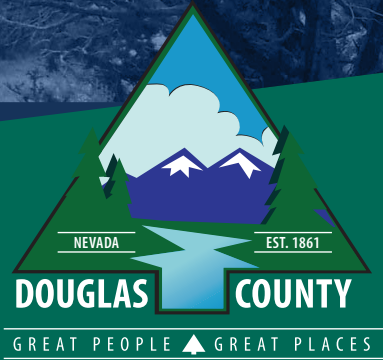


SECOND QUARTER FY2019-20



Terri Willoughby
Chief Financial Officer
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 Minden, NV 89423
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Hours of Operation:
 Monday-Friday 8 a.m.—5p.m.

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

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

Overview

With one-half of the year completed, we have an excellent opportunity to put together an accurate projection for Fiscal Year 2019-20 and work with Departments to make any necessary adjustments. This report summarizes the County's overall financial position through December 31, 2019. Except as noted, revenues and expenditure, trends are on target based on past trends for the second quarter of the fiscal year.

Adjusted Budgets and Revenue Estimates

Any budget augmentations approved by the Board of County Commissioners through December 31, 2019 have been included in the financial information presented. A final round of budget augmentations for greater than anticipated fund balance will be presented to the Board of County Commissioners for their review and approval in March 2020. Augments for grants and other unanticipated revenues will be presented to the Board as they occur during the balance of the fiscal year.

General Fund

With 50% of the fiscal year completed, General Fund revenues are at 52% of estimates, and expenditures are at 45% of projections. The variance in revenues can be attributed to both timing issues (revenues not received equally throughout the year) and revenues that are tracking higher than projected such as Engineering Fees. General Fund expenditure variance primarily due to salary savings across General Fund departments. Revenues are \$1 million, or 4% greater than the prior year at the same time, while expenditures have increased about 3.4% from the prior year at the same time. The net of transfers (in and out) is \$621,000 less than the prior year.

General Fund	Budget	As of 12/31/19	% Completed
Revenues	\$49,903,929	\$25,989,782	52%
Expenditures	46,539,706	21,123,736	45%
Transfers (Net)	(3,825,446)	(2,046,740)	54%
Balance, Start of Year	12,169,219	12,169,219	-
Balance, Year-to-Date	\$8,343,773	\$10,122,480	-

	12/31/18	12/31/19	Variance	% Variance
Revenues	\$24,963,182	\$25,989,782	\$1,026,600	4%
Expenditures	20,429,835	21,123,736	\$693,900	3.4%
Transfers (Net)	(1,425,096)	(2,046,740)	\$(621,643)	144%

Total Full-Time Employees	487
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GENERAL FUND REVENUE

There can only be one General Fund.

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

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

Top Six Revenues

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

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

Top Revenues	Budget	YTD Actual @ 12/31/19	% Received
Property tax	\$22,789,330	\$15,782,179	69%
Consolidated tax	12,946,773	4,323,074	33%
Charges for Services	5,835,263	2,910,577	50%
Licenses & Permits	4,584,150	1,586,562	35%
Intergovernmental	1,926,287	551,567	29%
Other	1,822,126	835,823	46%
Total	49,903,929	25,989,782	52%

Consolidated taxes

As of December 31, 2019, 33% of the projected revenues had been received; this is slightly ahead of the percentage received in the prior fiscal year.

Support and Care fees

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

Licenses and Permits

These revenues are derived from the issuance of local (County) licenses and permits such as Building Permits, Gaming Licenses and Franchise Fees.

Intergovernmental

This category includes revenues received from federal, state and other local government in the form of grants, shared revenues, and payments in lieu of taxes. Revenues are on target as of 12/31/19.

General Fund Expenditures

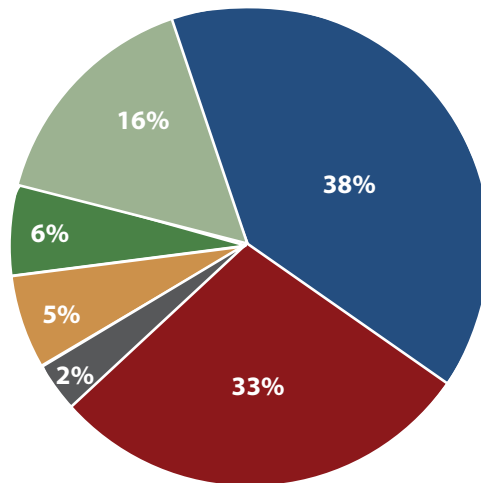
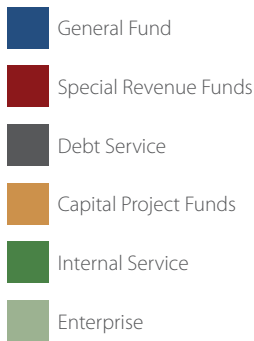
Budget to Actual through 12/31/19



FUND TYPES

Expenditures by Fund Type

Fiscal Year 2019-20 Governmental Fund



Major Fund Activity — Through December 31, 2019

Special Revenue Funds

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

Room Tax Fund

Room Tax fund projects funded in Fiscal Year 2019-20 include improvements to the Kahle Park Playground Equipment and the Johnson Lane Dog Park project.

Room Tax Fund	Budget	As of 12/31/19	% Completed
Revenues	\$15,747,386	\$9,564,194	61%
Expenditures	16,120,194	9,702,225	60%
Transfers (Net)	399,873	161,687	40%
Balance, Start of Year (unaudited)	3,736,284	3,736,284	
Balance, Year-to-Date	\$4,136,157	\$3,897,971	-

Capital Project Funds

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

Regional Transportation Fund

Major capital projects underway during Fiscal Year 2019-20 include the reconstruction of Johnson Lane.

Regional Transportation	Budget	As of 12/31/19	% Completed
Revenues	\$3,298,575	\$1,660,622	50%
Expenditures	3,972,848	895,217	23%
Transfers (Net)	(103,543)	(251,772)	243%
Balance, Start of Year (unaudited)	6,758,028	6,758,028	-
Balance, Year-to-Date	\$6,654,485	\$6,506,257	-

Finance Terms

Fund

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

Special Revenue Funds

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

Capital Project Funds

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

Debt Service Funds

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

Proprietary Fund

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

Fiduciary Fund

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



AUDIT & UPDATES

Douglas County Audit Committee

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

Audit Committee Activities

The Douglas County Board of Commissioners and Audit Committee met in a joint meeting on February 25, 2020, and accepted the County's Comprehensive Annual Financial Report (CAFR) and the results of the County's annual audit as presented by Eide Bailly. The County's internal auditors, Moss Adams are working on their internal audit plan for Fiscal Year 2019-20 which includes the following projects: Permitting Efficiency Study; Cash Handling Review and Policies and Procedures update.

Audit Committee Members

Douglas County Commissioner
Dave Nelson

Chair David Maxwell

Teresa Rankin

Kirby Mays

Mark Hart

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

Finance Department Updates

The County's Fiscal Year 2020-21 Tentative Operating and Capital Budget is scheduled for final adoption on April 7, 2020 with submission to the State Department of Taxation by April 15, 2020. The tentative budget will be presented by County departments on March 24-26, 2020 and April 7, 2020.

Reporting Fraud, Waste or Abuse

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

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

