealed 5 generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights.

New World System:

The New World system has its own set of password configuration rules, but does not enforce typical length and complexity rules. The security works in conjunction with the County's active directory password configuration, which is also not set to enforce length or complexity. There is no requirement to periodically change user passwords and we were unable to determine if any user passwords had been changed subsequent to initial set up.

Infinium System:

The Infinium system relies on the password settings of the underlying AS/400 system, which is currently set at a minimum of 5 characters, but does not enforce typical length and complexity rules. These passwords must be changed every 90 days.

Current status

A password policy was approved by the Board of County Commissioners in January 2016. The new policy requires a minimum of 10 characters with complexity for any password that accesses the Douglas County network or systems. This policy has been applied to the active directory profiles, but not to the Core, New World or Infinium systems. In addition, the Core system continues to use generic, multi-user accounts, which provides all users access to the Core inquiry program and has Core system administrator rights. See finding 2016-002.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A password policy was approved by the Board of County Commissioners in January 2016. The new policy requires a minimum of 10 characters with complexity for any password that accesses the Douglas County network and/or systems. This policy has been applied to the active directory profiles.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2018

With the exception of current Core system users, multi-user accounts have been eliminated from the active directory and will not be used moving forward. The continued use of multi-use accounts for Core machines is a necessary temporary condition that will be appropriately managed until Core is replaced, beginning in the spring of 2017. With the replacement of Core, a new password policy will be implemented for all users in fiscal year 2018.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 005

Criteria or specific requirement

Core, New World and Infinium Systems, General Computing Controls:

Data backup is a critical component of system management. All data should be backed up using a medium that provides for restoration at a future date and such restoration ability should be periodically tested to verify data integrity. A copy of the backed-up data should be stored offsite.

Condition and context

Core System:

A backup process for the Core system was implemented, in November 2014, using local agents to backup data using Comm Vault software. No verification or restoration testing has been performed on the backed-up data to determine if data can be recovered.

New World System:

The New World system resides on three servers that are backed-up using Comm Vault software with a disk-to-disk process. The system writes the backups to a Direct Attached Storage (DAS), which then copies to another DAS at the East Fork Fire Protection District. No verification or restoration testing has been performed on the backed-up data, but weekly requests for data helps verify that the backed-up data can be read.

Infinium System:

The Infinium system currently runs on an AS/400 system, which was upgraded with new hardware and backs up all data to a tape that is rotated offsite weekly. No verification or restoration testing has been performed on the backed-up data to determine if data can be recovered.

Current status

A backup system has been implemented for each server providing minimum daily backup with the information stored offsite. However, no verification or restoration testing has been performed to ensure that data and systems can be recovered from backup. See finding 2016-003.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A backup system has been implemented that backs up each server at a minimum of daily with the backed up information stored offsite.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2017

A data verification and restoration process to meet general computing controls will be tested and implemented in fiscal year 2017.

(Continued)



# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 006

Criteria or specific requirement	Core, New World and Infinium Systems, 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	Core, New World and Infinium Systems:  The server room is not secured from the IT working area. The IT working area itself is has restricted access by electronic card key and physical key.  A review of the electronic card key application showed numerous people with electronic card reader access to the IT working area; and therefore, a significantly large number of employees, program vendors, outside consultants, and potentially others continue to have access to the servers and databases.  The physical keys to the server closets have been appropriately controlled and distributed. However, distribution of the physical key that provides access to the IT working area has not been controlled; and therefore, an unknown number of people have this physical key and unrestricted access to the IT working area.
Current status	Access to the data centers is now appropriately controlled and the key card access/termination process is properly maintained. However, access to data closets has not yet been corrected as many of them are open to the interior of various buildings or used as a storage rooms. See finding 2016-004.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	Access to server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2017  Access to server closets and other sensitive IT working areas have been evaluated for proper restricted access with key-cards, and a new tracking system has now been funded and is being implemented. The remaining server closets and other sensitive IT working areas will be re-keyed with physical keys or otherwise secured.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 007

Criteria or specific requirement	Core, New World and Infinium Systems, 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	The current process for employee on/off boarding for the Core, New World and Infinium systems is informal, with no standardized time frame for removing access rights upon employee separation from County employment.
Current status	Although a written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring that all terminated employee rights must be deactivated within 24 hours and a process has been implemented to control both assigning rights to new users and promptly turning off terminated users, there is inconsistency in communication between individual departments/divisions, human resources and information technology. As a result, terminated employee rights are not being deactivated within the required 24 hour period. See finding 2016-005.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	A written employee on/off boarding policy has been created and approved by the Board of County Commissioners requiring all terminated employee rights must be deactivated within 24 hours and a process has implemented to control both assigning rights to new users and promptly turning off terminated user.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2017  Management will be working with human resources to document and automate workflow between supervisors, human resources and technology services.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 008

Criteria or specific requirement

Core, New World and Infinium Systems, General Computing Controls:

Policies and procedures (i.e., how to operate and manage the system) are necessary for the proper systems management, oversight, and operations.

In addition, identification of defined roles and decision makers are required to manage daily operations adequately and efficiently manage the daily operations

Condition and context

Core, New World and Infinium Systems:

There is no documentation of roles and user group definitions using, for example, a RACI (Responsible, Accountable, Consult, Inform) chart or segregation of duties matrix.

Core System:

We were unable to identify a specific person with administration responsibility (ownership) of the Core system.

New World and Infinium Systems:

While we were able to identify a specific person with administration responsibility (ownership) of the New World and Infinium systems systems, there is no documentation of such administration responsibility.

Current status

The conditions, discussed above, have not been corrected. See finding 2016-006.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to resolve this finding timely.

Partial corrective action taken

None.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2017

Management will perform 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, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 009

Criteria or specific requirement	Core, New World and Infinium Systems, 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	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 have administrator rights to the systems that should be reviewed and modified.
Current status	Although vendor oversight has dramatically improved, including the removal of untethered, unrestricted access into the entire County network through an open fiber connection, not all vendors are known, documented and controlled when accessing the network. See finding 2016-007.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	Vendor oversight has dramatically improved, including the removal of untethered, unrestricted access into the entire County network through an open fiber connection.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2017  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, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 010

Criteria or specific requirement	Core, New World and Infinium Systems, General Computing Controls:  Automated service accounts are required for daily operations and autonomous communications between applications and the server operating systems. Due the significantly elevated user rights of automated service accounts, the distribution of these passwords should be tightly controlled, and where feasible, the password should be periodically changed.
Condition and context	Automated service accounts are not fully documented or understood. We noted some obsolete service accounts that should have been removed and others for which the password has been distributed to individuals that do not require access.
Current status	Although the use and documentation for automated service accounts has significantly improved, a full listing of services accounts has not been created, and some services account functions are still unknown. See finding 2016-008.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	The use and documentation for automated service accounts has significantly improved.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2017  The Technology Services Department has evaluated 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, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 011

Criteria or specific requirement	Core, New World and Infinium Systems, General Computing Controls:  The IT Division provides Disaster Recovery (DR) of technology to support the County's Business Continuity Plan (BCP). This includes the ability to recover data, by system or server, in a specified amount of time allowing County operations to continue.
Condition and context	Formal, written DR and BCP plans to recover IT systems and servers do not exist. Although, the East Fork Fire Protection District has prepared an emergency preparedness manual, the County's ability to recover data and restore critical operations following a disaster is nearly non-existent.
Current status	The conditions, discussed above, have not been corrected. See finding 2016-009.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to resolve this finding timely.
Partial corrective action taken	None.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: June 30, 2017  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, 2015

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2015 - 012

Criteria or specific requirement

Core, New World and Infinium Systems, 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  
Group membership is appropriate

Condition and context

A log server was installed in July 2015 and is currently in the testing/configuration stage covering a few domain controllers, print servers, and switches. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data.

Current status

A log server was installed in July 2015 and tested, but has not been fully implemented. Although the log server is capable of exception reporting, it is currently configured to only gather data for investigative purposes and there is no documentation supporting the periodic review of the system log data. See finding 2016-010.

Reasons for this finding's recurrence

The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.

Partial corrective action taken

A log server was installed in July 2015 and tested, but has not been fully implemented.

Planned corrective action

Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)

Implementation date: June 30, 2017

While logs are being generated there are no systems in place to report on event management. The Technology Services Department will be requesting funding in fiscal year 2017 for a consolidated logging and event management system.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)**

2015 - 013

Criteria or specific requirement	General Computing Controls:  Best practices dictate that each PC or terminal screen should be locked after 5-10 minutes of non-use.
Condition and context	Group policy settings that control screen timeouts have not been configured.
Current status	Group policy settings that control screen timeouts have been configured and implemented in a few of the organizational units of the active directory, but have not been implemented County-wide. See finding 2016-011.
Reasons for this finding's recurrence	The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.
Partial corrective action taken	Group policy settings that control screen timeouts have been configured and implemented in a few of the organizational units of the active directory.
Planned corrective action	Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)  Implementation date: December 31, 2016  Management informed us that the ten minute screen lock has been implemented County-wide and is being enforced as of December 9, 2016.

(Continued)



# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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### Section II – Findings relating to the financial statements, which are required to be reported in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* (continued)

2015 - 014

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, 2015

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Condition and context	<p>Some County locations, system and networks are more secure than others; however, certain vendors have uncontrolled and unmonitored network access. Given the current level of general computing controls, the overall security of the network can not be ascertained.</p> <p>Most connections to credit card devices run across open networks. It is not currently understood or documented how PCI data flows through the County's network, where the endpoints are located, and how best to manage the transmission of card holder data.</p> <p>The malware protection program currently used by the County does not fully cover all necessary devices and may not be updating all installed devices with current definitions. In addition, there are some systems, such as the Core system (previously discussed), that can run only on Windows XP, which is no longer supported and can no longer receive vulnerability updates.</p> <p>As discussed in prior findings:</p> <ul style="list-style-type: none"><li>Password complexity, user accounts (including the use of generic, multi-user accounts), vendor access and system monitoring processes do not meet current industry best practices</li><li>Physical access to the actual servers and databases is not adequately controlled and an unknown number of individuals have access to the servers and databases. In addition, not all endpoints for data entry are adequately controlled after hours</li><li>System logs and exception reporting have not been fully established and implemented</li><li>A formal, written change and patch management process does not exist</li></ul>
Current status	<p>A review of all revenue collection sites that includes all vendor access points, data closet protection, wireless process, and business-to-business data transfers to determine areas where the County's network may not be secure and a PCI analysis to determine where credit card data is read, how it is transmitted, and where it is stored to determine the relative security around the collection, transmission and storage of the card holder data has been completed. However, a plan to address identified security issues and bring the County into compliance with the most current PCI standards has not been developed. See finding 2016-012.</p>
Reasons for this finding's recurrence	<p>The position Chief Technology Officer was vacant for approximately 18 months prior to March 2016, which in combination with a lack of budgeted resources, contributed to the failure to completely resolve this finding timely.</p>
Partial corrective action taken	<p>A review of all revenue collection sites that includes all vendor access points, data closet protection, wireless process, and business to business data transfers to determine areas where the County's network may not be secure and a PCI analysis to determine where credit card data is read, how it is transmitted, and where it is stored to determine the relative security around the collection, transmission and storage of the card holder data has been completed.</p>
Planned corrective action	<p>Contact person: Sherri McGee, Chief Technology Officer (slmcgee@douglasnv.us)</p> <p>Implementation date: June 30, 2017</p> <p>Management is in the process of implementing the identified recommendations to strengthen security and ensure compliance with current PCI standards.</p>

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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**Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a) and/or findings required by 2 CFR 200.516(a)**

2015 - 015	
Federal program	U.S. Department of Justice, Rural Domestic Violence, Dating Violence, Sexual Assault, and Stalking Assistance Program (CFDA # 16.589)
Criteria or specific requirement	To be allowable under federal awards, costs must be adequately documented and costs must be incurred prior to requesting reimbursement.
Condition and context	Of the 4 reimbursement requests examined, 3 included personnel costs in excess of the actual costs incurred and 1 requested reimbursement for costs that had not been incurred.
Current status	No exceptions were noted in the current year; and therefore, this finding appears to have been corrected.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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### Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a) and/or findings required by 2 CFR 200.516(a) (continued)

2015 - 016

Federal program

U.S. Department of Health and Human Services, Ageing Cluster (CFDA # 93.044, 93.045, 93.053)

Criteria or specific requirement

Allowable costs:

To be allowable under federal awards, costs must be adequately and accurately documented.

Eligibility:

Determination of program participant eligibility must be documented and retained.

Reporting:

Grant reports must be based on and agree to appropriate supporting documentation.

Condition and context

Allowable costs:

Congregate dining program:

Participants are required to sign in on a pre-printed list of eligible participants, which becomes the source documentation for requesting reimbursements.

Of the 15 participants receiving 131 meals (reimbursement units) tested, one was missing a required daily signature.

Home delivered program:

Route sheets are prepared for each day indicating the participant and number of meals to be delivered. Upon completing the delivery, the driver is required to certify the total number of actual meals delivered. These certified route sheets become the source documentation for requesting reimbursements.

Of the 22 participants receiving 629 meals (reimbursement units) tested, 10 meals to one participant were not delivered and was not certified by the driver, but were included in the number of units for which reimbursement was requested. In addition, of the 22 route sheets examined, 5 were not certified by the driver.

Homemaker program:

A "homemaker/visit record" is to be completed indicating the type and number of hours of service provided, which becomes the source documentation for requesting reimbursements.

Of the 7 participants receiving 51.5 hours of service (reimbursement units) tested, reimbursement was requested for 1 hour more than the "homemaker/visit record" indicated.

Eligibility:

Home delivered program:

Each participant is required to be evaluated and re-certified as eligible for home delivered meals every six months.

Of the 22 participants tested, documentation for 4 of the participants could not be located and 15 participants were not evaluated and re-certified as eligible for home delivered meals within the most recent six-month period.

(Continued)

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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Reporting:

The number of units for which reimbursement was requested for the congregate dining, home delivered and homemaker programs did not agree with, and in some instances, exceeded the number of units listed on the supporting documents. However, for the period of July 1, 2014 through June 30, 2015, the total number of units provided exceeded the total for which reimbursement was requested.

In addition, we noted that the total number of units for which reimbursement was requested did not agree to the quarterly financial report for the quarter ended September 30, 2014.

Current status

No exceptions were noted in the current year; and therefore, this finding appears to have been corrected.

# DOUGLAS COUNTY

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2015

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### Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a) and/or findings required by 2 CFR 200.516(a) (continued)

2015 - 017

Federal program

U.S. Department of Transportation, Formula Grants for Rural Areas (CFDA # 20.509)

Criteria or specific requirement

Allocable costs:

A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received and all activities which benefit from the indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs.

Program income:

To the extent available, program income, rebates, refunds, and other income and receipts were disbursed before requesting additional cash payments as required by the A-102 Common Rule (§\_21) and OMB Circular A-110.

Reimbursement requests:

Invoices must be submitted within 45 calendar days from the end of each 30 day billing cycle. Invoices received after 45 calendar days will be evaluated on a case-by-case basis for payment.

Special reports:

Quarterly written Agency Information Reports will be submitted describing the trips made by the Douglas County Rural Transit (DART) Public Transportation System, which include and identify the number of trips, miles and hours driven.

Quarterly written Project Progress Reports will be submitted detailing any changes or additions to the project.

Condition and context

Allocable costs:

Overhead costs, (such as insurance and utilities) are allocated to the program at varying percentages ranging from 25%, to 70% of the senior services center costs based on undocumented calculations made several years ago.

Program income:

Of the 13 reimbursements examined, 2 included overstated monthly program income amounts (1 included the year-to-date program income amount \$2,182 rather than the monthly amount of \$1,254 and 1 included program income of \$882 rather than the correct amount \$822).

Reimbursement requests:

Of the 13 reimbursements examined, 5 were not submitted within 45 days; however, the grantor did not disallow any costs.

Special reports:

None of the required Agency Information and Project Progress reports were submitted quarterly, rather all were prepared and submitted in November 2015 as a result of our audit inquires.

Current status

No exceptions were noted in the current year; and therefore, this finding appears to have been corrected.



