



WASHOE COUNTY NEVADA

Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2017



Cover photo shot by Washoe County employee Danielle Carlton at Rancho San Rafael Regional Park

**WASHOE COUNTY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL
REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

*Prepared by the Washoe County Comptroller's Department
Cathy Hill, Comptroller*



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**WASHOE COUNTY, NEVADA
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INTRODUCTORY SECTION

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WASHOE COUNTY

Accounting / Collections / Purchasing / Risk Management

Office of the Comptroller

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www.washoecounty.us/comptroller

November 21, 2017

To the Honorable Board of County Commissioners and
the Citizens of Washoe County, Nevada:

The comprehensive annual financial report of Washoe County, Nevada (County), for the fiscal year ended June 30, 2017 is hereby submitted. Nevada Revised Statutes (NRS) 354.624 requires the County to provide an annual audit by independent certified public accountants in accordance with generally accepted auditing standards in the United States. This report represents Washoe County's commitment to sound and effective fiscal management and to responsible financial reporting based on (GAAP) established by the Governmental Accounting Standards Board.

Washoe County Management assumes responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. Management asserts that, to the best of our knowledge, the information in this report is accurate in all material respects and presents fairly the financial position of the various funds and (discretely presented) component units of the County, including disclosures necessary to understand the County's activities.

Eide Bailly, LLP, Certified Public Accountants, have audited the County's financial statements for the year ended June 30, 2017 and have issued an unmodified ("clean") opinion. The Independent Auditor's Report is located on the first page of the financial section.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Washoe County was incorporated in 1861 and is a political subdivision of the State of Nevada. The County is governed by a five-member Board of County Commissioners (BCC) elected by constituents within their districts for a 4-year term. The County covers an area of 6,600 square miles in the northwest section of the state. The county seat is the City of Reno, the fourth largest city in Nevada. Other communities in the County include Sparks, Sun Valley, Wadsworth, and Incline Village.

The County provides an array of mandated services including property appraisal and assessment; tax collection; criminal prosecution; presides over civil, criminal, domestic and juvenile court cases; death investigations; temporary financial assistance, health care assistance and indigent burials; communicable disease control; and child protection and placement services. Regional services include adult and juvenile detention; parks and libraries; senior services; forensic services; water, sewer and flood control; animal services; emergency management; and regional public safety training. Other community services include patrol and criminal investigation; fire protection; snow removal and street repair; business licensing; and land use planning and permitting. Administrative and internal support services include management, human resources, community relations, budget, technology services, internal audit, fleet operations, purchasing, and risk management.

This report includes the financial activities of two discretely presented component units: Truckee Meadows Fire Protection District and Sierra Fire Protection District. Both component units are legally separate entities, each governed by a Board of Fire Commissioners. The members of the BCC serve as members of these boards. There is no financial benefit or burden relationship between the County and the Fire Districts.

The BCC is required to adopt a final budget annually on or before June 1 for the ensuing fiscal year. The annual budget serves as the foundation for the County's financial planning and control. The legal level of budgetary control is at the function level for governmental funds and by the sum of operating and non-operating expenses for proprietary funds.

LOCAL ECONOMY AND ECONOMIC OUTLOOK

Washoe County continued to show signs of a robust recovery since the Great Recession. Some of the economic measures pointing to the strength of the economy in Washoe County include:

- Per capita personal income in Washoe County rose 6.3% in 2015.
- The February median price of homes at \$320,000 was up 6% from January and up 10% from a year ago. (Reno/Sparks Association of Realtors, February 2017).
- As a result of the income trends and overall economic activity in the region, taxable sales through the first half of fiscal year 2016-17 were 9.2% higher than last fiscal year.

The County is mindful that certainly some of the growth experienced the last three years likely reflects a temporary shift up in business expenditures and overall spending due to the development of major industrial plants in the area and associated residential construction to fill the current housing gap in the area. This growth, termed by many as the “Tesla effect”, will eventually come to an end and growth will normalize in the region. Additional companies joining the region are Big Rock Sports and PODS. Additionally, Switch has built 2 of the largest data center campuses in the world creating the “superloop” which is a fiber ring from Las Vegas to Reno, Reno to the Bay Area, the Bay Area to Los Angeles and Los Angeles back to Las Vegas making Nevada a connected state.

“During this fiscal year Google purchased twelve hundred acres in the Tahoe Reno Industrial Center. Google’s acquisition in northern Nevada provides a new level of validity to the area. Furthermore, like the “Tesla effect” it is stimulating a wake of investor and business activity into the region.” (Colliers Research & Forecast Report – Q2 2017)

In January and February of this fiscal year, Washoe County experienced 2 natural disasters, the January flooding of the Truckee River and the North Valleys Flooding. For each of these events, a State of Emergency was declared by Governor Brian Sandoval, with the United States President issuing a Major Disaster Declaration for both events.

LONG-TERM FINANCIAL PLANNING

Nevada is consistently rated one of the top ten most business friendly states. This is supported with the fact that there are no corporate or personal income tax; no inventory tax and no franchise tax. This, in conjunction with the effect of the Tesla gigafactory, is continuing to draw attention of other corporations to the northern Nevada area.

The County’s fiscal year 2016/17 General Fund undesignated fund balance decreased slightly due to devastating natural disasters; however the County’s budget for fiscal year 2017/18 reflects a prudent and fiscally careful approach which weighs the service needs of county residents and businesses against future disaster-related repairs that will need to be completed over the next several years. The County continues to maintain an ending fund balance in the general fund that meets the BCC required amount between 10 to 17 percent

The BCC continues to collaborate with regional partners, citizens, management, and the County’s employees and their respective associations to enable Washoe County to continue to be one of the most fiscally responsible local governments in the State. The County adheres, without exception, to the practice of adopting a final balanced budget with no deficit spending. For more than a decade, the County has not increased the General Fund budget by more than the combined increases in population and the Consumer Price Index, even during the economic downturn. As a result of the County’s careful management of reserves and proactive fiscal management, the County has maintained favorable general obligation bond ratings from Standard & Poor’s and Moody’s of “AA” and “Aa2”, respectively, with a stable outlook.

Washoe County continues to maintain a strong and healthy fund balance and is committed to providing quality customer service for its residents while responding to and facilitating new development in the region.

MAJOR PROGRAMS / INITIATIVES

The annual budget serves as the financial plan for County operations and is aligned with the County’s strategic objectives. Some of the programs Washoe County initiated and/or completed during the 2017 fiscal year are:

- Washoe County launches a Senior Volunteer Ambassador Program
- Human Services Agency implemented a public/private partnership with Catholic Charities of Northern Nevada in the senior nutrition program and Access to Healthcare Network to provide an Aging and Disability Resource Center and senior transportation to expand services to seniors.
- Washoe County responded to the Little Valley Fire and 2 FEMA recognized flooding incidents which included a quarter of a million acres burned and 16 atmospheric rivers. During this time, Washoe County distributed over 1 million sandbags to the community and housed 51 people displaced by flooding.
- Social Services 3 divisions were unified into a new Human Services Agency and includes 376,254 free, nutritious meals served to senior citizens as well as 136 children finding forever homes through adoption.
- Washoe County launched a Sober 24 program. This 24/7 sobriety program is a twenty four hour, seven day a week monitoring program in which participants submit to various tests to determine the presence of an illegal substance. As of January 2017, approximately 34,000 tests have been conducted, producing a compliance rate of 98%.
- The Crossroads program has served 1,239 clients since 2011. In 2016 94,000 alcohol tests have been performed

resulting in only 14 failures following with 8,900 drug tests with only 23 failures. The success rate of this program continues to grow and has been recognized by the National Associate of Counties.

- FY17 reflected additional budget authority for Sheriff Deputies to enhance security, and additional funding for the regional crime lab, Alternative Sentencing program, the Juvenile Services and positions to support the innovative specialty courts in Washoe County.

AWARDS

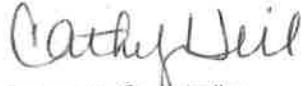
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Washoe County for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the 35th consecutive year the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable eligibility requirements.

We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Comptroller Department's entire staff. More particularly, Robert Andrews and Russell Morgan, CPA, Accounting Managers; Darlene Delany, CPA, Crystal Varnum and Asta Dominquez, CPA, Senior Accountants; Tammera Yau, Joyce Garrett and Martin Williams, Accountants, and Jeri Renshaw and Edwin Smith, Administrative Secretaries. Thanks also to the Communications and Engagement staff for their efforts and expertise in producing this document; the cooperation and assistance of all County departments, and to the staff from Eide Bailly, LLP, Certified Public Accountants, the County's independent auditors. Special thanks to the Board of County Commissioners for their leadership and support in the planning and conducting of the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Cathy Hill, Comptroller

WASHOE COUNTY BOARD OF COMMISSIONERS



Marsha Berkgigler,
District One

Washoe County is home to Lake Tahoe, one of the most beautiful places on earth; to the majestic Sierra Nevada mountains; to the life-giving Truckee River; to vast open ranges and blue sky; to pastoral ranches and to friendly, vibrant communities including the cities of Reno and Sparks.

OUR VISION is that Washoe County is the best place in the country to live, work, recreate, visit and invest.

OUR MISSION is working together to provide a safe, secure and healthy community.

STRATEGIC OBJECTIVES OF THE BOARD OF COUNTY COMMISSIONERS

- Sustainability of our financial, social and natural resources
- Economic development and diversification
- Safe, secure and healthy communities
- Public participation and open, transparent communication
- Valued, engaged employee workforce

ORGANIZATIONAL VALUES:

Many Communities, One County

We take pride in our region, our neighborhoods, and our people, and we are dedicated to building a healthy, prosperous region with a strong sense of community.

Quality Public Service

We believe quality service is the fundamental reason that Washoe County exists.

Teamwork

We believe in the value and a spirit of cooperative effort within our organization and our community.

People

We strive to treat all people with equity, dignity, respect, and fairness. We believe that our employees are our most valuable resource. Each person's public contribution is essential to our success.

Communication

We believe in simplicity, accuracy, and clarity in communications with the public and each other. We encourage the open exchange of ideas and information.

Accountability

We are dedicated to high ethical and moral standards and uncompromising honesty in our dealings with the public and each other in conformance with our code of conduct.

Transparency

We are committed to providing the highest level of transparency in government. Transparency is the basis for accountability, increases public confidence, provides for informed participation of citizens, and facilitates an understanding of the decision making process in government.

Professionalism

We believe in high professional standards and performance that results in an objective analysis of issues, free of our personal biases.

Progressive Thought

We value innovation and creativity, and support an orientation for change and intelligent decision making.



Bob Lucey
District Two



Kitty Jung,
District Three



Vaughn Hartung
District Four



Jeanne Herman
District Five

**WASHOE COUNTY, NEVADA
LISTING OF COUNTY OFFICIALS
AS OF JUNE 30, 2017**

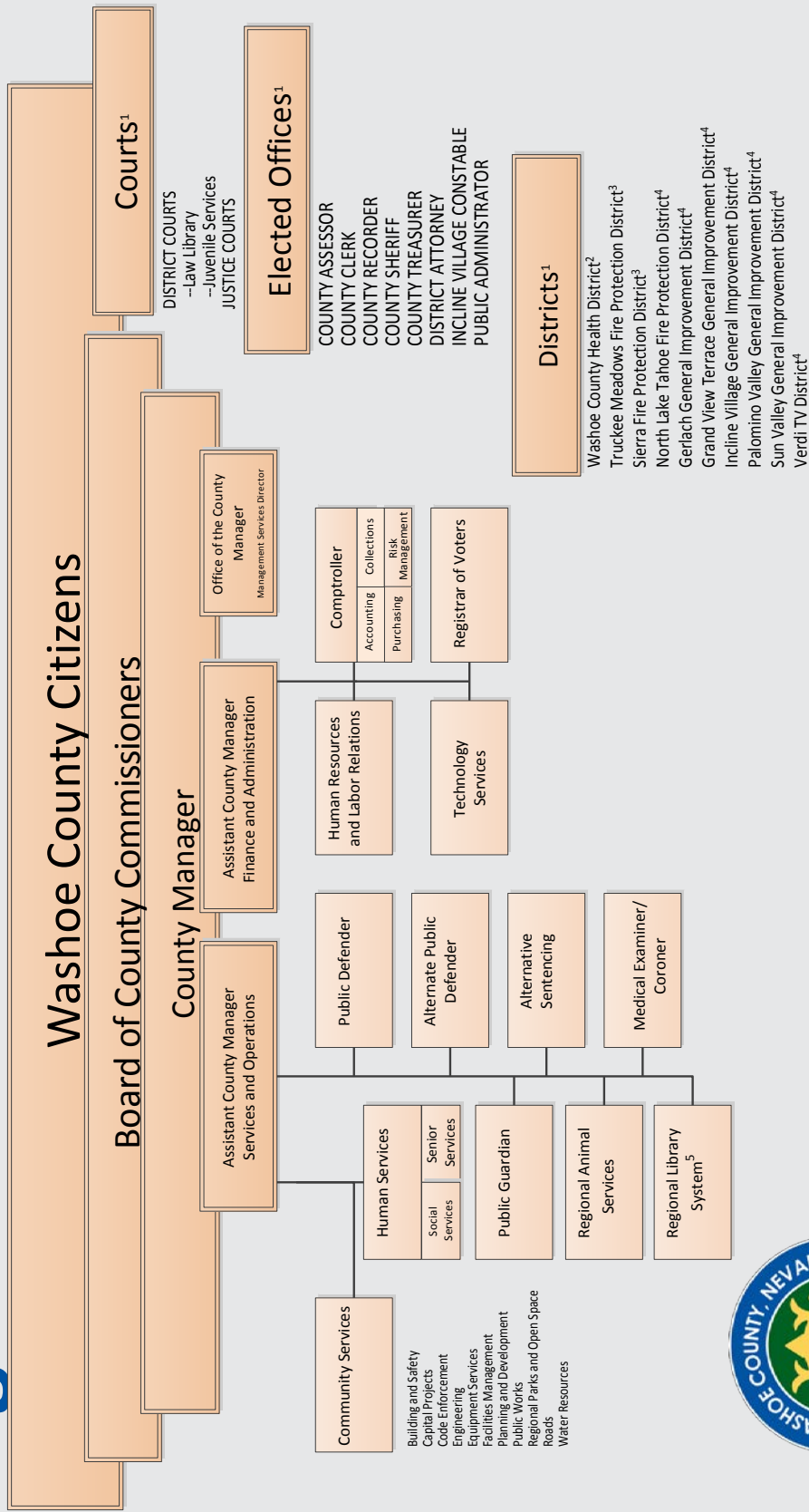
Elected Officials

District 1: Commissioner	Marsha Berkbigler
District 2: Commissioner	Bob Lucey
District 3: Commissioner	Kitty Jung
District 4: Commissioner	Vaughn Hartung
District 5: Commissioner	Jeanne Herman
County Assessor	Michael E. Clark
County Clerk	Nancy Parent
County Recorder	Larry Burtness
County Treasurer	Tammi S. Davis
District Attorney	Christopher Hicks
Incline Village/Crystal Bay Constable	Hans Keller
Public Administrator	Donald L. Cavallo
Sheriff	Chuck Allen

Appointed Officials

County Manager	John Slaughter
Assistant County Manager	Kevin Schiller
Assistant County Manager	Christine Vuletich
Alternate Public Defender	Jennifer Lunt
Alternative Sentencing Chief	Joseph Ingraham
Chief Medical Examiner/Coroner	Dr. Laura Knight
Comptroller	Cathy Hill
Director of:	
Community Services	Dave Solaro
Communications	Nancy Leuenhagen
Human Resources/Labor Relations	John Listinsky
Juvenile Services	Frank Cervantes
Library	Jeffrey Scott
Senior Services	Amber Howell
Social Services	Amber Howell
Technology Services	Craig Betts
Health District	Kevin Dick
Public Defender	Jeremy Bosler
Public Guardian	Susan DeBoer
Registrar of Voters	Luanne Cutler

Organization Chart



10/18/2017



- Notes:**
1. County Manager is Liaison
 2. Separately appointed governing board
 3. Board of County Commissioners is Board of Fire Commissioners
 4. Independent district with separately elected governing board
 5. Director appointed by Library Board of Trustees





Government Finance Officers Association

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

Presented to

**Washoe County
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



FINANCIAL SECTION

FINANCIAL SECTION

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Independent Auditor's Report

To the Honorable Board of Commissioners
Washoe County, Nevada
Reno, Nevada

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2017, and the respective changes in financial position and, where, applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, the Child Protective Services Fund and the Other Restricted Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter and Change in Accounting Principle

As discussed in Notes 1 and 19 to the financial statements, the Washoe County, Nevada Other Postemployment Benefit Trust adopted the provisions of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, which has resulted in a restatement of the net position of the governmental activities and the fund balance of the General Fund of Washoe County as of July 1, 2016. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, the Schedule of Funding Progress on page 83, the Schedule of Proportionate Share of the Net Pension Liability and the Schedule of Contributions on page 83, 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 opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Prior Year Partial Comparative Information

We have previously audited, in accordance with accounting standards generally accepted in the United States of America, the basic financial statements of the County as of and for the year ended June 30, 2016 and have issued our report thereon dated November 23, 2016, which expressed an unmodified opinion on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The summarized comparative information presented in the basic financial statements as of and for the year ended June 30, 2016, is consistent with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the County's 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.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Reno, Nevada
November 21, 2017

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

As management of Washoe County (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2017. We encourage readers to read this information in conjunction with the transmittal letter, financial statements and notes to gain a more complete picture of the information presented.

FINANCIAL HIGHLIGHTS

- Ad Valorem taxes increased \$5 million from the previous year; overall governmental activities revenue increased \$11 million from the previous fiscal year.
- Governmental activities expense increased by \$35 million compared to prior year as the result of increases in salaries and wages and costs associated with two flooding events.
- Washoe County budgeted for 47 additional full time positions for fiscal year 2017.
- As a result of increased program activity levels, welfare costs increased by \$9 million.
- Revenues varied from budget by only 1% for the year.
- Washoe County's outstanding debt totaled \$158 million. Outstanding debt related to governmental activities decreased by \$10 million due to regularly scheduled principal payments, discounts, premiums and deferred charges on refunding. The current debt limitation for the County is \$1.5 billion which is \$1.3 billion in excess of the County's outstanding general obligation debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Washoe County's basic financial statements. The County's financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the basic financial statements. This report also contains supplementary information intended to provide additional detail in support of the financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide a broad overview of Washoe County's finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position over time may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will not result in cash flows until future fiscal periods, such as uncollected taxes and earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, administration of justice, public works, public safety, health and sanitation, welfare, culture and recreation, and community support. The business-type activities of the County include a sewer utility, golf courses, and building permit activities.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)

The government-wide financial statements also include one legally separate fire protection district for which the County is financially accountable. Financial information for this component unit is reported separately from the financial information for Washoe County itself.

The government-wide financial statements can be found in the basic financial statements section of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Washoe County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Each of the County's funds can be classified as either governmental, proprietary, or fiduciary.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information can be useful for gauging the County's near-term financial requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities. These reconciliations are included with the basic financial statements in this report.

The County maintains twenty one individual governmental funds. The governmental funds financial statements provide separate details for the General Fund, the Child Protective Services Fund, Other Restricted Fund and the Special Assessment Debt Service Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements in the non-major governmental funds section of this report.

The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statement for the General Fund, Child Protective Services Fund and the Other Restricted Fund are presented with the basic financial statements. The budgetary comparisons for all other governmental funds are included in the fund financial statements and schedules included as supplementary information.

Proprietary Funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Washoe County uses enterprise funds to account for a sewer utility, golf courses and building permit activities. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles and for self-insurance activities including liability insurance, workers' compensation and group health insurance. Because these activities predominantly benefit governmental rather than business-type functions, they are included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for the Utilities Fund and the Building and Safety Fund, which are considered to be major funds. The remaining 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 fund data for the remaining enterprise and internal service funds is provided in the form of combining statements in the applicable sections of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the County. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)

Notes to the 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 financial statements can be found in this report following the basic financial statements.

Other Information. Following the notes in this report, required supplementary information is presented concerning the County's progress in funding its obligations to provide retiree health benefits and pensions. Other information, including combining and individual fund statements and schedules are presented after the basic financial statements, notes and required supplementary information. In addition, unaudited statistical information is provided on a ten-year basis, as available, for trend analysis and to provide historical perspective.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$376 million at June 30, 2017, a decrease of 3.0% from the prior year. This decrease resulted primarily from unexpected costs associated with two flooding events. Each of these factors is discussed in more detail in the notes to the financial statements.

Washoe County's Net Position
(in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and other assets	\$ 229,983	\$ 241,413	\$ 107,092	\$ 100,003	\$ 337,075	\$ 341,416
Net capital assets	490,719	508,350	143,238	143,256	633,957	651,606
Total assets	720,702	749,763	250,330	243,259	971,032	993,022
Deferred outflows of resources	102,117	61,611	1,691	1,190	103,808	62,801
Liabilities						
Current liabilities	37,452	44,554	3,321	3,626	40,773	48,180
Noncurrent liabilities due within one year	36,884	36,865	2,646	2,591	39,530	39,456
Noncurrent liabilities due in more than one year	569,605	515,953	17,413	19,485	587,018	535,438
Total liabilities	643,941	597,372	23,380	25,702	667,321	623,074
Deferred inflows of resources	31,205	44,729	356	415	31,561	45,144
Net position						
Net investment in capital assets	385,853	412,863	128,947	126,705	514,800	539,568
Restricted	107,899	116,440	1,151	1,122	109,050	117,562
Unrestricted	(346,079)	(360,030)	98,187	90,505	(247,892)	(269,525)
Total net position	\$ 147,673	\$ 169,273	\$ 228,285	\$ 218,332	\$ 375,958	\$ 387,605

The largest portion of the County's net position remains its investment in capital assets (e.g., land, buildings, equipment and construction in progress), less any outstanding debt used to acquire them. Capital assets are used to provide services to citizens and therefore are not regarded as being available to fund future spending. Similarly, though they are reported net of related debt, the capital assets themselves will not be used to liquidate these obligations.

Restricted net position of \$109.1 million is a decrease of \$8.5 million from the prior year, and represents resources that are subject to external restrictions (statutes, bond covenants, or granting agencies) on how they may be used. Additional details concerning these restrictions is provided in the notes to the financial statements.

Unrestricted net position represents resources that can be used to meet the County's other obligations to citizens and creditors, though these resources may not be in spendable form. It is not uncommon for governments to report negative net position, particularly in the governmental activities column. Unrestricted net position deficits commonly

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)

arise because governments have long-term liabilities that they fund on a pay-as-you-go basis, appropriating resources annually as payments come due rather than accumulating assets in advance. Washoe County's deficit in unrestricted net position for governmental activities is \$346.1 million in the current year as a result of the continuing impact of GASB 68. GASB 68 and its impact on the financial statements is discussed in detail in note 14.

The unrestricted net position of the County's business-type activities of \$98.2 million may not be used to fund governmental activities.

Washoe County Changes In Net Position
(in Thousands)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 83,480	\$ 80,721	\$ 17,118	\$ 18,638	\$ 100,598	\$ 99,359
Operating grants, interest and contributions	60,503	60,753	109	11	60,612	60,764
Capital grants, interest and contributions	16,573	20,716	6,447	4,508	23,020	25,224
General revenues:						
Ad valorem taxes	188,474	183,821	-	-	188,474	183,821
Consolidated taxes	100,336	95,605	-	-	100,336	95,605
Other intergovernmental	34,111	31,799	-	-	34,111	31,799
Investment earnings	158	2,747	50	1,667	208	4,414
Other	2,912	11	-	(150)	2,912	(139)
Total revenues	486,547	476,173	23,724	24,674	510,271	500,847
Expenses:						
General government	89,304	100,762	-	-	89,304	100,762
Judicial	72,190	62,341	-	-	72,190	62,341
Public safety	165,745	144,615	-	-	165,745	144,615
Public works	49,151	50,188	-	-	49,151	50,188
Health and sanitation	21,217	18,607	-	-	21,217	18,607
Welfare	82,507	73,678	-	-	82,507	73,678
Culture and recreation	23,857	19,320	-	-	23,857	19,320
Community support	330	198	-	-	330	198
Interest/fiscal charges	5,501	6,721	-	-	5,501	6,721
Utilities	-	-	11,215	11,511	11,215	11,511
Golf courses	-	-	454	945	454	945
Building permits	-	-	2,102	1,700	2,102	1,700
Total Expenses	509,802	476,430	13,771	14,156	523,573	490,586
Increase (decrease) in net position before transfers	(23,255)	(257)	9,953	10,518	(13,302)	10,261
Transfers	-	-	-	-	-	-
Change in net position	(23,255)	(257)	9,953	10,518	(13,302)	10,261
Net position, July 1, as restated	170,928	169,530	218,332	207,814	389,260	377,344
Net position, June 30	\$ 147,673	\$ 169,273	\$ 228,285	\$ 218,332	\$ 375,958	\$ 387,605

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)**

Governmental Activities. Governmental activities decreased the County's net position by \$23.0 million for the year. This decrease was driven largely by two flood event expenses and a pending refund to the State of Nevada for overpayment of sales tax offset by an increased ad valorem and consolidated tax revenues. Tax rates were not increased during the year that benefited the county. A voter approved sales tax of .54% was implemented in April, 2017 for the Washoe County School District for capital projects.

**Governmental Activities - Revenues by Source
(in Millions)**

	FY 2017 \$487	FY 2016 \$478	
\$17		\$21	< Capital program
\$37		\$36	< Other general
\$61		\$61	< Operating program
\$84		\$80	< Charges for services
\$100		\$96	< Consolidated taxes
\$188		\$184	< Ad valorem taxes

Together, ad valorem and consolidated taxes make up 59% of revenues from governmental activities. Ad valorem taxes of \$188 million were \$4 million (2%) higher than fiscal year 2016, as property valuations increased moderately. Consolidated sales taxes (received from the state) increased significantly for the fifth consecutive year, growing by \$4 million (4%).

Charges for services of \$84 million increased \$4 million (5%) over the previous year.

Operating program revenues were flat compared to the prior year.

Other general revenues were up by \$1 million compared to the prior year. Other general revenues include sales and other taxes, intergovernmental revenues, and unrestricted investment earnings.

Capital program revenues decreased by \$4 million or 19% compared to fiscal year 2016 due to no new bonds being issued this year for capital projects. These revenues are subject to fluctuation and such variation is not unusual.

**Governmental Activities - Expenses by Function
(in Millions)**

	FY 2017 \$510	FY 2016 \$476	
\$6		\$7	< Interest
\$21		\$19	< Health & sanitation
\$24		\$19	< Culture & rec
\$49		\$49	< Public works
\$72		\$62	< Judicial
\$83		\$74	< Welfare & community support
\$89		\$101	< General govt
\$166		\$145	< Public safety

Expenses for governmental activities increased by \$34 million (7%) compared to the prior year, primarily the result of increases in salaries and wages, which impacted all functions and the costs associated with two major flood events. Services and supplies expense for general government and public works also increased during the year. Some of these increases in spending are a reflection of economic recovery and were anticipated in the budget.

Welfare costs increased by \$9 million (12%) compared to the prior year, in part due to increased program activity levels.

Judicial costs increased by \$10 million (16%) compared to the prior year, due in part to increased program activity levels.

Services and supplies expense in public works remained flat for this fiscal year.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)**

Business-type Activities. Net position of \$228.3 million for business-type activities is \$9.9 million more than the prior year. This increase is primarily the result of decreased current operating expenses.

Decreases in charges for services revenue for business-type activities was \$1.5 million when compared to the prior year. This was mainly due to the Golf business renegotiating a new 5 year contract. Operating expenses for utility operations decreased \$0.4 million. Expenses for golf course operations decreased by \$491 thousand (52%), while expenditures for building permit activities increased \$4.0 million (24%) as a result of planned increases in salaries and wages and the hiring of additional staff.

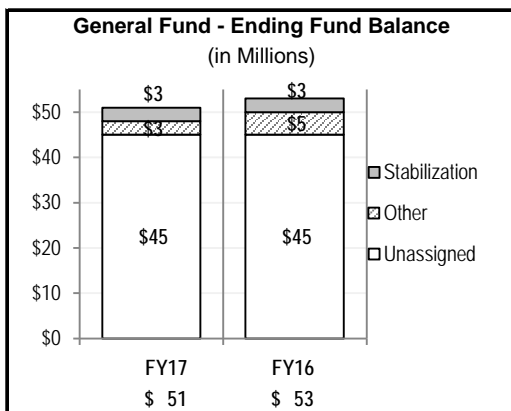
FINANCIAL ANALYSIS – GOVERNMENTAL FUNDS

As noted earlier, Washoe County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's funding requirements. In particular, unassigned fund balance can provide a useful measure of net resources available for discretionary use since they represent fund balance which has not been limited to use for a particular purpose by either an external party or the County itself.

At June 30, 2017, Washoe County's governmental funds reported combined fund balances of \$158.9 million, a decrease of \$7.8 million in comparison to the prior year. This decrease is primarily due to the decreases in the General Fund and Other Governmental Funds offset by increases in Child Protective Services, Other Restricted Revenue and Special Assessment Debt Funds. Within the Other Governmental Funds, there was a \$7.8 million decrease in fund balance. This decrease is primarily due to a \$3.8 million decrease in Parks Capital Projects for continued improvements to the North Valley Regional Park and Bowers Pool, a \$8.9 million decrease in Capital Facilities Tax Fund primarily due to the completion of the Medical Examiner's building. These decreases were offset by an increase of \$4.9 million in fund balance for the Capital Improvement Fund primarily due to \$2.9 million in revenue received from the sale of the water rights to the Pyramid Lake Paiute Tribe. Unassigned General Fund balance of \$45.0 million is 28% of the total governmental fund balance and is available for spending at the County's discretion. The remainder of fund balance is either nonspendable (not in spendable form or legally required to be maintained intact); or restricted, committed or assigned for particular purposes. Fund balances are discussed in greater detail in note 13.

General Fund. The General Fund is the County's primary operating fund. Total fund balance decreased \$2.0 million (4%) for the year, primarily due to increases in transfers-out to the Indigent Tax Levy Fund.



The stabilization portion of fund balance represents funds reserved for stabilization purposes in the event of a fiscal emergency, as authorized by Nevada Revised Statutes 354.6115. Stabilization funding levels are set by the Board of County Commissioners, and the balance is included in committed fund balance. On April 28, 2015, the Board of County Commissioners approved a change in stabilization funding, from a percentage of expenditures to a flat amount of \$3 million committed.

Other fund balances include restricted and assigned amounts, as well as the portion of committed fund balance not reserved for stabilization. The total of these balances decreased slightly in the current year.

WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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(CONTINUED)

Child Protective Services Fund. The Child Protective Services Fund, a major fund managed by the Human Services Agency, accounts for resources specifically appropriated to protect against the neglect, abandonment and abuse of children in Washoe County. Federal and state grants are the primary funding sources, and together made up 66% of the revenue for the year. Other revenue and ad valorem taxes are contributing respectively 15% and 10% of revenue. Expenditures include personnel costs, as well as, expenditures for child protection and placement, including emergency shelter, professional services, foster care, adoption subsidies, referral services, and other operating services and supplies.

Ending fund balance of \$10.7 million increased \$3.6 million (51%) from prior year primarily due to an increase in overall revenue of \$4.6 million due to increased billable mental health and medical services revenue and increased reimbursements toward the Children's Emergency Shelter operating costs. There was an increase in expenditures of \$3.7 million due to an increase in staffing levels, cost of living increases and the implementation of the Specialized Foster Care Program. Restricted fund balance consists primarily of donations and private foundation grants to support related expenditures. The remainder of the fund balance is committed for the support of child protective programs.

Other Restricted Fund. The Other Restricted Fund, a major fund, accounts for various specific resources restricted for specified purposes consistent with legal and operating requirements. Resources include: ad valorem tax apportionments for Cooperative Extension support, car rental fee for the Reno baseball stadium debt, justice court administrative assessments for court projects, fees and donations for Wilbur May Center support and grants and restricted donations for General Fund departments. Ending fund balance of \$21.2 million increased \$1.8 million or 9% from the prior year. Overall fund activity for current fiscal year is consistent with that of the prior fiscal year.

Special Assessment Debt Service Fund. The Special Assessment Debt Service Fund, a major fund, accounts for assessments, penalties, investment income and other resources accumulated to retire debt issued for improvements benefiting those properties against which the special assessments are levied. Ending fund balance of \$1.8 million increased \$176,000 or 11% from prior year. The decrease in revenues in this fund is often matched by the decrease in expenditures.

Proprietary Funds. Proprietary fund statements provide the same type of information found in the government-wide financial statements, but in greater detail and at the individual fund level. They are accounted for using the full accrual basis of accounting; therefore, no reconciliation is required to the government-wide statements.

Utilities Fund. The Utilities Fund, a major fund, was established to account for County-owned and operated water and sewer systems in the unincorporated areas of the County.

Ending net position of the fund increased \$9.7 million primarily due to an increase in net income from operating activities and the collection of \$5.3 million in hookup fees. Additionally, there was an increase in capital assets of \$3.3 million due to \$1.2 million in contributed assets and \$2.1 million in projects in process to the South Truckee Meadows Reclamation Facility.

Building & Safety Fund. The Building & Safety Fund, a major fund, established to account exclusively for revenue and expenses relating to the issuance of building permits, as established by NRS 354.59891. Ending net position of the fund increased \$436,000 primarily due to a restatement of net position in fiscal year 2015 as a prior period adjustment of \$1.1 million which created a negative net position for fiscal year 2016. Fiscal year 2017 has normal operating activities and created a positive net position.

General Fund Budgetary Highlights

Original budget compared to final budget. On February 28, 2017, the Board of County Commissioners approved a \$1.1 million augmentation to the General Fund budget from excess beginning fund balance (also known as carryover). The augmentation included authorization for \$985,000 for salaries and benefits for the Sheriff's Office, \$61,000 for Administrative Assessment expenditures and \$50,000 for the salaries and benefits for the District Court's implementation of Nevada Pretrial Risk Assessment process.

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017
(CONTINUED)**

Final budget compared to actual results. Overall, revenues varied from the budget by only 1% for the year; this is not considered significant. Similarly, overall expenditures varied only 1% from the final budget after accounting for stabilization funds of \$3.0 million, which were budgeted but not spent in the current year.

There was an 11% favorable variance to final budget in the community services department activities of the public works function mainly attributable to lower than planned spending for services and supplies and capital outlay.

There was a 61% favorable variance to final budget in human services activities of the welfare function mainly attributable to lower than planned spending for services and supplies.

CAPITAL ASSETS

The County's investment in capital assets for its governmental and business-type activities totaled \$634 million at year end, as summarized below.

**Washoe County Capital Assets (Net of Depreciation)
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land, use rights	\$ 143,069	\$ 143,466	\$ 7,923	\$ 7,945	\$ 150,992	\$ 151,411
Plant capacity	-	-	825	825	825	825
Construction in progress	6,855	10,709	20,183	22,033	27,038	32,742
Land improvements	20,744	19,960	2,578	2,862	23,322	22,822
Building/improvements	179,528	174,988	37,997	39,900	217,525	214,888
Infrastructure	119,810	140,033	72,387	68,460	192,197	208,493
Equipment	16,816	15,217	103	116	16,919	15,333
Software	3,897	3,976	186	-	4,083	3,976
Plant capacity, depreciable	-	-	1,057	1,116	1,057	1,116
Total	\$ 490,719	\$ 508,349	\$ 143,239	\$ 143,257	\$ 633,958	\$ 651,606

Capital assets related to governmental activities decreased \$18 million in comparison to the prior year, primarily due to the net effect of current year depreciation of \$30 million and the assets acquired or completed during the year, which included:

- Medical Examiners Building: \$12.5 million
- Lemmon Valley Annexation: \$4.3 million
- Equipment additions and disposals: \$3.9 million
- Parks Improvements: \$3.1 million

Capital assets related to business-type activities were flat in comparison to the prior year.

Additional information on the County's capital assets can be found in notes 6 and 7.

OUTSTANDING DEBT

At June 30, 2017, the County's outstanding bonded debt totaled \$158 million. Of this amount, \$117 million is general obligation debt backed by the full faith and credit of the County, and \$5 million is special assessment debt

**WASHOE COUNTY, NEVADA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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(CONTINUED)**

for which the County is liable in the event of default by property owners subject to the assessment. The remainder of the County's debt consists of revenue bonds secured solely by specified revenue sources.

**Washoe County Outstanding Debt
(in Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	\$ 103,114	\$ 111,392	\$ 14,291	\$ 16,551	\$ 117,405	\$ 127,943
Revenue Bonds	35,152	35,920	-	-	35,152	35,920
Special Assessment Bonds	5,278	5,824	-	-	5,278	5,824
Total	\$ 143,544	\$ 153,136	\$ 14,291	\$ 16,551	\$ 157,835	\$ 169,687

Outstanding debt related to governmental activities decreased by \$10 million from prior year due to regularly scheduled principal payments, discounts, premiums and deferred charges on refunding.

Outstanding debt for business-type activities decreased \$2 million from prior year due to regularly scheduled principal payments, discounts, premiums and deferred charges on refunding.

State Statute (NRS 244A.059) limits the amount of general obligation debt a government entity may issue to 10% of its total assessed valuation. The current limitation for the County is \$1.5 billion, which is \$1.3 billion in excess of the County's outstanding general obligation debt.

Additional information regarding the County's long-term debt can be found in notes 9, 10, and 11 to the financial statements.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Washoe County Comptroller, P.O. Box 11130, Reno, NV 89520-0027. This report will also be available on the County's web site (www.washoecounty.us/comptroller/CAFR). Truckee Meadows Fire Protection District is included in this report as a discretely presented component unit. This entity issues its own separately audited financial statements, which is filed at the Washoe County Clerk's Office, 1001 E. 9th Street, Room A-100, Reno, Nevada 89512.



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BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS

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WASHOE COUNTY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District
Assets				
Cash and investments	\$ 184,220,335	\$ 85,100,459	\$ 269,320,794	\$ 25,572,503
Restricted cash and investments (Note 4)	3,572,356	1,318,618	4,890,974	2,500
Accounts receivable	5,478,329	1,454,782	6,933,111	182,542
Consolidated tax receivable	18,172,054	-	18,172,054	-
Property taxes receivable	1,667,618	-	1,667,618	223,482
Other taxes receivable	11,394,407	-	11,394,407	-
Interest receivable	560,601	222,164	782,765	70,429
Due from other governments	15,367,670	1,828,755	17,196,425	1,934,134
Internal balances	(17,024,559)	17,024,559	-	-
Inventory	314,839	-	314,839	-
Deposits and other assets	1,627,221	18,169	1,645,390	97,308
Long-term restricted cash and investments (Note 4)	2,516,062	-	2,516,062	-
Long-term assets (Notes 5)	2,117,481	125,600	2,243,081	-
Capital Assets: (Note 6)				
Nondepreciable	149,923,517	28,931,140	178,854,657	3,203,386
Other capital assets, net of depreciation	340,795,295	114,306,927	455,102,222	19,311,009
Total Assets	<u>720,703,226</u>	<u>250,331,173</u>	<u>971,034,399</u>	<u>50,597,293</u>
Deferred Outflows of Resources				
Deferred charge on refunding	293,767	124,470	418,237	-
Deferred outflows of resources-Pensions (Note 14)	101,822,002	1,566,168	103,388,170	8,437,304
Liabilities				
Accounts payable	10,616,385	338,962	10,955,347	1,803,257
Accrued salaries and benefits	3,734,430	58,122	3,792,552	-
Contracts/retention payable	2,862,431	698,396	3,560,827	-
Interest payable	953,800	167,205	1,121,005	-
Accrued interest - capital appreciation bonds	7,717,598	-	7,717,598	-
Due to other governments	5,446,894	454,118	5,901,012	418,067
Other liabilities (Note 7)	2,575,079	256,103	2,831,182	-
Unearned revenue (Note 8)	3,545,250	1,356,282	4,901,532	-
Noncurrent Liabilities: (Notes 9,10,11,16)				
Due within one year	36,883,876	2,638,194	39,522,070	1,488,395
Due in more than one year, payable from restricted assets	2,516,062	-	2,516,062	-
Net pension liability (Note 14)	398,887,565	5,330,850	404,218,415	29,197,203
Due in more than one year	168,201,490	12,082,172	180,283,662	5,343,258
Total Liabilities	<u>643,940,860</u>	<u>23,380,404</u>	<u>667,321,264</u>	<u>38,250,180</u>
Deferred Inflows of Resources				
Deferred inflows of resources (Note 14)	31,205,435	355,932	31,561,367	2,428,704
Net Position (Note 13)				
Net investment in capital assets	385,853,080	128,947,009	514,800,089	22,514,395
Restricted for:				
General government	7,318,906	-	7,318,906	-
Judicial	9,326,425	-	9,326,425	-
Public safety	10,393,766	-	10,393,766	1,194,890
Public works	266,993	-	266,993	-
Health and sanitation	8,973,446	-	8,973,446	-
Welfare	6,926,286	-	6,926,286	-
Culture and recreation	1,544,203	-	1,544,203	-
Debt service	14,814,641	1,151,413	15,966,054	-
Capital projects	26,034,269	-	26,034,269	10,208,733
Claims	22,299,864	-	22,299,864	1,087,841
Unrestricted	(346,079,179)	98,187,053	(247,892,126)	(16,650,146)
Total Net Position	<u>\$ 147,672,700</u>	<u>\$ 228,285,475</u>	<u>\$ 375,958,175</u>	<u>\$ 18,355,713</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants, Interest, Contributions	Capital Grants, Interest, Contributions
Primary Government					
Governmental Activities:					
General government	\$ 89,303,985	\$ (4,636,634)	\$ 32,600,569	\$ 398,939	\$ 107,430
Judicial	72,190,165	4,043	10,145,016	3,353,662	-
Public safety	165,744,645	211,504	17,026,553	3,791,496	2,149,667
Public works	49,151,231	794,171	7,069,490	3,993,064	12,037,969
Health and sanitation	21,216,588	1,788,149	6,337,794	7,906,584	910,317
Welfare	82,506,936	1,819,630	8,953,948	40,603,062	12,000
Culture and recreation	23,857,008	19,137	1,346,209	455,896	1,355,456
Community support	330,248	-	-	-	-
Interest on long-term debt	5,500,579	-	-	-	-
Total Governmental Activities	509,801,385	-	83,479,579	60,502,703	16,572,839
Business-type Activities:					
Utilities	11,214,967	-	15,007,845	107,740	6,446,652
Golf courses	453,977	-	(913,723)	1,183	-
Building permits	2,101,945	-	3,023,869	-	-
Total Business-type Activities	13,770,889	-	17,117,991	108,923	6,446,652
Total Primary Government	\$ 523,572,274	\$ -	\$ 100,597,570	\$ 60,611,626	\$ 23,019,491
Component Unit:					
Truckee Meadows Fire Protection District	\$ 30,595,260	\$ -	\$ 602,279	\$ 13,122	\$ 15,599
Total Component Units	\$ 30,595,260	\$ -	\$ 602,279	\$ 13,122	\$ 15,599

General Revenues:
Ad valorem taxes
Unrestricted intergovernmental revenues:
Consolidated taxes
LGTA sales taxes
Infrastructure sales tax
Other taxes and intergovernmental revenues
Other miscellaneous
Unrestricted investment earnings
Gain on sales of capital assets
Total General Revenues
Change in Net Position

Net Position, July 1, as restated (Note 19)

Net Position, June 30

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Truckee Meadows Fire Protection District
\$ (51,560,413)	\$ -	\$ (51,560,413)	
(58,695,530)	-	(58,695,530)	
(142,988,433)	-	(142,988,433)	
(26,844,879)	-	(26,844,879)	
(7,850,042)	-	(7,850,042)	
(34,757,556)	-	(34,757,556)	
(20,718,584)	-	(20,718,584)	
(330,248)	-	(330,248)	
(5,500,579)	-	(5,500,579)	
(349,246,264)	-	(349,246,264)	
	10,347,270	10,347,270	
	(1,366,517)	(1,366,517)	
	921,924	921,924	
-	9,902,677	9,902,677	
(349,246,264)	9,902,677	(339,343,587)	
			\$ (29,964,260)
			(29,964,260)
188,473,632	-	188,473,632	17,100,142
100,335,898	-	100,335,898	7,713,537
12,465,404	-	12,465,404	1,224,262
9,396,412	-	9,396,412	-
2,512,633	-	2,512,633	74,386
9,736,739	-	9,736,739	1,542,214
158,293	50,366	208,659	38,285
2,911,519	-	2,911,519	-
325,990,530	50,366	326,040,896	27,692,826
(23,255,734)	9,953,043	(13,302,691)	(2,271,434)
170,928,434	218,332,432	389,260,866	20,627,147
\$ 147,672,700	\$ 228,285,475	\$ 375,958,175	\$ 18,355,713

**WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017**

	General Fund	Child Protective Services Fund	Other Restricted Fund	Special Assessment Debt Service Fund
Assets				
Cash and investments	\$ 35,565,376	\$ 7,428,392	\$ 20,439,118	\$ 1,859,373
Restricted cash and investments (Note 4)	3,526,950	-	45,406	-
Accounts receivable	1,567,528	10,865	-	-
Consolidated tax receivable	18,172,054	-	-	-
Property taxes receivable	1,348,560	49,346	12,293	-
Other taxes receivable	3,621,976	-	300,000	5,821,673
Interest receivable	265,023	-	13,514	4,517
Due from other funds	737	-	47,137	-
Due from other governments	1,363,765	6,859,302	1,167,021	-
Deposits and prepaid items	37,568	-	65,946	-
Total Assets	\$ 65,469,537	\$ 14,347,905	\$ 22,090,435	\$ 7,685,563
Liabilities				
Accounts payable	\$ 3,136,321	\$ 2,403,795	\$ 316,053	\$ 2,307
Accrued salaries and benefits	2,769,528	309,441	70,172	-
Contracts/retention payable	-	-	-	-
Due to other funds	47,874	-	-	-
Due to other governments	2,174,932	3,714	66,824	-
Deposits (Note 7)	1,954,757	-	77,754	-
Other liabilities (Note 7)	130,162	966	-	17,302
Unearned revenue (Note 8)	3,545,250	-	-	-
Total Liabilities	13,758,824	2,717,916	530,803	19,609
Deferred Inflows of Resources (Note 8)				
Unavailable revenue - grants and other revenue	-	874,263	329,696	5,821,672
Unavailable revenue - property taxes	1,139,888	41,824	10,412	-
Total Deferred Inflows of Resources	1,139,888	916,087	340,108	5,821,672
Fund Balances (Note 13)				
Nonspendable	37,568	-	65,946	-
Restricted	750,000	121,925	20,526,736	1,844,282
Committed	3,191,488	10,591,977	1,239,864	-
Assigned	1,550,735	-	58,971	-
Unassigned	45,041,034	-	(671,993)	-
Total Fund Balances, as restated (Note 19)	50,570,825	10,713,902	21,219,524	1,844,282
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 65,469,537	\$ 14,347,905	\$ 22,090,435	\$ 7,685,563

The notes to the financial statements are an integral part of this statement.

Other Governmental Funds	Total Governmental Funds
\$ 77,539,886	\$ 142,832,145
-	3,572,356
339,380	1,917,773
-	18,172,054
257,419	1,667,618
1,650,758	11,394,407
176,500	459,554
-	47,874
5,929,708	15,319,796
-	103,514
<u>\$ 85,893,651</u>	<u>\$ 195,487,091</u>
\$ 3,626,591	\$ 9,485,067
471,340	3,620,481
2,862,431	2,862,431
-	47,874
3,142,720	5,388,190
89,895	2,122,406
-	148,430
-	3,545,250
<u>10,192,977</u>	<u>27,220,129</u>
889,526	7,915,157
218,725	1,410,849
<u>1,108,251</u>	<u>9,326,006</u>
-	103,514
51,972,677	75,215,620
16,995,345	32,018,674
5,624,401	7,234,107
-	44,369,041
<u>74,592,423</u>	<u>158,940,956</u>
<u>\$ 85,893,651</u>	<u>\$ 195,487,091</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2017**

Fund Balances - Governmental Funds	\$	158,940,956
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and long-term assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Governmental capital assets	\$ 1,216,485,186	
Less accumulated depreciation	<u>(733,674,141)</u>	482,811,045
Other assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Deferred Outflows - PERS Pension (GASB 68)	101,822,002	
Prepaid bond insurance	49,214	101,871,216
Other liabilities are not due and payable in the current period and therefore are not reported in governmental funds.		
Lease payable based on the amortization of non level payments	(106,419)	
Accreted Interest	(7,717,598)	(7,824,017)
Long-term liabilities and deferred outflows of resources, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in governmental funds.		
Governmental bonds payable	(143,544,202)	
Bond premiums, discounts and charge on refundings	(3,700,628)	
Accrued interest payable	(953,800)	
Remediation obligation	(5,878,945)	
Net Pension Liability - GASB 68	(398,887,565)	
Due to other governments	(3,120,000)	
Post employment benefits (RHBP)	(2,493,040)	
Deferred Inflows	(31,205,435)	
Compensated absences	<u>(26,705,051)</u>	(616,488,666)
Revenues that were not available to fund current expenditures and therefore are not reported in governmental funds.		
		9,326,006
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of internal service funds is reported with governmental activities.		
Total net position of internal service funds	36,060,719	
Internal balances receivable from business-type activities	<u>1,612,403</u>	37,673,122
Governmental funds report allocations of indirect expenses to enterprise funds. However, in the Statement of Activities indirect expenses are eliminated.		
		<u>(18,636,962)</u>
Total Net Position of Governmental Activities	\$	<u><u>147,672,700</u></u>

The notes to the financial statements are an integral part of this statement.



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**WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	General Fund	Child Protective Services Fund	Other Restricted Fund	Special Assessment Debt Service Fund
Revenues				
Taxes:				
Ad valorem	\$ 152,751,357	\$ 5,417,569	\$ 1,354,409	\$ -
Car rental fee	-	-	1,355,440	-
Other taxes	455,864	-	-	-
Special assessments	-	-	-	625,636
Licenses and permits	9,491,539	20,780	-	-
Intergovernmental revenues	121,659,206	37,195,234	6,385,880	-
Charges for services	19,589,902	5,698,127	3,974,644	-
Fines and forfeits	6,955,456	-	3,463,652	7,639
Miscellaneous	2,131,215	8,413,915	523,453	336,726
Total Revenues	313,034,539	56,745,625	17,057,478	970,001
Expenditures				
Current:				
General government	44,062,804	-	654,210	-
Judicial	63,744,614	-	6,316,782	-
Public safety	135,345,790	-	3,537,273	-
Public works	13,193,780	-	616,342	-
Health and sanitation	-	-	-	-
Welfare	1,346,783	53,384,136	618,202	-
Culture and recreation	14,936,179	-	644,034	-
Community support	326,690	-	-	-
Intergovernmental	3,429,402	-	1,354,313	-
Capital outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	546,266
Interest	-	-	-	217,034
Debt service fees and other fiscal charges	-	-	-	30,845
Assessment refunds	-	-	-	-
Total Expenditures	276,386,042	53,384,136	13,741,156	794,145
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,648,497	3,361,489	3,316,322	175,856
Other Financing Sources (Uses)				
Proceeds from asset disposition	3,616	-	-	-
Proceeds from sale of water rights	-	-	-	-
Transfers in	283,611	1,347,537	4,000	-
Transfers out	(42,441,630)	(1,096,000)	(1,489,642)	-
Total Other Financing Sources (Uses)	(42,154,403)	251,537	(1,485,642)	-
Net Change in Fund Balances	(5,505,906)	3,613,026	1,830,680	175,856
Fund Balances, July 1 as restated (Note 19)	56,076,731	7,100,876	19,388,844	1,668,426
Fund Balances, June 30	\$ 50,570,825	\$ 10,713,902	\$ 21,219,524	\$ 1,844,282

The notes to the financial statements are an integral part of this statement.

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 28,950,297	\$ 188,473,632
-	1,355,440
-	455,864
-	625,636
2,730,108	12,242,427
30,193,651	195,433,971
8,087,525	37,350,198
400	10,427,147
5,388,539	16,793,848
<u>75,350,520</u>	<u>463,158,163</u>
152	44,717,166
-	70,061,396
18,448,579	157,331,642
15,403,886	29,214,008
22,568,558	22,568,558
34,531,662	89,880,783
2,313,978	17,894,191
-	326,690
4,827,792	9,611,507
20,559,430	20,559,430
9,045,404	9,591,670
4,386,223	4,603,257
44,690	75,535
-	-
<u>132,130,354</u>	<u>476,435,833</u>
<u>(56,779,834)</u>	<u>(13,277,670)</u>
14,061	17,677
2,895,600	2,895,600
48,366,801	50,001,949
<u>(4,974,677)</u>	<u>(50,001,949)</u>
<u>46,301,785</u>	<u>2,913,277</u>
<u>(10,478,049)</u>	<u>(10,364,393)</u>
<u>85,070,472</u>	<u>169,305,349</u>
\$ <u>74,592,423</u>	\$ <u>158,940,956</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Net Change in Fund Balances - Governmental Funds \$ (10,364,393)

Amounts reported for governmental activities in the Statement of Net Position are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 15,963,826	
Less current year depreciation/amortization	<u>(34,352,789)</u>	(18,388,963)

Net OPEB assets reported in governmental activities are not a current financial resource in governmental funds.

Change in Net OPEB Asset		(982,390)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds.

Donated capital assets	967,299	
Change in unavailable revenue	<u>896,007</u>	1,863,306

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities and/or deferred outflows of resources in the Statement of Net Position. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which bonds issued exceeded repayments:

Bond principal payments		9,591,671
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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.

Amortization of bond premium	347,492	
Amortization of deferred charge on refunding	(49,787)	
Amortization of bond prepaid insurance	(9,630)	
Change of prepaid equipment lease	(87,428)	
Change in lease deposits	(1,416,200)	
Change in lease payable	15,492	
Change in compensated absences	(1,105,398)	
Change in remediation obligation	308,908	
Change in GASB 68 Pension	(975,477)	
Change in GASB 74 OPEB (PEBP) Liability	(279,868)	
Change in accrued interest payable	45,617	
Change in accreted interest capital appreciation bonds	(1,165,110)	
Change in amount due to other governments	(3,120,000)	
Transfer of capital assets from internal service funds	634,790	
Disposition of capital assets	<u>(1,492,823)</u>	(8,349,422)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.

Change in net position of internal service funds	4,712,872	
Internal charges reported in business activities	<u>(1,338,415)</u>	<u>3,374,457</u>
Change in Net Position of Governmental Activities		<u>\$ (23,255,734)</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 151,922,230	\$ 151,922,230	\$ 152,751,357	\$ 829,127
Other taxes	315,000	315,000	455,864	140,864
Licenses and permits	9,961,644	9,961,644	9,491,539	(470,105)
Intergovernmental revenues	123,952,553	123,952,553	121,659,206	(2,293,347)
Charges for services	18,949,320	19,091,223	19,589,902	498,679
Fines and forfeits	7,501,750	7,501,750	6,955,456	(546,294)
Miscellaneous	3,738,420	3,738,420	2,131,215	(1,607,205)
Total Revenues	<u>316,340,917</u>	<u>316,482,820</u>	<u>313,034,539</u>	<u>(3,448,281)</u>
Expenditures by Function and Activity				
General Government:				
Legislative	710,909	704,139	699,104	5,035
Executive	4,984,944	6,519,793	6,710,412	(190,619)
Elections	1,706,048	1,877,402	1,866,028	11,374
Finance	12,396,213	12,571,890	11,816,711	755,179
Other General Government	21,668,968	22,068,786	22,970,549	(901,763)
Total General Government	<u>41,467,082</u>	<u>43,742,010</u>	<u>44,062,804</u>	<u>(320,794)</u>
Judicial:				
District Court	19,770,469	19,888,616	19,595,584	293,032
District Attorney	20,906,600	21,034,886	20,864,489	170,397
Public Defense	13,396,625	13,397,000	13,027,751	369,249
Justice Courts	10,517,523	10,582,225	10,096,777	485,448
Incline Constable	165,776	166,071	160,013	6,058
Other-budgeted savings	(766,000)	(766,000)	-	(766,000)
Total Judicial	<u>63,990,993</u>	<u>64,302,798</u>	<u>63,744,614</u>	<u>558,184</u>
Public Safety:				
Sheriff and Detention	110,032,788	111,943,947	112,074,782	(130,835)
Medical Examiner	2,980,573	3,030,029	2,980,710	49,319
County Manager	-	114,330	-	114,330
Juvenile Services	15,528,243	15,547,966	14,709,268	838,698
Protective Services	6,212,095	5,661,786	5,581,030	80,756
Other-budgeted savings	(173,000)	(173,000)	-	(173,000)
Total Public Safety	<u>134,580,699</u>	<u>136,125,058</u>	<u>135,345,790</u>	<u>779,268</u>
Public Works:				
Community Services Department (CSD)	14,172,241	14,755,646	13,193,780	1,561,866
Welfare:				
Human Services	1,673,545	3,449,731	1,346,783	2,102,948
Culture and Recreation:				
Library	9,304,206	9,315,553	9,231,296	84,257
CSD - Regional Parks and Open Space	6,232,291	6,321,738	5,704,883	616,855
Other Culture and Recreation	(73,000)	(73,000)	-	(73,000)
Total Culture and Recreation	<u>15,463,497</u>	<u>15,564,291</u>	<u>14,936,179</u>	<u>628,112</u>
Community Support	269,761	434,515	326,690	107,825

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Intergovernmental	\$ 3,416,498	\$ 3,416,498	\$ 3,429,402	\$ (12,904)
Total Expenditures	275,034,316	281,790,547	276,386,042	5,404,505
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>41,306,601</u>	<u>34,692,273</u>	<u>36,648,497</u>	<u>1,956,224</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	5,000	5,000	3,616	(1,384)
Transfers in	475,704	475,704	283,611	(192,093)
Transfers out	(41,869,007)	(42,308,057)	(42,441,630)	(133,573)
Contingency	<u>(1,500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(42,888,303)</u>	<u>(41,827,353)</u>	<u>(42,154,403)</u>	<u>(327,050)</u>
Net Change in Fund Balances	(1,581,702)	(7,135,080)	(5,505,906)	1,629,174
Fund Balances, July 1 as restated (Note 19)	<u>44,611,066</u>	<u>49,068,235</u>	<u>56,076,731</u>	<u>7,008,496</u>
Fund Balances, June 30	<u>\$ 43,029,364</u>	<u>\$ 41,933,155</u>	<u>\$ 50,570,825</u>	<u>\$ 8,637,670</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
CHILD PROTECTIVE SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 5,388,947	\$ 5,388,947	\$ 5,417,569	\$ 28,622
Licenses and Permits:				
Day care licenses	22,500	22,500	20,780	(1,720)
Intergovernmental Revenues:				
Federal grants	18,816,554	21,185,274	19,839,312	(1,345,962)
State grants	17,328,066	17,602,773	17,355,922	(246,851)
Charges for Services:				
Service fees	3,237,000	3,237,000	5,698,127	2,461,127
Miscellaneous:				
Contributions and donations	45,000	35,359	35,359	-
Other	8,969,031	9,059,031	8,378,556	(680,475)
Total Revenues	<u>53,807,098</u>	<u>56,530,884</u>	<u>56,745,625</u>	<u>214,741</u>
Expenditures				
Welfare Function:				
Salaries and wages	16,403,336	17,231,044	14,965,839	2,265,205
Employee benefits	9,471,482	9,567,771	8,892,667	675,104
Services and supplies	28,879,517	30,306,072	29,457,115	848,957
Capital outlay	-	-	68,515	(68,515)
Total Expenditures	<u>54,754,335</u>	<u>57,104,887</u>	<u>53,384,136</u>	<u>3,720,751</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(947,237)</u>	<u>(574,003)</u>	<u>3,361,489</u>	<u>3,935,492</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	1,347,237	1,347,537	1,347,537	-
Debt Service Fund	(400,000)	(400,000)	(400,000)	-
Capital Improvements Fund	-	(696,000)	(696,000)	-
Total Other Financing Sources (Uses)	<u>947,237</u>	<u>251,537</u>	<u>251,537</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>(322,466)</u>	<u>3,613,026</u>	<u>3,935,492</u>
Fund Balances, July 1	<u>5,119,315</u>	<u>5,441,781</u>	<u>7,100,876</u>	<u>1,659,095</u>
Fund Balances, June 30	<u>\$ 5,119,315</u>	<u>\$ 5,119,315</u>	<u>\$ 10,713,902</u>	<u>\$ 5,594,587</u>

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 1,347,237	\$ 1,347,237	\$ 1,354,409	\$ 7,172
Car rental	1,250,000	1,250,000	1,355,440	105,440
Intergovernmental revenues:				
Federal grants	3,941,936	8,871,339	5,194,076	(3,677,263)
Federal narcotics forfeitures	110,800	110,800	114,057	3,257
State grants	5,100	1,378,863	495,951	(882,912)
Local contributions	634,674	634,674	581,796	(52,878)
Charges for Services:				
General Government:				
Recorder fees	320,000	320,000	315,318	(4,682)
Map fees	94,000	94,000	112,610	18,610
Assessor commissions	525,000	525,000	602,603	77,603
Other	6,000	6,000	9,380	3,380
Judicial	1,456,500	1,494,129	1,276,771	(217,358)
Public Safety	613,243	702,651	1,219,321	516,670
Public Works	90,000	90,000	137,418	47,418
Welfare	90,000	90,000	82,493	(7,507)
Culture and Recreation	277,408	277,408	218,730	(58,678)
Fines and Forfeitures:				
Court fines	2,211,379	3,333,832	3,345,737	11,905
Forfeitures/bail	80,100	80,100	117,915	37,815
Miscellaneous:				
Investment earnings	49,550	49,550	68,045	18,495
Net increase (decrease) in the fair value of investments	-	-	(60,329)	(60,329)
Contributions and donations	315,000	479,533	453,738	(25,795)
Other	7,000	440,136	61,999	(378,137)
Total Revenues	<u>13,424,927</u>	<u>21,575,252</u>	<u>17,057,478</u>	<u>(4,517,774)</u>
Expenditures				
General Government Function:				
County Manager:				
Services and supplies	-	64,068	7,260	56,808
Assessor:				
Services and supplies	375,000	2,021,084	310,556	1,710,528
Capital outlay	150,000	150,000	5,000	145,000
	<u>525,000</u>	<u>2,171,084</u>	<u>315,556</u>	<u>1,855,528</u>
Human Resources:				
Services and supplies	-	4,613	-	4,613
Clerk:				
Services and supplies	6,050	41,166	30	41,136
Recorder:				
Services and supplies	220,600	3,086,369	168,742	2,917,627
Capital outlay	50,000	50,000	-	50,000
	<u>270,600</u>	<u>3,136,369</u>	<u>168,742</u>	<u>2,967,627</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Technology Services:				
Services and supplies	\$ 94,000	\$ 276,539	\$ 162,450	\$ 114,089
Community Development:				
Services and supplies	-	1,989	172	1,817
Total General Government Function	895,650	5,695,828	654,210	5,041,618
Judicial Function:				
District Court:				
Salaries and wages	711,593	749,651	656,672	92,979
Employee benefits	416,257	434,457	415,876	18,581
Services and supplies	1,087,070	3,143,023	1,173,436	1,969,587
Capital outlay	506,458	4,459,589	-	4,459,589
	2,721,378	8,786,720	2,245,984	6,540,736
District Attorney:				
Salaries and wages	1,694,306	1,698,256	1,665,930	32,326
Employee benefits	1,058,100	1,058,100	1,037,690	20,410
Services and supplies	234,860	893,487	214,655	678,832
	2,987,266	3,649,843	2,918,275	731,568
Justice Courts:				
Reno Justice Court:				
Salaries and wages	100,000	226,151	93,853	132,298
Employee Benefits	-	-	6,345	(6,345)
Services and supplies	133,355	2,787,386	759,798	2,027,588
	233,355	3,013,537	859,996	2,153,541
Sparks Justice Court:				
Services and supplies	398,683	665,425	95,125	570,300
Capital Outlay	-	-	30,554	(30,554)
	398,683	665,425	125,679	539,746
Incline Justice Court:				
Services and supplies	44,720	74,641	23,682	50,959
Capital outlay	-	-	34,337	(34,337)
	44,720	74,641	58,019	16,622
Wadsworth Justice Court:				
Services and supplies	154,447	257,781	5,160	252,621
Incline Constable:				
Services and supplies	150	251	-	251
Neighborhood Justice Center:				
Services and supplies	125,000	125,000	103,669	21,331
Total Judicial Function	6,664,999	16,573,198	6,316,782	10,256,416

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual	Variance to Budget
	Original	Final		
Public Safety Function:				
Sheriff:				
Salaries and wages	\$ 256,697	\$ 1,117,181	\$ 344,282	\$ 772,899
Employee benefits	81,270	143,536	58,554	84,982
Services and supplies	306,900	3,971,748	1,117,979	2,853,769
Capital outlay	-	50,661	104,077	(53,416)
	<u>644,867</u>	<u>5,283,126</u>	<u>1,624,892</u>	<u>3,658,234</u>
Medical Examiner:				
Salaries and wages	-	61,575	11,466	50,109
Employee benefits	-	-	1,973	(1,973)
Services and supplies	26,000	178,015	16,903	161,112
	<u>26,000</u>	<u>239,590</u>	<u>30,342</u>	<u>209,248</u>
Fire Suppression:				
Salaries and wages	-	18,414	-	18,414
Services and supplies	-	-	37,161	(37,161)
Capital outlay	-	37,161	-	37,161
	<u>-</u>	<u>55,575</u>	<u>37,161</u>	<u>18,414</u>
Juvenile Services:				
Salaries and wages	106,491	106,491	95,097	11,394
Employee benefits	45,012	45,012	25,452	19,560
Services and supplies	373,740	2,988,818	774,463	2,214,355
Capital outlay	-	-	113,207	(113,207)
	<u>525,243</u>	<u>3,140,321</u>	<u>1,008,219</u>	<u>2,132,102</u>
Alternative Sentencing:				
Salaries and wages	60,000	282,379	200,132	82,247
Employee benefits	-	-	5,726	(5,726)
Services and supplies	-	63,907	75,099	(11,192)
	<u>60,000</u>	<u>346,286</u>	<u>280,957</u>	<u>65,329</u>
Emergency Management:				
Salaries and wages	47,111	90,783	58,438	32,345
Employee benefits	24,905	43,621	25,559	18,062
Services and supplies	4,118	663,991	469,161	194,830
	<u>76,134</u>	<u>798,395</u>	<u>553,158</u>	<u>245,237</u>
Public Guardian:				
Services and supplies	-	2,544	2,544	-
Total Public Safety Function	<u>1,332,244</u>	<u>9,865,837</u>	<u>3,537,273</u>	<u>6,328,564</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	23,742	75,367	9,189	66,178
Employee benefits	41,279	41,279	27,308	13,971
Services and supplies	662,779	90,501	6,188	84,313
Capital outlay	-	682,048	573,657	108,391
Total Public Works Function	<u>727,800</u>	<u>889,195</u>	<u>616,342</u>	<u>272,853</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Budget</u>
	<u>Original</u>	<u>Final</u>		
Welfare Function:				
Social Services:				
Salaries and wages	\$ 101,039	\$ 548,256	\$ 93,799	\$ 454,457
Employee benefits	52,335	200,768	48,188	152,580
Services and supplies	153,398	826,874	476,215	350,659
Total Welfare Function	<u>306,772</u>	<u>1,575,898</u>	<u>618,202</u>	<u>957,696</u>
Culture and Recreation Function:				
Library:				
Services and supplies	-	14,836	11,913	2,923
CSD - Regional Parks and Open Space:				
Services and supplies	<u>862,005</u>	<u>1,197,658</u>	<u>30,152</u>	<u>1,167,506</u>
May Center:				
Salaries and wages	253,326	253,325	254,298	(973)
Employee benefits	105,984	105,984	109,013	(3,029)
Services and supplies	286,181	384,588	198,433	186,155
Capital outlay	-	-	40,225	(40,225)
Total Culture and Recreation Function	<u>645,491</u>	<u>743,897</u>	<u>601,969</u>	<u>141,928</u>
Total Culture and Recreation Function	<u>1,507,496</u>	<u>1,956,391</u>	<u>644,034</u>	<u>1,312,357</u>
Intergovernmental:				
Cooperative Extension apportionment	<u>1,347,237</u>	<u>1,347,237</u>	<u>1,354,313</u>	<u>(7,076)</u>
Total Expenditures	<u>12,782,198</u>	<u>37,903,584</u>	<u>13,741,156</u>	<u>24,162,428</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>642,729</u>	<u>(16,328,332)</u>	<u>3,316,322</u>	<u>19,644,654</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	(475,704)	(471,704)	(279,611)	192,093
Debt Service Fund	(1,250,000)	(1,250,000)	(1,206,031)	43,969
Capital Improvement Fund	(564,000)	(564,000)	-	564,000
Total Other Financing Sources (Uses)	<u>(2,289,704)</u>	<u>(2,285,704)</u>	<u>(1,485,642)</u>	<u>800,062</u>
Net Change in Fund Balances	<u>(1,646,975)</u>	<u>(18,614,036)</u>	<u>1,830,680</u>	<u>20,444,716</u>
Fund Balances, July 1	<u>19,388,844</u>	<u>19,388,844</u>	<u>19,388,844</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 17,741,869</u>	<u>\$ 774,808</u>	<u>\$ 21,219,524</u>	<u>\$ 20,444,716</u>

**WASHOE COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2017**

	Business-type Activities - Enterprise Funds				Governmental
	Utilities Fund	Building and Safety Fund	Nonmajor Golf Course Fund	Total	Activities Internal Service Funds
Assets					
Current Assets:					
Cash and investments (Note 3)	\$ 81,116,097	\$ 3,109,161	\$ 875,201	\$ 85,100,459	\$ 41,388,189
Restricted cash and investments (Note 4)	1,318,618	-	-	1,318,618	-
Accounts receivable	1,195,111	242,479	17,192	1,454,782	3,560,554
Interest receivable	211,870	8,030	2,264	222,164	101,048
Due from other funds	1,981	-	-	1,981	-
Due from other governments	1,826,774	-	-	1,826,774	-
Inventory	-	-	-	-	314,839
Other assets	18,169	-	-	18,169	1,523,707
Total Current Assets	<u>85,688,620</u>	<u>3,359,670</u>	<u>894,657</u>	<u>89,942,947</u>	<u>46,888,337</u>
Noncurrent Assets:					
Restricted cash and investments (Note 4)	-	-	-	-	2,516,062
Long-term receivables and other assets (Note 5)	125,600	-	-	125,600	2,068,265
Capital Assets: (Note 6)					
Nondepreciable:					
Land	7,750,204	-	173,000	7,923,204	-
Plant capacity	-	-	825,150	825,150	-
Construction in progress	20,182,786	-	-	20,182,786	809,906
Depreciable:					
Land improvements	2,392,915	-	3,874,949	6,267,864	-
Buildings and improvements	55,097,346	-	1,258,356	56,355,702	24,990
Infrastructure	109,543,316	-	-	109,543,316	-
Equipment	754,546	71,366	164,804	990,716	25,248,363
Software	822,000	254,630	-	1,076,630	-
Plant, well capacity	2,368,822	-	-	2,368,822	-
Less accumulated depreciation	<u>(57,703,009)</u>	<u>(140,456)</u>	<u>(4,452,658)</u>	<u>(62,296,123)</u>	<u>(18,175,489)</u>
Total Noncurrent Assets	<u>141,334,526</u>	<u>185,540</u>	<u>1,843,601</u>	<u>143,363,667</u>	<u>12,492,097</u>
Total Assets	<u>227,023,146</u>	<u>3,545,210</u>	<u>2,738,258</u>	<u>233,306,614</u>	<u>59,380,434</u>
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	915,833	591,579	58,756	1,566,168	-
Deferred outflows of resources related to debt	124,470	-	-	124,470	-
Total Deferred Outflows of Resources	<u>1,040,303</u>	<u>591,579</u>	<u>58,756</u>	<u>1,690,638</u>	<u>-</u>
Liabilities					
Current Liabilities:					
Accounts payable	336,193	2,447	322	338,962	1,114,628
Accrued salaries and benefits	33,954	23,815	353	58,122	34,947
Compensated absences (Notes 9,10)	201,572	120,324	-	321,896	220,331
Contracts/retention payable	698,396	-	-	698,396	-
Interest payable	167,205	-	-	167,205	-
Due to other funds	10	-	-	10	-
Due to other governments	454,108	-	-	454,108	98
Unearned revenue (Note 8)	83,586	1,272,696	-	1,356,282	-
Other liabilities (Note 7)	248,103	-	-	248,103	304,243
Notes, bonds, leases payable (Notes 9,10,11)	2,316,298	-	-	2,316,298	-
Deposits	-	8,000	-	8,000	-
Pending claims (Note 16)	-	-	-	-	9,159,000
Total Current Liabilities	<u>4,539,425</u>	<u>1,427,282</u>	<u>675</u>	<u>5,967,382</u>	<u>10,833,247</u>

(CONTINUED)

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2017**

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities Internal Service Funds
	<u>Utilities Fund</u>	<u>Building and Safety Fund</u>	<u>Nonmajor Golf Course Fund</u>	<u>Total</u>	
Noncurrent Liabilities: (Notes 9,10,11,16)					
Compensated absences	\$ 66,298	\$ 39,575	\$ -	\$ 105,873	\$ 72,468
Notes, bonds, leases payable	11,974,759	-	-	11,974,759	9,897,938
Other long term liabilities	2,697,965	2,182,582	450,303	5,330,850	-
Unearned revenue (Note 8)	-	1,540	-	1,540	-
Pending claims payable from restricted cash	-	-	-	-	2,516,062
Total Noncurrent Liabilities	14,739,022	2,223,697	450,303	17,413,022	12,486,468
Total Liabilities	19,278,447	3,650,979	450,978	23,380,404	23,319,715
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	149,474	165,266	41,192	355,932	-
Net Position (Note 13)					
Net investment in capital assets	126,917,868	185,540	1,843,601	128,947,009	7,907,770
Restricted for debt service	1,151,413	-	-	1,151,413	-
Restricted for claims	-	-	-	-	22,299,864
Unrestricted	80,566,247	135,004	461,243	81,162,494	5,853,085
Total Net Position	\$ 208,635,528	\$ 320,544	\$ 2,304,844	211,260,916	\$ 36,060,719
Indirect expenses reported in the Statement of Revenues, Expenses and Changes in Net Position are not reported in the Statement of Activities to enhance comparability between governments that allocate indirect expenses and those that do not.				18,636,962	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(1,612,403)	
Net Position of Business-type Activities				\$ 228,285,475	

The notes to the financial statements are an integral part of this statement.

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

	Business-type Activities - Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Utilities Fund	Building and Safety Fund	Nonmajor Golf Course Fund		
Operating Revenues					
Charges for Services:					
Utility fees	\$ 14,520,543	\$ -	\$ -	\$ 14,520,543	\$ -
Golf course fees	-	-	(1,149,923)	(1,149,923)	-
Building permits and fees	-	2,890,082	-	2,890,082	-
Services to other agencies	-	122,040	-	122,040	-
Services to other funds	26,133	-	-	26,133	-
Self insurance fees	-	-	-	-	58,335,372
Equipment service billings	-	-	-	-	8,206,501
Miscellaneous	461,169	11,747	236,200	709,116	2,012,795
Total Operating Revenues	15,007,845	3,023,869	(913,723)	17,117,991	68,554,668
Operating Expenses					
Salaries and wages	1,654,249	1,212,401	70,861	2,937,511	1,858,188
Employee benefits	623,276	684,126	58,510	1,365,912	1,101,151
Services and supplies	5,997,683	676,887	229,950	6,904,520	60,212,780
Depreciation/amortization	3,468,822	15,044	209,186	3,693,052	1,653,855
Total Operating Expenses	11,744,030	2,588,458	568,507	14,900,995	64,825,974
Operating Income (Loss)	3,263,815	435,411	(1,482,230)	2,216,996	3,728,694
Nonoperating Revenues (Expenses)					
Investment earnings	989,551	45,578	11,577	1,046,706	550,612
Net increase (decrease) in the fair value of investments	(921,864)	(44,785)	(10,069)	(976,718)	(409,284)
Miscellaneous	-	-	(752)	(752)	-
Federal grants	-	-	-	-	427,034
State grants	107,740	-	-	107,740	-
Gain (loss) on asset disposition	-	-	-	-	216,321
Interest/bond issuance costs	(207,557)	-	-	(207,557)	-
Other nonoperating revenue	-	-	1,183	1,183	19,530
Total Nonoperating Revenues (Expenses)	(32,130)	793	1,939	(29,398)	804,213
Income (Loss) Before Capital Contributions, and Transfers	3,231,685	436,204	(1,480,291)	2,187,598	4,532,907
Capital Contributions					
Hookup fees	5,280,617	-	-	5,280,617	-
Contributions	1,166,035	-	-	1,166,035	179,965
Total Capital Contributions	6,446,652	-	-	6,446,652	179,965
Transfers in (out)					
Equipment Services Fund	(19,622)	-	-	(19,622)	-
Change in Net Position	9,658,715	436,204	(1,480,291)	8,614,628	4,712,872
Net Position, July 1	198,976,813	(115,660)	3,785,135		31,347,847
Net Position, June 30	\$ 208,635,528	\$ 320,544	\$ 2,304,844		\$ 36,060,719
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				1,338,415	
Change in Net Position of Business-type Activities				\$ 9,953,043	

The notes to the financial statements are an integral part of this statement.

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

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities Internal Service Funds</u>
	<u>Utilities Fund</u>	<u>Building and Safety Fund</u>	<u>Nonmajor Golf Course Fund</u>	<u>Total</u>	
Increase (Decrease) in Cash and Cash Equivalents					
Cash Flows From Operating Activities:					
Cash received from customers	\$ 14,450,192	\$ 2,795,113	\$ 426,522	\$ 17,671,827	\$ 25,293,446
Cash received from other funds	26,133	-	-	26,133	42,042,246
Cash received from others	506,675	-	-	506,675	2,151,781
Cash payments for personnel costs	(2,711,636)	(1,954,826)	(139,109)	(4,805,571)	(3,014,384)
Cash payments for services and supplies	(5,848,821)	(735,165)	(267,659)	(6,851,645)	(57,115,232)
Cash payments for program loans	(24,751)	-	-	(24,751)	-
Net Cash Provided (Used) by Operating Activities	<u>6,397,792</u>	<u>105,122</u>	<u>19,754</u>	<u>6,522,668</u>	<u>9,357,857</u>
Cash Flows From Noncapital Financing Activities:					
Federal grants	-	-	-	-	427,034
State grants	<u>34,785</u>	<u>-</u>	<u>-</u>	<u>34,785</u>	<u>-</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>34,785</u>	<u>-</u>	<u>-</u>	<u>34,785</u>	<u>427,034</u>
Cash Flows From Capital and Related Financing Activities:					
Proceeds from asset disposition	-	-	43,673	43,673	277,265
Contributions from others	5,285,121	-	-	5,285,121	-
Donations	-	-	-	-	19,530
Principal paid on financing	(2,259,843)	-	-	(2,259,843)	-
Interest paid on financing	(14,770)	-	-	(14,770)	-
*Acquisition of capital assets	<u>(2,855,549)</u>	<u>(90,347)</u>	<u>-</u>	<u>(2,945,896)</u>	<u>(3,169,675)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>154,959</u>	<u>(90,347)</u>	<u>43,673</u>	<u>108,285</u>	<u>(2,872,880)</u>
Cash Flows From Investing Activities:					
Investment earnings (loss)	<u>33,303</u>	<u>(217)</u>	<u>-</u>	<u>33,086</u>	<u>16,726</u>
Net Cash Provided (Used) by Investing Activities	<u>33,303</u>	<u>(217)</u>	<u>-</u>	<u>33,086</u>	<u>16,726</u>
Net Increase (Decrease) in Cash and Cash Equivalents	6,620,839	14,558	63,427	6,698,824	6,928,737
Cash and Cash Equivalents, July 1	<u>75,813,876</u>	<u>3,094,603</u>	<u>810,215</u>	<u>79,718,694</u>	<u>36,975,515</u>
Cash and Cash Equivalents, June 30	<u>\$ 82,434,715</u>	<u>\$ 3,109,161</u>	<u>\$ 873,642</u>	<u>\$ 86,417,518</u>	<u>\$ 43,904,252</u>

(CONTINUED)

The notes to the financial statements are an integral part of this statement.

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

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Utilities Fund	Building and Safety Fund	Nonmajor Golf Course Fund	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	\$ 3,263,815	\$ 435,411	\$ (1,482,230)	\$ 2,216,996	\$ 3,728,694
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation/amortization	3,468,822	15,044	209,186	3,693,052	1,653,855
Net pension expense	(353,063)	(5,016)	31,070	(327,009)	-
Other nonoperating revenue	3,501	-	-	3,501	-
**Imputed rental expense	-	-	-	-	102,457
Change in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	10,875	(242,479)	1,340,245	1,108,641	574,024
Due from other funds	257	-	-	257	-
Due from other governments	(53,641)	-	-	(53,641)	54,538
Notes receivable	(13,214)	-	-	(13,214)	-
Inventory	-	-	7,246	7,246	(126,827)
Prepaid lease	-	-	-	-	137,112
Other assets	-	-	-	-	6,076
Increase (decrease) in:					
Accounts payable	195,692	(53,278)	(4,955)	137,459	526,739
Accrued salaries and benefits	(91,828)	(55,880)	(14,956)	(162,664)	(87,421)
Compensated absences	10,780	2,597	(25,852)	(12,475)	32,376
Due to other funds	10	-	-	10	-
Due to other governments	(47,097)	-	-	(47,097)	(9)
Other liabilities	33,468	(5,000)	(40,000)	(11,532)	304,243
Pending claims	-	-	-	-	2,452,000
Unearned revenue	(30,585)	13,723	-	(16,862)	-
Total Adjustments	3,133,977	(330,289)	1,501,984	4,305,672	5,629,163
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,397,792</u>	<u>\$ 105,122</u>	<u>\$ 19,754</u>	<u>\$ 6,522,668</u>	<u>\$ 9,357,857</u>

****Noncash investing, capital, and financing activities:**

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$106,527 have been imputed to give recognition to these transactions.

*Acquisition of Capital Assets Financed by Cash	\$ 2,855,549	\$ 90,347	\$ -	\$ 2,945,896	\$ 3,169,675
Capital contributions received	1,166,035	-	-	1,166,035	-
Capital transferred from other funds	-	-	-	-	179,965
Increase/(decrease) in liabilities	(166,653)	-	-	(166,653)	(398,981)
Total Acquisition of Capital Assets	<u>\$ 3,854,931</u>	<u>\$ 90,347</u>	<u>\$ -</u>	<u>\$ 3,945,278</u>	<u>\$ 2,950,659</u>

The notes to the financial statements are an integral part of this statement.

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

	Investment Trust Fund	Agency Funds
Assets		
Cash and investments (Note 3)	\$ 172,034,495	\$ 30,619,657
Financial assurances	-	23,411,193
Accounts receivable	-	375,443
Property taxes receivable	-	2,865,658
Interest receivable	506,153	-
Due from other governments	-	498,318
	172,540,648	57,770,269
Total Assets		
	172,540,648	57,770,269
Liabilities		
Due to others/governments	-	57,770,269
	-	57,770,269
Net Position		
Restricted for pool participants	\$ 172,540,648	\$ -
	172,540,648	-

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Investment Trust Fund</u>
Additions	
Investment earnings:	
Interest	\$ 2,535,439
Net increase (decrease) in the fair value of investments	(2,138,067)
Contributions to pooled investments	<u>245,123,993</u>
Total Additions	245,521,365
Deductions	
Distributions from pooled investments	<u>224,550,220</u>
Change in Net Position	20,971,145
Net Position, July 1	<u>151,569,503</u>
Net Position, June 30	<u><u>\$ 172,540,648</u></u>

The notes to the financial statements are an integral part of this statement.



**NOTES TO THE
FINANCIAL STATEMENTS /
REQUIRED SUPPLEMENTARY
INFORMATION**

**NOTES TO THE FINANCIAL STATEMENTS
and
REQUIRED SUPPLEMENTARY INFORMATION**

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WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Washoe County (County) was incorporated in 1861 and is a municipality of the State of Nevada (State) governed by a five-member elected Board of County Commissioners (BCC). The major operations of Washoe County 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 accompanying financial statements of the County and its discretely presented component unit have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

A. Reporting Entity

These financial statements present the County and its component unit. Component unit are legally separate organizations for which the County is financially accountable. The County currently has one discretely presented component unit.

Truckee Meadows Fire Protection District (TMFPD) was formed pursuant to Chapter 474 of the Nevada Revised Statutes (NRS) and levies taxes to provide emergency medical services, structural and wildland fire suppression services, and watershed protection to the unincorporated areas of the County within TMFPD's boundaries.

The Sierra Fire Protection District (SFPD) was formed pursuant to Chapter 474 of the NRS. SFPD levies taxes and, through an interlocal agreement prior to July 1, 2016 paid Truckee Meadows Fire Protection District (TMFPD) to provide fire services in the district. Effective July 1, 2016, SFPD was consolidated with TMFPD in accordance with Washoe County Ordinance 1577. All of the SFPD's fire services, powers, functions, responsibilities and obligations conferred upon and exercised by SFPD were assumed by Truckee Meadows Fire Protection District and therefore Sierra Fire Protection District no longer exists as a separate entity.

Prior to July 1, 2012 for Truckee Meadows Fire Protection District (TMFPD) was considered a blended component unit of Washoe County. Although TMFPD is legally separate organizations, Washoe County is financially accountable, as defined in governmental accounting standards generally accepted in the United States of America, for Truckee Meadows Fire Protection District. Financial accountability was determined primarily by the Board of County Commissioners' participation as the governing body of TMFPD. As of July 1, 2012, Washoe County has no financial benefit or burden relationship with the TMFPD and, as such, TMFPD has been reclassified from blended component unit to discretely present component unit.

For the discretely presented component unit, the BCC is also the Board of Fire Commissioners and thus could impose their will on TMFPD. However, the County does not have a financial benefit or burden relationship with TMFPD and support activities between the County and TMFPD are reimbursed under the terms of an interlocal agreement.

Separate financial statements for TMFPD are filed at the Washoe County Clerk's Office, 1001 E. 9th Street Room A-115, Reno, Nevada 89512.

B. Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide and fund financial statements. The reporting focus is on either the County as a whole or major individual funds and nonmajor funds in the aggregate. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The County has one discretely presented component unit which is presented in a separate column in the government-wide statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all nonfiduciary activities of the County and its component unit. The County maintains an overhead cost allocation that is charged to operating funds based on an indirect cost analysis. This indirect cost allocation is eliminated through a separate column on the Statement of Activities to provide full-cost information for the various functions. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on user fees and service charges for support.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

In the government-wide Statement of Net Position, both governmental and business-type activities are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which recognizes all long-term assets as well as long-term debt and obligations. The County's net position is reported in three parts – net investment in capital assets, restricted net position and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. Functions are also supported by general revenues (property and consolidated taxes, certain intergovernmental revenues, investment earnings not legally restricted for specific programs, etc.). The Statement of Activities reduces gross expenses (including depreciation and amortization) by related program revenues. Program revenues include charges to customers or applicants for goods, services, or privileges provided; operating grants, interest and contributions; and capital grants, interest and contributions, including special assessments and investment earnings legally restricted to support specific programs. Program revenue must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while capital grants reflect capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue.

C. Basic Financial Statements - Fund Financial Statements

The financial transactions of the County are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The emphasis in fund financial statements is on major funds in either governmental or business-type activity categories. Nonmajor funds by category are aggregated into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and business-type categories combined) for the determination of major funds. County management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County's internal service funds are presented in the proprietary funds financial statements. Because principal users of internal services are the County's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

The County's fiduciary funds are presented in the fiduciary funds financial statements by type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the County, these funds are not incorporated into the government-wide statements.

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

The **Child Protective Services Fund** accounts for ad valorem taxes, grants and other revenue sources specifically appropriated to protect against the neglect, abandonment and abuse of children.

The **Other Restricted Fund** accounts for various specific resources restricted for specified purposes consistent with legal and operating requirements. Resources include: ad valorem tax apportionments for Cooperative Extension support, car rental tax for the Reno baseball stadium, court administrative assessments for court projects, and grants and restricted resources for various General Fund departments.

The **Special Assessment Debt Service Fund** accounts for assessments and other resources used to retire debt issued for improvements benefiting those properties against which the special assessments are levied.

The County reports the following major enterprise funds:

The **Building and Safety Fund** accounts for the issuance of building permits and other fees directly related to building and development in the County, including related capital assets and depreciation.

The **Utilities Fund** accounts for water planning, flood control and operations of the County's sewer systems.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

The County reports the following additional fund types:

Internal Service Funds provide for property and liability claims against the County, unemployment claims, workers' compensation claims for disability, medical and rehabilitation expenses and related costs associated with on-the-job injuries, benefits and healthcare for active and retired employees, and vehicle purchases and maintenance services provided to County departments.

Investment Trust Fund accounts for commingled pool assets held in trust for schools, special districts, and agencies, which use the County treasury as their depository.

Agency Funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the County as an agent for various local governments, special districts and individuals. Included are funds for apportioned property and sales taxes, shared revenues and other financial resources for schools, special districts, boards, and other state and city agencies; funds held for wards of the Public Guardian; unclaimed assets of decedents; social security, insurance and support payments for children in the welfare system; bonds posted with the District Court; social security benefits held on behalf of senior citizens; funds held for inmates housed at the County jail; employees' payroll deductions such as insurance, taxes, and credit union; unapportioned taxes for other local governments; contributions from property owners for payment of no-commitment special assessment debt; financial assurances for corrective action requirements of property owners; water planning fees collected from regional water customers; and assets held on behalf of special districts, boards and other miscellaneous agencies.

Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination for government-wide financial statement consolidation. Services provided, deemed at or near market rates, are treated as revenues and expenditures/expenses. Indirect cost allocations for support services/overhead are recorded as revenue and expense in the fund financial statements and are eliminated through a separate column in the government-wide Statement of Activities. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

During the course of operations, the County has activity between the funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

The measurement focus indicates the type of resources being measured such as current financial resources or economic resources. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 when eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. Revenues are recognized when they are 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 end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred inflow of resources is established. Expenditures

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in the government funds. Issuance of long-term debt is reported as other financing sources.

Governmental revenues susceptible to accrual include: ad valorem taxes, interest, grant revenues, contractual service charges and other revenues collected and distributed by the State. State distributions include consolidated taxes, government services taxes, and motor vehicle fuel taxes. Construction taxes, licenses and permits, fines, and other charges for services are recognized as revenue when they are received.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The focus is upon determination of operating income, changes in net position, financial position, and cash flows, similar to businesses in the private sector. 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 a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Investment Trust and Agency funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting.

E. Financial Statement Amounts

Cash and Investments

The County manages a commingled cash and investment pool for the County, Regional Transportation Commission, Washoe County School District, the Washoe County Nevada OPEB Trust, the Truckee River Flood Management Authority and other local entities. The investment pool operates in accordance with appropriate state laws and County policy. Each fund's share in the pool is displayed in the accompanying financial statements as cash and investments. Interest is allocated to the various funds based on each fund's average cash and investment balance where it is legally required to do so. Investment earnings for all other funds are credited to the General Fund, as provided by NRS 355.170–175. In addition to the cash and investment pool, certain cash deposits and investments are held separately by several County funds and reported accordingly. Investments are reported at fair value in accordance with GASB 72 and changes in fair value are included in investment income.

For purposes of the statement of cash flows presented for proprietary funds, cash equivalents are defined as short-term, highly liquid investments, generally with original maturities of three months or less. Since all cash in proprietary funds is pooled with the rest of the County's cash and is available upon demand, all cash and investments in those funds are considered cash equivalents.

Restricted Assets

Restricted assets consist of cash and investments that are restricted in their use by bond covenants or other external agreements. They consist of remaining bond proceeds for specific capital projects, debt service obligations, a workers' compensation deposit required by State Statute and an operating reserve required under the terms of a federal grant.

Inventories

Inventories for proprietary funds are valued at the lower of cost or market on a first-in, first-out basis. For governmental funds, the County charges consumable supplies as expenditures against appropriations at the time of purchase. Any inventories of such supplies at June 30 are not material to the individual funds and are not recognized in these financial statements.

Capital Assets

Capital assets, which include land, land use rights, buildings, equipment, software and other intangibles, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of arts and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The County's capitalization level for infrastructure and intangible assets, including internally generated software, is \$100,000 and \$10,000 for all other classifications of capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. Other capital assets are generally depreciated/amortized using the straight-line method over the following estimated useful lives:

	<u>YEARS</u>
Buildings	5-40
Improvements	3-40
Equipment	5-20
Vehicles	2-15
Software and other intangibles	3-75
Stormwater and Wastewater Lines and Pump Stations	10-75
Other Infrastructure	10-75

However, in the proprietary funds, a per-unit of production method of depreciation may be used where it is deemed a more realistic reflection of the loss of economic value for the assets being used.

Intangible assets that are considered to have an indefinite useful life because there are no legal, contractual, regulatory, technological, or other factors limiting the useful life, are not amortized.

As used in these statements, accumulated depreciation includes amortization of intangible assets.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two types of deferred outflows of resources: 1.) the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt and 2.) the County reports an amount related to pensions on the government-wide financial statements.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The County has two types of deferred inflows of resources: 1.) amounts which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in governmental funds balance sheets. The governmental funds report unavailable revenues from several sources including: property taxes, special assessments, and grant reimbursements and 2.) amounts related to pensions on the government wide financial statement. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations, Bond Discounts and Issuance Costs

In government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type in the Statement of Net Position. Bond premiums and discounts and any prepaid bond insurance, if applicable, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Prepaid bond insurance costs are reported as deferred charges and amortized over the term of the related debt. Debt issuance costs are expensed during the current period.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of the State of Nevada (PERS) Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Equity Classifications

In government-wide statements and in proprietary fund statements, equity is classified as net position and displayed in three components:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets net of unspent financing proceeds.
- Restricted net position – Consists of equity with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other equity that does not meet the definition of “restricted” or “net investment in capital assets.”

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources in the funds as follows:

- Nonspendable fund balances – Consist of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.
- Restricted fund balances – Consist of amounts with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
- Committed fund balances – Consist of resource balances with constraints imposed by formal action of the BCC through ordinance, resolution or public meeting item approval that specifically state the revenue source and purpose of the commitment. The choice of action type taken by the BCC is frequently directed by State Statutes and procedures so that any of the three types of actions noted above are considered equally binding for the BCC. Commitments can only be modified or rescinded through the same type of BCC action used to impose the restraint. Commitments can also include resources to meet major contractual obligations required by their nature and/or size to be approved by the BCC. These generally include major construction contracts of \$100,000 and over as well as other types of large contracts.
- Assigned fund balances – Consist of resource balances intended to be used for specific purposes by authorized County management that do not meet the criteria to be classified as restricted or committed. For governmental funds, excluding the General Fund, BCC approved resolutions authorizing the creation of the fund establish the specific purposes for which fund balances are assigned. In the General Fund, the assigned fund balance includes encumbrances approved by authorized County management that have been approved by the BCC for re-appropriation in the subsequent year. Authorized County management includes the County Manager, Assistant County Manager and elected or appointed department directors in accordance with County Ordinances and State Statutes. The assigned fund balance may also include amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources as approved by the BCC as part of the annual budget submitted to the State.
- Unassigned fund balances – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed or assigned.

Net Position and Fund Balance Flow Assumptions

When outlays for a particular purpose are funded from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources, a flow assumption must be made about the order in which the resources are considered to be applied. The County's Fund Balance Policy states that when both restricted and unrestricted resources are available for expenditure, restricted resources should be spent first unless legal requirements disallow it. When outlays are incurred for purposes for which amounts in any unrestricted fund balance classification could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

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Budgetary Stabilization

It is the County's policy to maintain a fund balance of \$3.0 million, for the purpose of budgetary stabilization. NRS 354.6115 authorizes the creation of a fund to stabilize operation of local governments and mitigate effects of natural disaster. The intent of this policy is to include a portion of the General Fund budgeted ending fund balance that will be committed to stabilization pursuant to NRS 354.6115. Fund balance that is committed to stabilization can be used only after approval by the BCC when unanticipated declines in the major revenue sources (consolidated and property tax revenues) are sustained for at least six months and decline from budget by 2.5% or greater as well as when unbudgeted expenditures are incurred due to a declared emergency or natural disaster. In the case of a natural disaster, the BCC must declare the emergency and State Statutes further constrain the use of these stabilization funds to specific types of outlays.

Reclassifications

Certain amounts in the prior year statements have been reclassified for comparison purposes to conform to current year presentation.

Program Revenues

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All County taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

All real property in the County is subject to physical reappraisal every five years. Annual adjustments are made to the assessed valuation to reflect general changes in property values. The assessed valuation of the property and its improvements is computed at 35% of "taxable value" as defined by State Statute. Taxable value is defined as full cash value for land, replacement cost less straight-line depreciation for land improvements, and statutory depreciation for personal property. The maximum depreciation allowed is 75% of replacement cost.

Tax rates are levied by the BCC immediately after the Nevada Tax Commission has certified the combined tax rate and are then submitted to the County Treasurer for collection. The tax rate levied is for the current fiscal year, July 1 to June 30, and the taxes are considered a lien against real property attaching on July 1. The tax for fiscal year 2017 was due and payable on the third Monday in August, 2017. Taxes may be paid in four installments on the third Monday in August and the first Mondays in October, January and March. No provision for uncollectible amounts has been established since management does not anticipate any material collection loss in the year assessed, in respect to delinquent balances.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the State of Nevada Department of Taxation and the tax rates. The major classifications of personal property are commercial and mobile homes. In the County, taxes on motor vehicles are collected by a State agency and remitted to the County based on statutory formulas.

Compensated Absences

In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as an expenditure. The long-term portion is accounted for in the governmental activities column of the government-wide Statement of Net Position.

The current portion of compensated absences is defined as benefits actually paid or accrued as a result of employees terminating employment by June 30. Agreements with various employee associations provide for payment of total accrued compensatory and vacation time in all cases. 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.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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Implementation of GASB Statement No. 74, 77, 82

As of July 1, 2016, the Washoe County, Nevada OPEB Trust Fund adopted GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The implementation of this standard is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

As of July 1, 2016, the County adopted GASB Statement No. 77, *Tax Abatement Disclosures*. The implementation of this standard is to improve the usefulness of information about requiring state and local governments to disclose tax abatements affecting their revenue-raising abilities in their annual financial reports.

As of July 1, 2016, the County adopted GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. The implementation of this standard is to address 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.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with GAAP for all funds except trust and agency funds, which do not require budgets. All annual appropriations lapse at fiscal year-end.

The County adheres to the Local Government Budget Act (NRS 354.470-626) incorporated within State Statutes and the procedures set by the Nevada Department of Taxation (NDT) to establish the budgetary data reflected in these financial statements. The BCC adopts the budget on or before June 1 and files it with the NDT.

The legal level of budgetary control is at the function level for each of the governmental funds and by the combined operating and non-operating expenses in proprietary funds. Statutes do not require that capital outlay, debt service payments and certain other non-cash transactions normally reflected in the balance sheet of proprietary funds be limited by the budget.

All budget amounts presented in these financial statements and schedules reflect the budget as amended by legally authorized revisions during the year. Original budgets are provided for major special revenue funds, including the General Fund, in compliance with reporting requirements. The Comptroller may approve budget adjustments within a function. Budget adjustments between functions or funds may be approved by the Comptroller with BCC notification. Adjustments that affect fund balance, increase the original budget or affect the contingency account require BCC approval.

Encumbrance accounting is employed in governmental and proprietary funds. In governmental funds, encumbrances, which include purchase orders and contracts awarded for which goods and services have not been received at year-end, are reappropriated in the subsequent year and are reported as restricted, committed or assigned fund balances, as appropriate. An augmentation of \$30.0 million for encumbrances and restricted resources that have multiple year budgets was reappropriated in the new fiscal year.

Augmentations from beginning fund balance or previously unbudgeted resources for governmental funds in the current fiscal year were \$1.1 million. There are no augmentations in the current year for enterprise funds.

Compliance

The County conformed to all significant statutory and administrative code constraints on its financial administration during the fiscal year. A negative variance of (\$12,904) appears on the General Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual and a negative variance of (\$7,076) appears on the Other Restricted Fund, Expenditures and Changes in Fund Balance-Budget and Actual. These negative amounts reported are allowed under NRS 354.626 section 2 (k) – “The receipt by a local government of increased revenue that: (1) Was not anticipated in the preparation of the final budget of the local government; and (2) Is required by statute to be remitted to another governmental entity.” Some negative variance appears in the debt service funds. These negative amounts reported are also allowed under the above listed NRS and NRS 354.626 section 1 “No governing body or member....in excess of the amounts appropriated for the function, other than bond repayments, medium-term obligation repayments and any other long-term contract expressly authorized by law.” A negative variance of (\$320,794) appears on the General Fund, Schedule of Revenues, Expenditures and Changes in Fund Balance-

WASHOE COUNTY, NEVADA
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Budget and Actual. This negative amount reported is allowed under NRS 354.6115 2 (b) "To pay expenses incurred by the local government to mitigate the effects of a natural disaster." The County had two federally (FEMA) recognized flooding disaster. One in January, 2017 and one in February, 2017.

NOTE 3 – CASH AND INVESTMENTS

In accordance with Nevada Revised Statutes (NRS), the County's cash is deposited with insured banks and insured credit unions and those deposits that are not within the limits of insurance must be secured by collateral. At year end, the County's carrying amount of deposits was \$26,376,702 and the bank balance was \$27,747,322. The difference between the carrying amount and bank balance results from outstanding checks and deposits not yet reflected in the banks' records.

Custodial Credit Risk – Deposits

All deposits are subject to custodial credit risk, which is the risk that the County's deposits may not be returned to it in the event of a bank failure. Bank balances were covered by Federal Depository Insurance, the Securities Investor Protection Corporation, collateral held by the County's agent in the County's name or by collateral held by depositories in the name of the Nevada Collateral Pool, and were not exposed to custodial credit risk. The County does not have a formal policy relating to custodial credit risk, but follows NRS. According to NRS 356.020, all monies deposited by a county treasurer that are not within the limits of insurance provided by an instrumentality of the United States must be secured by collateral composed of the same types of securities allowed for investments which are identified below. The County participates in the State of Nevada Collateral Pool which requires depositories to maintain as collateral acceptable securities having a fair market value of at least 102 percent of the amount of the uninsured balances of the public money held by the depository. Under NRS 356.360, the State Treasurer manages and monitors all collateral for all public monies deposited by members of the pool.

Investments

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

NRS 355.172 requires the County Treasurer or her agent to take physical possession of securities purchased as an investment by the County in the name of the County. If the securities purchased are subject to repurchase by the seller, the County may, in lieu of the requirement of possession, obtain a fully perfected, first-priority security interest having a fair market value equal to or greater than the repurchase price of the securities.

Investments are recorded at fair value. Earnings and/or losses on investments are allocated to certain funds based on average daily cash balances.

As of June 30, 2017, the County had the following investments and maturities:

	INVESTMENT MATURITIES (IN YEARS)				
	Fair Value	Less than 1	1 to 4	4 to 6	6 to 10
Investments:					
Money Market Mutual Funds	\$ 1,742,328	\$ 1,742,328	\$ -	\$ -	-
Certificates of Deposit	79,478,541	37,767,878	41,710,663	-	-
NV Local Government Investment Pool	48,755,129	48,755,129	-	-	-
NV Retirement Benefit Investment Fund	2,776,950	2,776,950	-	-	-
U.S. Treasury Securities	118,828,296	-	30,771,945	83,554,240	4,502,111
U.S. Agency Bonds/Notes/MBS	153,957,609	2,870,607	67,749,433	69,988,627	13,348,942
Corporate Notes/Commercial Paper	73,041,429	35,636,213	37,405,216	-	-
Total Investments	478,580,282	129,549,105	177,637,257	153,542,867	17,851,053
Total Cash	26,376,702	26,376,702	-	-	-
Total Cash and Investments¹	\$ 504,956,984	\$ 155,925,807	\$ 177,637,257	\$ 153,542,867	\$ 17,851,053

¹Total cash and investments include restricted cash, purchased interest, NV Local Government Investment Pool and the NV Retirement Benefit Investment Fund.

The NV Local Government Investment Pool (LGIP) is an unrated external pool regulated by Nevada Revised Statute 355, administered by the State Treasurer with oversight by the State of Nevada Board of Finance. The County deposits monies with

WASHOE COUNTY, NEVADA
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(CONTINUED)

the State Treasurer to be pooled with monies of other local governments for investment in the local government pooled investment fund. The County's investment in the LGIP is equal to its original investment plus monthly allocation of interest income and realized/unrealized gains and losses, which is the same as the value of the pool shares. The NV Retirement Benefit Investment Fund (RBIF) was established to provide investment management services for trusts created by public agencies to fund retiree health care subsidies. The money in the RBIF must be invested in the same manner as money in the Public Employees' Retirement Fund (PERS) and is subject to the regulations under Nevada Revised Statute 355.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. This risk can be reduced by diversifying the durations of the fixed-income investments that are held at a given time. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy requires twelve to eighteen months of projected cash flow to be in investments maturing in one year or less. Investments maturing in less than one year at June 30, 2017 were 25% of the County's total cash and investments. The County's strategic investment plan seeks to obtain the desired average maturity of 2 to 4 years. The weighted average maturity at June 30, 2017, was 3 years.

The County invests in the following types of securities that are considered to be highly sensitive to interest rate changes:

<u>Investment</u>	<u>Value</u>	<u>Investments</u>
<u>U.S. Agency Mortgage Backed Securities and Collateralized Mortgage Obligations</u>		
When interest rates fall, mortgages are refinanced and paid off early and the reduced stream of future interest payments diminish fair value.	\$ 26,507,514	5.6%
<u>Callable U.S. Agency and Corporate Note Securities</u>		
On specified dates the issuer can call the security. Because they are subject to early repayment, the fair value of these securities is more sensitive in a period of declining interest rates.	16,169,608	3.4%
Total	\$ 42,677,122	

Credit Risk

NRS allows investments in obligations of the U.S. Treasury and U.S. agencies, municipal bonds issued by local governments of the State, corporate bonds rated "A" or better by a nationally recognized rating service, commercial paper rated "A-1," "P-1" or better by a nationally recognized rating service, 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.

As of June 30, 2017, the County's investments are rated as follows:

<u>S&P Rating</u>	<u>Money Market Mutual Funds</u>	<u>Certificates of Deposit</u>	<u>U.S. Treasury Securities</u>	<u>U.S. Agencies</u>	<u>Corporate Notes/ Commercial Paper</u>	<u>NV Local Government Investment Pool and RBIF</u>	<u>Fair Value</u>
AAAm	\$ 1,742,328	-	-	-	-	-	\$ 1,742,328
AA+	-	-	118,828,296	153,957,609	7,022,597	-	279,808,502
AA	-	-	-	-	2,270,916	-	2,270,916
AA-	-	33,590,904	-	-	16,274,006	-	49,864,910
A+	-	25,889,488	-	-	3,630,184	-	29,519,672
A	-	-	-	-	9,989,426	-	9,989,426
A-	-	-	-	-	5,386,849	-	5,386,849
A-1	-	19,998,149	-	-	28,467,451	-	48,465,600
Unrated	-	-	-	-	-	51,532,079	51,532,079
	\$ 1,742,328	\$ 79,478,541	\$ 118,828,296	\$ 153,957,609	\$ 73,041,429	\$ 51,532,079	\$ 478,580,282

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NOTES TO THE FINANCIAL STATEMENTS
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Concentration of Credit Risk

The County's investment policy places no limit on amounts invested in direct obligations of the U.S. Treasury and securities backed by the full faith and credit of the U.S. Government, while placing the following limits per issuer on all other securities: Federal Agency Securities, 35%; Federal Agency Mortgage Backed Securities, 15%; Money Market Funds, 45%; Corporate bonds and notes, 5%; certificates of deposit, 5% and obligations issued by local governments of the State of Nevada, 10%.

At June 30, 2017, the following investments exceeded 5% of the County's total:

Fannie Mae	21.4%
Freddie Mac	6.3%
U.S. Treasury Securities	24.9%

External Investment Pool

Pooled investments are carried at fair value determined by quoted market prices, net of accrued interest. All pooled investments are physically collateralized and held by Wells Fargo Bank.

The County administers an external investment pool combining County money with voluntary investments from Truckee Meadows Fire Protection District, the Washoe County School District, Regional Transportation Commission, Nevada Works, Reno-Tahoe Airport Authority, Truckee River Water Quality Settlement Agreement Joint Venture, Western Regional Water Commission, Washoe County, Nevada OPEB Trust, Truckee River Flood Management Authority, the Library Investment Fund, the Deferred Compensation Fund and the Southwest Pointe Fund. The BCC has overall responsibility for investment of County funds, including the Investment Trust Fund, in accordance with NRS 355.175. The Washoe County Chief Investment Official is the Washoe County Treasurer, under authority delegated by the BCC. The Investment Committee, created by Washoe County Code Section 15.220, has been delegated the investment decision making authority in the County and serves also in an advisory capacity to the Treasurer and BCC. The external investment pool is not registered with the SEC as an investment company. PFM Asset Management, LLC determines the fair value of the County investments monthly. The County has not provided or obtained any legally binding guarantees during the period to support the value of shares.

The participants' share and redemption value are calculated using the same method. Each participant's share is equal to their investment plus or minus the monthly allocation of net income, realized and unrealized gains and losses. The determination of realized gains and losses is independent of the determination of the net change in the fair value of investments. Gains and losses of the current period include unrealized amounts from prior periods.

Investments held in the external investment pool at June 30, 2017 were:

Investment Type	Fair Value	Amount/ No. of	Rate	Maturity Dates
Certificates of Deposit	\$ 79,478,541	79,380,000	1.00-1.910%	07/12/2017-04/05/2019
U. S. Treasury Securities	118,828,296	117,265,000	1.25-3.625%	05/31/2019-02/15/2023
NV Local Government Investment Pool	48,755,129	48,755,129	N/A	N/A
NV Retirement Benefit Investment Fund	2,776,950	2,776,950	N/A	N/A
Fed Agency Bonds/Notes	127,450,095	128,235,000	.875-4.125%	05/28/2019-09/24/2026
Fed Agency Mortgage Backed Securities	3,935,787	3,823,084	3.00-4.50%	01/01/2018-06/01/2022
Fed Agency Collateralized Mortgage Obligations	22,571,727	22,592,344	1.55-2.132%	02/01/2018-07/01/2022
Corporate Notes/Commercial Paper	73,041,429	72,200,000	0.00-6.0%	07/11/2017-06/22/2020
Total Investments in Pool	<u>\$ 476,837,954</u>			

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External Investment Pool
Statement of Net Position as of June 30, 2017

Assets:	
Cash	\$ 10,633,195
Investments:	
Certificates of Deposit	79,478,541
U.S. Treasury Securities	118,828,296
NV Local Government Investment Pool	48,755,129
NV Retirement Benefit Investment Fund	2,776,950
U.S. Agency Securities	127,450,095
Collateralized Mortgage Obligations	26,507,514
Corporate Notes	73,041,429
Interest Receivable	1,359,070
	488,830,219
Total Assets	\$ 488,830,219
Net Position:	
Internal participants	\$ 290,644,138
Component Units:	
Truckee Meadows Fire Protection District	25,645,433
External participants	172,540,648
	\$ 488,830,219

External Investment Pool
Statement of Changes in Net Position for the Year Ended June 30, 2017

Additions:	
Investment earnings	\$ 7,094,935
Net realized gain (loss) on investments	1,134,103
Net increase (decrease) in fair value of investments	(7,354,654)
Increase in net assets resulting from operations	874,384
Net capital share transactions	20,668,751
Change in Net Position	21,543,135
Net Position, July 1	467,287,084
Net Position, June 30	\$ 488,830,219

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Investments are recorded at fair value and the following table shows the Fair Value Measurements used:

Investments Measured at Fair Value June 30, 2017				
	Total	Fair Value Measurement Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Debt securities				
Money Market Mutual Funds	\$ 1,742,328	\$ 1,742,328	\$ -	\$ -
Certificates of Deposit	79,478,541	79,478,541	-	-
U.S. Treasury Securities	118,828,296	118,828,296	-	-
U.S. Agency Securities	127,450,094	127,450,094	-	-
Collateralized Mortgage Obligations	26,507,515	-	26,507,515	-
Corporate Notes/Commercial Paper	73,041,429	-	73,041,429	-
Total debt securities	<u>\$ 427,048,203</u>	<u>\$ 327,499,259</u>	<u>\$ 99,548,944</u>	<u>\$ -</u>
Total investments by fair value level	<u>\$ 427,048,203</u>	<u>\$ 327,499,259</u>	<u>\$ 99,548,944</u>	<u>\$ -</u>

Debt and equity securities classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments categorized as Level 2 are valued at fair value based on the observable market prices on the underlying assets held by the pool or fund less liabilities. Information is obtained from the Washoe County's investment firm, PFM Asset Management, LLC.

NOTE 4 – RESTRICTED CASH AND INVESTMENTS

Restricted cash and investments include amounts restricted for future debt service and reserves as required by bond covenants and ordinances; reserves restricted for projects for the HUD Neighborhood Stabilization Program; and reserves restricted for workers' compensation claims pursuant to NRS 616B.300. Restricted cash and investments at June 30, 2017, were as follows:

	Debt Service	Projects	Claims	OPEB(PEBP)	Total
<u>Governmental Funds and Governmental Activities</u>					
General Fund	\$ 750,000	\$ -	\$ -	\$ 2,776,950	\$ 3,526,950
Other Restricted Fund	-	45,406	-	-	45,406
Total Governmental Funds	750,000	45,406	-	2,776,950	3,572,356
Internal Service Funds:					
Risk Management Fund	-	-	2,516,062	-	2,516,062
Total Governmental Activities	750,000	45,406	2,516,062	2,776,950	6,088,418
<u>Proprietary Funds and Business-type Activities</u>					
Utilities Fund	1,318,618	-	-	-	1,318,618
Total Restricted Cash and Investments	<u>\$ 2,068,618</u>	<u>\$ 45,406</u>	<u>\$ 2,516,062</u>	<u>\$ 2,776,950</u>	<u>\$ 7,407,036</u>

WASHOE COUNTY, NEVADA
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NOTE 5 – LONG-TERM ASSETS

Governmental Activities

Long-term assets in governmental activities include \$49,216 in prepaid bond insurance. Long-term assets in internal service funds include \$2,034,971 in refundable lease agreement deposits and \$33,294 in prepaid lease expense, all relating to leased equipment in the Equipment Services Fund.

Business-type Activities

Long-term assets in business-type activities include \$125,600 in long-term receivables in the Utilities Fund.

NOTE 6 – CAPITAL ASSETS

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Capital Assets - Governmental Activities</u>				
Capital assets, not being depreciated:				
Land and land use rights	\$ 143,465,557	\$ 8,071	\$ 404,819	\$ 143,068,809
Construction in progress	10,708,903	17,037,731	20,891,926	6,854,708
Total capital assets not being depreciated	154,174,460	17,045,802	21,296,745	149,923,517
Capital assets being depreciated:				
Land improvements	62,235,032	3,053,772	-	65,288,804
Buildings/improvements	314,307,396	13,474,604	-	327,782,000
Infrastructure	601,764,471	-	4,268,907	597,495,564
Equipment	77,665,341	6,875,782	2,987,266	81,553,857
Software	19,617,250	907,451	-	20,524,701
Total capital assets being depreciated	1,075,589,490	24,311,609	7,256,173	1,092,644,926
Less accumulated depreciation for:				
Land improvements	42,274,526	2,269,132	-	44,543,658
Buildings/improvements	139,319,005	8,934,517	-	148,253,522
Infrastructure	461,731,088	19,329,838	3,375,303	477,685,623
Equipment	62,448,041	5,041,603	2,751,867	64,737,777
Software	15,641,134	987,917	-	16,629,051
Total accumulated depreciation	721,413,794	36,563,007	6,127,170	751,849,631
Net capital assets being depreciated	354,175,696	(12,251,398)	1,129,003	340,795,295
Governmental activities capital assets, net	\$ 508,350,156	\$ 4,794,404	\$ 22,425,748	\$ 490,718,812

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

Depreciation expense was charged to functions/programs for the governmental activities as follows:

Governmental Activities:	
General government	\$ 1,792,900
Judicial	2,570,168
Public safety	5,807,940
Public works	20,617,078
Health and sanitation	178,971
Welfare	649,388
Culture and recreation	3,289,148
Community support	3,558
Capital assets held by internal service funds charged to functions based on their usage of assets	<u>1,653,856</u>
Total Depreciation / Amortization Expense - Governmental Activities	\$ 36,563,007

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Capital Assets - Business-type Activities</u>				
Capital assets not being depreciated:				
Land and land use rights	\$ 7,945,406	\$ -	\$ 22,203	\$ 7,923,203
Plant capacity	825,150	-	-	825,150
Construction in progress	<u>22,032,535</u>	<u>2,612,027</u>	<u>4,461,775</u>	<u>20,182,787</u>
Total capital assets not being depreciated	<u>30,803,091</u>	<u>2,612,027</u>	<u>4,483,978</u>	<u>28,931,140</u>
Capital assets being depreciated:				
Land improvements	6,267,864	-	-	6,267,864
Buildings/improvements	57,287,956	-	932,254	56,355,702
Infrastructure	103,571,919	6,262,246	290,849	109,543,316
Equipment	1,731,819	77,869	818,972	990,716
Software	900,183	200,584	24,137	1,076,630
Plant, well capacity	<u>2,368,822</u>	<u>-</u>	<u>-</u>	<u>2,368,822</u>
Total capital assets being depreciated	<u>172,128,563</u>	<u>6,540,699</u>	<u>2,066,212</u>	<u>176,603,050</u>
Less accumulated depreciation for:				
Land improvements	3,407,037	282,452	-	3,689,489
Buildings/improvements	17,388,350	1,133,632	162,788	18,359,194
Infrastructure	35,111,704	2,175,147	130,289	37,156,562
Equipment	1,616,015	27,557	755,677	887,895
Software	900,183	15,044	24,137	891,090
Plant, well capacity	<u>1,252,673</u>	<u>59,220</u>	<u>-</u>	<u>1,311,893</u>
Total accumulated depreciation	<u>59,675,962</u>	<u>3,693,052</u>	<u>1,072,891</u>	<u>62,296,123</u>
Net capital assets being depreciated	<u>112,452,601</u>	<u>2,847,647</u>	<u>993,321</u>	<u>114,306,927</u>
Business-type activities capital assets, net	<u>\$ 143,255,692</u>	<u>\$ 5,459,674</u>	<u>\$ 5,477,299</u>	<u>\$ 143,238,067</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
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(CONTINUED)

Depreciation expense was charged to functions/programs for business activities as follows:

Business-Type Activities:	
Utilities	\$ 3,468,822
Building and safety	15,044
Golf courses	<u>209,186</u>
Total Depreciation / Amortization Expense - Business-type Activities	<u>\$ 3,693,052</u>

Net capital assets at June 30, 2017, for the discretely presented component unit were:

	Truckee Meadows Fire Protection District
<u>Net Capital Assets</u>	
Capital assets not being depreciated	\$ 3,203,386
Capital assets being depreciated	<u>19,311,009</u>
Capital assets, net	<u>\$ 22,514,395</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 7 – COMMITMENTS, CONTINGENCIES, AND OTHER LIABILITIES

Commitments

The County utilizes encumbrance accounting to identify fund commitments. Major commitments, generally contracts in excess of \$100,000, are entered into for construction projects or longer term service arrangements that can span several years.

Construction in progress and major commitments for governmental activities are:

	<u>CIP Balance</u> <u>June 30, 2017</u>	<u>Major</u> <u>Commitments</u>
<u>Governmental Funds and Governmental Activities</u>		
Major Governmental Funds:		
General Fund:		
Technology improvements	\$ 27,910	\$ -
Service contracts	-	96,650
Child Protective Services Fund:		
Service contracts	-	125,075
Other Restricted		
Service contracts	-	414,376
Technology improvements	\$ -	\$ 447,035
Total Major Governmental Funds	<u>27,910</u>	<u>1,083,136</u>
Nonmajor Governmental Funds:		
Special Revenue Funds:		
Public safety communications, technology	105,644	-
Road infrastructure	-	1,863,237
Water quality and remediation	-	109,582
Public welfare	-	2,015,831
Vehicles and equipment	43,817	-
Service contracts	-	117,746
Total Special Revenue Funds	<u>149,461</u>	<u>4,106,396</u>
Internal Service Funds:		
Service contracts	-	475,000
Vehicles and equipment	809,906	583,761
Total Internal Service Funds	<u>809,906</u>	<u>1,058,761</u>
Capital Projects Funds:		
Building infrastructure projects	1,503,421	2,605,610
Land	6,500	-
Parks and open space projects	2,043,740	2,654,075
Pedestrian path & bike lane projects	-	589,499
Technology improvements	159,200	-
Water quality improvement projects	2,154,570	1,484,908
Total Capital Projects Funds	<u>5,867,431</u>	<u>7,334,092</u>
Total Governmental Funds / Governmental Activities	<u>\$ 6,854,708</u>	<u>\$ 13,582,385</u>

Contingencies

The County is involved in various lawsuits. The outcome of these lawsuits is not presently determinable; however, management does not anticipate that they would materially impact the financial position of the County.

The County is currently the defendant in various lawsuits with property owners disputing the County Assessor's valuation methods used for property within the Lake Tahoe Basin. The County intends to vigorously defend the Assessor's valuations; however, the outcome of these lawsuits is not presently determinable. An adverse ruling could result in a rollback of property

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

values and subsequent rebates to property owners. The impact on the County's financial condition cannot be reasonably estimated.

The County is contingently liable on the following Reno-Sparks Convention & Visitors Authority (RSCVA) bonds:

Series January 2000 Bonds	\$ 19,773,256
Series November 29, 2011 Refunding Bonds	<u>87,150,000</u>
Total RSCVA Bonds	<u>\$ 106,923,256</u>

Although the County is contingently liable for the general obligation bonds of RSCVA in the event of a default, it is anticipated that RSCVA resources would be reallocated to retire the bonds. Therefore, the likelihood of the County assuming the debt is remote.

Other Liabilities

Governmental Activities

Other liabilities in governmental activities consist of deposits and amounts due to others of \$1,667,481 in the General Fund for deposits and bail related to pending court cases or investigations, \$417,438 in the General Fund for refundable deposits for park facilities and developer performance guarantees, \$185,917 in other governmental funds for other customer and security deposits and \$304,243 in the Health Benefits Fund.

Business-type Activities

Other liabilities in business-type activities include \$256,103 for customer deposits in the Utilities Fund.

NOTE 8 – UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

Unearned revenue in connection with resources that have been received, but not yet earned is reported as a liability for governmental activities.

Deferred inflows of resources represent an acquisition of net position that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. Governmental funds reported \$9.3 million in deferred inflows of resources related to unavailable revenue.

At the end of the current fiscal year, major components of unavailable and unearned revenue reported for governmental funds were as follows:

	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Other Restricted Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Liabilities						
Unearned revenue:						
Federal payments in lieu of taxes	\$ 3,545,250	\$ -	\$ -	\$ -	\$ -	\$ 3,545,250
Total Unearned Revenue	<u>\$ 3,545,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,545,250</u>
Deferred Inflows of Resources						
Unavailable revenue:						
Ad valorem taxes	\$ 1,139,888	\$ 41,824	\$ 10,412	\$ -	\$ 218,725	\$ 1,410,849
Grants and other revenue	-	874,263	329,696	5,821,672	889,526	7,915,157
Total Unavailable Revenue	<u>\$ 1,139,888</u>	<u>\$ 916,087</u>	<u>\$ 340,108</u>	<u>\$ 5,821,672</u>	<u>\$ 1,108,251</u>	<u>\$ 9,326,006</u>

Unearned revenue in business-type activities consists of \$83,586 for water rights leases and unearned utility revenue in the Utilities Fund and of \$1,274,236 for unearned permit fees and plan checks fee revenue in the Building and Safety fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Discretely Presented Component Units

At the end of the current fiscal year, major components of unavailable revenue reported for discretely presented component units were as follows:

Truckee Meadows Fire Protection District			
	TMFPD		Total
	General Fund	Emergency Fund	
Deferred Inflows of Resources			
Unavailable revenue:			
Ad valorem taxes	\$ 193,016	\$ -	\$ 193,016
Reimbursements	-	187,601	187,601
Total Unavailable Revenue	\$ 193,016	\$ 187,601	\$ 380,617

NOTE 9 – LONG-TERM OBLIGATIONS

Bond Redemptions

The County called \$245,000 in special assessment bonds for early redemption as funds were made available from the early payoff of special assessments.

Defeasance/Early Extinguishment of Debt

The County defeased certain general obligation debt by placing funds from unspent bond proceeds, existing resources and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on certain previously issued bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements.

As of June 30, 2017, the County had no remaining balances for the defeased portion of past bond issues.

Revenue Bonds

The County has pledged specific revenues to repay bonds in governmental and business activities.

Governmental activities

The County has pledged 15% of the consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Library Building Bonds Series 2004; Building and Parking Garage Bonds Series 2004; Parks Bonds Series 2006; Building Refunding Bonds Series 2011B; Refunding Bonds Series 2012B, issued between fiscal years 2004 and 2012; Medical Examiner Building Bonds 2015 and Public Safety Refunding Series 2016B. The total principal and interest remaining to be paid on the bonds is \$74,306,157, payable through fiscal year 2036. For the current year, principal and interest paid from pledged revenues for the bonds totaled \$5,663,475, and pledged revenues totaled \$15,284,385.

The County has pledged future infrastructure sales tax revenues to repay \$32.3 million in Flood Control Series 2006 and Sales Tax Revenue Refunding Series 2016A bonds. Proceeds from the bonds provided financing, for expansion of, and improvements to, the flood control system. The bonds are intended to be paid solely from infrastructure tax revenues and are payable through fiscal year 2036. Annual principal and interest payments on the bonds are expected to require as much as 15% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$37,320,774. For the current year, principal and interest paid for the bonds totaled \$1,386,968, and pledged revenues totaled \$9,396,412.

The County has pledged future car rental fees to repay \$18.5 million of Senior Lien Car Rental Revenue bonds and \$11.0 million Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds (Minor League Baseball Stadium Project) Series 2008. Proceeds from the bonds provided financing to acquire, improve, equip, operate and maintain within the County a minor league baseball stadium project. The bonds are intended to be paid solely from car rental fee revenues and are payable through fiscal year 2058. Annual principal and interest payments on the bonds are expected to require 100% of the car rental fee revenue. The total principal and interest remaining to be paid on the Senior Lien Car Rental Fee Revenue Bonds is \$16.9 million. For the current year, principal and interest paid for the bonds totaled \$1,137,342, and pledged revenues totaled \$1,355,440. Total

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

principal and interest at June 30, 2017 on the Subordinate Lien Car Rental Fee Capital Appreciation Revenue Bonds is \$17.5 million. For the current year, no principal and interest were paid for the bonds.

Business-type activities

The County has pledged future utility customer revenues and connection fees and investment earnings, net of specified operating expenses, to repay \$17.4 million in utility system revenue bonds issued in fiscal year 2015. Proceeds from the bonds provided financing for expansion of, and improvements to, the utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2027.

On December 31, 2014, in connection with the divestment of the water operations, the County amended the bond ordinances authorizing the outstanding general obligation (limited tax) sewer bonds to pledge the net revenues of the Utilities Fund excluding water reserves.

Principal and interest on the Sewer Bonds are payable from the pledged revenues of the Utilities Fund. There is no impact on the ad valorem tax rate so long as net pledged revenues are sufficient to pay debt service. Annual principal and interest payments on the sewer bonds are expected to require as much as 36% of the utility's net revenues. The total principal and interest remaining to be paid on the sewer bonds is \$15,538,940. For the current year, principal and interest paid for the sewer and water bonds totaled \$2,637,238. Net pledged revenues totaled \$9,356,451.

Special Assessment Debt

Special assessment bonds are issued to finance improvements that benefit taxpayers in the defined area. Bonds are repaid from assessments levied against these taxpayers, and are secured by their real property. In case of deficiencies, the County's General Fund and taxing power further secure all bonds (NRS 271.495). Delinquent special assessments of \$6,059 were outstanding as of June 30, 2017.

The County has pledged future assessment revenues levied on special assessment districts throughout the County to repay \$10.3 million in various local improvement bonds issued between fiscal years 2007 and 2011. Proceeds from the bonds provided financing for improvements in roads, water and sewer infrastructure in the various districts. The bonds are intended to be paid solely from assessment revenues and are payable through fiscal year 2032. Annual principal and interest payments on the bonds are expected to require as much as 79% of the assessment revenues. The total principal and interest remaining to be paid on the bonds is \$6,848,802. For the current year, principal and interest paid for the bonds totaled \$763,300 and pledged revenues totaled \$965,539.

Conduit Debt Obligations

The County has issued several series of revenue bonds for public and private sector activity in the public interest. The public sector revenue bonds are for the cost of constructing and maintaining certain streets and highways in the County. The revenue bonds are paid solely from certain taxes on motor vehicle fuel collected in the County. Private sector revenue bonds have been used for water and gas facilities and hospital facilities. The revenue bonds are paid solely from the revenue derived from the projects for which they were issued. The public and private revenue bonds do not become liabilities of the County under any condition, and are therefore excluded from the County's financial statements.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Outstanding balances at June 30, 2017 follow:

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Principal Outstanding</u>
Public Sector			
Regional Transportation Commission:			
Highway Revenue Bonds Series 2009	7/8/2009	\$ 89,567,000	\$ 65,435,000
Highway Revenue Bonds Series 2010ABC	3/12/2010	90,000,000	83,740,000
Highway Revenue Bonds Series 2010DEF	12/16/2010	70,000,000	64,160,000
Sales Tax Improvement Bonds Series 2010H	12/16/2010	20,000,000	20,000,000
Highway Revenue Bonds Series 2013	4/16/2013	<u>165,000,000</u>	<u>165,000,000</u>
Subtotal Public Sector		<u>434,567,000</u>	<u>398,335,000</u>
Sierra Pacific Power Company d/b/a NV Energy:			
Gas and Water Facilities Refunding Revenue Bonds			
Series 2016A, 2016B, 2016F & 2016G	05/24/2016	213,930,000	213,930,000
Water Facilities Refunding Revenue Bonds Series 2016C, 2016D & 2016E	05/18/2016	<u>80,000,000</u>	<u>80,000,000</u>
Subtotal Private Sector		<u>293,930,000</u>	<u>293,930,000</u>
Total Conduit Debt		<u>\$ 728,497,000</u>	<u>\$ 692,265,000</u>

Operating Leases

The County leases office space, land and equipment under various operating lease agreements. Total lease payments in fiscal year 2017 were \$2,089,094. Future minimum payments for these leases are:

<u>Year Ending June 30,</u>	<u>Office Space,</u>		<u>Equipment</u>	<u>Total</u>
	<u>Land</u>			
2018	\$ 895,618	\$ 969,370	\$ 1,864,988	
2019	788,707	636,066	1,424,773	
2020	677,331	512,854	1,190,185	
2021	469,922	428,238	898,160	
2022	217,187	381,568	598,755	
2023-2027	96,732	-	96,732	
Totals	<u>\$ 3,145,497</u>	<u>\$ 2,928,096</u>	<u>\$ 6,073,593</u>	

The County began a long-term lease on January 1, 2013 for the Sparks Justice Court which expires in fiscal year 2023. The terms of the lease allow uneven and artificially low payments. For fiscal year 2017, an adjustment of (\$15,492) (cumulative total of \$106,419) is required to reconcile the amount of expenditures in the General Fund to the straight line expense recognized in the government-wide statements.

Compensated Absences

The liability for compensated absences is included in noncurrent liabilities on the government-wide Statement of Net Position. The liability will be liquidated primarily by the General Fund for governmental activities and by the Utilities Fund for business-type activities. In fiscal year 2017, 77% of compensated absences for governmental activities were paid by the General Fund, and in business-type activities, 61% were paid by the Utilities Fund.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Outstanding balances at June 30, 2017 follow:

	Governmental Activities	Business-type Activities	Total
Washoe County:			
Vacation	\$ 11,681,156	\$ 191,780	\$ 11,872,936
Sick Leave	9,062,796	162,557	9,225,353
Compensatory Leave	5,874,441	67,318	5,941,759
Benefits	379,457	6,114	385,571
Total Compensated Absences	\$ 26,997,850	\$ 427,769	\$ 27,425,619

Net Other Postemployment Benefits Obligation

Prior to May 11, 2010, when the County established the Washoe County, Nevada OPEB Trust (Note 15), the County financed their net other postemployment benefits on the pay-as-you-go basis with the funds accumulated in the Pre-Funded Retiree Health Benefits Fund. Currently, the OPEB Trust is funded from the General Fund.

Pollution Remediation Obligation

The pollution remediation activities of the Central Truckee Meadows Remediation District (CTMRD) are paid for through an annual charge billed directly to residents and businesses within its boundaries. Accordingly, the CTMRD's pollution remediation obligation is limited to the net position accumulated by the fund for payment of future remediation related expenditures. All of the assets of CTMRD are held for remediation and are offset by a long-term liability for remediation. As of June 30, 2017, the remediation liability for net position held in CTMRD was \$5,878,945.

Claims and Judgments

The claims and judgments liability of \$21,573,000 consists of pending property and liability claims, workers' compensation claims, and unprocessed health benefits claims. These claims will be liquidated through the Risk Management and Health Benefits Internal Service Funds (Note 16). The Risk Management and Health Benefits Funds finance the payment of claims by charging other funds based on management's assessment of the relative insurance risk that should be assumed by individual funds or, as needed, through transfers from the General Fund.

Due to Other Governments

The Due to Other Governments liability of \$5,446,893 includes a pending refund of \$3,120,000 due to the State of Nevada-Department of Taxation for overpaid Nevada State Sales (Use) taxes.

Discretely Presented Component Unit:

TMFPD's liability of \$2,329,743 for compensated absences is included in their noncurrent liabilities on the government-wide Statement of Net Position. TMFPD compensated absences are generally liquidated from the TMFPD General Fund.

Prior to July 1, 2010, when TMFPD joined the Washoe County, Nevada OPEB Trust (Note 15), they financed their net other postemployment benefits on the pay-as-you-go basis with the funds accumulated in the TMFPD Pre-Funded Retiree Health Benefits Fund.

TMFPD claims and judgments liability of \$1,329,129 consisted of workers' compensation claims. These claims will be liquidated through TMFPD Workers Compensation Fund (Note 16). The TMFPD Workers' Compensation Fund finances the payment of claims through transfers from the TMFPD General Fund.

At June 30, 2017, the net other postemployment benefit liability for SFPD was merged into the TMFPD's OPEB Trust. SFPD provides other postemployment benefits through the Sierra Fire Protection District Retiree Group Medical Plan, a single-employer defined benefit plan, which is administered through the Washoe County, Nevada OPEB Trust (Trust), an irrevocable trust (Note 15). Contributions to the Trust are now made from TMFPD General Fund and are established each year through the annual budget process by the District's Board of Fire Commissioners.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY	Date of Issue	Maturity Date	Interest Rate	Original Note / Issue
GOVERNMENTAL ACTIVITIES				
General Obligation Bonds				
Ad Valorem:				
Various Purpose Refunding Series 2009B	03/2009	05/2017	3.0 - 4.2	10,540,000
Parks and Library Refunding Series 2011A	07/2011	05/2026	4.20	17,360,000
Various Purpose Refunding Series 2012A	08/2012	03/2030	3.0 - 4.0	18,090,000
Medium-Term:				
Edison Way Property Series 2007	03/2007	03/2017	3.83	4,645,000
Revenue: (Note 9)				
Library Building Series 2004	03/2004	03/2019	3.5 - 5.0	3,280,000
Building and Parking Garage Series 2004	12/2004	01/2018	3.75 - 5.0	11,900,000
Flood Control Series 2006 *	05/2006	12/2035	Variable	21,000,000
Parks Series 2006	10/2006	03/2030	4.0 - 5.0	25,305,000
Building Bonds Refunding Series 2011B	08/2011	11/2026	4.18	12,565,000
Refunding Bonds Series 2012B	08/2012	03/2027	1.0 - 3.0	27,580,000
Medical Examiner Bldg 2015	08/2015	03/2035	2.0 - 5.0	12,000,000
Public Safety Refunding Series 2016B	03/2016	03/2036	2.0 - 5.0	9,800,000
Total General Obligation Bonds				
Revenue Bonds (Note 9)				
Senior Lien Car Rental Fee Series 2008 **	02/2008	12/2027	Variable	18,500,000
Subordinate Lien Car Rental Fee Series 2008*****	02/2008	12/2057	7.0	9,954,845
Sales Tax Revenue Refunding Series 2016A	03/2016	12/2028	3.0 - 5.0	11,305,000
Total Revenue Bonds				
Special Assessment Bonds (with governmental commitment) (Note 9)				
SAD 37: Spanish Spring Sewer Phase 1a	05/2007	05/2027	4.35	728,813
SAD 39: Lightning W Water System	06/2009	05/2029	7.18	999,268
SAD 32: Spanish Springs Valley Ranches Roads	12/2011	11/2031	3.48	8,592,787
Total Special Assessment Debt				
Unamortized Bond Premium	N/A	N/A	N/A	N/A
Total Unamortized Bond Premium and Discounts				
Total Bonds Payable				

Principal Outstanding June 30, 2016	Additions/ Issued	Reduction/ Principal Matured / Called	Principal Outstanding June 30, 2017	Principal Due in 2017-2018
1,520,000	-	1,520,000	-	-
12,525,000	-	1,040,000	11,485,000	1,075,000
16,810,000	-	930,000	15,880,000	970,000
546,000	-	546,000	-	-
605,000	-	195,000	410,000	200,000
1,255,000	-	615,000	640,000	640,000
17,070,945	-	541,604	16,529,341	566,216
3,560,000	-	-	3,560,000	-
9,925,000	-	730,000	9,195,000	760,000
25,775,000	-	1,680,000	24,095,000	1,695,000
12,000,000	-	480,000	11,520,000	490,000
9,800,000	-	-	9,800,000	-
111,391,945	-	8,277,604	103,114,341	6,396,216
14,881,600	-	767,800	14,113,800	724,800
9,808,025	-	-	9,808,025	-
11,230,000	-	-	11,230,000	-
35,919,625	-	767,800	35,151,825	724,800
321,075	-	59,665	261,410	21,173
462,140	-	63,307	398,833	21,107
5,041,088	-	423,295	4,617,793	245,698
5,824,303	-	546,267	5,278,036	287,978
4,341,887	-	347,492	3,994,395	-
4,341,887	-	347,492	3,994,395	-
157,477,760	-	9,939,163	147,538,597	7,408,994

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 10 – LONG-TERM OBLIGATIONS ACTIVITY (CONTINUED)	Date of Issue	Maturity Date	Interest Rate	Original Note / Issue
GOVERNMENTAL ACTIVITIES (Continued)				
Other Liabilities - (Notes 9, 15)				
Compensated Absences	N/A	N/A	N/A	\$ N/A
Remediation Obligation	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Total Other Liabilities				
Total Governmental Activities				
BUSINESS-TYPE ACTIVITIES ***				
General Obligation Bonds				
Revenue: (Note 9)				
Utilities Fund:				
Storm Sewer Series 2006	11/2006	01/2026	4.224	4,600,000
Sewer Refunding 2015REF	08/2015	07/2026	2.34	17,386,176
Total General Obligation Bonds				
Other Liabilities (Note 9)				
Compensated Absences	N/A	N/A	N/A	N/A
Total Business-Type Activities				
Total Washoe County Obligations				

- * Interest on the variable-rate flood control bonds is equal to the sum of BMA (Bond Market Association) Swap Rate plus 0.70%. The interest rate on the outstanding amount was reset on May 1, 2016 to 1.597% for the next 5 years. The next interest rate reset will be May 1, 2021.
- ** Interest on the variable-rate senior lien car rental bonds is equal to the greater of: (1) the minimum rate of 3% per annum and (2) the sum of (a) 70% of the swap rate plus (b) 2.22% for each of the reset periods. The rate maximum is 6.5% for December 1, 2012 - November 30, 2017, 7.5% December 1, 2017 - November 30, 2022 and 8% for December 1, 2022- November 30, 2027. The current interest rate is 3.0% with a reset date of December 1, 2017.
- *** Business-type debt is expected to be retired primarily through operations.
- **** On December 31, 2014, in connection with the divestment of the water operations, the County amended the bond ordinances authorizing the outstanding general obligation (limited tax) sewer bonds to pledge the net revenues of the Water Resources Fund excluding water reserves
- ***** Interest is compounded thereon on June 1 and December 1 of each year commencing on December 1, 2012 at 7% until the final compounded amount is paid or payment has been provided therefor.

DISCRETELY PRESENTED COMPONENT UNIT:

Truckee Meadows Fire Protection District (Note 5,9)

Compensated Absences	N/A	N/A	N/A	N/A
Claims and Judgments	N/A	N/A	N/A	N/A
Tax Refund	N/A	N/A	N/A	N/A
Net other postemployment benefits obligations *	N/A	N/A	N/A	N/A
Total Other Liabilities				

* Sierra Fire Protection District was consolidated into TMFPD effective July 1, 2016

<u>Principal Outstanding June 30, 2016</u>	<u>Additions/ Issued</u>	<u>Reduction/ Principal Matured / Called</u>	<u>Principal Outstanding June 30, 2017</u>	<u>Principal Due in 2017-2018</u>
\$ 25,892,452	\$ 20,700,997	\$ 19,595,599	\$ 26,997,850	\$ 20,315,882
6,187,853	1,157,743	1,466,651	5,878,945	-
19,121,000	2,452,000	-	21,573,000	9,159,000
<u>51,201,305</u>	<u>24,310,740</u>	<u>21,062,250</u>	<u>54,449,795</u>	<u>29,474,882</u>
<u>208,679,065</u>	<u>24,310,740</u>	<u>31,001,413</u>	<u>201,988,392</u>	<u>36,883,876</u>
228,712	-	228,712	-	-
<u>16,322,188</u>	<u>-</u>	<u>2,031,131</u>	<u>14,291,057</u>	<u>2,316,298</u>
<u>16,550,900</u>	<u>-</u>	<u>2,259,843</u>	<u>14,291,057</u>	<u>2,316,298</u>
<u>440,244</u>	<u>338,268</u>	<u>350,743</u>	<u>427,769</u>	<u>321,896</u>
<u>16,991,144</u>	<u>338,268</u>	<u>2,610,586</u>	<u>14,718,826</u>	<u>2,638,194</u>
<u>\$ 225,670,209</u>	<u>\$ 24,649,008</u>	<u>\$ 33,611,999</u>	<u>\$ 216,707,218</u>	<u>\$ 39,522,070</u>

\$ 1,987,264	\$ 1,413,611	\$ 1,071,132	\$ 2,329,743	\$ 1,330,050
533,000	2,543,610	1,747,481	1,329,129	96,133
-	373,272	-	373,272	62,212
<u>\$ 2,311,013</u>	<u>\$ 725,633</u>	<u>\$ 237,137</u>	<u>\$ 2,799,509</u>	<u>\$ -</u>
<u>\$ 4,831,277</u>	<u>\$ 5,056,126</u>	<u>\$ 3,055,750</u>	<u>\$ 6,831,653</u>	<u>\$ 1,488,395</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 11 – DEBT SERVICE REQUIREMENTS

The annual requirements to amortize outstanding debt are as follows:

Year Ended June 30,	Governmental Activities – Primary Government					
	General Obligation Bonds		Revenue Bonds		Special Assessment Debt	
	Principal*	Interest**	Principal*	Interest***	Principal*	Interest
2018	\$ 6,396,216	\$ 3,149,297	\$ 724,800	\$ 973,842	\$ 287,977	\$ 198,231
2019	6,616,946	2,955,079	869,470	996,538	305,392	187,080
2020	7,233,847	2,757,917	1,840,145	960,286	323,545	175,191
2021	7,501,970	2,563,321	1,996,964	903,649	327,472	162,616
2022	7,761,372	2,600,194	2,169,959	830,653	342,209	149,850
2023-2027	39,391,873	8,674,685	13,623,340	3,006,879	1,913,292	539,636
2028-2032	18,280,513	3,303,703	6,678,799	6,821,769	1,778,149	158,162
2033-2037	9,931,604	765,373	2,027,933	9,999,337	-	-
2038-2042	-	-	1,685,634	12,377,848	-	-
2043-2047	-	-	1,398,144	15,014,628	-	-
2048-2052	-	-	1,156,562	17,994,828	-	-
2053-2057	-	-	955,186	21,355,245	-	-
2058-2062	-	-	24,889	690,111	-	-
Total	\$ 103,114,341	\$ 26,769,569	\$ 35,151,825	\$ 91,925,613	\$ 5,278,036	\$ 1,570,766

Business-type Activities – Primary Government

Year Ended June 30,	General Obligation Bonds	
	Principal*	Interest
2018	\$ 2,316,299	\$ 320,939
2019	2,284,310	266,924
2020	2,338,075	213,158
2021	2,316,984	158,570
2022	1,609,825	104,035
2023-2027	3,425,563	184,256
Total	\$ 14,291,056	\$ 1,247,882

*Principal amounts shown exclude discounts and premiums.

**Interest on the variable-rate flood control bonds is calculated at the current rate of 1.597%.

***Interest on the variable-rate senior lien car rental bonds is calculated at the current rate of 3.0%.

**WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)**

NOTE 12 – INTERFUND ACTIVITY

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended June 30, 2017

<u>Transfers from:</u>	<u>Transfers to:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 41,090,093
	Child Protective Services	1,347,537
	Other Restricted Funds	4,000
	Subtotal	<u>42,441,630</u>
Other Restricted Funds	General Fund	283,611
Child Protective Services	Nonmajor Governmental Funds	1,096,000
Other Restricted Funds	Nonmajor Governmental Funds	1,206,031
	Subtotal	<u>2,585,642</u>
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>4,974,677</u>
Total Transfers In/Out		<u>\$ 50,001,949</u>

Due From/Due To Other Funds

A summary of due from and due to other funds at June 30, 2017, is shown below:

<u>Due From :</u>	<u>Due to:</u>	<u>Amount</u>
General Fund	Other Restricted Fund	\$ 47,137
Utility Fund	General Fund	737
		<u>47,874</u>
Total Due From/Due to Other Funds		<u>\$ 47,874</u>

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 13 – FUND BALANCES / NET POSITION

Government-wide Financial Statements

The government-wide Statement of Net Position utilizes a proprietary presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Restricted resources have externally imposed (statutory, bond covenant, contract or grantor) limitations on their use. Restricted resources are classified either by function, debt service, capital projects, or claims. Resources restricted by function relate to net resources of governmental and enterprise funds whose use is legally limited by outside parties for a specific purpose. The restriction for debt service represents resources legally restricted by State Statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs. Net position restricted for claims represents the amount legally required to be held for payment of future claims in the self-insurance funds. The government-wide Statement of Net Position reports \$109,050,212 of restricted net resources, all of which is externally imposed.

Unrestricted net position represents available financial resources of the County.

Fund Financial Statements

Governmental Funds

Governmental fund balances are classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the funds.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Fund balances classification by County function and purpose consist of the following:

<u>Fund Balances</u>	<u>Major Governmental Funds</u>				<u>Nonmajor Governmental Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>Child Protective Services Fund</u>	<u>Other Restricted Fund</u>	<u>Special Assessment Debt Fund</u>		
Nonspendable:						
Prepaid items	\$ 37,568	\$ -	65,946	\$ -	\$ -	\$ 103,514
Restricted for:						
Assessors, Clerk and Recorder technology	-	-	4,905,899	-	-	4,905,899
Administrative programs	-	-	197,626	-	-	197,626
Court programs and expansion	-	-	9,326,424	-	-	9,326,424
Regional flood control project	-	-	-	-	1,802,523	1,802,523
Regional public safety communications and training	-	-	-	-	2,248,230	2,248,230
Other public safety programs	-	-	4,604,898	-	117,349	4,722,247
Public works programs	-	-	266,993	-	29,218	296,211
Regional health services and programs	-	-	-	-	4,180,897	4,180,897
Groundwater remediation	-	-	-	-	4,420,250	4,420,250
Parks and recreation programs	-	-	136,587	-	7,335,159	7,471,746
Library expansion	-	-	-	-	1,386,805	1,386,805
Programs for seniors	-	-	-	-	49,899	49,899
Adult, indigent and children support services	-	121,925	126,741	-	5,599,392	5,848,058
Technology upgrades	-	-	-	-	364,947	364,947
County facility improvement projects	-	-	-	-	9,375,351	9,375,351
Parks and open space projects	-	-	-	-	9,657,574	9,657,574
Intergovernmental	-	-	1,881	-	-	1,881
Debt service	750,000	-	959,687	1,844,282	5,405,083	8,959,052
Total Restricted	750,000	121,925	20,526,736	1,844,282	51,972,677	75,215,620
Committed to:						
Fiscal emergency / stabilization	3,000,000	-	-	-	-	3,000,000
Administrative programs	191,488	-	-	-	-	191,488
Animal control and services	-	-	-	-	6,546,324	6,546,324
Roadways	-	-	-	-	4,858,737	4,858,737
Groundwater remediation	-	-	-	-	1,451,343	1,451,343
Park maintenance and improvement	-	-	1,239,864	-	-	1,239,864
Library expansion	-	-	-	-	503,488	503,488
Courts	-	-	-	-	2,744,064	2,744,064
Adult, indigent and children support services	-	10,591,977	-	-	-	10,591,977
Programs for seniors	-	-	-	-	891,389	891,389
Total Committed	3,191,488	10,591,977	1,239,864	-	16,995,345	32,018,674
Assigned to:						
Roadways	-	-	-	-	5,624,401	5,624,401
General Fund encumbrances reappropriated for various functional departments	1,550,735	-	58,971	-	-	1,609,706
Total Assigned	1,550,735	-	58,971	-	5,624,401	7,234,107
Unassigned	45,041,034	-	(671,993)	-	-	44,369,041
Total Fund Balances	\$ 50,570,825	\$ 10,713,902	21,219,524	\$ 1,844,282	\$ 74,592,423	\$ 158,940,956

Proprietary Funds

The net position for business funds and internal services funds are categorized as net investment in capital assets, restricted and unrestricted as described for the government-wide financial statements.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Fiduciary Funds

Net position held in trust for pool participants in the Statement of Fiduciary Net Position represent cash and investments held in trust for other agencies participating in the County's investment pool.

NOTE 14 – DEFINED BENEFIT PENSION PROGRAM

Plan Description

The County and one discretely presented component unit, Truckee Meadows Fire Protection District (TMFPD), contribute to the Public Employees Retirement System of the State of Nevada (PERS), a cost-sharing multiple employer defined benefit public employees' retirement system which includes both Regular and Police/Fire members. PERS was established by the Nevada Legislature in 1947, effective July 1, 1948. 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 Provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), 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 PERS on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001 to December 31, 2009, this factor is 2.67% of average compensation. For members entering PERS on or after January 1, 2010 to June 30, 2015, there is a 2.5% factor. For members entering PERS on or after July 1, 2015, there is a 2.25% factor. 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 the retiree's death.

Post-retirement increases are provided by authority of NRS 286.575 - 579.

Vesting

Regular members entering PERS prior to January 1, 2010 are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with thirty years of service. Regular members entering PERS on or after January 1, 2010 through June 30, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, or at any age with thirty years of service. Regular members entering PERS on or after July 1, 2015 are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

Police/Fire members entering PERS prior to January 1, 2010 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 PERS on or after January 1, 2010 through June 30, 2015, are eligible for retirement at 65 with five years of service, at age 60 with ten years of service, at 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 towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefits 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.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. 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 contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

PERS' 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 indicating the contribution rates required to fund PERS on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The actuary 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 contribution requirement as a percentage of salary.

For the fiscal year ended June 30, 2017, the Statutory employer/employee matching rate was 14.50% for Regular Members and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 28.00% for Regular Members and 40.50% for Police/Fire.

The County's contributions were \$53,633,354 for the year ended June 30, 2017.

PERS Investment Policy

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 was the PERS Board adopted policy target asset allocation as of June 30, 2016:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
Domestic Equity	42%	5.50%
International Equity	18%	5.75%
Domestic Fixed Income	30%	0.25%
Private Markets	10%	6.80%

As of June 30, 2016, PERS' long-term inflation assumption was 3.5%.

Net Pension Liability

At June 30, 2017, the County reported a liability for its proportionate share of PERS' net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on the County's share of combined employer and member contributions to PERS relative to the total combined employer and member contributions of all participating PERS employers and members for the period ended June 30, 2016. The County's proportion was 3.00375%, which was a decrease of .04106 from its proportion measured at June 30, 2015.

Pension Liability Discount Rate Sensitivity

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

	1% Decrease in Discount Rate (7.00%)	Discount Rate (8.00%)	1% Increase in Discount Rate (9.00%)
Net Pension Liability	\$ 592,505,228	\$ 404,218,415	\$ 247,566,105

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the PERS' Comprehensive Annual Financial Report, available on the PERS website – www.nvpers.org.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Actuarial Assumptions

The County's net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	3.50%
Payroll Growth	5.00% including inflation
Investment Rate of Return	8.00%
Productivity Pay Increase	0.75%
Projected Salary Increases	Regular: 4.60% to 9.75%, depending on service Police/Fire: 5.25% to 14.5%, depending on service Rates include inflation and productivity increases
Consumer Price Index	3.50%
Other Assumptions	Same as those used in the June 30, 2016 funding actuarial valuation

Actuarial assumptions used in the June 30, 2016 valuation were based on the results of the experience review completed in 2013.

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

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the County recognized pension expense of \$53,939,559. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>\$</u>	<u>\$</u>
Difference between expected and actual experience	-	27,067,510
Net difference between projected and actual earnings on pension plan investments	37,577,134	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	12,177,682	4,493,857
County contributions subsequent to the measurement date	53,633,354	-
Total	<u><u>\$ 103,388,170</u></u>	<u><u>\$ 31,561,367</u></u>

\$53,633,354 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) determined at July 1, 2015 (the beginning of the measurement period ended June 30, 2016) is 6.48 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

Year Ended June 30,	
2018	\$ (1,289,116)
2019	(1,289,116)
2020	15,079,688
2021	8,165,580
2022	(1,838,923)
Thereafter	(634,665)
Total	\$ <u>18,193,448</u>

The following is the reconciliation of the June 30, 2017 net pension liability:

Beginning Net Pension Liability	\$	348,917,793
Pension Expense		53,939,559
Employer Contributions		(50,934,724)
New Net Deferred Inflows/Outflows		40,413,960
Recognition of Prior Deferred (Inflows)/Outflows		11,881,827
Ending Net Pension Liability	\$	<u>404,218,415</u>

Additional Information

The PERS Comprehensive Annual Financial Report (CAFR) is available on the PERS website at www.nvpers.org under Quick Links – Publications.

Discretely Presented Component Units

On March 27, 2012 the Board of Fire Commissioners approved an interlocal agreement transferring operations of SFPD to TMFPD. As of June 30, 2012, all SFPD employees were transferred to TMFPD and, therefore, SFPD no longer contributes to PERS. The employees remained participants of PERS and their accounts were transferred to TMFPD.

On July 1, 2012 all TMFPD employees were covered under the employer pay contribution plan method. Prior to July 1, 2012, the benefits for TMFPD plan members are funded under one of two methods. Under the employer pay contribution plan, TMFPD is required to contribute all amounts due under the plan. The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while TMFPD is required to match that contribution. The contribution requirements of plan members and the TMFPD are established by Chapter 286 of NRS and may only be amended through legislation.

TMFPD's contributions to PERS were \$3,793,840 for the year ended June 30, 2017.

At June 30, 2017, TMFPD reported a liability for its proportionate share of PERS' net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. TMFPD's proportion of the net pension liability was based on TMFPD's share of contributions to PERS' pension plan relative to the total contributions of all participating PERS employers and members for the period ended June 30, 2016. TMFPD's proportion was 0.21696%, which is a decrease of .00433 from its proportion measured at June 30, 2015.

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

The following presents the net pension liability of TMFPD as of June 30, 2017, calculated using the discount rate of 8.00%, as well as what TMFPD's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.00%) or 1-percentage point higher (9.00%) than the current discount rate:

	1% Decrease in Discount Rate (7.00%)	Discount Rate (8.00%)	1% Increase in Discount Rate (9.00%)
Net Pension Liability	\$ 42,797,396	\$ 29,197,203	\$ 17,882,010

For the year ended June 30, 2017, TMFPD recognized pension expense of \$4,091,777. At June 30, 2017, TMFPD reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,955,120
Net difference between projected and actual earnings on pension plan investments	2,714,243	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	1,929,221	473,584
Employer's contributions subsequent to the measurement date	3,793,840	-
Total	\$ 8,437,304	\$ 2,428,704

\$3,793,840 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of TMFPD's net pension liability in the year ended June 30, 2018.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) determined at July 1, 2015 (the beginning of the measurement period ended June 30, 2016) is 6.48 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense by TMFPD as follows:

Year Ended June 30,	
2018	110,285
2019	110,285
2020	1,297,646
2021	790,609
2022	(33,324)
Thereafter	(60,741)
Total	\$ 2,214,760

WASHOE COUNTY, NEVADA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017
(CONTINUED)

NOTE 15 - OTHER POSTEMPLOYMENT BENEFITS

Plan Descriptions and Eligibility

The County provides other postemployment benefits (OPEB) for eligible employees through the Retiree Health Benefit Program (RHBP), a single-employer defined benefit OPEB plan, and participates in the State of Nevada's Public Employee Benefit Plan (PEBP), an agent multiple-employer defined benefit OPEB plan. The RHBP is administered through the Washoe County, Nevada OPEB Trust (Trust), an irrevocable trust established on May 11, 2010 by the BCC, while the PEBP is administered by the State of Nevada. The Trust, a multiple employer trust, was created to fund and account for the participating employers' costs of retiree healthcare benefits pursuant to NRS 287.017, including both the RHBP and PEBP. Complete financial statements of the Trust may be obtained by writing to: OPEB Trust, c/o Washoe County Comptroller's Office, P.O. Box 11130, Reno, Nevada, 89520.

Additionally, TMFPD, a discretely presented component unit, provides OPEB for eligible employees through the Truckee Meadows Fire Protection District Retiree Group Medical Plan (RGMP), a single-employer defined benefit plan. As of July 1, 2016, the Sierra Fire Protection District (SFPD) Retiree Group Medical Plan was consolidated into the TMFPD RGMP, and SFPD's retirees are provided OPEB through the TMFPD RGMP. Since July 1, 2010 both of these plans have been administered through the Trust.

Washoe County Retiree Health Benefit Program (RHBP)

In accordance with NRS 287.010, the BCC adopted the RHBP to provide postemployment benefits to eligible employees upon retirement. Retirees are offered medical, prescription, vision, life, and dental insurance for themselves and their dependents. Retirees can choose between a self-funded PPO Plan, an HMO Plan, and beginning January 1, 2017, a self-funded High Deductible Plan.

All employees hired before July 1, 2010 who retire from County employment and receive monthly payments under PERS are eligible to participate in the RHBP. In addition, employees hired before this date who have terminated employment prior to retirement may enroll in the RHBP upon commencing retirement if the County is that individual's last public employer.

For eligible retirees, the County pays a portion of the retiree's premium based on years of County service. Benefits are provided under two contribution "tiers": Tier 1 includes employees hired prior to various exclusion dates between 1997 and 1999, as stipulated in employee association contracts, and Tier 2 includes all employees hired after the Tier 1 exclusion dates. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums depending on their respective tier. Retirees pay 100% of the premium for dependent coverage.

For Tier 1 retirees, the retiree's contribution is determined as follows, except for the cost of dental benefits which is 100% paid for by the retiree, regardless of years of County service:

<u>Years of Service</u>	<u>Tier 1 Retiree Contribution</u>
Less than 10	100%
10 but less than 15	50%
15 but less than 20	25%
20 or more	0%

For Tier 2 retirees, the retiree's contribution is the monthly premium amount less a County-paid premium subsidy stipulated in employee association contracts. For retirees of any age not enrolled in Medicare, the County's monthly subsidy for fiscal year 2017 depends on years of full-time service and ranges from a minimum of \$109 for five years to a maximum of \$595 for 20 or more years. For retirees age 65 and over and enrolled in Medicare, the County's monthly subsidy ranges from \$58 to \$230 based on years of service.

State of Nevada's Public Employee Benefit Plan (PEBP)

NRS 287.023 allowed County retirees to join the State's PEBP through September 1, 2008, at the County's expense. Eligibility and subsidy requirements are governed by statutes of the State and can only be amended through legislation.

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PEBP is administered by a nine member governing board and provides medical, dental, prescription, vision, life and accident insurance for retirees.

Through collective bargaining agreements, the County is required to provide a subsidy for their eligible retirees that have elected to join PEBP. Contribution requirements are assessed by the PEBP Board annually. The subsidy for this plan is based on years of service and in fiscal year 2017 ranged from a minimum of \$109 for five years of service to a maximum of \$595 for 20 or more years of service. Retirees age 65 and over are required to enroll in a Medicare Advantage Plan at their own expense and receive monthly Health Reimbursement Account contributions of between \$58 and \$230 based on years of service.

Governmental Accounting Standards Board (GASB) Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, which was effective for fiscal years beginning after June 15, 2016, makes changes to the financial reporting for OPEB plans administered through trusts which meet certain criteria. Because the PEBP is administered by the State of Nevada, it is not considered a "plan" for GASB Statement No. 74 purposes, and any assets accumulated for OPEB purposes are to be reported as assets of the employer.

TMFPD Retiree Group Medical Plan (TMFPD RGMP)

Prior to July 1, 2000, TMFPD provided health insurance benefits to retired employees through a single-employer defined benefit plan. At June 30, 2000, ten retirees were participating in the TMFPD RGMP. On July 1, 2000, pursuant to an Interlocal Agreement for Fire Services and Consolidation, TMFPD operations were transferred to the City of Reno (City) and the City accepted liability for the ten retirees under this plan. In accordance with the Interlocal Agreement, TMFPD pays a proportionate share of employees' retiree health benefit costs based on service earned prior to July 1, 2000, for those employees who transferred employment to the City and retired prior to June 30, 2012 or during the term of the Interlocal Agreement. Health benefits under the City's plan include medical, dental, prescription, vision and life insurance.

The Interlocal Agreement was terminated on June 30, 2012, and TMFPD assumed responsibility for its own fire district operations as of July 1, 2012. As of June 30, 2012, in preparation of standing up the new fire operations, 11 former Reno firefighters transferred to TMFPD with the provision that TMFPD would provide retiree health benefits for those 11 employees. Any former TMFPD employees remaining employed by the City as of July 1, 2012, retained retiree health benefits with the City and the City retained the liability for those employees. Employees hired by TMFPD prior to July 1, 2014 are eligible for retiree health benefits through the TMFPD RGMP. Benefits under the new TMFPD RGMP, a single-employer defined benefit plan, include health, dental, vision and prescription insurance coverage. Eligible retirees who retire from the District will be required to pay for 50% of the retirees' health insurance premium and 100% of the cost of coverage for their dependents. Eligibility requirements, benefit levels, employee contributions, and employer contributions may be amended by the mutual agreement of the TMFPD and the TMFPD Fire Fighters Association.

The TMFPD RGMP also includes former employees of the Sierra Fire Protection District (SFPD). TMFPD and SFPD consolidated as of July 1, 2016; prior to that date, health insurance benefits for SFPD retirees were provided through the TMFPD RGMP, but the liability for the payment of SFPD's retiree health benefits was retained by SFPD. As a result of the consolidation, TMFPD assumed this liability.

Funding Policy and Annual OPEB Cost

An independent actuary calculates the annual required contribution (ARC) for each of the employers' plans. The ARC is based on the amount needed to fund the Unfunded Actuarial Accrued Liability over a specified amortization period, with an additional amount for future benefits attributable to employee service in the current year. The actual contributions each year for Washoe County RHBP and TMFPD RGMP are established through the annual budget process by the Board of County Commissioners and the TMFPD Board of Fire Commissioners, respectively, and may be amended through negotiations with their respective employee associations.

Additionally, the County is required to provide a subsidy for their retirees that have elected to join PEBP which is established and may be amended by the State of Nevada Legislature. The subsidy is paid on the pay-as-you-go basis, with an additional amount contributed to prefund future benefits. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually.

The County and TMFPD fund the OPEB costs from their respective Operating Funds. During the current fiscal year the County transferred \$20.9 million to the Trust to fund future retiree health benefits for both the RHBP and PEBP. This contribution was allocated between the RHBP and the PEBP based on the proportionate share of each plan's Unfunded Actuarial Accrued Liability to the total. TMFPD did not make any transfers to the Trust during the current fiscal year.

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The annual OPEB cost and related information for each plan or other arrangement for the fiscal year ended June 30, 2017 are as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>
Determination of Annual Required Contribution:			
Normal cost	\$ 6,926,000	\$ -	\$ 436,941
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	<u>16,162,000</u>	<u>99,636</u>	<u>126,921</u>
Annual Required Contribution (ARC)	<u>\$ 23,088,000</u>	<u>\$ 99,636</u>	<u>\$ 563,862</u>
Determination of Net OPEB Obligation:			
Annual Required Contribution	\$ 23,088,000	\$ 99,636	\$ 563,862
Interest on Net OPEB Obligation	21,000	(68,780)	161,771
Adjustment to ARC	<u>(18,000)</u>	<u>78,799</u>	<u>(237,137)</u>
Annual OPEB Cost	23,091,000	109,655	488,496
Contributions Made to Trust	<u>(20,903,001)</u>	<u>872,735</u>	<u>-</u>
Increase (Decrease) in Net OPEB Obligation	2,187,999	982,390	488,496
Net OPEB Obligation (Asset), Beginning of Year	305,037	(982,390)	2,311,013
Net OPEB Obligation (Asset), End of Year	<u>\$ 2,493,036</u>	<u>\$ -</u>	<u>\$ 2,799,509</u>

The Net OPEB Obligation of the RHBP and the TMFPD RGMP are reflected in the Statement of Net Position as Noncurrent Liabilities Due in more than one year. As noted, per GASB Statement No. 74, the arrangement with PEBP is not a "plan" for financial reporting purposes, and so the Net OPEB Asset for the PEBP arrangement is not reflected in the Statement of Net Position. Instead, the assets accumulated and related OPEB liability are included in the Statement of Net Position as Restricted Cash and Investments and Noncurrent Liabilities Due in more than one year, respectively. These amounts are shown in the Funded Status table below.

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at June 30, 2017 and the two preceding years for each of the plans were as follows (TMFPD and SFPD amounts are combined for 2015 and 2016):

<u>Plan</u>	<u>Fiscal Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation / (Asset)</u>
RHBP	2015	\$ 19,910,000	20,666,764	103.80%	\$ (2,987,727)
	2016	20,906,000	17,613,000	84.25%	305,273
	2017	23,091,000	20,903,001	90.52%	2,493,036
PEBP	2015	72,302	280,799	388.37%	(966,390)
	2016	51,000	260,737	511.25%	(1,176,127)
	2017	109,655	(1,066,472)	-972.57%	-
TMFPD RGMP	2015	547,615	-	0.00%	1,687,752
	2016	623,261	-	0.00%	2,311,013
	2017	488,496	-	0.00%	2,799,509

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Listed below is the funded status of each plan or other arrangement, as of their most recent actuarial valuations:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>
Valuation date	7/1/2016	7/1/2016	7/1/2016
Actuarial Accrued Liability (AAL)	\$ 429,637,000	\$ 3,799,240	\$ 6,128,670
Actuarial Value of Plan Assets	<u>168,927,000</u>	<u>2,638,131</u>	<u>4,972,679</u>
Unfunded Actuarial Accrued Liability (UAAL)	\$ <u>260,710,000</u>	\$ <u>1,161,109</u>	\$ <u>1,155,991</u>
Funded Ratio (Actual Value of Plan Assets/AAL)	39.32%	69.44%	81.14%
Covered Payroll (Active Plan Members) *	\$ 124,291,222	n/a	\$ 8,442,493
UAAL as a Percentage of Covered Payroll *	209.76%	n/a	13.69%

* The covered payroll for active plan members for the TMFPD RGMP reported above represents salaries and wages for the 9 former Reno firefighters who transferred from the City of Reno to TMFPD in June 2012 and who were still employed by TMFPD at June 30, 2017 as well as current employees hired prior to July 1, 2014. The UAAL shown for TMFPD also includes TMFPD's proportionate share of the liability, based on service earned prior to July 1, 2000 for the remaining 43 employees who transferred employment to the City of Reno and retired during the term of the Interlocal agreement, as well as current eligible employees.

In accordance with GASB Statement No. 74, the AAL and the Actuarial Value of Plan Assets for the PEBP arrangement are included in the Statement of Net Position.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far in the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear 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 for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

	<u>RHBP</u>	<u>PEBP</u>	<u>TMFPD RGMP</u>
Valuation date	7/1/2016	7/1/2016	7/1/2016
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost	Entry Age Normal Cost
Amortization method	Level dollar amount, closed	Level dollar amount, closed	Level dollar amount, closed
Remaining amortization period	25 years	25 years	15 years
Asset valuation method	Market Value	Market Value	Market Value
Actuarial assumptions:			
Investment rate of return	7%	7%	7%
Healthcare cost trend rate	7.50% initial 4.75% ultimate	8.25% initial 4.75% ultimate	9.84% initial 4.75% ultimate

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NOTE 16 - RISK MANAGEMENT

In 1981, the County started self-funding its workers' compensation obligations. Since then, the County has increased the number of programs where the self-funding is practiced and the proportion of the loss exposure which it self-funds. Currently, the County self-funds portions of its fiscal responsibility related to exposures of loss from torts; theft of, damage to, or destruction of assets; errors or omissions; and health insurance claims.

Two internal service funds have been established to account for these programs:

The Risk Management Fund accounts for costs related to general liability, auto liability, workers' compensation, property coverage and unemployment compensation. Except for unemployment compensation, these costs are covered through a combination of self-funding and insurance purchased from outside carriers.

The Health Benefits Fund accounts for life, medical, prescription, dental and vision insurance programs. The plans contained within the Health Benefits Fund are handled through contracts with an external claims administrator, a preferred provider organization for medical services and through the purchase of various insurance plans, including a fully-insured medical and prescription plan.

At any time, there are a number of lawsuits and unresolved disputes involving the County, which are administered by the Risk Management Division. These items are reviewed by the Risk Management Division with input from the District Attorney's Office and the appropriate third party administrator. They set the values to the extent a value is determinable. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, including the effects of specific incremental claim adjustment expenses, salvage and subrogation. Allocated claim adjustment expenses are included. Annually, an aggregate value is placed on all claims through the performance of an actuarial study.

The values set by the actuary for both short and long-term liabilities are as follows:

	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Pending Claims:			
Property and liability claims	\$ 1,434,000	\$ 3,468,000	\$ 4,902,000
Workers' compensation claims	5,220,000	8,946,000	14,166,000
Unprocessed Health Benefits Fund claims	<u>2,505,000</u>	<u>-</u>	<u>2,505,000</u>
Total Pending Claims	<u>\$ 9,159,000</u>	<u>\$ 12,414,000</u>	<u>\$ 21,573,000</u>

The level of insurance coverage purchased by the County for property-related claims ranges from \$500,000 to a policy limit of \$500 million, depending on the incident. Deductibles generally range from \$2,500 to \$50,000. Liability and workers' compensation claims are self-insured up to \$1.5 million each; insurance policies are in place for losses greater than this amount. There were no settled claims in excess of insurance coverage in the current fiscal year or the three prior fiscal years.

Many items involving the Risk Management Fund do not specifically fall within the criteria used by the actuary for evaluation. Such items include contract disputes and noninsurance items. Currently, there is a net position of \$12,752,076 in the Risk Management Fund for claims that fall into areas not recognized in the actuarial studies and possible catastrophic losses that exceed parameters of the actuarial studies, in addition to the claims that are evaluated by the actuary. The net position amount is restricted for the payment of claims per NRS 354.6215.

The County's exposure for the self-funded portion of health insurance claims is limited to \$250,000 per claim each year. Stop-loss insurance is in place for claims above this amount. Currently, there is a net position of \$5,507,210 in the Health Benefits Fund for claims in excess of amounts projected by actuary. The net position amount is restricted for the payment of claims per NRS 354.6215.

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Claims liability and activity for the Risk Management and the Health Benefits Funds for the fiscal years ending June 30 were as follows:

	Risk Management	Health Benefits
	Fund	Fund
Claims Liability/Activity:		
Claims Liability, June 30, 2015	\$ 14,485,000	\$ 2,890,000
Claims and changes in estimates	5,782,675	23,297,823
Claim payments	<u>(3,548,675)</u>	<u>(23,785,823)</u>
Claims Liability, June 30, 2016	16,719,000	2,402,000
Claims and changes in estimates	5,946,091	23,408,311
Claim payments	<u>(3,597,091)</u>	<u>(23,305,311)</u>
Claims Liability, June 30, 2017	\$ 19,068,000	\$ 2,505,000

The non-discounted carrying amount of unpaid claims in the Risk Management Fund at June 30 is \$19,068,000. The interest rate used for discounting was 2.5%.

Discretely Presented Component Units

The Truckee Meadows Fire Protection District (TMFPD), discretely presented component unit, does not participate in the Washoe County Risk Management or Health Benefits Funds.

TMFPD is exposed, as are all entities, to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. TMFPD has joined together with similar public agencies throughout the State to create a pool, Nevada Public Agency Insurance Pool (NPAIP), under the Nevada Interlocal Cooperation Act. Property and liability is fully insured with NPAIP. TMFPD pays annual premiums and specific deductibles, as necessary, to the Pool for its general insurance coverage. The NPAIP is considered a self-sustaining risk pool that provides coverage for its members up to \$10 million per event and a \$10 million general aggregate per member. Property, crime and equipment breakdown coverage is provided to its members up to \$300 million per loss with various sub-limits established for earthquake, flood, equipment breakdown, and money and securities.

As of April 1, 2012, TMFPD and SFPD entered an Interlocal Agreement to consolidate fire department administration and operations. Under that Interlocal Agreement, all SFPD employees became TMFPD employees. Health insurance and workers' compensation benefits are paid by the TMFPD through their consolidated budget.

In fiscal year 2012-13, TMFPD self-funded its health benefits until June 1, 2013. The TMFPD Health Benefits Fund was established to account for life insurance, medical, prescription, dental and vision programs. The self-funded plans contained within the TMFPD Health Benefits Fund were handled through contracts with an external claims administrator and through the purchase of various insurance plans. As of June 1, 2013, the TMFPD purchased a guaranteed health benefit plan and is no longer self-funded. The SFPD health plan ceased with the transition of SFPD employees to TMFPD during the fiscal year ended June 30, 2012.

During the term of the City of Reno/Truckee Meadows Fire Protection District Interlocal Agreement, workers' compensation was fully insured with the City of Reno's self-funded workers' compensation plan. Due to the termination of the Interlocal Agreement as of July 1, 2012, TMFPD is no longer self-funded with the City of Reno but has purchased a guaranteed workers' compensation insurance plan. However, TMFPD is still required to pay workers' compensation claims costs to the City of Reno for those years TMFPD was self-funded through the City of Reno's workers' compensation plan.

During the fiscal year ended June 30, 2004, the City instituted a "pay as you go" system for workers' compensation claims. TMFPD shared the combined losses with the Reno Fire Department (RFD). Each year, TMFPD was assigned the portion of paid losses corresponding to the ratio of employees originally transferred from TMFPD to the total number of current RFD employees. The ratio applied to TMFPD for the fiscal year ended June 30, 2012, which was the last fiscal year of the Interlocal Agreement, was 25%. TMFPD established the Workers' Compensation Fund to account for this program. During the fiscal year ended June 30, 2017, the TMFPD paid the City of Reno \$1,548,405 for the purpose of buying out its final year of workers' compensation liability for fiscal year 2012.

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Claims incurred prior to fiscal year 2012 remain the liability of the City of Reno under the buyout agreement. TMFPD will remain responsible for future Heart and Lung related workers' compensation claims on a "pay as you go" system.

Claims liability and activity for the fiscal years ending June 30 were as follows:

	TMFPD Workers' Compensation Fund
Claims Liability/Activity:	
Claims Liability, July 1, 2015	855,000
Claims and changes in estimates	166,623
Claims payments	<u>(488,623)</u>
Claims Liability, June 30, 2016	533,000
Claims and changes in estimates	2,543,610
Claims payments	<u>(1,747,481)</u>
Claims Liability, June 30, 2017	<u><u>\$ 1,329,129</u></u>

NOTE 17 – JOINT VENTURES

Local Government Oversight Committee Joint Venture (Truckee River Water Quality Settlement Agreement)

The County and the Cities of Reno and Sparks have entered into a joint venture for the purchase of water rights pursuant to the Truckee River Water Quality Settlement Agreement (TRWQSA) dated October 10, 1996. Parties to the TRWQSA are Washoe County, City of Reno, City of Sparks, United States Department of the Interior (DOI), U.S. Department of Justice, U.S. Environmental Protection Agency, Nevada Division of Environmental Protection and the Pyramid Lake Paiute Tribe of Indians (Tribe).

The agreement settled and dismissed pending litigation by the Tribe relating to the expansion of the Truckee Meadows Water Reclamation Facility, which is operated by the Cities of Reno and Sparks. It allows the cities of Reno and Sparks to use the sewage plant's full capacity in exchange for the expenditure of \$24,000,000 (\$12,000,000 by DOI and \$12,000,000 by the joint venture) for the acquisition of Truckee River water rights. The arrangement is considered a joint venture with no equity interest with no equity interest recorded in the County's financial statements because no explicit and measurable equity interest is deemed to exist.

The Local Government Oversight Committee formally acknowledged the joint venture's satisfaction of its \$12 million TRWQSA obligation on October 9, 2014. Acquired water rights are jointly managed by the County, the Cities of Reno and Sparks, and DOI. Each entity (Washoe County and the Cities of Reno and Sparks) owns an undivided and equal interest in the water rights acquired. The County's proportionate share of the purchased water rights totals \$4,019,072 and is recorded in capital assets.

Separately audited financial statements and information for the joint venture are available by writing to: Local Government Oversight Committee (Truckee River Water Quality Settlement Agreement), c/o Washoe County Comptroller's Office, P.O. Box 11130, Reno, Nevada 89520.

Truckee Meadows Water Authority

The Truckee Meadows Water Authority (TMWA) is a joint powers authority formed in November 2000, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). TMWA was formed in order to purchase water assets and undertake water utility operations of Sierra Pacific Power Company, a Nevada corporation, and to develop, manage and maintain supplies of water for the ongoing benefit of the Truckee Meadows community. TMWA has issued bonds that do not constitute an obligation of the Cities of Reno or Sparks, the County, or the State.

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Under the terms of the Cooperative Agreement, TMWA's Board of Directors has the power to periodically assess the Members directly for budgets and for the satisfaction of any liabilities imposed against TMWA. Since TMWA's formation no such assessments have been made. The arrangement is considered a joint venture with no equity interest with no equity interest recorded in the County's financial statements because no explicit and measurable equity interest is deemed to exist. The County appoints two directors of a seven-member governing body.

Separate audited financial statements and information for the joint venture are available by contacting the Authority's Chief Financial Officer at P.O. Box 30013, Reno, NV 89520-3013.

Truckee River Flood Management Authority

The Truckee River Flood Management Authority (TRFMA) is a joint powers authority formed in March, 2011, pursuant to a Cooperative Agreement among the Cities of Reno and Sparks and Washoe County (Members). The governing body of each Member appoints two directors who must be elected officials of the Member's governing body. The TRFMA was formed in order to regulate and control waters of the Truckee River that flow through their territories to reduce or mitigate flooding for the ongoing benefit of the Truckee Meadows community.

The primary source of revenue for the TRFMA consists of the net revenues of the Infrastructure Tax pledged by the County to support the TRFMA. The Infrastructure Tax is collected by the State of Nevada Department of Taxation and remitted to the County pursuant to procedures established in NRS Chapter 377B that restricts spending of these proceeds to projects for the management of floodplains, the prevention of floods or facilities relating to public safety. Net revenues consist of the balance remaining after paying or reserving for County obligations for existing flood project related debt.

Under the terms of the Cooperative Agreement, the TRFMA Board of Directors has the power to periodically impose, assess, levy, collect and enforce fees, rates, and charges in an amount sufficient for services or facilities, or both services and facilities and also to discharge any debt instruments or financing agreements. No such assessments have been made since the TRFMA's formation. The arrangement is considered a joint venture with no equity interest recorded in the County's financial statements because no explicit and measurable equity interest is deemed to exist.

NOTE 18 – Tax Abatements

State of Nevada Tax Abatements

For the fiscal year ended June 30, 2017, Washoe County tax revenues were reduced by a total amount of \$4,232,685 under agreements entered into by the State of Nevada.

- Aviation Tax Abatement (NRS 360.753) – Partial abatements from Personal Property and Sales & Use Taxes are available to companies that locate or expand their business in Nevada. The personal property tax abatement can be up to 50% for 20 years on the taxes due on tangible personal property, and the sales & use tax abatement reduces the applicable tax rate to 2% for a similar 20 year period, a near 75% reduction. For fiscal year ending June 30, 2017, the total amount abated for Washoe County was \$71,729.
- Data Centers Abatement (NRS 360.754) – Partial abatements from Personal Property and Sales & Use Taxes are available to companies that establish or expand data centers. The personal property tax abatement can be up to 20 years. For fiscal year ending June 30, 2017, the Total Amount Abated for Washoe County was \$81,352.
- Standard Abatement (NRS 360.750)
 - Local Sales and Use Tax Abatement – A partial abatement of sales and use taxes is available to qualified companies that locate or expand their business in Nevada. The tax abatement is on the gross receipts from the sale, and the storage, use of other consumption, of eligible capital equipment. The abatement reduces the sales and use tax rate to 2%. The approved business is eligible for tax abatements for a two-year period beginning the date the abatement becomes effective.
 - Modified Business Tax Abatement – A partial abatement of the Modified Business Tax is available to qualified companies that locate or expand their business in Nevada. The current tax imposed on each employer is at the rate of 1.475% on taxable wages over \$50,000 in a quarter. A business may qualify for a partial abatement of up to 50% of the amount of the business tax due during the first four years of operations.

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- o Personal Property Tax Abatement – A partial abatement from personal property tax is available to qualified companies that locate or expand their business in Nevada. This tax abatement can be up to 50% of the tax due for 10 years beginning from when the abatement becomes effective. The applicant must apply for abatement not more than one year before the business begins to develop for expansion of operations in Nevada.
- o Real Property Tax Abatement for Recycling – A partial abatement of real property (land and buildings) tax is available for businesses and facilities using recycled material that have as a primary purpose the conservation of energy or the substitution of fossil sources for other sources of energy. To qualify, the business must be in the primary trade of recycling at least 50% of raw material or an intermediate product onsite; or converting the energy derived from recycled material into electricity. Qualifying businesses can receive a partial abatement of up to 50% of the tax due on real property for not more than 10 years beginning from when the abatement becomes effective.

For fiscal year ending June 30, 2017, the total standard abatement amount Abated for Washoe County was \$4,079,604.

NOTE 19 – PRIOR PERIOD ADJUSTMENT

As of July 1, 2016, Washoe County OPEB Trust Fund adopted GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74). This standard clarified the definition of a “Plan” for OPEB purposes. Under this definition, the PEBP activity does not qualify as a “plan” for purposes of the OPEB Trust. As a result, those payments (\$2,638,132) must be reported on the Statement of Net Position and General Fund of the employer. In addition, a net OPEB asset determined by the actuary for the PEBP portion of the Washoe County, Nevada OPEB Trust (\$982,390) must be removed from the Statement of Net Position of the employer.

	Governmental Activities	General Fund
	<u> </u>	<u> </u>
Net position/fund balance as previously reported, June 30, 2016	\$ 169,272,692	\$ 53,438,599
Actuarial value of PEBP assets at June 30, 2016	2,638,132	2,638,132
Less Net OPEB Asset related to PEBP at June 30, 2016	<u>(982,390)</u>	<u>-</u>
Net position at July 1, 2016, as restated for OPEB (PEBP)	<u>\$ 170,928,434</u>	<u>\$ 56,076,731</u>

**WASHOE COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

SCHEDULE OF FUNDING PROGRESS – OTHER POSTEMPLOYMENT BENEFITS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(a / b) Funded Ratio	(b - a) Unfunded Actuarial Accrued Liability (UAAL)	(c) Covered Payroll	[(b - a) / c] UAAL as a Percent of Covered Payroll
RHBP						
July 1, 2012	\$ 91,263,000	\$ 287,185,000	31.78%	\$ 195,922,000	\$ 146,848,513	133.42%
July 1, 2014	146,484,000	339,643,000	43.13%	193,159,000	130,181,371	148.38%
July 1, 2016	168,927,000	429,637,000	39.32%	260,710,000	124,291,222	209.76%
PEBP						
June 30, 2012	1,635,802	6,108,685	26.78%	4,472,883	n/a	n/a
June 30, 2014	2,607,203	3,412,494	76.40%	805,291	n/a	n/a
July 1, 2016	2,638,131	3,799,240	69.44%	1,161,109	n/a	n/a
TMFPD RGMP						
July 1, 2013	4,158,372	15,228,673	27.31%	11,070,301	4,018,906	275.46%
July 1, 2014	5,216,457	6,956,375	74.99%	1,739,918	8,338,483	20.87%
July 1, 2016	4,972,679	6,128,670	81.14%	1,155,991	8,442,493	13.69%

SCHEDULE OF COUNTY'S SHARE OF NET PENSION LIABILITY – PUBLIC EMPLOYEE'S RETIREMENT SYSTEM OF NEVADA (PERS) – LAST TEN FISCAL YEARS*

	2016	2015	2014
County's portion of the net pension liability	3.00375%	3.04481%	2.99104%
County's proportionate share of the net pension liability	\$ 404,218,415	\$ 348,917,793	\$ 311,725,984
County's covered payroll	\$ 170,699,917	\$ 159,308,921	\$ 154,067,907
County's proportionate share of the net pension liability as a percentage of its covered payroll	236.80%	219.02%	202.33%
Plan fiduciary net position as a percentage of the total net pension liability	72.20%	75.10%	76.30%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

SCHEDULE OF COUNTY'S CONTRIBUTIONS – PUBLIC EMPLOYEE'S RETIREMENT SYSTEM OF NEVADA (PERS) – LAST TEN FISCAL YEARS*

	2017	2016	2015
Statutorily required contribution	\$ 53,633,354	\$ 51,276,987	\$ 46,781,626
Contributions in relation to the statutorily required contribution	\$ 53,633,354	\$ 51,276,987	\$ 46,781,626
Contribution (deficiency) excess	\$ -	\$ -	\$ -
County's covered payroll	\$ 171,171,726	\$ 170,699,917	\$ 159,308,921
Contributions as a percentage of covered payroll	31.33%	30.04%	29.37%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.

**WASHOE COUNTY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2017**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1 – EMPLOYER CONTRIBUTIONS

The County funds the RHBP and the PEBP via contributions to the Washoe County, Nevada OPEB Trust (Trust). TMFPD funds its retiree group medical plans through the Trust. Information on employer contributions can be found in the Trust's separately issued financial statements, a copy of which can be obtained by writing to: OPEB Trust, c/o Washoe County Comptroller's Office, PO Box 11130, Reno, NV 89520.

NOTE 2 – TMFPD COVERED PAYROLL AND UAAL

The covered payroll for active plan members for the TMFPD RGMP reported above reflects changes in the current labor agreement to make all District employees hired between April 1, 2012 and July 1, 2014 eligible for retiree health benefits, and to require all retirees to enroll in Medicare at age 65. The UAAL shown for TMFPD also includes the District's proportionate share of the liability, based on service earned prior to July 1, 2000 for the remaining 43 employees who transferred employment to the City and retired during the term of the Interlocal Agreement. All amounts include amounts previously presented separately for the Sierra Fire Protection District, which was consolidated into TMFPD as of July 1, 2016.

Discretely Presented Component Unit

SCHEDULE OF TRUCKEE MEADOWS FIRE PROTECTION DISTRICT'S NET PENSION LIABILITY – PUBLIC EMPLOYEE'S RETIREMENT SYSTEM OF NEVADA (PERS) – LAST TEN FISCAL YEARS*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
TMFPD's portion of the net pension liability	0.21696%	0.22129%	0.20583%
TMFPD's proportionate share of the net pension liability	\$ 29,197,203	\$ 25,358,762	\$ 21,451,071
TMFPD's covered payroll	\$ 9,271,513	\$ 8,435,593	\$ 7,783,987
TMFPD's proportionate share of the net pension liability as a percentage of its covered payroll	314.91%	300.62%	275.58%
Plan fiduciary net position as a percentage of the total net pension liability	72.23%	75.13%	76.31%

SCHEDULE OF TRUCKEE MEADOWS FIRE PROTECTION DISTRICT'S CONTRIBUTIONS – PUBLIC EMPLOYEE'S RETIREMENT SYSTEM OF NEVADA (PERS) – LAST TEN FISCAL YEARS*

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 3,793,840	\$ 3,671,552	\$ 3,415,736
Contributions in relation to the statutorily required contribution	\$ 3,793,840	\$ 3,671,552	\$ 3,415,736
Contribution (deficiency) excess	\$ -	\$ -	\$ -
TMFPD's covered payroll	\$ 9,340,999	\$ 9,271,513	\$ 8,435,593
Contributions as a percentage of covered payroll	40.61%	39.60%	40.49%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until 10 years of data is compiled, the County will present information only for those years for which information is available.



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NONMAJOR GOVERNMENTAL FUNDS

**WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total
Assets				
Cash and investments	\$ 37,314,751	\$ 5,398,467	\$ 34,826,668	\$ 77,539,886
Accounts receivable	339,380	-	-	339,380
Property taxes receivable	148,075	46,421	62,923	257,419
Other taxes receivable	1,650,758	-	-	1,650,758
Interest receivable	89,766	-	86,734	176,500
Due from other governments	3,699,514	-	2,230,194	5,929,708
Total Assets	<u>\$ 43,242,244</u>	<u>\$ 5,444,888</u>	<u>\$ 37,206,519</u>	<u>\$ 85,893,651</u>
Liabilities				
Accounts payable	\$ 1,996,554	\$ -	\$ 1,630,037	\$ 3,626,591
Accrued salaries and benefits	471,340	-	-	471,340
Contracts/retention payable	381,784	-	2,480,647	2,862,431
Due to other governments	2,588,154	-	554,566	3,142,720
Deposits	89,895	-	-	89,895
Total Liabilities	<u>5,527,727</u>	<u>-</u>	<u>4,665,250</u>	<u>10,192,977</u>
Deferred Inflows of Resources				
Unavailable revenue - grants	409,426	-	480,100	889,526
Unavailable revenue - property taxes	125,399	39,805	53,521	218,725
Total Deferred Inflows of Resources	<u>534,825</u>	<u>39,805</u>	<u>533,621</u>	<u>1,108,251</u>
Fund Balances				
Restricted	20,199,510	5,405,083	26,368,084	51,972,677
Committed	11,355,781	-	5,639,564	16,995,345
Assigned	5,624,401	-	-	5,624,401
Total Fund Balances	<u>37,179,692</u>	<u>5,405,083</u>	<u>32,007,648</u>	<u>74,592,423</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 43,242,244</u>	<u>\$ 5,444,888</u>	<u>\$ 37,206,519</u>	<u>\$ 85,893,651</u>

WASHOE COUNTY, NEVADA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues				
Taxes:				
Ad valorem	\$ 17,072,632	\$ 4,786,995	\$ 7,090,670	\$ 28,950,297
Licenses and permits	2,730,108	-	-	2,730,108
Intergovernmental revenues	28,582,904	-	1,610,747	30,193,651
Charges for services	8,087,525	-	-	8,087,525
Fines and forfeits	400	-	-	400
Miscellaneous	4,754,573	38,592	595,374	5,388,539
Total Revenues	61,228,142	4,825,587	9,296,791	75,350,520
Expenditures				
Current:				
General government	152	-	-	152
Public safety	18,448,579	-	-	18,448,579
Public works	15,403,886	-	-	15,403,886
Health and sanitation	22,568,558	-	-	22,568,558
Welfare	34,531,662	-	-	34,531,662
Culture and recreation	2,313,978	-	-	2,313,978
Intergovernmental	-	-	4,827,792	4,827,792
Capital outlay	-	-	20,559,430	20,559,430
Debt Service:				
Principal	-	9,045,404	-	9,045,404
Interest	-	4,386,223	-	4,386,223
Debt service fees and other fiscal charges	-	40,190	4,500	44,690
Total Expenditures	93,266,815	13,471,817	25,391,722	132,130,354
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(32,038,673)	(8,646,230)	(16,094,931)	(56,779,834)
Other Financing Sources (Uses)				
Proceeds from asset disposition	14,059	-	-	14,059
Proceeds from Sale of Water Rights	-	-	2,895,600	2,895,600
Transfers in	32,156,107	8,792,852	7,417,842	48,366,801
Transfers out	(2,953,225)	-	(2,021,450)	(4,974,675)
Total Other Financing Sources (Uses)	29,216,941	8,792,852	8,291,992	46,301,785
Net Change in Fund Balances	(2,821,732)	146,622	(7,802,939)	(10,478,049)
Fund Balances, July 1	40,001,424	5,258,461	39,810,587	85,070,472
Fund Balances, June 30	\$ 37,179,692	\$ 5,405,083	\$ 32,007,648	\$ 74,592,423



GENERAL FUND

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem:				
General	\$ 133,443,789	134,150,637	\$ 706,848	\$ 130,127,887
Detention facility	10,427,612	10,482,991	55,379	10,180,195
Indigent insurance program	2,020,855	2,031,588	10,733	1,972,921
China Springs support	1,010,428	1,016,549	6,121	1,143,583
Family Court	2,586,695	2,600,429	13,734	2,525,303
AB 104	2,432,851	2,468,204	35,353	2,432,664
NRS 354.59813 makeup revenue	-	959	959	563
Room tax	315,000	455,864	140,864	412,902
Total Taxes	152,237,230	153,207,221	969,991	148,796,018
Licenses and Permits:				
Business:				
General business licenses	840,000	842,864	2,864	826,823
Electric/telecom business licenses	4,916,800	4,448,043	(468,757)	4,273,928
Liquor licenses	254,600	258,113	3,513	266,872
Local gaming licenses	677,800	202,791	(475,009)	611,651
Sanitation franchise fees	365,000	413,817	48,817	456,824
Gas franchise fees	-	198,448	198,448	238,766
Cable television franchise fees	1,100,000	1,020,067	(79,933)	1,109,708
County gaming licenses	234,300	676,007	441,707	213,560
Gaming licenses - AB 104	1,397,644	1,261,820	(135,824)	318,520
Nonbusiness:				
Marriage affidavits	175,000	167,958	(7,042)	170,961
Mobile home permits	200	187	(13)	180
Other	300	1,424	1,124	1,618
Total Licenses and Permits	9,961,644	9,491,539	(470,105)	8,489,411
Intergovernmental Revenues:				
Federal grants	128,500	143,790	15,290	130,525
Federal payments in lieu of taxes	3,446,375	3,470,893	24,518	3,408,850
Federal incarceration charges	3,500,000	4,057,525	557,525	4,001,281
State Shared Revenues:				
State gaming licenses	146,986	137,070	(9,916)	138,124
Real property transfer tax - AB 104	627,750	757,388	129,638	561,611
SCCRT / GST - AB 104 Makeup	12,691,275	12,465,361	(225,914)	11,831,587
Consolidated taxes	103,150,525	100,335,941	(2,814,584)	95,605,303
State extraditions	48,000	31,190	(16,810)	28,458
Local contributions	213,142	260,048	46,906	188,801
Total Intergovernmental Revenues	123,952,553	121,659,206	(2,293,347)	115,894,540
Charges for Services:				
General Government:				
Clerk fees	100,000	105,005	5,005	107,763
Recorder fees	2,253,500	2,029,966	(223,534)	2,205,334
Map fees	2,000	4,436	2,436	8,043
Assessor commissions	1,700,000	1,806,396	106,396	1,657,157
Overhead recovery	7,025,139	6,964,571	(60,568)	11,253,075
Other	385,657	399,218	13,561	564,127
Subtotal General Government	11,466,296	11,309,592	(156,704)	15,795,499

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Judicial:				
Clerk court fees	\$ 450,000	\$ 371,259	\$ (78,741)	\$ 399,736
Other	948,300	900,988	(47,312)	1,476,323
Subtotal Judicial	1,398,300	1,272,247	(126,053)	1,876,059
Public Safety:				
Police:				
Sheriff fees	410,000	307,453	(102,547)	324,065
Other	4,438,140	5,033,920	595,780	4,565,204
Corrections	15,000	26,030	11,030	25,135
Protective services	380,000	350,091	(29,909)	290,975
Subtotal Public Safety	5,243,140	5,717,494	474,354	5,205,379
Public Works	192,415	334,649	142,234	339,802
Welfare	2,500	-	(2,500)	6,413
Culture and Recreation	788,572	955,920	167,348	901,951
Total Charges for Services	19,091,223	19,589,902	498,679	24,125,103
Fines and Forfeits:				
Fines:				
Library	90,000	81,136	(8,864)	87,674
Court	1,843,350	1,754,533	(88,817)	1,675,195
Penalties	3,685,400	3,007,737	(677,663)	3,216,889
Forfeits/bail	1,883,000	2,112,050	229,050	1,816,418
Total Fines and Forfeits	7,501,750	6,955,456	(546,294)	6,796,176
Miscellaneous:				
Investment earnings	1,822,030	1,954,640	132,610	1,612,335
Net increase (decrease) in the fair value of investments	75,000	(1,485,746)	(1,560,746)	1,135,162
Rents and royalties	150,000	51,693	(98,307)	71,465
Other	1,691,390	1,610,628	(80,762)	1,751,882
Total Miscellaneous	3,738,420	2,131,215	(1,607,205)	4,570,844
Total Revenues	316,482,820	313,034,539	(3,448,281)	308,672,092
Expenditures by Function and Activity				
Current:				
General Government Function:				
Legislative / County Commissioners:				
Salaries and wages	320,761	314,263	6,498	311,504
Employee benefits	181,410	181,313	97	129,108
Services and supplies	201,968	203,528	(1,560)	172,089
	704,139	699,104	5,035	612,701
Executive / County Manager:				
Salaries and wages	2,594,634	2,468,290	126,344	2,367,249
Employee benefits	1,387,544	1,353,682	33,862	961,030
Services and supplies	2,537,615	2,888,440	(350,825)	862,999
Capital outlay	-	-	-	-
	6,519,793	6,710,412	(190,619)	4,191,278

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Elections / Registrar of Voters:				
Salaries and wages	\$ 460,677	\$ 442,640	\$ 18,037	\$ 504,892
Employee benefits	260,446	252,872	7,574	192,339
Services and supplies	1,111,279	1,170,516	(59,237)	644,692
Capital outlay	45,000	-	45,000	53,509
	<u>1,877,402</u>	<u>1,866,028</u>	<u>11,374</u>	<u>1,395,432</u>
Finance:				
Comptrollers Department				
Salaries and wages	1,698,899	1,675,264	23,635	1,406,548
Employee benefits	952,440	964,853	(12,413)	606,224
Services and supplies	324,622	272,977	51,645	304,915
Capital outlay	-	21,063	(21,063)	-
	<u>2,975,961</u>	<u>2,934,157</u>	<u>41,804</u>	<u>2,317,687</u>
Treasurer:				
Salaries and wages	1,201,584	1,139,776	61,808	1,138,492
Employee benefits	726,947	696,009	30,938	528,842
Services and supplies	613,563	374,380	239,183	396,343
	<u>2,542,094</u>	<u>2,210,165</u>	<u>331,929</u>	<u>2,063,677</u>
Assessor:				
Salaries and wages	4,146,821	3,910,600	236,221	3,991,213
Employee benefits	2,401,436	2,331,086	70,350	1,748,281
Services and supplies	505,578	430,703	74,875	369,568
Capital outlay	-	-	-	18,071
	<u>7,053,835</u>	<u>6,672,389</u>	<u>381,446</u>	<u>6,127,133</u>
Subtotal Finance	<u>12,571,890</u>	<u>11,816,711</u>	<u>755,179</u>	<u>10,508,497</u>
Other:				
Human Resources:				
Salaries and wages	1,219,088	1,178,153	40,935	1,206,517
Employee benefits	645,986	636,041	9,945	490,799
Services and supplies	495,649	461,911	33,738	511,418
Capital outlay	-	-	-	19,211
	<u>2,360,723</u>	<u>2,276,105</u>	<u>84,618</u>	<u>2,227,945</u>
Clerk:				
Salaries and wages	829,130	830,758	(1,628)	801,556
Employee benefits	507,024	502,711	4,313	382,490
Services and supplies	96,475	65,986	30,489	61,804
	<u>1,432,629</u>	<u>1,399,455</u>	<u>33,174</u>	<u>1,245,850</u>
Recorder:				
Salaries and wages	1,257,959	1,199,695	58,264	1,122,845
Employee benefits	773,155	750,854	22,301	542,298
Services and supplies	156,351	105,446	50,905	123,147
Capital outlay	-	-	-	12,625
	<u>2,187,465</u>	<u>2,055,995</u>	<u>131,470</u>	<u>1,800,915</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Technology Services:				
Salaries and wages	\$ 5,952,212	5,898,370	\$ 53,842	\$ 5,619,682
Employee benefits	3,398,680	3,395,030	3,650	2,428,091
Services and supplies	4,005,053	3,448,835	556,218	4,087,941
Capital outlay	-	384,785	(384,785)	336,134
	<u>13,355,945</u>	<u>13,127,020</u>	<u>228,925</u>	<u>12,471,848</u>
Accrued Benefits:				
Salaries and wages	2,500,000	2,184,467	315,533	2,138,888
Employee benefits	-	54,803	(54,803)	37,519
	<u>2,500,000</u>	<u>2,239,270</u>	<u>260,730</u>	<u>2,176,407</u>
OPEB:				
Employee benefits	-	280,172	(280,172)	17,680,000
Undesignated:				
Salaries and wages	(629,000)	-	(629,000)	-
Services and supplies	861,024	1,592,532	(731,508)	1,552,316
	<u>232,024</u>	<u>1,592,532</u>	<u>(1,360,508)</u>	<u>1,552,316</u>
Subtotal Other	<u>22,068,786</u>	<u>22,970,549</u>	<u>(901,763)</u>	<u>39,155,281</u>
Total General Government Function	<u>43,742,010</u>	<u>44,062,804</u>	<u>(320,794)</u>	<u>55,863,189</u>
Judicial Function:				
District Court:				
Salaries and wages	10,530,560	10,304,311	226,249	9,564,669
Employee benefits	6,075,885	5,909,532	166,353	4,254,131
Services and supplies	3,282,171	3,381,741	(99,570)	3,061,755
	<u>19,888,616</u>	<u>19,595,584</u>	<u>293,032</u>	<u>16,880,555</u>
District Attorney:				
Salaries and wages	12,317,632	12,259,424	58,208	12,078,552
Employee benefits	7,019,259	7,033,968	(14,709)	5,225,704
Services and supplies	1,697,995	1,560,364	137,631	1,230,506
Capital outlay	-	10,733	(10,733)	-
	<u>21,034,886</u>	<u>20,864,489</u>	<u>170,397</u>	<u>18,534,762</u>
Public Defense:				
Public Defender:				
Salaries and wages	5,753,054	5,507,948	245,106	5,563,518
Employee benefits	3,145,362	3,055,720	89,642	2,235,130
Services and supplies	546,095	679,230	(133,135)	429,737
	<u>9,444,511</u>	<u>9,242,898</u>	<u>201,613</u>	<u>8,228,385</u>
Alternate Public Defender:				
Salaries and wages	1,600,769	1,589,357	11,412	1,379,717
Employee benefits	856,287	861,008	(4,721)	569,351
Services and supplies	185,419	170,129	15,290	140,524
	<u>2,642,475</u>	<u>2,620,494</u>	<u>21,981</u>	<u>2,089,592</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Conflict Counsel:				
Services and supplies	\$ 1,310,014	\$ 1,164,359	\$ 145,655	\$ 1,146,051
Subtotal Public Defense	13,397,000	13,027,751	369,249	11,464,028
Justice Courts:				
Salaries and wages	6,305,624	6,018,793	286,831	5,591,755
Employee benefits	3,394,662	3,308,765	85,897	2,341,934
Services and supplies	881,939	742,347	139,592	385,203
Capital outlay	-	26,872	(26,872)	38,071
	10,582,225	10,096,777	485,448	8,356,963
Incline Constable:				
Salaries and wages	103,000	104,062	(1,062)	80,237
Employee benefits	47,522	48,053	(531)	30,348
Services and supplies	15,549	7,898	7,651	9,172
Subtotal Incline Constable	166,071	160,013	6,058	119,757
Other Judicial:				
Salaries and wages-Budgeted savings	(653,000)	-	(653,000)	-
Services and supplies-Budgeted savings	(113,000)	-	(113,000)	-
Subtotal Other	(766,000)	-	(766,000)	-
Total Judicial Function	64,302,798	63,744,614	558,184	55,356,065
Public Safety Function:				
Sheriff and Detention:				
Salaries and wages	57,823,688	59,113,528	(1,289,840)	56,878,160
Employee benefits	36,494,435	36,076,456	417,979	29,443,584
Services and supplies	17,625,824	16,721,532	904,292	14,958,290
Capital outlay	-	163,266	(163,266)	106,572
	111,943,947	112,074,782	(130,835)	101,386,606
Medical Examiner:				
Salaries and wages	1,625,144	1,584,041	41,103	1,559,323
Employee benefits	811,540	789,384	22,156	579,944
Services and supplies	593,345	607,285	(13,940)	589,419
	3,030,029	2,980,710	49,319	2,728,686
County Manager:				
Salaries and wages	101,376	-	101,376	-
Employee benefits	12,954	-	12,954	-
	114,330	-	114,330	-
Juvenile Services:				
Salaries and wages	8,570,458	8,072,124	498,334	7,827,942
Employee benefits	5,286,315	5,162,924	123,391	3,806,856
Services and supplies	1,691,193	1,474,220	216,973	1,349,950
Capital outlay	-	-	-	3,353
	15,547,966	14,709,268	838,698	12,988,101
Protective Services:				
Alternative Sentencing:				
Salaries and wages	689,553	663,166	26,387	472,250
Employee benefits	376,658	388,494	(11,836)	233,168
Services and supplies	173,673	137,647	36,026	119,350
Capital outlay	-	-	-	7,816
	1,239,884	1,189,307	50,577	832,584

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Fire Suppression:				
Salaries and wages	177,332	212,177	(34,845)	-
Employee benefits	80,655	86,502	(5,847)	1,201
Services and supplies	727,808	749,835	(22,027)	1,017,981
Capital outlay	54,034	43,834	10,200	-
	<u>1,039,829</u>	<u>1,092,348</u>	<u>(52,519)</u>	<u>1,019,182</u>
Emergency Management:				
Salaries and wages	\$ 129,534	\$ 109,827	\$ 19,707	\$ 129,850
Employee benefits	65,222	51,318	13,904	47,680
Services and supplies	37,503	37,752	(249)	37,571
	<u>232,259</u>	<u>198,897</u>	<u>33,362</u>	<u>215,101</u>
Public Administrator:				
Salaries and wages	745,968	733,175	12,793	661,678
Employee benefits	429,477	442,445	(12,968)	302,800
Services and supplies	87,611	80,940	6,671	40,515
	<u>1,263,056</u>	<u>1,256,560</u>	<u>6,496</u>	<u>1,004,993</u>
Public Guardian:				
Salaries and wages	1,123,884	1,106,581	17,303	1,081,232
Employee benefits	663,360	665,768	(2,408)	488,026
Services and supplies	99,514	71,569	27,945	54,049
	<u>1,886,758</u>	<u>1,843,918</u>	<u>42,840</u>	<u>1,623,307</u>
Subtotal Protective Services	<u>5,661,786</u>	<u>5,581,030</u>	<u>80,756</u>	<u>3,675,985</u>
Other Public Safety				
Services and supplies-Budgeted savings	(173,000)	-	(173,000)	-
Total Public Safety Function	<u>136,125,058</u>	<u>135,345,790</u>	<u>779,268</u>	<u>121,798,560</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	5,598,820	5,423,968	174,852	5,189,240
Employee benefits	3,247,399	3,097,478	149,921	2,336,437
Services and supplies	5,488,347	4,597,802	890,545	8,275,596
Capital outlay	421,080	74,532	346,548	97,905
	<u>14,755,646</u>	<u>13,193,780</u>	<u>1,561,866</u>	<u>15,899,178</u>
Welfare Function:				
Human Services Department:				
Salaries and wages	529,854	603,619	(73,765)	2,753,074
Employee benefits	406,403	371,727	34,676	1,226,136
Services and supplies	2,494,680	371,437	2,123,243	10,405,155
Capital outlay	18,794	-	18,794	90,323
	<u>3,449,731</u>	<u>1,346,783</u>	<u>2,102,948</u>	<u>14,474,688</u>
Culture and Recreation Function:				
Library Department:				
Salaries and wages	5,450,444	5,430,806	19,638	5,232,430
Employee benefits	3,003,191	3,013,775	(10,584)	2,266,648
Services and supplies	861,918	786,715	75,203	380,499
	<u>9,315,553</u>	<u>9,231,296</u>	<u>84,257</u>	<u>7,879,577</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
CSD - Regional Parks and Open Space:				
Salaries and wages	2,533,674	2,350,497	183,177	2,268,229
Employee benefits	1,387,559	1,308,857	78,702	1,005,562
Services and supplies	2,285,210	1,893,180	392,030	1,190,920
Capital outlay	115,295	152,349	(37,054)	94,616
	<u>6,321,738</u>	<u>5,704,883</u>	<u>616,855</u>	<u>4,559,327</u>
Other Culture and Recreation:				
Services and supplies-Budgeted savings	(73,000)	-	(73,000)	-
Total Culture and Recreation Function	<u>15,564,291</u>	<u>14,936,179</u>	<u>628,112</u>	<u>12,438,904</u>
Community Support Function:				
Services and supplies	\$ 434,515	\$ 326,690	\$ 107,825	\$ 156,069
Capital outlay	-	-	-	38,484
Total Community Support Function	<u>434,515</u>	<u>326,690</u>	<u>107,825</u>	<u>194,553</u>
Intergovernmental Expenditures:				
Indigent Insurance Program	2,020,855	2,028,767	(7,912)	1,970,244
China Springs Youth Facility	1,155,223	1,166,377	(11,154)	1,159,454
Ethics Commission Assessment	25,000	18,838	6,162	21,021
Truckee Meadows Regional Planning	215,420	215,420	-	205,162
Groundwater Basin	-	-	-	17,200
Total Intergovernmental Expenditures	<u>3,416,498</u>	<u>3,429,402</u>	<u>(12,904)</u>	<u>3,373,081</u>
Total Expenditures	<u>281,790,547</u>	<u>276,386,042</u>	<u>5,404,505</u>	<u>279,398,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>34,692,273</u>	<u>36,648,497</u>	<u>1,956,224</u>	<u>29,273,874</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	5,000	3,616	(1,384)	829,646
Transfers:				
Special Revenue Funds	475,704	283,611	(192,093)	213,686
Special Revenue Funds	(31,559,563)	(31,559,563)	-	(15,315,074)
Debt Service Funds	(5,598,494)	(5,596,120)	2,374	(5,181,589)
Capital Projects Funds	(5,150,000)	(5,285,947)	(135,947)	(7,681,696)
Total Other Financing Sources (Uses)	<u>(41,827,353)</u>	<u>(42,154,403)</u>	<u>(327,050)</u>	<u>(27,135,027)</u>
Net Change in Fund Balances	<u>(7,135,080)</u>	<u>(5,505,906)</u>	<u>1,629,174</u>	<u>2,138,847</u>
Fund Balances, July 1 as restated (Note 19)	<u>49,068,235</u>	<u>56,076,731</u>	<u>7,008,496</u>	<u>51,299,752</u>
Fund Balances, June 30	<u>\$ 41,933,155</u>	<u>\$ 50,570,825</u>	<u>\$ 8,637,670</u>	<u>\$ 53,438,599</u>



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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Page

Major Special Revenue Fund:

Child Protective Services Fund: To account for ad valorem taxes, grants and other revenue sources specifically appropriated to protect against the neglect, abandonment and abuse of children 95

Other Restricted Fund: To account for various specific resources restricted for specified purposes consistent with legal and operating requirements. Resources include: ad valorem tax apportionments for Cooperative Extension support, car rental tax for the Reno baseball stadium, court administrative assessments for court projects, and grants and restricted resources for various General Fund departments 96

Nonmajor Special Revenue Funds:

Health Fund: To account for grants, user fees and other revenue sources specifically dedicated to on-going health programs and services. 106

Indigent Tax Levy Fund: To account for ad valorem tax revenues and investment earnings specifically appropriated to provide medical assistance to the indigent. 107

Senior Services Fund: To account for grants, charges for services and ad valorem taxes specifically appropriated to provide services for senior citizens. 108

Enhanced 911 Fund: To account for Enhanced 911 fees specifically appropriated for the enhancement of the communication system for reporting emergencies 109

Library Expansion Fund: To account for ad valorem taxes and investment earnings specifically appropriated to fund expansion of the library system. 110

Animal Services Fund: To account for ad valorem taxes and related investment earnings specifically appropriated to operate a regional animal services shelter and to provide regional field enforcement operations..... 111

Regional Public Safety Training Center Fund: To account for the operations and management of a public safety training center for the benefit of local public safety agencies 112

Truckee River Flood Management Infrastructure Fund: To account for resources derived from the 0.125% infrastructure sales tax and related investment earnings specifically appropriated to fund the Truckee River Flood Management Project and related debt service 113

Regional Communication System Fund: To account for the development, operations and management of the regional communications system for the benefit of participating public safety and non-public safety agencies 114

Regional Permits System Fund: To account for the development, operations and management of the regional permit system for the benefit of participating cities and counties agencies 115

Central Truckee Meadows Remediation District Fund: To account for resources derived from remediation fees and related investment earnings specifically appropriated for the remediation of the quality of water in the Central Truckee Meadows Remediation District 116

Roads Fund: To account for specific revenue sources that are restricted to the construction, purchase of equipment for that construction, maintenance and repair of county roads. 117

WASHOE COUNTY, NEVADA
CHILD PROTECTIVE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 5,388,947	\$ 5,417,569	\$ 28,622	\$ 5,317,065
Licenses and Permits:				
Day care licenses	22,500	20,780	(1,720)	19,460
Intergovernmental Revenues:				
Federal grants	21,185,274	19,839,312	(1,345,962)	19,617,525
State grants	17,602,773	17,355,922	(246,851)	16,654,622
Charges for Services:				
Service fees	3,237,000	5,698,127	2,461,127	4,192,000
Miscellaneous:				
Contributions and donations	35,359	35,359	-	26,339
Other	9,059,031	8,378,556	(680,475)	6,274,869
Total Revenues	<u>56,530,884</u>	<u>56,745,625</u>	<u>214,741</u>	<u>52,101,880</u>
Expenditures				
Welfare Function:				
Salaries and wages	17,231,043	14,965,839	2,265,204	14,178,896
Employee benefits	9,567,771	8,892,667	675,104	6,420,033
Services and supplies	30,306,073	29,457,115	848,958	29,090,586
Capital outlay	-	68,515	(68,515)	5,000
Total Expenditures	<u>57,104,887</u>	<u>53,384,136</u>	<u>3,720,751</u>	<u>49,694,515</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(574,003)</u>	<u>3,361,489</u>	<u>3,935,492</u>	<u>2,407,365</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	1,347,537	1,347,537	-	1,296,791
Debt Service Fund	(400,000)	(400,000)	-	(400,000)
Capital Improvements Fund	(696,000)	(696,000)	-	-
Total Other Financing Sources (Uses)	<u>251,537</u>	<u>251,537</u>	<u>-</u>	<u>896,791</u>
Net Change in Fund Balances	<u>(322,466)</u>	<u>3,613,026</u>	<u>3,935,492</u>	<u>3,304,156</u>
Fund Balances, July 1	<u>5,441,781</u>	<u>7,100,876</u>	<u>1,659,095</u>	<u>3,796,720</u>
Fund Balances, June 30	<u>\$ 5,119,315</u>	<u>\$ 10,713,902</u>	<u>\$ 5,594,587</u>	<u>\$ 7,100,876</u>

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 1,347,237	\$ 1,354,409	\$ 7,172	\$ 1,329,263
Car rental	1,250,000	1,355,440	105,440	1,263,887
Intergovernmental revenues:				
Federal grants	8,871,339	5,194,076	(3,677,263)	5,669,882
Federal narcotics forfeitures	110,800	114,058	3,258	231,805
State grants	1,378,863	495,950	(882,913)	418,107
Local contributions	634,674	581,796	(52,878)	406,980
Charges for Services:				
General Government:				
Recorder fees	320,000	315,318	(4,682)	324,318
Map fees	94,000	112,610	18,610	55,026
Assessor commissions	525,000	602,603	77,603	552,735
Other	6,000	9,380	3,380	6,125
Judicial	1,494,129	1,276,771	(217,358)	1,319,960
Public Safety	702,651	1,219,321	516,670	1,680,742
Public Works	90,000	137,418	47,418	103,008
Welfare	90,000	82,493	(7,507)	81,310
Culture and Recreation	277,408	218,730	(58,678)	227,913
Fines and Forfeitures:				
Court fines	3,333,832	3,345,737	11,905	2,349,491
Forfeitures/bail	80,100	117,915	37,815	64,897
Miscellaneous:				
Investment earnings	49,550	68,045	18,495	62,488
Net increase (decrease) in the fair value of investments	-	(60,329)	(60,329)	46,087
Contributions and donations	479,533	453,738	(25,795)	805,714
Other	440,136	61,999	(378,137)	246,979
Total Revenues	<u>21,575,252</u>	<u>17,057,478</u>	<u>(4,517,774)</u>	<u>17,246,717</u>
Expenditures				
General Government Function:				
County Manager:				
Services and supplies	64,068	7,260	56,808	212,311
Assessor:				
Services and supplies	2,021,084	310,556	1,710,528	615,508
Capital outlay	150,000	5,000	145,000	-
	<u>2,171,084</u>	<u>315,556</u>	<u>1,855,528</u>	<u>615,508</u>
Human Resources:				
Services and supplies	4,613	-	4,613	-
Clerk:				
Services and supplies	41,166	30	41,136	25
Recorder:				
Services and supplies	3,086,369	168,742	2,917,627	110,242
Capital outlay	50,000	-	50,000	24,471
	<u>3,136,369</u>	<u>168,742</u>	<u>2,967,627</u>	<u>134,713</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Technology Services:				
Services and supplies	\$ 276,539	\$ 162,450	\$ 114,089	\$ 34,395
Community Development:				
Services and supplies	1,989	172	1,817	137
Total General Government Function	5,695,828	654,210	5,041,618	997,089
Judicial Function:				
District Courts:				
Salaries and wages	749,651	656,672	92,979	612,416
Employee benefits	434,457	415,876	18,581	266,340
Services and supplies	3,143,023	1,173,436	1,969,587	1,363,695
Capital outlay	4,459,589	-	4,459,589	42,922
	8,786,720	2,245,984	6,540,736	2,285,373
District Attorney:				
Salaries and wages	1,698,256	1,665,930	32,326	1,599,986
Employee benefits	1,058,100	1,037,690	20,410	769,977
Services and supplies	893,487	214,655	678,832	234,282
Capital outlay	-	-	-	39,750
	3,649,843	2,918,275	731,568	2,643,995
Justice Courts:				
Reno Justice Court:				
Salaries and wages	226,151	93,853	132,298	103,425
Employee Benefits	-	6,345	(6,345)	1,499
Services and supplies	2,787,386	759,798	2,027,588	585,781
	3,013,537	859,996	2,153,541	690,705
Sparks Justice Court:				
Services and supplies	665,425	95,125	570,300	90,379
Capital Outlay	-	30,554	(30,554)	-
	665,425	125,679	539,746	90,379
Incline Justice Court:				
Services and supplies	74,641	23,682	50,959	9,110
Capital outlay	-	34,337	(34,337)	76,339
	74,641	58,019	16,622	85,449
Wadsworth Justice Court:				
Services and supplies	257,781	5,160	252,621	-
Incline Constable:				
Services and supplies	251	-	251	-
Neighborhood Justice Center:				
Services and supplies	125,000	103,669	21,331	111,116
Total Judicial Function	16,573,198	6,316,782	10,256,416	5,907,017

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Public Safety Function:				
Sheriff:				
Salaries and wages	\$ 1,117,181	\$ 344,282	\$ 772,899	\$ 403,203
Employee benefits	143,536	58,554	84,982	51,017
Services and supplies	3,971,748	1,117,979	2,853,769	1,051,523
Capital outlay	50,661	104,077	(53,416)	198,076
	<u>5,283,126</u>	<u>1,624,892</u>	<u>3,658,234</u>	<u>1,703,819</u>
Medical Examiner:				
Salaries and wages	61,575	11,466	50,109	-
Employee benefits	-	1,973	(1,973)	-
Services and supplies	178,015	16,903	161,112	15,281
	<u>239,590</u>	<u>30,342</u>	<u>209,248</u>	<u>15,281</u>
Fire Suppression:				
Salaries and wages	18,414	-	18,414	6,628
Employee benefits	-	-	-	529
Services and supplies	-	37,161	(37,161)	-
Capital outlay	37,161	-	37,161	-
	<u>55,575</u>	<u>37,161</u>	<u>18,414</u>	<u>7,157</u>
Juvenile Services:				
Salaries and wages	106,491	95,097	11,394	95,254
Employee benefits	45,012	25,452	19,560	17,369
Services and supplies	2,988,818	774,463	2,214,355	757,619
Capital outlay	-	113,207	(113,207)	10,991
	<u>3,140,321</u>	<u>1,008,219</u>	<u>2,132,102</u>	<u>881,233</u>
Alternative Sentencing:				
Salaries and wages	282,379	200,132	82,247	84,175
Employee benefits	-	5,726	(5,726)	1,221
Services and supplies	63,907	75,099	(11,192)	-
	<u>346,286</u>	<u>280,957</u>	<u>65,329</u>	<u>85,396</u>
Emergency Management:				
Salaries and wages	90,783	58,438	32,345	59,600
Employee benefits	43,621	25,559	18,062	14,299
Services and supplies	663,991	469,161	194,830	729,219
Capital outlay	-	-	-	-
	<u>798,395</u>	<u>553,158</u>	<u>245,237</u>	<u>803,118</u>
Public Guardian:				
Services and supplies	2,544	2,544	-	-
Total Public Safety Function	<u>9,865,837</u>	<u>3,537,273</u>	<u>6,328,564</u>	<u>3,496,004</u>
Public Works Function:				
CSD - Public Works:				
Salaries and wages	75,367	9,189	66,178	54,546
Employee benefits	41,279	27,308	13,971	33,445
Services and supplies	90,501	6,188	84,313	1,304
Capital outlay	682,048	573,657	108,391	589,124
Total Public Works Function	<u>889,195</u>	<u>616,342</u>	<u>272,853</u>	<u>678,419</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
OTHER RESTRICTED FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Welfare Function:				
Social Services:				
Salaries and wages	\$ 548,256	\$ 93,799	\$ 454,457	\$ 101,155
Employee benefits	200,768	48,188	152,580	39,590
Services and supplies	826,874	476,215	350,659	182,589
Total Welfare Function	1,575,898	618,202	957,696	323,334
Culture and Recreation Function:				
Library:				
Salaries and wages	-	-	-	475
Employee benefits	-	-	-	2
Services and supplies	14,836	11,913	2,923	250,652
	14,836	11,913	2,923	251,129
CSD - Regional Parks and Open Space:				
Services and supplies	1,197,658	30,152	1,167,506	239,424
May Center:				
Salaries and wages	253,325	254,298	(973)	250,438
Employee benefits	105,984	109,013	(3,029)	91,317
Services and supplies	384,588	198,433	186,155	237,994
Capital outlay	-	40,225	(40,225)	-
	743,897	601,969	141,928	579,749
Total Culture and Recreation Function	1,956,391	644,034	1,312,357	1,070,302
Intergovernmental:				
Cooperative Extension apportionment	1,347,237	1,354,313	(7,076)	1,329,499
Total Expenditures	37,903,584	13,741,156	24,162,428	13,801,664
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,328,332)	3,316,322	19,644,654	3,445,053
Other Financing Sources (Uses)				
Transfers:				
General Fund	(471,704)	(279,611)	192,093	(213,686)
Debt Service Fund	(1,250,000)	(1,206,031)	43,969	(1,132,640)
Capital Improvement Fund	(564,000)	-	564,000	(174,581)
Total Other Financing Sources (Uses)	(2,285,704)	(1,485,642)	800,062	(1,520,907)
Net Change in Fund Balances	(18,614,036)	1,830,680	20,444,716	1,924,146
Fund Balances, July 1	19,388,844	19,388,844	-	17,464,698
Fund Balances, June 30	\$ 774,808	\$ 21,219,524	\$ 20,444,716	\$ 19,388,844

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017**

	<u>Health Fund</u>	<u>Indigent Tax Levy Fund</u>	<u>Senior Services Fund</u>	<u>Enhanced 911 Fund</u>	<u>Library Expansion Fund</u>
Assets					
Cash and investments	\$ 3,425,741	\$ 7,881,289	\$ 854,093	\$ 552,408	\$ 1,896,578
Accounts receivable	26,309	-	-	136,741	1,267
Property taxes receivable	-	77,066	12,292	-	24,572
Other taxes receivable	-	-	-	-	-
Interest receivable	-	23,451	-	1,373	5,362
Due from other governments	1,152,280	-	461,670	394	-
Total Assets	<u>\$ 4,604,330</u>	<u>\$ 7,981,806</u>	<u>\$ 1,328,055</u>	<u>\$ 690,916</u>	<u>\$ 1,927,779</u>
Liabilities					
Accounts payable	\$ 179,201	\$ 271,117	\$ 306,065	\$ 150,878	\$ -
Accrued salaries and benefits	205,364	62,450	29,506	700	16,674
Contracts/retention payable	-	-	-	-	-
Due to other governments	38,868	1,983,089	4,712	4,363	-
Deposits	-	-	-	-	-
Total Liabilities	<u>423,433</u>	<u>2,316,656</u>	<u>340,283</u>	<u>155,941</u>	<u>16,674</u>
Deferred Inflows of Resources					
Unavailable revenue - grants and other revenue	-	-	36,072	-	-
Unavailable revenue - property taxes	-	65,758	10,412	-	20,812
Total Deferred Inflows of Resources	<u>-</u>	<u>65,758</u>	<u>46,484</u>	<u>-</u>	<u>20,812</u>
Fund Balances					
Restricted	4,180,897	5,599,392	49,899	534,975	1,386,805
Committed	-	-	891,389	-	503,488
Assigned	-	-	-	-	-
Total Fund Balances	<u>4,180,897</u>	<u>5,599,392</u>	<u>941,288</u>	<u>534,975</u>	<u>1,890,293</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,604,330</u>	<u>\$ 7,981,806</u>	<u>\$ 1,328,055</u>	<u>\$ 690,916</u>	<u>\$ 1,927,779</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017**

	Animal Services Fund	Regional Public Safety Training Center Fund	Truckee River Flood Management Infrastructure Fund	Regional Communications System Fund
Assets				
Cash and investments	\$ 6,604,791	\$ 740,794	\$ 635,980	\$ 1,107,066
Accounts receivable	155,565	8,498	-	-
Property taxes receivable	34,145	-	-	-
Other taxes receivable	-	-	-	-
Interest receivable	18,344	1,644	275	3,103
Due from other governments	-	5,128	1,679,156	34,884
Total Assets	\$ 6,812,845	\$ 756,064	\$ 2,315,411	\$ 1,145,053
Liabilities				
Accounts payable	\$ 61,813	\$ 115,291	\$ 109	\$ 59,589
Accrued salaries and benefits	46,857	4,814	14,461	7,555
Contracts/retention payable	-	-	-	-
Due to other governments	3,342	613	498,318	-
Deposits	8,743	-	-	-
Total Liabilities	120,755	120,718	512,888	67,144
Deferred Inflows of Resources				
Unavailable revenue - grants and other revenue	-	-	-	-
Unavailable revenue - property taxes	28,417	-	-	-
Total Deferred Inflows of Resources	28,417	-	-	-
Fund Balances				
Restricted	117,349	635,346	1,802,523	1,077,909
Committed	6,546,324	-	-	-
Assigned	-	-	-	-
Total Fund Balances	6,663,673	635,346	1,802,523	1,077,909
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,812,845	\$ 756,064	\$ 2,315,411	\$ 1,145,053

(CONTINUED)

Regional Permits System Fund	Central Truckee Meadows Remediation District Fund	Roads Fund	Total
\$ 364,032	\$ 5,950,653	\$ 7,301,326	\$ 37,314,751
-	9,420	1,580	339,380
-	-	-	148,075
-	-	1,650,758	1,650,758
915	16,102	19,197	89,766
-	-	366,002	3,699,514
<u>\$ 364,947</u>	<u>\$ 5,976,175</u>	<u>\$ 9,338,863</u>	<u>\$ 43,242,244</u>
\$ -	\$ 32,701	\$ 819,790	\$ 1,996,554
-	9,883	73,076	471,340
-	-	381,784	381,784
-	54,646	203	2,588,154
-	-	81,152	89,895
-	97,230	1,356,005	5,527,727
-	7,352	366,002	409,426
-	-	-	125,399
-	7,352	366,002	534,825
364,947	4,420,250	29,218	20,199,510
-	1,451,343	1,963,237	11,355,781
-	-	5,624,401	5,624,401
364,947	5,871,593	7,616,856	37,179,692
<u>\$ 364,947</u>	<u>\$ 5,976,175</u>	<u>\$ 9,338,863</u>	<u>\$ 43,242,244</u>

WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Health Fund</u>	<u>Indigent Tax Levy Fund</u>	<u>Senior Services Fund</u>	<u>Enhanced 911 Fund</u>
Revenues				
Taxes:				
Ad valorem	\$ -	\$ 8,128,185	\$ 1,354,409	\$ -
Licenses and permits	2,422,926	-	-	-
Intergovernmental revenues	7,201,588	-	1,696,706	-
Charges for services	2,626,860	140,784	538,786	1,597,695
Fines and forfeits	-	-	-	-
Miscellaneous	116,665	3,117,224	68,385	765
Total Revenues	<u>12,368,039</u>	<u>11,386,193</u>	<u>3,658,286</u>	<u>1,598,460</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	1,669,713
Public works	-	-	-	-
Health and sanitation	21,099,286	-	-	-
Welfare	-	29,648,055	4,883,607	-
Culture and recreation	-	-	-	-
Total Expenditures	<u>21,099,286</u>	<u>29,648,055</u>	<u>4,883,607</u>	<u>1,669,713</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,731,247)</u>	<u>(18,261,862)</u>	<u>(1,225,321)</u>	<u>(71,253)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	14,059	-
Transfers in	10,002,381	16,948,493	1,481,782	-
Transfers out	(58,081)	(1,304,443)	-	-
Total Other Financing Sources (Uses)	<u>9,944,300</u>	<u>15,644,050</u>	<u>1,495,841</u>	<u>-</u>
Net Change in Fund Balances	1,213,053	(2,617,812)	270,520	(71,253)
Fund Balances, July 1	<u>2,967,844</u>	<u>8,217,204</u>	<u>670,768</u>	<u>606,228</u>
Fund Balances, June 30	<u>\$ 4,180,897</u>	<u>\$ 5,599,392</u>	<u>\$ 941,288</u>	<u>\$ 534,975</u>

(CONTINUED)

<u>Library Expansion Fund</u>	<u>Animal Services Fund</u>	<u>Regional Public Safety Training Center Fund</u>	<u>Truckee River Flood Management Infrastructure Fund</u>	<u>Regional Communications System Fund</u>	<u>Regional Permits System Fund</u>	<u>Central Truckee Meadows Remediation District Fund</u>
\$ 2,708,800	\$ 4,116,540	\$ -	\$ -	\$ -	\$ -	\$ -
-	307,182	-	-	-	-	-
-	-	-	9,396,412	1,555,932	-	-
-	201,789	859,831	-	-	77,457	1,154,440
-	400	-	-	-	-	-
3,364	71,451	78,571	1,279,992	613	1,929	6,628
<u>2,712,164</u>	<u>4,697,362</u>	<u>938,402</u>	<u>10,676,404</u>	<u>1,556,545</u>	<u>79,386</u>	<u>1,161,068</u>
-	-	-	-	-	152	-
-	4,660,124	776,807	9,657,849	1,684,086	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,469,272
-	-	-	-	-	-	-
2,313,978	-	-	-	-	-	-
<u>2,313,978</u>	<u>4,660,124</u>	<u>776,807</u>	<u>9,657,849</u>	<u>1,684,086</u>	<u>152</u>	<u>1,469,272</u>
<u>398,186</u>	<u>37,238</u>	<u>161,595</u>	<u>1,018,555</u>	<u>(127,541)</u>	<u>79,234</u>	<u>(308,204)</u>
-	-	-	-	-	-	-
-	-	-	-	-	129,493	-
(219,085)	-	-	(1,371,616)	-	-	-
<u>(219,085)</u>	<u>-</u>	<u>-</u>	<u>(1,371,616)</u>	<u>-</u>	<u>129,493</u>	<u>-</u>
179,101	37,238	161,595	(353,061)	(127,541)	208,727	(308,204)
1,711,192	6,626,435	473,751	2,155,584	1,205,450	156,220	6,179,797
<u>\$ 1,890,293</u>	<u>\$ 6,663,673</u>	<u>\$ 635,346</u>	<u>\$ 1,802,523</u>	<u>\$ 1,077,909</u>	<u>\$ 364,947</u>	<u>\$ 5,871,593</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Roads Fund</u>	<u>TOTAL</u>
Revenues		
Taxes:		
Ad valorem	\$ 764,698	\$ 17,072,632
Licenses and permits	-	2,730,108
Intergovernmental revenues	8,732,266	28,582,904
Charges for services	889,883	8,087,525
Fines and forfeits	-	400
Miscellaneous	8,986	4,754,573
	<u>10,395,833</u>	<u>61,228,142</u>
Expenditures		
Current:		
General government	-	152
Public safety	-	18,448,579
Public works	15,403,886	15,403,886
Health and sanitation	-	22,568,558
Welfare	-	34,531,662
Culture and recreation	-	2,313,978
	<u>15,403,886</u>	<u>93,266,815</u>
Total Expenditures	15,403,886	93,266,815
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,008,053)</u>	<u>(32,038,673)</u>
Other Financing Sources (Uses)		
Proceeds from asset disposition	-	14,059
Transfers in	3,593,958	32,156,107
Transfers out	<u>(2,953,225)</u>	<u>(2,953,225)</u>
Total Other Financing Sources (Uses)	3,593,958	29,216,941
Net Change in Fund Balances	(1,414,095)	(2,821,732)
Fund Balances, July 1	<u>9,030,951</u>	<u>40,001,424</u>
Fund Balances, June 30	<u>\$ 7,616,856</u>	<u>\$ 37,179,692</u>

**WASHOE COUNTY, NEVADA
HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Licenses and permits	\$ 2,148,652	\$ 2,422,926	\$ 274,274	\$ 1,559,740
Intergovernmental Revenues:				
Federal grants	6,112,846	5,797,151	(315,695)	5,778,698
State grants	227,960	267,781	39,821	208,164
Other	1,025,000	1,136,656	111,656	1,064,635
Charges for Services:				
Health	1,991,371	2,626,860	635,489	1,700,518
Fines and forfeitures	-	-	-	500
Miscellaneous:				
Contributions and donations	28,201	19,775	(8,426)	29,759
Other	88,943	96,890	7,947	49,624
Total Revenues	11,622,973	12,368,039	745,066	10,391,638
Expenditures				
Health and Sanitation Function:				
Salaries and wages	11,117,860	10,644,058	473,802	10,052,614
Employee benefits	6,117,014	5,909,991	207,023	4,357,113
Services and supplies	5,494,596	4,484,523	1,010,073	5,240,722
Capital outlay	65,472	60,714	4,758	62,001
Total Expenditures	22,794,942	21,099,286	1,695,656	19,712,450
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,171,969)	(8,731,247)	2,440,722	(9,320,812)
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	-	1,375
Transfers in	10,002,381	10,002,381	-	10,076,856
Transfers out	(58,081)	(58,081)	-	(58,081)
Total Other Financing Sources (Uses)	9,944,300	9,944,300	-	10,020,150
Net Change in Fund Balances	(1,227,669)	1,213,053	2,440,722	699,338
Fund Balances, July 1	2,391,519	2,967,844	576,325	2,268,506
Fund Balances, June 30	\$ 1,163,850	\$ 4,180,897	\$ 3,017,047	\$ 2,967,844

WASHOE COUNTY, NEVADA
INDIGENT TAX LEVY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 8,083,420	\$ 8,128,185	\$ 44,765	\$ 7,977,203
Charges for Services:				
Reimbursements	78,000	140,784	62,784	98,095
Miscellaneous:				
Investment earnings	60,000	127,766	67,766	166,756
Net increase (decrease) in the fair value of investments	-	(88,677)	(88,677)	139,611
Other	3,322,000	3,078,135	(243,865)	3,232,841
Total Revenues	<u>11,543,420</u>	<u>11,386,193</u>	<u>(157,227)</u>	<u>11,614,506</u>
Expenditures				
Welfare Function:				
Salaries and wages	2,982,415	3,087,339	(104,924)	-
Employee benefits	1,737,121	1,767,565	(30,444)	-
Services and supplies	26,408,046	24,775,377	1,632,669	12,613,000
Capital outlay	-	17,774	(17,774)	-
Total Expenditures	<u>31,127,582</u>	<u>29,648,055</u>	<u>1,479,527</u>	<u>12,613,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,584,162)	(18,261,862)	1,322,300	(998,494)
Other Financing Sources (Uses)				
Transfers In:				
General Fund	16,948,493	16,948,493	-	-
Transfers Out				
Public Works Construction	(1,304,443)	(1,304,443)	-	-
Net Change in Fund Balances	<u>(3,940,112)</u>	<u>(2,617,812)</u>	<u>1,322,300</u>	<u>(998,494)</u>
Fund Balances, July 1	8,640,745	8,217,204	(423,541)	9,215,698
Fund Balances, June 30	<u>\$ 4,700,633</u>	<u>\$ 5,599,392</u>	<u>\$ 898,759</u>	<u>\$ 8,217,204</u>

WASHOE COUNTY, NEVADA
SENIOR SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 1,347,237	\$ 1,354,409	\$ 7,172	\$ 1,329,263
Intergovernmental Revenues:				
Federal grants	1,995,668	1,518,462	(477,206)	1,052,620
State and local grants	185,249	178,244	(7,005)	201,061
Charges for Services:				
Senior law project fees	75,000	48,188	(26,812)	50,816
Program income	40,200	150,856	110,656	153,414
Other	245,950	339,742	93,792	349,036
Miscellaneous:				
Contributions and donations	16,447	18,432	1,985	23,462
Reimbursements	25,450	22,894	(2,556)	24,253
Other	28,000	27,059	(941)	31,970
Total Revenues	<u>3,959,201</u>	<u>3,658,286</u>	<u>(300,915)</u>	<u>3,215,895</u>
Expenditures				
Welfare Function:				
Salaries and wages	1,472,183	1,428,670	43,513	1,304,685
Employee benefits	845,300	821,392	23,908	584,178
Services and supplies	3,305,038	2,625,545	679,493	2,430,154
Capital outlay	-	8,000	(8,000)	29,389
Total Expenditures	<u>5,622,521</u>	<u>4,883,607</u>	<u>738,914</u>	<u>4,348,406</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,663,320)</u>	<u>(1,225,321)</u>	<u>437,999</u>	<u>(1,132,511)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	1,481,782	1,481,782	-	1,420,282
Proceeds from asset disposition	-	14,059	14,059	-
Net Change in Fund Balances	<u>(181,538)</u>	<u>270,520</u>	<u>452,058</u>	<u>287,771</u>
Fund Balances, July 1	<u>370,975</u>	<u>670,768</u>	<u>299,793</u>	<u>382,997</u>
Fund Balances, June 30	<u>\$ 189,437</u>	<u>\$ 941,288</u>	<u>\$ 751,851</u>	<u>\$ 670,768</u>

WASHOE COUNTY, NEVADA
ENHANCED 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Charges for Services:				
Enhanced 911 fees	\$ 1,614,732	\$ 1,597,695	\$ (17,037)	\$ 1,602,155
Miscellaneous:				
Investment earnings	10,000	6,890	(3,110)	8,257
Net increase (decrease) in the fair value of investments	-	(6,125)	(6,125)	6,144
Total Revenues	<u>1,624,732</u>	<u>1,598,460</u>	<u>(26,272)</u>	<u>1,616,556</u>
Expenditures				
Public Safety Function:				
Salaries and wages	28,535	29,047	(512)	26,724
Employee benefits	19,335	19,359	(24)	13,705
Services and supplies	1,630,746	1,494,244	136,502	1,644,694
Capital outlay	200,000	127,063	72,937	125,290
Total Expenditures	<u>1,878,616</u>	<u>1,669,713</u>	<u>208,903</u>	<u>1,810,413</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(253,884)	(71,253)	182,631	(193,857)
Fund Balances, July 1	<u>316,935</u>	<u>606,228</u>	<u>289,293</u>	<u>800,085</u>
Fund Balances, June 30	<u>\$ 63,051</u>	<u>\$ 534,975</u>	<u>\$ 471,924</u>	<u>\$ 606,228</u>

**WASHOE COUNTY, NEVADA
LIBRARY EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 2,694,473	\$ 2,708,800	\$ 14,327	\$ 2,658,535
Miscellaneous:				
Investment earnings	15,000	27,311	12,311	23,716
Net increase (decrease) in the fair value of investments	-	(23,947)	(23,947)	17,543
Total Revenues	2,709,473	2,712,164	2,691	2,699,794
Expenditures				
Culture and Recreation Function:				
Salaries and wages	868,989	864,019	4,970	768,164
Employee benefits	450,274	456,122	(5,848)	302,724
Services and supplies	1,103,604	993,837	109,767	1,053,787
Total Expenditures	2,422,867	2,313,978	108,889	2,124,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	286,606	398,186	111,580	575,119
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(219,110)	(219,085)	25	(215,838)
Net Change in Fund Balances	67,496	179,101	111,605	359,281
Fund Balances, July 1	1,550,714	1,711,192	160,478	1,351,911
Fund Balances, June 30	\$ 1,618,210	\$ 1,890,293	\$ 272,083	\$ 1,711,192

WASHOE COUNTY, NEVADA
ANIMAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Ad valorem	\$ 4,041,710	\$ 4,116,540	\$ 74,830	\$ 4,039,756
Licenses and Permits:				
Animal licenses	224,000	307,182	83,182	268,808
Charges for Services:				
Animal services	165,000	201,789	36,789	184,212
Fines and Forfeits:				
Administrative enforcement penalties	-	400	400	100
Miscellaneous:				
Investment earnings	100,000	93,672	(6,328)	85,826
Net increase (decrease) in the fair value of investments	-	(82,548)	(82,548)	63,685
Contributions and donations	29,519	29,519	-	27,478
Other	55,000	30,808	(24,192)	53,537
Total Revenues	<u>4,615,229</u>	<u>4,697,362</u>	<u>82,133</u>	<u>4,723,402</u>
Expenditures				
Public Safety Function:				
Salaries and wages	2,414,195	2,281,402	132,793	2,146,638
Employee benefits	1,416,382	1,342,414	73,968	988,536
Services and supplies	1,295,462	958,047	337,415	1,110,340
Capital outlay	198,629	78,261	120,368	38,127
Total Expenditures	<u>5,324,668</u>	<u>4,660,124</u>	<u>664,544</u>	<u>4,283,641</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(709,439)</u>	<u>37,238</u>	<u>746,677</u>	<u>439,761</u>
Net Change in Fund Balances	<u>(709,439)</u>	<u>37,238</u>	<u>746,677</u>	<u>439,761</u>
Fund Balances, July 1	<u>6,421,550</u>	<u>6,626,435</u>	<u>204,885</u>	<u>6,186,674</u>
Fund Balances, June 30	<u>\$ 5,712,111</u>	<u>\$ 6,663,673</u>	<u>\$ 951,562</u>	<u>\$ 6,626,435</u>

WASHOE COUNTY, NEVADA
REGIONAL PUBLIC SAFETY TRAINING CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Charges for Services:				
Training fees - partner agencies	\$ 801,768	\$ 855,331	\$ 53,563	\$ 793,753
Training fees - workshops	15,000	4,500	(10,500)	3,950
Miscellaneous:				
Investment earnings	10,000	1,464	(8,536)	13,742
Rental income	10,000	73,603	63,603	30,659
Other	12,000	3,504	(8,496)	4,355
Total Revenues	848,768	938,402	89,634	846,459
Expenditures				
Public Safety Function:				
Salaries and wages	231,627	225,720	5,907	223,164
Employee benefits	139,560	138,595	965	108,091
Services and supplies	368,393	342,744	25,649	453,134
Capital outlay	181,000	69,748	111,252	67,690
Total Expenditures	920,580	776,807	143,773	852,079
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(71,812)	161,595	233,407	(5,620)
Fund Balances, July 1	416,727	473,751	57,024	479,371
Fund Balances, June 30	\$ 344,915	\$ 635,346	\$ 290,431	\$ 473,751

WASHOE COUNTY, NEVADA
TRUCKEE RIVER FLOOD MANAGEMENT INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Infrastructure sales tax - NRS 377B.100	\$ 9,396,412	\$ 9,396,412	\$ -	\$ 8,864,540
Miscellaneous:				
Investment earnings	1,000	1,730	730	2,009
Net increase (decrease) in the fair value of investments	-	(1,030)	(1,030)	2,339
Reimbursements	1,387,457	1,279,292	(108,165)	1,184,473
Total Revenues	10,784,869	10,676,404	(108,465)	10,053,361
Expenditures				
Public Safety Function:				
Salaries and wages	754,277	762,648	(8,371)	742,143
Employee benefits	416,627	426,882	(10,255)	302,428
Services and supplies	8,506,572	8,468,319	38,253	6,249,187
Total Expenditures	9,677,476	9,657,849	19,627	7,293,758
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,107,393	1,018,555	(88,838)	2,759,603
Other Financing Sources (Uses)				
Transfers:				
Debt Service Fund	(1,385,838)	(1,371,616)	14,222	(2,149,146)
Net Change in Fund Balances	(278,445)	(353,061)	(74,616)	610,457
Fund Balances, July 1	2,155,584	2,155,584	-	1,545,127
Fund Balances, June 30	\$ 1,877,139	\$ 1,802,523	\$ (74,616)	\$ 2,155,584

WASHOE COUNTY, NEVADA
REGIONAL COMMUNICATIONS SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Local contributions	\$ 1,565,932	1,555,932	\$ (10,000)	\$ 1,521,932
Miscellaneous:				
Investment earnings	24,000	17,202	(6,798)	22,077
Net increase (decrease) in the fair value of investments	-	(16,589)	(16,589)	14,191
Total Revenues	<u>1,589,932</u>	<u>1,556,545</u>	<u>(33,387)</u>	<u>1,558,200</u>
Expenditures				
Public Safety Function:				
Salaries and wages	387,555	401,197	(13,642)	372,062
Employee benefits	201,279	215,212	(13,933)	164,719
Services and supplies	1,600,055	774,015	826,040	869,408
Capital outlay	214,944	293,662	(78,718)	555,333
Total Expenditures	<u>2,403,833</u>	<u>1,684,086</u>	<u>719,747</u>	<u>1,961,522</u>
Net Change in Fund Balances	<u>(813,901)</u>	<u>(127,541)</u>	<u>686,360</u>	<u>(403,322)</u>
Fund Balances, July 1	<u>1,055,806</u>	<u>1,205,450</u>	<u>149,644</u>	<u>1,608,772</u>
Fund Balances, June 30	<u>\$ 241,905</u>	<u>\$ 1,077,909</u>	<u>\$ 836,004</u>	<u>\$ 1,205,450</u>

WASHOE COUNTY, NEVADA
REGIONAL PERMITS SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Local contributions	\$ 313,266	\$ -	\$ (313,266)	\$ 152,472
Charges for services	-	77,457	77,457	-
Miscellaneous:				
Investment earnings	2,700	3,171	471	1,960
Net increase (decrease) in the fair value of investments	-	(1,242)	(1,242)	1,480
Total Revenues	315,966	79,386	(236,580)	155,912
Expenditures				
Capital outlay:				
General Government Function	284,665	152	284,513	282,090
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,301	79,234	47,933	(126,178)
Other Financing Sources (Uses)				
Transfers:				
General Fund	71,412	71,412	-	71,412
Health Fund	58,081	58,081	-	58,081
Total Other Financing Sources (uses)	129,493	129,493	-	129,493
Net Change in Fund Balances	160,794	208,727	47,933	3,315
Fund Balances, July 1	154,905	156,220	1,315	152,905
Fund Balances, June 30	\$ 315,699	\$ 364,947	\$ 49,248	\$ 156,220

WASHOE COUNTY, NEVADA
CENTRAL TRUCKEE MEADOWS REMEDIATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Charges for Services:				
Remediation fees	\$ 1,183,453	\$ 1,154,440	\$ (29,013)	\$ 1,348,477
Miscellaneous:				
Investment earnings	83,109	85,850	2,741	83,620
Net increase (decrease) in the fair value of investments	-	(79,222)	(79,222)	60,207
Total Revenues	1,266,562	1,161,068	(105,494)	1,492,304
Expenditures				
Health and Sanitation Function:				
Salaries and wages	629,536	510,651	118,885	485,258
Employee benefits	342,872	297,153	45,719	169,776
Services and supplies	3,115,825	661,468	2,454,357	833,270
Total Expenditures	4,088,233	1,469,272	2,618,961	1,488,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,821,671)	(308,204)	2,513,467	4,000
Fund Balances, July 1	6,021,617	6,179,797	158,180	6,175,797
Fund Balances, June 30	\$ 3,199,946	\$ 5,871,593	\$ 2,671,647	\$ 6,179,797

WASHOE COUNTY, NEVADA
ROADS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
County Option MVFT 1.0 Cent	\$ 754,599	\$ 764,698	\$ 10,099	\$ 721,659
Intergovernmental Revenues:				
Federal grants	-	4,524	4,524	28,084
State shared revenues:				
Motor vehicle fuel tax (1.25 cents)	3,313,446	3,455,694	142,248	3,236,663
Motor vehicle fuel tax (1.75 cents)	1,836,950	1,873,894	36,944	1,776,286
Motor vehicle fuel tax (3.6/2.35 cents)	3,398,551	3,398,154	(397)	3,249,924
Charges for Services:				
Street, curb and gutter cut fees	400,000	835,510	435,510	590,183
Other	-	54,373	54,373	-
Miscellaneous:				
Investment earnings	-	75,707	75,707	-
Net increase (decrease) in the fair value of investments	-	(67,216)	(67,216)	-
Other	-	495	495	760
Total Revenues	9,703,546	10,395,833	692,287	9,603,559
Expenditures				
Public Works Function:				
Salaries and wages	3,769,276	3,873,191	(103,915)	3,470,220
Employee benefits	2,113,493	2,084,355	29,138	1,665,743
Services and supplies	5,691,160	5,921,552	(230,392)	6,311,018
Capital outlay	6,326,361	3,524,788	2,801,573	6,466,046
Total Expenditures	17,900,290	15,403,886	2,496,404	17,913,027
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,196,744)	(5,008,053)	3,188,691	(8,309,468)
Other Financing Sources (Uses)				
Transfers:				
General Fund	1,703,958	1,703,958	-	2,449,733
Capital Facilities Fund	1,890,000	1,890,000	-	1,890,000
Total Other Financing Sources (Uses)	3,593,958	3,593,958	-	4,339,733
Net Change in Fund Balances	(4,602,786)	(1,414,095)	3,188,691	(3,969,735)
Fund Balances, July 1	8,502,554	9,030,951	528,397	13,000,686
Fund Balances, June 30	\$ 3,899,768	\$ 7,616,856	\$ 3,717,088	\$ 9,030,951



DEBT SERVICE FUNDS

DEBT SERVICE FUNDS

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

	<u>Page</u>
<u>Major Debt Service Fund:</u>	
Special Assessment Debt Service Fund	
To account for assessments, penalties, investment income and other resources to retire debt issued for improvements benefiting those properties against which the special assessments are levied	119
District 21 – Cold Springs: sewer treatment plant	
District 29 – Mt. Rose: sewer project	
District 31 – Spearhead Way/Running Bear Drive: road project	
District 32 – Spanish Springs Valley Ranches Roads	
District 35 – Rhodes Road: road project	
District 36 – Evergreen Drive: road project	
District 37 – Spanish Springs Sewer Phase 1a	
District 39 – Lightning W Water System	
 <u>Nonmajor Debt Service Fund:</u>	
Debt Service Fund	
To account for ad valorem taxes specifically apportioned and appropriated for the retirement of ad valorem supported debt principal and interest, as well as payment of debt supported by other legal resources transferred from various governmental funds.....	120

WASHOE COUNTY, NEVADA
SPECIAL ASSESSMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Taxes:				
Special assessments	\$ 542,000	\$ 625,636	\$ 83,636	\$ 649,844
Miscellaneous:				
Investment earnings	20,450	23,503	3,053	21,382
Net increase (decrease) in the fair value of investments	-	(19,041)	(19,041)	16,230
Assessment interest	298,000	332,264	34,264	306,388
Penalties	14,000	7,639	(6,361)	115,151
Total Revenues	<u>874,450</u>	<u>970,001</u>	<u>95,551</u>	<u>1,108,995</u>
Expenditures				
Services and Supplies:				
Investment Pool Allocations	1,875	1,417	458	1,328
Debt Service:				
Special Assessment Bonds:				
Principal	301,267	546,266	(244,999)	592,231
Interest	226,867	217,034	9,833	240,755
Debt service fees and other fiscal charges	23,500	29,428	(5,928)	39,109
Assessment refunds	-	-	-	6
Total Expenditures	<u>553,509</u>	<u>794,145</u>	<u>(240,636)</u>	<u>873,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	320,941	175,856	(145,085)	235,566
Fund Balances, July 1	<u>1,729,337</u>	<u>1,668,426</u>	<u>(60,911)</u>	<u>1,432,860</u>
Fund Balances, June 30	<u>\$ 2,050,278</u>	<u>\$ 1,844,282</u>	<u>\$ (205,996)</u>	<u>\$ 1,668,426</u>

WASHOE COUNTY, NEVADA
NONMAJOR DEBT SERVICE FUND
BALANCE SHEET
JUNE 30, 2017

	Debt Service Fund
Assets	
Cash and investments	\$ 5,398,467
Property taxes receivable	<u>46,421</u>
Total Assets	<u>\$ 5,444,888</u>
Deferred Inflows of Resources	
Unavailable revenue-property taxes	<u>\$ 39,805</u>
Fund Balances	
Restricted	<u>5,405,083</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 5,444,888</u></u>

WASHOE COUNTY, NEVADA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 4,701,856	\$ 4,786,995	\$ 85,139	\$ 4,649,123
Miscellaneous	-	38,592	38,592	-
Total Revenues	4,701,856	4,825,587	123,731	4,649,123
Expenditures				
Debt Service:				
General Obligation Bonds:				
Ad Valorem Supported Debt:				
Principal	3,490,000	3,490,000	-	3,350,000
Interest	1,156,090	1,156,090	-	1,283,040
Debt service fees and other fiscal charges	40,229	32,938	7,291	30,810
Medium-Term Financing:				
Principal	546,000	546,000	-	525,000
Interest	20,912	20,912	-	41,019
Revenue-Backed:				
Principal	4,241,604	4,241,604	-	13,863,063
Interest	2,212,990	2,212,990	-	2,449,828
Bond issuance cost	-	-	-	256,253
Debt service fees and other fiscal charges	6,000	3,602	2,398	3,652
Total General Obligation Bonds	11,713,825	11,704,136	9,689	21,802,665
Revenue Bonds:				
Principal	767,800	767,800	-	15,057,800
Interest	996,231	996,231	-	1,159,283
Bond issuance cost	-	-	-	212,962
Debt service fees and other fiscal charges	48,269	3,650	44,619	3,800
Total Revenue Bonds	1,812,300	1,767,681	44,619	16,433,845
Total Expenditures	13,526,125	13,471,817	54,308	38,236,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,824,269)	(8,646,230)	178,039	(33,587,387)
Other Financing Sources (Uses)				
Refunding bonds issued	-	-	-	21,105,000
Bond premium	-	-	-	2,783,603
Transfers:				
General Fund	5,598,494	5,596,120	(2,374)	5,181,589
Library Expansion Fund	219,110	219,085	(25)	215,837
Truckee River Flood Management Infrastructure Fund	1,385,838	1,371,616	(14,222)	2,149,146
Child Protective Services Fund	400,000	400,000	-	400,000
Other Restricted Fund	1,250,000	1,206,031	(43,969)	1,132,640
Parks Capital Projects Fund	-	-	-	194,073
Total Other Financing Sources (Uses)	8,853,442	8,792,852	(60,590)	33,161,888
Net Change in Fund Balances	29,173	146,622	117,449	(425,499)
Fund Balances, July 1	5,640,797	5,258,461	(382,336)	5,683,960
Fund Balances, June 30	\$ 5,669,970	\$ 5,405,083	\$ (264,887)	\$ 5,258,461



CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds, or for assets that will be held in trust for individuals, private organizations, or other governments.

	<u>Page</u>
<u>Nonmajor Capital Projects Funds:</u>	
Parks Capital Projects Fund	
Resources are derived from residential construction taxes, grants, financing proceeds and related investment earnings, which are legally restricted to the improvement, expansion and acquisition of new and existing parks and open space	125
Capital Improvements Fund	
Resources are derived from financing proceeds, grants, special assessments, transfers and investment earnings, which are appropriated for various major capital projects	126
Capital Facilities Tax Fund	
Resources are derived from capital facilities ad valorem taxes and investment earnings. Proceeds are restricted for the purchase, renovation and repayment of financing of capital assets	128
Regional Permits Capital Fund	
Resources are derived from County pay-as-you-go capital funds and reimbursements from the Cities of Reno and Sparks and the Washoe County Health District, under the terms of the inter-local agreement, and any regional technology fees to recover portions of the project's implementation costs	129

**WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017**

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Regional Permits Capital Fund	Total
Assets					
Cash and investments	\$ 19,003,646	\$ 13,736,853	\$ 1,061,161	\$ 1,025,008	\$ 34,826,668
Property taxes receivable	-	1,484	61,439	-	62,923
Interest receivable	49,522	30,950	3,565	2,697	86,734
Due from other funds	-	-	-	-	-
Due from other governments	516,948	1,478,298	-	234,948	2,230,194
Total Assets	\$ 19,570,116	\$ 15,247,585	\$ 1,126,165	\$ 1,262,653	\$ 37,206,519
Liabilities					
Accounts payable	1,630,037	-	-	-	1,630,037
Contracts/retention payable	\$ 128,650	\$ 2,166,121	\$ 185,876	\$ -	\$ 2,480,647
Due to other governments	409,348	-	145,218	-	554,566
Total Liabilities	2,168,035	2,166,121	331,094	-	4,665,250
Deferred Inflows of Resources					
Unavailable revenue - grants	409,348	70,752	-	-	480,100
Unavailable revenue - property taxes	-	1,484	52,037	-	53,521
Total Deferred Inflows of Resources	409,348	72,236	52,037	-	533,621
Fund Balances					
Restricted	16,992,733	7,369,664	743,034	1,262,653	26,368,084
Committed	-	5,639,564	-	-	5,639,564
Total Fund Balances	16,992,733	13,009,228	743,034	1,262,653	32,007,648
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 19,570,116	\$ 15,247,585	\$ 1,126,165	\$ 1,262,653	\$ 37,206,519

WASHOE COUNTY, NEVADA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017

	Parks Capital Projects Fund	Capital Improvements Fund	Capital Facilities Tax Fund	Regional Permits Capital Fund	Total
Revenues					
Taxes:					
Ad valorem	\$ 318,667	\$ -	6,772,003	\$ -	\$ 7,090,670
Intergovernmental	110,100	1,437,360	-	63,287	1,610,747
Miscellaneous	587,953	31,976	(24,703)	148	595,374
Total Revenues	1,016,720	1,469,336	6,747,300	63,435	9,296,791
Expenditures					
Intergovernmental	-	-	4,827,792	-	4,827,792
Capital Outlay:					
General government	-	1,667,179	1,935	35,061	1,704,175
Judicial	-	26,169	-	-	26,169
Public safety	-	1,359,857	9,080,644	-	10,440,501
Public works	-	2,271,655	-	-	2,271,655
Health and welfare	-	1,168,136	-	-	1,168,136
Culture and recreation	4,834,096	88,462	26,236	-	4,948,794
Total Capital Outlay	4,834,096	6,581,458	9,108,815	35,061	20,559,430
Debt Service:					
Service fees	3,000	-	1,500	-	4,500
Total Expenditures	4,837,096	6,581,458	13,938,107	35,061	25,391,722
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,820,376)	(5,112,122)	(7,190,807)	28,374	(16,094,931)
Other Financing Sources (Uses)					
Sale of Water Rights	-	2,895,600	-	-	2,895,600
Transfers in	-	7,286,392	131,450	-	7,417,842
Transfers out	-	(131,450)	(1,890,000)	-	(2,021,450)
Total Other Financing Sources (Uses)	-	10,050,542	(1,758,550)	-	8,291,992
Net Change in Fund Balances	(3,820,376)	4,938,420	(8,949,357)	28,374	(7,802,939)
Fund Balances, July 1	20,813,109	8,070,808	9,692,391	1,234,279	39,810,587
Fund Balances, June 30	\$ 16,992,733	\$ 13,009,228	743,034	\$ 1,262,653	\$ 32,007,648

WASHOE COUNTY, NEVADA
PARKS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Residential construction tax	\$ 323,175	\$ 318,667	\$ (4,508)	\$ 309,578
Intergovernmental Revenues:				
Federal grants	1,005,325	110,100	(895,225)	139,499
Miscellaneous:				
Investment earnings	384,034	265,453	(118,581)	259,488
Net increase (decrease) in the fair value of investments	-	(245,611)	(245,611)	193,312
Contributions and donations	1,714,235	568,111	(1,146,124)	714,000
Other	-	-	-	25,305
Total Revenues	<u>3,426,769</u>	<u>1,016,720</u>	<u>(2,410,049)</u>	<u>1,641,182</u>
Expenditures				
Capital Outlay:				
Culture and Recreation Function:				
District One	1,075,439	26,585	1,048,854	7,093
District Two	1,125,115	403,975	721,140	617,734
District Three	5,953	2,716	3,237	111,099
District Four	1,439,795	410,534	1,029,261	224,721
Special projects	4,455,246	2,035,777	2,419,469	104,270
Bond projects	8,390,797	1,954,509	6,436,288	813,555
Total Capital Outlay	<u>16,492,345</u>	<u>4,834,096</u>	<u>11,658,249</u>	<u>1,878,472</u>
Debt Service:				
Service fees	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total Expenditures	<u>16,495,345</u>	<u>4,837,096</u>	<u>11,658,249</u>	<u>1,881,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,068,576)</u>	<u>(3,820,376)</u>	<u>9,248,200</u>	<u>(240,290)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>817,215</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>817,215</u>
Net Change in Fund Balances	<u>(13,068,576)</u>	<u>(3,820,376)</u>	<u>9,248,200</u>	<u>576,925</u>
Fund Balances, July 1	<u>20,109,047</u>	<u>20,813,109</u>	<u>704,062</u>	<u>20,236,184</u>
Fund Balances, June 30	<u>\$ 7,040,471</u>	<u>\$ 16,992,733</u>	<u>\$ 9,952,262</u>	<u>\$ 20,813,109</u>

WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Federal grants	\$ 1,564,655	\$ 701,151	\$ (863,504)	\$ 902,534
State grants	1,567,887	736,209	(831,678)	534,648
Local contributions	750,000	-	(750,000)	-
Miscellaneous:				
Investment earnings	48,500	128,253	79,753	73,911
Net increase (decrease) in the fair value of investments	-	(96,337)	(96,337)	68,412
Other	-	60	60	52,175
Total Revenues	<u>3,931,042</u>	<u>1,469,336</u>	<u>(2,461,706)</u>	<u>1,631,680</u>
Expenditures				
Capital Outlay:				
General Government Function:				
Infrastructure	2,888,206	1,538,242	1,349,964	944,994
Other	573,876	128,937	444,939	669,854
Total General Government Function	<u>3,462,082</u>	<u>1,667,179</u>	<u>1,794,903</u>	<u>1,614,848</u>
Judicial Function:				
Mills Lane Justice Center Chiller Replacement	410,000	11,900	398,100	-
1 South Sierra Roof Replacement	14,269	14,269	-	584,657
Other	35,731	-	35,731	-
Total Judicial Function	<u>460,000</u>	<u>26,169</u>	<u>433,831</u>	<u>584,657</u>
Public Safety Function:				
Detention Center improvements	3,211,106	960,157	2,250,949	1,287,989
800 MHZ Radio Upgrade	400,000	399,700	300	-
Other	60,201	-	60,201	-
Total Public Safety Function	<u>3,671,307</u>	<u>1,359,857</u>	<u>2,311,450</u>	<u>1,287,989</u>
Public Works Function:				
Longley Lane stormwater sand dome	522,047	522,071	(24)	-
Air and water quality improvements	3,882,542	1,508,112	2,374,430	943,147
Washoe County facilities parking lots	776,800	226,083	550,717	-
Second Avenue sidewalk	-	-	-	396,028
Other	1,275,189	15,389	1,259,800	145,217
Total Public Works Function	<u>6,456,578</u>	<u>2,271,655</u>	<u>4,184,923</u>	<u>1,484,392</u>
Welfare Function:				
CPS Visitation Center	2,000,443	1,168,136	832,307	-
Other	230,000	-	230,000	-
Total Welfare Function	<u>2,230,443</u>	<u>1,168,136</u>	<u>1,062,307</u>	<u>-</u>
Culture and Recreation Function:				
Parks infrastructure	869,244	88,462	780,782	271,946
Other	65,582	-	65,582	-
Total Culture and Recreation Function	<u>934,826</u>	<u>88,462</u>	<u>846,364</u>	<u>271,946</u>
Total Expenditures	<u>17,215,236</u>	<u>6,581,458</u>	<u>10,633,778</u>	<u>5,243,832</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(13,284,194)</u>	<u>(5,112,122)</u>	<u>8,172,072</u>	<u>(3,612,152)</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Other Financing Sources (Uses)				
Sale of Water Rights	\$ -	\$ 2,895,600	\$ 2,895,600	\$ -
Transfers:				
General Fund	5,150,000	5,285,949	135,949	6,716,481
Other Restricted Fund	564,000	-	(564,000)	174,581
Child Protective Services Fund	696,000	696,000	-	-
Indigent Tax Levy Fund	1,304,443	1,304,443	-	-
Capital Facilities Fund	(131,450)	(131,450)	-	-
Total Other Financing Sources (Uses)	<u>7,582,993</u>	<u>10,050,542</u>	<u>2,467,549</u>	<u>6,891,062</u>
Net Change in Fund Balances	(5,701,201)	4,938,420	10,639,621	3,278,910
Fund Balances, July 1	<u>8,055,095</u>	<u>8,070,808</u>	<u>15,713</u>	<u>4,791,898</u>
Fund Balances, June 30	<u>\$ 2,353,894</u>	<u>\$ 13,009,228</u>	<u>\$ 10,655,334</u>	<u>\$ 8,070,808</u>

WASHOE COUNTY, NEVADA
CAPITAL FACILITIES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Revenues				
Taxes:				
Ad valorem	\$ 6,736,184	\$ 6,772,003	\$ 35,819	\$ 6,646,359
Miscellaneous:				
Investment earnings	94,000	65,085	(28,915)	156,660
Net increase (decrease) in the fair value of investments	-	(89,788)	(89,788)	147,143
Total Revenues	6,830,184	6,747,300	(82,884)	6,950,162
Expenditures				
Intergovernmental:				
State of Nevada apportionment	4,041,710	4,019,849	21,861	3,946,820
Reno/Sparks apportionment	740,172	736,169	4,003	722,795
Other	60,063	71,774	(11,711)	69,506
Total Intergovernmental	4,841,945	4,827,792	14,153	4,739,121
Capital Outlay:				
General Government Function:				
Facilities improvements	5,600	1,935	3,665	2,490
Public Safety Function:				
Medical Examiner building and equipment	9,082,971	9,080,644	2,327	3,275,561
Other	444,723	-	444,723	-
Health and Welfare Function:				
Other	-	-	-	79,940
Culture and Recreation Function:				
Rancho San Rafael irrigation	-	-	-	25,338
Library HVAC upgrade	84,891	26,236	58,655	377,717
Library boiler upgrade	-	-	-	-
Total Capital Outlay	9,618,185	9,108,815	509,370	3,761,046
Debt Service:				
Service fees	-	1,500	(1,500)	323,960
Total Expenditures	14,460,130	13,938,107	522,023	8,824,127
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(7,629,946)	(7,190,807)	439,139	(1,873,965)
Other Financing Sources (Uses)				
Debt				
Debt issuance	-	-	-	12,000,000
Bond premium	-	-	-	333,202
Transfers:				
Debt Service Fund	-	-	-	(194,073)
Public Works Construction	131,450	131,450	-	-
Roads Fund	(1,890,000)	(1,890,000)	-	(1,890,000)
Total Other Financing Sources (Uses)	(1,758,550)	(1,758,550)	-	10,249,129
Net Change in Fund Balances	(9,388,496)	(8,949,357)	439,139	8,375,164
Fund Balances, July 1	9,930,813	9,692,391	(238,422)	1,317,227
Fund Balances, June 30	\$ 542,317	\$ 743,034	\$ 200,717	\$ 9,692,391

**WASHOE COUNTY, NEVADA
REGIONAL PERMITS CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues				
Intergovernmental Revenues:				
Local contributions	\$ 15,000	\$ 63,287	\$ 48,287	\$ 210,704
Miscellaneous:				
Investment earnings	13,500	148	(13,352)	20,814
Total Revenues	<u>28,500</u>	<u>63,435</u>	<u>34,935</u>	<u>231,518</u>
Expenditures				
Capital Outlay:				
General Government Function	188,461	35,061	153,400	308,367
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(159,961)</u>	<u>28,374</u>	<u>188,335</u>	<u>(76,849)</u>
Other Financing Sources (Uses)				
Transfers:				
General Fund	-	-	-	148,000
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>148,000</u>
Net Change in Fund Balances	(159,961)	28,374	188,335	71,151
Fund Balances, July 1	<u>1,190,784</u>	<u>1,234,279</u>	<u>43,495</u>	<u>1,163,128</u>
Fund Balances, June 30	<u>\$ 1,030,823</u>	<u>\$ 1,262,653</u>	<u>\$ 231,830</u>	<u>\$ 1,234,279</u>



ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises—where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Major Enterprise Fund:

	<u>Page</u>
Utilities Fund Established on April 1, 1983, the fund accounts for water planning and operations of County-owned or operated water and sewer systems, including the related capital assets and depreciation.	131
Building and Safety Fund Established on July 1, 2001, the fund accounts for issuance of building permits and other fees directly related to building and development in the County, including related capital assets and depreciation.	134
 <u>Nonmajor Enterprise Funds:</u>	
Golf Course Fund Established on July 1, 1982, the fund accounts for operations of two County golf courses – Washoe and Sierra Sage, including related capital assets and depreciation.	139

WASHOE COUNTY, NEVADA
UTILITIES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Utility fees	\$ 13,427,004	\$ 14,520,543	\$ 1,093,539	\$ 13,613,463
Services to other funds	34,262	26,133	(8,129)	149,310
Other	518,280	461,169	(57,111)	611,466
Total Operating Revenues	13,979,546	15,007,845	1,028,299	14,374,239
Operating Expenses				
Salaries and wages	2,094,804	1,654,249	440,555	1,779,981
Employee benefits	1,176,322	623,276	553,046	814,784
Services and supplies	9,590,480	5,997,683	3,592,797	5,394,040
Depreciation/amortization	3,880,942	3,468,822	412,120	3,463,917
Total Operating Expenses	16,742,548	11,744,030	4,998,518	11,452,722
Operating Income (Loss)	(2,763,002)	3,263,815	6,026,817	2,921,517
Nonoperating Revenues (Expenses)				
Investment earnings	772,397	989,551	217,154	909,887
Net increase (decrease) in the fair value of investments	-	(921,864)	(921,864)	682,238
State grants	500,000	107,740	(392,260)	-
Gain (loss) on asset disposition	-	(207,557)	(207,557)	-
Interest/bond insurance costs	(351,803)	-	351,803	(464,883)
Connection fee refunds/credits	(100,000)	-	100,000	-
Other nonoperating revenue	-	-	-	11,269
Total Nonoperating Revenues (Expenses)	820,594	(32,130)	(852,724)	1,138,511
Income (Loss) Before Capital Contributions and Transfers	(1,942,408)	3,231,685	5,174,093	4,060,028
Capital Contributions				
Hook-up fees	3,090,000	5,280,617	2,190,617	3,763,328
Contributions from contractors	800,000	1,166,035	366,035	744,673
Total Capital Contributions	3,890,000	6,446,652	2,556,652	4,508,001
Transfers In (Out)				
Equipment Service Fund	-	(19,622)	(19,622)	-
Change in Net Position	\$ 1,947,592	9,658,715	\$ 7,711,123	8,568,029
Net Position, July 1		198,976,813		190,408,784
Net Position, June 30		\$ 208,635,528		\$ 198,976,813

WASHOE COUNTY, NEVADA
UTILITIES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 13,427,004	\$ 14,450,192	\$ 1,023,188	\$ 13,691,413
Cash received from services to other funds	34,262	26,133	(8,129)	149,310
Cash received from program loans	4,714	15,038	10,324	5,338
Other operating receipts	517,004	491,637	(25,367)	530,319
Cash payments for personnel costs	(3,271,126)	(2,711,636)	559,490	(2,408,623)
Cash payments for services and supplies	(9,590,480)	(5,848,821)	3,741,659	(5,101,009)
Cash payments for program loans	(30,000)	(24,751)	5,249	-
Cash payments for refund of hookup fees	(100,000)	-	100,000	-
Cash portion of disposal of water utility operations	-	-	-	(9,678,076)
Net Cash Provided (Used) by Operating Activities	<u>991,378</u>	<u>6,397,792</u>	<u>5,406,414</u>	<u>(2,811,328)</u>
Cash Flows From Noncapital Financing Activities:				
State grants	<u>500,000</u>	<u>34,785</u>	<u>(465,215)</u>	<u>-</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>500,000</u>	<u>34,785</u>	<u>(465,215)</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:				
Hookup fees	3,090,000	5,285,121	2,195,121	3,775,921
Class action lawsuit settlement proceeds	-	-	-	11,269
Principal paid on financing	(2,259,843)	(2,259,843)	-	(2,237,892)
Interest paid on financing	(377,396)	(14,770)	362,626	(674,273)
Cash paid for bond issuance costs	-	-	-	(40,953)
* Acquisition of capital assets	<u>(10,975,000)</u>	<u>(2,855,549)</u>	<u>8,119,451</u>	<u>(16,325,234)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(10,522,239)</u>	<u>154,959</u>	<u>10,677,198</u>	<u>(15,491,162)</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>768,959</u>	<u>33,303</u>	<u>(735,656)</u>	<u>1,639,832</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(8,261,902)</u>	<u>6,620,839</u>	<u>14,882,741</u>	<u>(16,662,658)</u>
Cash and Cash Equivalents, July 1	<u>79,451,037</u>	<u>75,813,876</u>	<u>(3,637,161)</u>	<u>92,476,534</u>
Cash and Cash Equivalents, June 30	<u>\$ 71,189,135</u>	<u>\$ 82,434,715</u>	<u>\$ 11,245,580</u>	<u>\$ 75,813,876</u>

WASHOE COUNTY, NEVADA
UTILITIES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (2,763,002)	\$ 3,263,815	\$ 6,026,817	\$ 2,921,517
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	3,880,942	3,468,822	(412,120)	3,463,917
Net pension expense	-	(353,063)	(353,063)	158,588
Program loan interest	3,438	3,501	63	3,607
Hookup fee refunds	(100,000)	-	100,000	-
Disposal of water utility operations	-	-	-	(9,678,076)
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	10,875	10,875	306,381
Due from other governments	-	(53,641)	(53,641)	(209,577)
Due from other funds	-	257	257	355,719
Notes receivable	(30,000)	(13,214)	16,786	1,731
Increase (decrease) in:				
Accounts payable	-	195,692	195,692	34,367
Accrued salaries and benefits	-	(91,828)	(91,828)	21,186
Compensated absences	-	10,780	10,780	6,368
Due to other governments	-	(47,097)	(47,097)	(103,443)
Due to other funds	-	10	10	(2,271)
Unearned revenue	-	(30,585)	(30,585)	(14,162)
Other liabilities	-	33,468	33,468	(77,180)
Total Adjustments	<u>3,754,380</u>	<u>3,133,977</u>	<u>(620,403)</u>	<u>(5,732,845)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 991,378</u>	<u>\$ 6,397,792</u>	<u>\$ 5,406,414</u>	<u>\$ (2,811,328)</u>
*Acquisition of Capital Assets Financed by Cash	\$ 10,975,000	\$ 2,855,549	\$ 8,119,451	\$ 16,325,234
Capital contributions received	-	1,166,035	(1,166,035)	744,673
Increase (decrease) in contracts/retention payable	<u>-</u>	<u>(166,653)</u>	<u>166,653</u>	<u>(1,478,776)</u>
Total Acquisition of Capital Assets	<u>\$ 10,975,000</u>	<u>\$ 3,854,931</u>	<u>\$ 7,120,069</u>	<u>\$ 15,591,131</u>

**WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Building permits	\$ 3,200,000	\$ 2,890,082	\$ (309,918)	\$ 2,757,346
Washoe County/TRPA	90,000	122,040	32,040	123,941
Other	10,000	11,747	1,747	8,463
Total Operating Revenues	3,300,000	3,023,869	(276,131)	2,889,750
Operating Expenses				
Salaries and wages	1,616,856	1,212,401	404,455	1,068,068
Employee benefits	885,405	684,126	201,279	387,403
Services and supplies	929,048	676,887	252,161	657,453
Depreciation/amortization	21,800	15,044	6,756	11,686
Total Operating Expenses	3,453,109	2,588,458	864,651	2,124,610
Operating Income (Loss)	(153,109)	435,411	588,520	765,140
Nonoperating Revenues (Expenses)				
Investment earnings	30,000	45,578	15,578	56,960
Net increase (decrease) in the fair value of investments	-	(44,785)	(44,785)	-
Total Nonoperating Revenues (Expenses)	30,000	793	(29,207)	56,960
Income (Loss) Before Transfers	(123,109)	436,204	559,313	822,100
Transfers				
Equipment Services Fund	-	-	-	(150,315)
Change in Net Position	\$ (123,109)	436,204	\$ 559,313	671,785
Net Position, July 1		(115,660)		(787,445)
Net Position, June 30		\$ 320,544		\$ (115,660)

**WASHOE COUNTY, NEVADA
BUILDING AND SAFETY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	2017			2016
	Budget	Actual	Variance	Actual
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 3,300,000	\$ 2,795,113	\$ (504,887)	\$ 3,097,793
Cash payments for personnel costs	(2,502,261)	(1,954,826)	547,435	(1,517,304)
Cash payments for services and supplies	(929,048)	(735,165)	193,883	(602,777)
Net Cash Provided (Used) by Operating Activities	(131,309)	105,122	236,431	977,712
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(160,000)	(90,347)	69,653	(179,815)
Net Cash Provided (Used) by Capital and Related Financing Activities	(160,000)	(90,347)	69,653	(179,815)
Cash Flows From Investing Activities:				
Investment earnings	30,000	(217)	(30,217)	56,960
Net Increase (Decrease) in Cash and Cash Equivalents	(261,309)	14,558	275,867	854,857
Cash and Cash Equivalents, July 1	2,596,260	3,094,603	498,343	2,239,746
Cash and Cash Equivalents, June 30	\$ 2,334,951	\$ 3,109,161	\$ 774,210	\$ 3,094,603
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (153,109)	\$ 435,411	\$ 588,520	\$ 765,140
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	21,800	15,044	(6,756)	11,686
Net pension expense	-	(5,016)	(5,016)	(74,748)
Change in assets:				
Increase (decrease) in:				
Accounts receivable	-	(242,479)	(242,479)	(2,110)
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	(53,278)	(53,278)	54,676
Accrued salaries and benefits	-	(55,880)	(55,880)	10,830
Compensated absences	-	2,597	2,597	2,085
Unearned revenue	-	13,723	13,723	210,153
Deposits	-	(5,000)	(5,000)	-
Total Adjustments	21,800	(330,289)	(352,089)	212,572
Net Cash Provided (Used) by Operating Activities	\$ (131,309)	\$ 105,122	\$ 236,431	\$ 977,712

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2017**

		Golf Course Fund
Assets		
Current Assets:		
Cash and investments	\$	875,201
Accounts receivable		17,192
Interest receivable		2,264
Total Current Assets		894,657
Noncurrent Assets:		
Capital Assets:		
Nondepreciable:		
Land		173,000
Plant capacity		825,150
Depreciable:		
Land improvements		3,874,949
Buildings and improvements		1,258,356
Equipment		164,804
Software		-
Less accumulated depreciation		(4,452,658)
Total Noncurrent Assets		1,843,601
Total Assets		2,738,258
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions		58,756
Liabilities		
Current Liabilities:		
Accounts payable		322
Accrued salaries and benefits		353
Compensated absences		-
Unearned revenue		-
Deposits		-
Total Current Liabilities		675
Noncurrent Liabilities:		
Other long term liabilities		450,303
Unearned revenue		-
Compensated absences		-
Total Noncurrent Liabilities		450,303
Total Liabilities		450,978
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions		41,192
Net Position		
Net investment in capital assets		1,843,601
Unrestricted		461,243
Total Net Position	\$	2,304,844

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Golf Course Fund</u>
Operating Revenues	
Charges for Services:	
Golf course fees	\$ (1,149,923)
Building permits and fees	-
Washoe County / TRPA	-
Other	<u>236,200</u>
Total Operating Revenues	<u>(913,723)</u>
Operating Expenses	
Salaries and wages	70,861
Employee benefits	58,510
Services and supplies	229,950
Depreciation/amortization	<u>209,186</u>
Total Operating Expenses	<u>568,507</u>
Operating Income (Loss)	<u>(1,482,230)</u>
Nonoperating Revenues (Expenses)	
Investment earnings	11,577
Net increase (decrease) in the fair value of investments	(10,069)
Gain (loss) on asset disposition	(752)
Other nonoperating revenue	<u>1,183</u>
Total Nonoperating Revenues (Expenses)	<u>1,939</u>
Change in Net Position	<u>(1,480,291)</u>
Net Position, July 1	<u>3,785,135</u>
Net Position, June 30	<u>\$ 2,304,844</u>

**WASHOE COUNTY, NEVADA
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Golf Course Fund</u>
Increase (Decrease) In Cash and Cash Equivalents	
Cash Flows From Operating Activities:	
Cash received from customers	\$ 426,522
Cash payments for personnel costs	(139,109)
Cash payments for services and supplies	<u>(267,659)</u>
Net Cash Provided (Used) by Operating Activities	<u>19,754</u>
Cash Flows From Capital and Related Financing Activities:	
Acquisition of capital assets	<u>43,673</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>43,673</u>
Cash Flows From Investing Activities:	
Investment earnings	<u>-</u>
Net Increase in Cash and Cash Equivalents	<u>63,427</u>
Cash and Cash Equivalents, July 1	<u>810,215</u>
Cash and Cash Equivalents, June 30	<u>\$ 873,642</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating income (loss)	\$ <u>(1,482,230)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation/amortization	209,186
Net Pension Expense	31,070
Change in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	1,340,245
Inventory	7,246
Increase (decrease) in:	
Accounts payable	(4,955)
Accrued salaries and benefits	(14,956)
Compensated absences	(25,852)
Unearned revenue	-
Other liabilities	<u>(40,000)</u>
Total Adjustments	<u>1,501,984</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 19,754</u>

WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	2017			2016
	Budget	Actual	Variance	Actual
Operating Revenues				
Charges for Services:				
Golf courses	\$ 850,000	\$ (1,149,923)	\$ (1,999,923)	\$ 1,070,507
Other	430,000	236,200	(193,800)	303,497
Total Operating Revenues	<u>1,280,000</u>	<u>(913,723)</u>	<u>(2,193,723)</u>	<u>1,374,004</u>
Operating Expenses				
Salaries and wages	210,733	70,861	139,872	226,661
Employee benefits	81,725	58,510	23,215	97,858
Services and supplies	410,596	229,950	180,646	468,043
Depreciation/amortization	218,768	209,186	9,582	220,773
Total Operating Expenses	<u>921,822</u>	<u>568,507</u>	<u>353,315</u>	<u>1,013,335</u>
Operating Income (Loss)	<u>358,178</u>	<u>(1,482,230)</u>	<u>(1,840,408)</u>	<u>360,669</u>
Nonoperating Revenues (Expenses)				
Investment earnings	11,600	11,577	(23)	11,068
Net increase (decrease) in the fair value of investments	-	(10,069)	(10,069)	7,437
Gain (loss) on asset disposition	-	(752)	(752)	-
Other nonoperating expense	(1,300)	1,183	2,483	(680)
Total Nonoperating Revenues (Expenses)	<u>10,300</u>	<u>1,939</u>	<u>(8,361)</u>	<u>17,825</u>
Change in Net Position	<u>\$ 368,478</u>	<u>(1,480,291)</u>	<u>\$ (1,848,769)</u>	<u>378,494</u>
Net Position, July 1		<u>3,785,135</u>		<u>3,406,641</u>
Net Position, June 30		<u>\$ 2,304,844</u>		<u>\$ 3,785,135</u>

**WASHOE COUNTY, NEVADA
GOLF COURSE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 1,280,000	\$ 426,522	\$ (853,478)	\$ 652,905
Cash payments for personnel costs	(292,458)	(139,109)	153,349	(327,038)
Cash payments for services and supplies	(410,596)	(267,659)	142,937	(460,667)
Net Cash Provided (Used) by Operating Activities	576,946	19,754	(557,192)	(134,800)
Cash Flows From Capital and Related Financing Activities:				
Acquisition of capital assets	(205,000)	43,673	248,673	-
Cash Flows From Investing Activities:				
Investment earnings	10,300	-	(10,300)	18,352
Net Increase (Decrease) in Cash and Cash Equivalents	382,246	63,427	(318,819)	(116,448)
Cash and Cash Equivalents, July 1	1,178,078	810,215	(367,863)	926,663
Cash and Cash Equivalents, June 30	\$ 1,560,324	\$ 873,642	\$ (686,682)	\$ 810,215
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 358,178	\$ (1,482,230)	\$ (1,840,408)	\$ 360,669
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	218,768	209,186	(9,582)	220,773
Net pension expense	-	31,070	31,070	4,293
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	1,340,245	1,340,245	(721,099)
Inventory	-	7,246	7,246	3,850
Increase (decrease) in:				
Accounts payable	-	(4,955)	(4,955)	(5,566)
Accrued salaries and benefits	-	(14,956)	(14,956)	(538)
Compensated absences	-	(25,852)	(25,852)	(6,274)
Due to other governments	-	-	-	12,537
Other liabilities	-	(40,000)	(40,000)	(3,445)
Total Adjustments	218,768	1,501,984	1,283,216	(495,469)
Net Cash Provided (Used) by Operating Activities	\$ 576,946	\$ 19,754	\$ (557,192)	\$ (134,800)



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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

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

	<u>Page</u>
Risk Management Fund	
To account for revenues received for providing the County with property and liability insurance, workers' compensation and unemployment compensation insurance.	146
Health Benefits Fund	
To account for the self-insured health plan and other contractual health insurance plans.....	148
Equipment Services Fund	
To account for revenues received for maintaining and purchasing automobiles and other vehicles and specialized large equipment for use by other County departments.	150

WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2017

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Assets				
Current Assets:				
Cash and investments	\$ 29,288,828	\$ 9,542,707	\$ 2,556,654	\$ 41,388,189
Accounts receivable	-	3,560,554	-	3,560,554
Interest receivable	77,086	23,962	-	101,048
Inventory	-	-	314,839	314,839
Other assets	11,111	-	1,512,596	1,523,707
Total Current Assets	29,377,025	13,127,223	4,384,089	46,888,337
Noncurrent Assets:				
Restricted cash and investments	2,516,062	-	-	2,516,062
Long-term prepaids	-	-	33,294	33,294
Long-term deposits	-	-	2,034,971	2,034,971
Capital Assets:				
Construction in progress	-	-	809,906	809,906
Buildings and improvements	-	-	24,990	24,990
Equipment	-	-	25,248,363	25,248,363
Less accumulated depreciation	-	-	(18,175,489)	(18,175,489)
Total Noncurrent Assets	2,516,062	-	9,976,035	12,492,097
Total Assets	31,893,087	13,127,223	14,360,124	59,380,434
Liabilities				
Current Liabilities:				
Accounts payable	37,741	734,722	342,165	1,114,628
Accrued salaries and benefits	5,275	3,771	25,901	34,947
Compensated absences	22,571	23,853	173,907	220,331
Other liabilities	-	304,243	-	304,243
Due to other governments	-	-	98	98
Pending claims	6,654,000	2,505,000	-	9,159,000
Total Current Liabilities	6,719,587	3,571,589	542,071	10,833,247
Noncurrent Liabilities:				
Compensated absences	7,424	7,846	57,198	72,468
Pending claims	9,897,938	-	-	9,897,938
Pending claims payable from restricted cash	2,516,062	-	-	2,516,062
Total Noncurrent Liabilities	12,421,424	7,846	57,198	12,486,468
Total Liabilities	19,141,011	3,579,435	599,269	23,319,715
Net Position				
Net investment in capital assets	-	-	7,907,770	7,907,770
Restricted for future claims	12,752,076	9,547,788	-	22,299,864
Unrestricted	-	-	5,853,085	5,853,085
Total Net Position	\$ 12,752,076	\$ 9,547,788	\$ 13,760,855	\$ 36,060,719

WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Operating Revenues				
Charges for Services:				
Self insurance fees	\$ 6,913,621	\$ 51,421,751	\$ -	\$ 58,335,372
Equipment service billings	-	-	8,206,501	8,206,501
Miscellaneous	45,105	1,926,184	41,506	2,012,795
Total Operating Revenues	<u>6,958,726</u>	<u>53,347,935</u>	<u>8,248,007</u>	<u>68,554,668</u>
Operating Expenses				
Salaries and wages	295,994	248,015	1,314,179	1,858,188
Employee benefits	159,275	141,154	800,722	1,101,151
Services and supplies	7,325,745	49,354,749	3,532,286	60,212,780
Depreciation	-	-	1,653,855	1,653,855
Total Operating Expenses	<u>7,781,014</u>	<u>49,743,918</u>	<u>7,301,042</u>	<u>64,825,974</u>
Operating Income (Loss)	<u>(822,288)</u>	<u>3,604,017</u>	<u>946,965</u>	<u>3,728,694</u>
Nonoperating Revenues (Expenses)				
Investment earnings	356,289	91,866	102,457	550,612
Net increase (decrease) in the fair value of investments	(326,945)	(82,339)	-	(409,284)
Gain (loss) on asset disposition	-	-	216,321	216,321
Federal grants	-	427,034	-	427,034
Other nonoperating revenue	-	-	19,530	19,530
Total Nonoperating Revenues (Expenses)	<u>29,344</u>	<u>436,561</u>	<u>338,308</u>	<u>804,213</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(792,944)</u>	<u>4,040,578</u>	<u>1,285,273</u>	<u>4,532,907</u>
Capital Contributions				
Contributions from other funds	-	-	179,965	179,965
Change in Net Position	<u>(792,944)</u>	<u>4,040,578</u>	<u>1,465,238</u>	<u>4,712,872</u>
Net Position, July 1	<u>13,545,020</u>	<u>5,507,210</u>	<u>12,295,617</u>	<u>31,347,847</u>
Net Position, June 30	<u>\$ 12,752,076</u>	<u>\$ 9,547,788</u>	<u>\$ 13,760,855</u>	<u>\$ 36,060,719</u>

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017**

	Risk Management Fund	Health Benefits Fund	Equipment Services Fund	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ -	\$ 25,293,446	\$ -	\$ 25,293,446
Cash received from other funds	6,913,621	26,922,124	8,206,501	42,042,246
Cash received from others	129,553	1,926,184	96,044	2,151,781
Cash payments for personnel costs	(464,245)	(398,518)	(2,151,621)	(3,014,384)
Cash payments for services and supplies	<u>(4,966,387)</u>	<u>(48,807,498)</u>	<u>(3,341,347)</u>	<u>(57,115,232)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,612,542</u>	<u>4,935,738</u>	<u>2,809,577</u>	<u>9,357,857</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	-	427,034	-	427,034
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>427,034</u>	<u>-</u>	<u>427,034</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds from asset disposition	-	-	277,265	277,265
Donations	-	-	19,530	19,530
*Acquisition of capital assets	-	-	<u>(3,169,675)</u>	<u>(3,169,675)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(2,872,880)</u>	<u>(2,872,880)</u>
Cash Flows From Investing Activities:				
Investment earnings (loss)	<u>18,159</u>	<u>(1,433)</u>	<u>-</u>	<u>16,726</u>
Net Cash Provided (Used) by Investing Activities	<u>18,159</u>	<u>(1,433)</u>	<u>-</u>	<u>16,726</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,630,701</u>	<u>5,361,339</u>	<u>(63,303)</u>	<u>6,928,737</u>
Cash and Cash Equivalents, July 1	<u>30,174,190</u>	<u>4,181,368</u>	<u>2,619,957</u>	<u>36,975,515</u>
Cash and Cash Equivalents, June 30	<u>\$ 31,804,891</u>	<u>\$ 9,542,707</u>	<u>\$ 2,556,654</u>	<u>\$ 43,904,252</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Risk Management Fund</u>	<u>Health Benefits Fund</u>	<u>Equipment Services Fund</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (822,288)	\$ 3,604,017	\$ 946,965	\$ 3,728,694
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	1,653,855	1,653,855
**Imputed rental expense	-	-	102,457	102,457
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	84,448	489,576	-	574,024
Inventory	-	-	(126,827)	(126,827)
Prepaid lease	-	-	137,112	137,112
Due from other governments	-	-	54,538	54,538
Other assets	6,076	-	-	6,076
Increase (decrease) in:				
Accounts payable	4,282	444,251	78,206	526,739
Accrued salaries and benefits	(12,834)	(15,426)	(59,161)	(87,421)
Compensated absences	3,858	6,077	22,441	32,376
Due to other governments	-	-	(9)	(9)
Other liabilities	-	304,243	-	304,243
Pending claims	2,349,000	103,000	-	2,452,000
Total Adjustments	2,434,830	1,331,721	1,862,612	5,629,163
Net Cash Provided (Used) by Operating Activities	\$ 1,612,542	\$ 4,935,738	\$ 2,809,577	\$ 9,357,857

****Noncash investing, capital, and financing activities:**

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$106,527 have been imputed to give recognition to these transactions.

*Acquisition of Capital Assets Financed by Cash	\$	\$	\$ 3,169,675	\$ 3,169,675
Capital transferred from other funds	-	-	179,965	179,965
Capital asset value acquisition correction	-	-	(13,407)	(13,407)
Increase (decrease) in accounts payable	-	-	(385,574)	(385,574)
Total Acquisition of Capital Assets	\$	-	\$ 2,950,659	\$ 2,950,659

**WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 6,789,875	\$ 6,913,621	\$ 123,746	\$ 7,187,442
Miscellaneous:				
Other	50,000	45,105	(4,895)	152,652
Total Operating Revenues	<u>6,839,875</u>	<u>6,958,726</u>	<u>118,851</u>	<u>7,340,094</u>
Operating Expenses				
Salaries and wages	274,381	295,994	(21,613)	235,753
Employee benefits	147,821	159,275	(11,454)	99,135
Services and supplies	7,803,963	7,325,745	478,218	7,236,470
Total Operating Expenses	<u>8,226,165</u>	<u>7,781,014</u>	<u>445,151</u>	<u>7,571,358</u>
Operating Income (Loss)	<u>(1,386,290)</u>	<u>(822,288)</u>	<u>564,002</u>	<u>(231,264)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	327,200	356,289	29,089	311,636
Net increase (decrease) in the fair value of investments	-	(326,945)	(326,945)	248,580
Total Nonoperating Revenues (Expenses)	<u>327,200</u>	<u>29,344</u>	<u>(297,856)</u>	<u>560,216</u>
Change in Net Position	<u>\$ (1,059,090)</u>	<u>(792,944)</u>	<u>\$ 266,146</u>	<u>328,952</u>
Net Position, July 1		<u>13,545,020</u>		<u>13,216,068</u>
Net Position, June 30		<u>\$ 12,752,076</u>		<u>\$ 13,545,020</u>

**WASHOE COUNTY, NEVADA
RISK MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 6,789,875	\$ 6,913,621	\$ 123,746	\$ 7,187,442
Cash received from others	50,000	129,553	79,553	68,204
Cash payments for personnel costs	(420,203)	(464,245)	(44,042)	(329,816)
Cash payments for services and supplies	<u>(6,003,962)</u>	<u>(4,966,387)</u>	<u>1,037,575</u>	<u>(5,139,575)</u>
Net Cash Provided (Used) by Operating Activities	<u>415,710</u>	<u>1,612,542</u>	<u>1,196,832</u>	<u>1,786,255</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>327,200</u>	<u>18,158</u>	<u>(309,042)</u>	<u>560,404</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>742,910</u>	<u>1,630,700</u>	<u>887,790</u>	<u>2,346,659</u>
Cash and Cash Equivalents, July 1	<u>29,655,273</u>	<u>30,174,190</u>	<u>518,917</u>	<u>27,827,531</u>
Cash and Cash Equivalents, June 30	<u>\$ 30,398,183</u>	<u>\$ 31,804,890</u>	<u>\$ 1,406,707</u>	<u>\$ 30,174,190</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	<u>\$ (1,386,290)</u>	<u>\$ (822,288)</u>	<u>\$ 564,002</u>	<u>\$ (231,264)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	84,448	84,448	(84,448)
Other assets	-	6,076	6,076	(17,187)
Change in liabilities:				
Increase (decrease) in:				
Accounts payable	-	4,282	4,282	(89,953)
Accrued salaries and benefits	-	(12,834)	(12,834)	4,132
Compensated absences	2,000	3,858	1,858	940
Due to other funds	-	-	-	(29,965)
Pending claims	<u>1,800,000</u>	<u>2,349,000</u>	<u>549,000</u>	<u>2,234,000</u>
Total Adjustments	<u>1,802,000</u>	<u>2,434,830</u>	<u>632,830</u>	<u>2,017,519</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 415,710</u>	<u>\$ 1,612,542</u>	<u>\$ 1,196,832</u>	<u>\$ 1,786,255</u>

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Insurance premiums	\$ 53,125,351	\$ 51,421,751	\$ (1,703,600)	\$ 47,981,523
Miscellaneous:				
Other	<u>1,885,106</u>	<u>1,926,184</u>	<u>41,078</u>	<u>1,872,491</u>
Total Operating Revenues	<u>55,010,457</u>	<u>53,347,935</u>	<u>(1,662,522)</u>	<u>49,854,014</u>
Operating Expenses				
Salaries and wages	290,851	248,015	42,836	267,292
Employee benefits	154,809	141,154	13,655	117,532
Services and supplies	<u>54,892,368</u>	<u>49,354,749</u>	<u>5,537,619</u>	<u>50,867,416</u>
Total Operating Expenses	<u>55,338,028</u>	<u>49,743,918</u>	<u>5,594,110</u>	<u>51,252,240</u>
Operating Income (Loss)	<u>(327,571)</u>	<u>3,604,017</u>	<u>3,931,588</u>	<u>(1,398,226)</u>
Nonoperating Revenues (Expenses)				
Investment earnings	104,700	91,866	(12,834)	70,257
Net increase (decrease) in the fair value of investments	-	(82,339)	(82,339)	41,643
Federal grants	260,000	427,034	167,034	261,042
Other nonoperating revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,289</u>
Total Nonoperating Revenues (Expenses)	<u>364,700</u>	<u>436,561</u>	<u>71,861</u>	<u>395,231</u>
Change in Net Position	<u>\$ 37,129</u>	<u>4,040,578</u>	<u>\$ 4,003,449</u>	<u>(1,002,995)</u>
Net Position, July 1		<u>5,507,210</u>		<u>6,510,205</u>
Net Position, June 30		<u>\$ 9,547,788</u>		<u>\$ 5,507,210</u>

WASHOE COUNTY, NEVADA
HEALTH BENEFITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 24,025,512	\$ 25,293,446	\$ 1,267,934	\$ 21,797,370
Cash received from other funds	29,099,839	26,922,124	(2,177,715)	24,577,914
Cash received from others	1,885,106	1,926,184	41,078	1,894,780
Cash payments for personnel costs	(442,660)	(398,518)	44,142	(400,547)
Cash payments for services and supplies	(54,789,368)	(48,807,498)	5,981,870	(51,433,824)
Net Cash Provided (Used) by Operating Activities	(221,571)	4,935,738	5,157,309	(3,564,307)
Cash Flows From Noncapital Financing Activities:				
Federal grants	260,000	427,034	167,034	261,042
Cash Flows From Investing Activities:				
Investment earnings (loss)	104,700	(1,433)	(106,133)	121,151
Net Increase (Decrease) in Cash and Cash Equivalents	143,129	5,361,339	5,218,210	(3,182,114)
Cash and Cash Equivalents, July 1	4,918,254	4,181,368	(736,886)	7,363,482
Cash and Cash Equivalents, June 30	\$ 5,061,383	\$ 9,542,707	\$ 4,481,324	\$ 4,181,368
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (327,571)	\$ 3,604,017	\$ 3,931,588	\$ (1,398,226)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Forfeited Flexible Spending Account contributions	-	-	-	22,289
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	489,576	489,576	(1,606,239)
Increase (decrease) in:				
Accounts payable	-	444,251	444,251	(78,408)
Accrued salaries and benefits	-	(15,426)	(15,426)	1,753
Compensated absences	3,000	6,077	3,077	(17,476)
Other liabilities	-	304,243	304,243	-
Pending claims	103,000	103,000	-	(488,000)
Total Adjustments	106,000	1,331,721	1,225,721	(2,166,081)
Net Cash Provided (Used) by Operating Activities	\$ (221,571)	\$ 4,935,738	\$ 5,157,309	\$ (3,564,307)

WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Operating Revenues				
Charges for Services:				
Equipment service billings	\$ 8,025,041	\$ 8,206,501	\$ 181,460	\$ 7,598,402
Miscellaneous:				
Other	<u>261,145</u>	<u>41,506</u>	<u>(219,639)</u>	<u>56,029</u>
Total Operating Revenues	<u>8,286,186</u>	<u>8,248,007</u>	<u>(38,179)</u>	<u>7,654,431</u>
Operating Expenses				
Salaries and wages	1,295,577	1,314,179	(18,602)	1,277,073
Employee benefits	831,985	800,722	31,263	604,113
Services and supplies	3,509,374	3,532,286	(22,912)	4,181,565
Depreciation	<u>2,033,382</u>	<u>1,653,855</u>	<u>379,527</u>	<u>1,428,793</u>
Total Operating Expenses	<u>7,670,318</u>	<u>7,301,042</u>	<u>369,276</u>	<u>7,491,544</u>
Operating Income (Loss)	<u>615,868</u>	<u>946,965</u>	<u>331,097</u>	<u>162,887</u>
Nonoperating Revenues (Expenses)				
Investment earnings	106,600	102,457	(4,143)	106,527
Gain (loss) on asset disposition	507,995	216,321	(291,674)	110,260
Contributions	<u>19,530</u>	<u>19,530</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>634,125</u>	<u>338,308</u>	<u>(295,817)</u>	<u>216,787</u>
Income (Loss) Before Capital Contributions and Transfers	<u>1,249,993</u>	<u>1,285,273</u>	<u>35,280</u>	<u>379,674</u>
Capital Contributions				
Contributions from other funds	<u>-</u>	<u>179,965</u>	<u>179,965</u>	<u>196,637</u>
Change in Net Position	<u>\$ 1,249,993</u>	<u>\$ 1,465,238</u>	<u>\$ 215,245</u>	<u>\$ 576,311</u>
Net Position, July 1		<u>12,295,617</u>		<u>11,719,306</u>
Net Position, June 30		<u>\$ 13,760,855</u>		<u>\$ 12,295,617</u>

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from other funds	\$ 8,025,041	\$ 8,206,501	\$ 181,460	\$ 7,357,351
Cash received from others	261,145	96,044	(165,101)	349,695
Cash payments for personnel costs	(2,127,562)	(2,151,621)	(24,059)	(1,883,387)
Cash payments for services and supplies	<u>(3,402,774)</u>	<u>(3,341,347)</u>	<u>61,427</u>	<u>(3,835,713)</u>
Net Cash Provided (Used) by Operating Activities	<u>2,755,850</u>	<u>2,809,577</u>	<u>53,727</u>	<u>1,987,946</u>
Cash Flows From Capital and Related Financing Activities:				
Donations	19,530	19,530	-	-
Proceeds from asset disposition	507,995	277,265	(230,730)	117,271
*Acquisition of capital assets	<u>(5,127,100)</u>	<u>(3,169,675)</u>	<u>1,957,425</u>	<u>(2,313,027)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(4,599,575)</u>	<u>(2,872,880)</u>	<u>1,726,695</u>	<u>(2,195,756)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,843,725)</u>	<u>(63,303)</u>	<u>1,780,422</u>	<u>(207,810)</u>
Cash and Cash Equivalents, July 1	<u>2,888,597</u>	<u>2,619,957</u>	<u>(268,640)</u>	<u>2,827,767</u>
Cash and Cash Equivalents, June 30	<u>\$ 1,044,872</u>	<u>\$ 2,556,654</u>	<u>\$ 1,511,782</u>	<u>\$ 2,619,957</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
EQUIPMENT SERVICES FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)**

	<u>2017</u>			<u>2016</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 615,868	\$ 946,965	\$ 331,097	\$ 162,887
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	2,033,382	1,653,855	(379,527)	1,428,793
**Imputed rental expense	106,600	102,457	(4,143)	106,527
Change in assets and liabilities:				
(Increase) decrease in:				
Inventory	-	(126,827)	(126,827)	96,335
Prepaid lease expense	-	137,112	137,112	146,080
Due from other governments	-	54,538	54,538	52,615
Increase (decrease) in:				
Accounts payable	-	78,206	78,206	(3,107)
Accrued salaries and benefits	-	(59,161)	(59,161)	6,875
Compensated absences	-	22,441	22,441	(9,076)
Due to other governments	-	(9)	(9)	17
Total Adjustments	<u>2,139,982</u>	<u>1,862,612</u>	<u>(277,370)</u>	<u>1,825,059</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,755,850</u>	<u>\$ 2,809,577</u>	<u>\$ 53,727</u>	<u>\$ 1,987,946</u>

****Noncash investing, capital, and financing activities:**

The Equipment Services Fund lease deposits remaining at June 30 for rental agreements total \$3,451,171. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$102,457 have been imputed to give recognition to these transactions.

*Acquisition of Capital Assets Financed by Cash	\$ 5,127,100	\$ 3,169,675	\$ 1,957,425	\$ 2,313,027
Capital transferred from other funds	-	179,965	(179,965)	196,637
Capital Assets Value Acquisition Correction	-	(13,407)	13,407	25,434
Increase (decrease) in accounts payable	<u>-</u>	<u>(385,574)</u>	<u>385,574</u>	<u>213,231</u>
Total Acquisition of Capital Assets	<u>\$ 5,127,100</u>	<u>\$ 2,950,659</u>	<u>\$ 2,176,441</u>	<u>\$ 2,748,329</u>



FIDUCIARY FUNDS

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held in a trustee or agency capacity for others and cannot be used to support the County's own programs.

Agency Funds:

Intergovernmental

Accounts for taxes and fees, such as property tax, sales tax, consolidated tax, fuel tax, and fines collected by the County on behalf of local governments.

Public Guardian/Administrator Trust Funds

Accounts for assets belonging to wards of the Public Guardian and unclaimed assets of decedents.

Court Trust

Accounts for District Court cash bonds.

Payroll Revolving

Accounts for payment of payroll and payroll deductions such as income tax withholding, insurance deductions, credit union deductions, etc.

Treasurer Unapportioned

Accounts for other local governments' share of unapportioned property taxes.

Washoe County School District Fund

Accounts for assets held on behalf of the Washoe County School District.

Sheriff's Trust

Accounts for the commissary fund, inmate fund, and other miscellaneous funds administered by the County Sheriff's Department.

Children's Trust Fund

Accounts for monies received from social security, insurance, child support or other sources on behalf of children receiving welfare services.

May Foundation Building Trust

Accounts for assets held on behalf of the Wilbur May Foundation.

Senior Services Trust

Accounts for social security benefits of senior citizen clients for which Washoe County serves as representative payee.

Financial Assurances

Accounts for assets held by the County as performance guarantees.

Western Regional Water Commission

Accounts for the assets of the Western Regional Water Commission arising from the collection of water planning fees from regional water customers.

Other Agencies

Accounts for assets held for special districts and boards, Regional Transportation Commission, deferred compensation, Public Safety Training Center, and other miscellaneous agencies.

WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Intergovernmental				
Assets:				
Cash and investments	\$ 10,095,031	\$ 298,432,912	\$ 297,563,433	\$ 10,964,510
Accounts Receivable	-	4,932	-	4,932
Due from other governments	-	132,416	132,416	-
Property taxes receivable	2,532,197	1,776,628	1,930,875	2,377,950
Total Assets	<u>\$ 12,627,228</u>	<u>\$ 300,346,888</u>	<u>\$ 299,626,724</u>	<u>\$ 13,347,392</u>
Liabilities:				
Due to other governments	<u>\$ 12,627,228</u>	<u>\$ 300,346,888</u>	<u>\$ 299,626,724</u>	<u>\$ 13,347,392</u>
Public Guardian/Administrator Trust Funds				
Assets:				
Cash and investments	<u>\$ 4,326,081</u>	<u>\$ 6,275,455</u>	<u>\$ 4,081,923</u>	<u>\$ 6,519,613</u>
Liabilities:				
Due to others	<u>\$ 4,326,081</u>	<u>\$ 6,275,455</u>	<u>\$ 4,081,923</u>	<u>\$ 6,519,613</u>
Court Trust				
Assets:				
Cash and investments	<u>\$ 2,051,435</u>	<u>\$ 8,029,048</u>	<u>\$ 8,631,355</u>	<u>\$ 1,449,128</u>
Liabilities:				
Due to others	<u>\$ 2,051,435</u>	<u>\$ 8,029,048</u>	<u>\$ 8,631,355</u>	<u>\$ 1,449,128</u>
Payroll Revolving				
Assets:				
Cash and investments	\$ 4,247,275	\$ 308,451,242	\$ 305,555,580	\$ 7,142,937
Due from other funds	-	11,468	-	11,468
Accounts receivable	541	5,888	3,663	2,766
Total Assets	<u>\$ 4,247,816</u>	<u>\$ 308,468,598</u>	<u>\$ 305,559,243</u>	<u>\$ 7,157,171</u>
Liabilities:				
Due to others	<u>\$ 4,247,816</u>	<u>\$ 308,468,598</u>	<u>\$ 305,559,243</u>	<u>\$ 7,157,171</u>
Treasurer Unapportioned				
Assets:				
Cash and investments	\$ 1,168,546	\$ 517,281,488	\$ 517,146,799	\$ 1,303,235
Accounts receivable	5,569	7,977	5,790	7,756
Total Assets	<u>\$ 1,174,115</u>	<u>\$ 517,289,465</u>	<u>\$ 517,152,589</u>	<u>\$ 1,310,991</u>
Liabilities:				
Due to other governments	<u>\$ 1,174,115</u>	<u>\$ 517,289,465</u>	<u>\$ 517,152,589</u>	<u>\$ 1,310,991</u>
Washoe County School District Debt and Sales Tax				
Assets:				
Property taxes receivable	<u>\$ 476,639</u>	<u>\$ 384,956</u>	<u>\$ 373,887</u>	<u>\$ 487,708</u>
Liabilities:				
Due to other governments	<u>\$ 476,639</u>	<u>\$ 384,956</u>	<u>\$ 373,887</u>	<u>\$ 487,708</u>

(CONTINUED)

WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Sheriff's Trust				
Assets:				
Cash and investments	\$ 1,796,187	\$ 8,851,508	\$ 8,779,946	\$ 1,867,749
Liabilities:				
Due to others	\$ 1,796,187	\$ 8,851,508	\$ 8,779,946	\$ 1,867,749
Children's Trust Fund				
Assets:				
Cash and investments	\$ 162,233	\$ 1,117,524	\$ 936,494	\$ 343,263
Liabilities:				
Due to others	\$ 162,233	\$ 1,117,524	\$ 936,494	\$ 343,263
May Foundation Building Trust				
Assets:				
Cash and investments	\$ 372,733	\$ 395,406	\$ 428,112	\$ 340,027
Liabilities:				
Due to others	\$ 372,733	\$ 395,406	\$ 428,112	\$ 340,027
Senior Services Trust				
Assets:				
Cash and investments	\$ 48,204	\$ 414,285	\$ 390,305	\$ 72,184
Liabilities:				
Due to others	\$ 48,204	\$ 414,285	\$ 390,305	\$ 72,184
Financial Assurances				
Assets:				
Cash and investments	\$ 446,343	\$ 310,858	\$ 144,384	\$ 612,817
Financial assurances	3,479,448	20,152,124	220,379	23,411,193
Interest receivable	2	2	4	-
Total Assets	\$ 3,925,793	\$ 20,462,984	\$ 364,767	\$ 24,024,010
Liabilities:				
Due to others	\$ 3,925,793	\$ 20,462,984	\$ 364,767	\$ 24,024,010
Western Regional Water Commission				
Assets:				
Accounts receivable	\$ 329,121	\$ 1,429,357	1,409,957	\$ 348,521
Total Assets	\$ 329,121	\$ 1,429,357	\$ 1,409,957	\$ 348,521
Liabilities:				
Due to others	\$ 329,121	\$ 1,429,357	\$ 1,409,957	\$ 348,521
Other Agencies:				
Assets:				
Cash and investments	\$ 3,704	\$ 2,378	\$ 1,888	\$ 4,194
Due from other governments	343,135	498,318	343,135	498,318
Total Assets	\$ 346,839	\$ 500,696	\$ 345,023	\$ 502,512
Liabilities:				
Due to others/governments	\$ 346,839	\$ 500,696	\$ 345,023	\$ 502,512

(CONTINUED)

WASHOE COUNTY, NEVADA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
Totals, Agency Funds:				
Assets:				
Cash and investments	\$ 24,717,772	\$ 1,149,562,104	\$ 1,143,660,219	\$ 30,619,657
Financial assurances	3,479,448	20,152,124	220,379	23,411,193
Accounts receivable	335,231	1,459,622	1,419,410	375,443
Property taxes receivable	3,008,836	2,161,584	2,304,762	2,865,658
Interest receivable	2	2	4	-
Due from other governments	343,135	630,734	475,551	498,318
	<u>31,884,424</u>	<u>1,173,966,170</u>	<u>1,148,080,325</u>	<u>57,770,269</u>
Total Assets	\$ 31,884,424	\$ 1,173,966,170	\$ 1,148,080,325	\$ 57,770,269
Liabilities:				
Due to other governments	\$ 31,884,424	\$ 1,173,966,170	\$ 1,148,080,325	\$ 57,770,269



**STATISTICAL SECTION
(unaudited)**

STATISTICAL SECTION

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the Management's Discussion and Analysis, financial statements and note disclosures, says about the government's overall financial health.

Schedules

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 1.1 – 1.5

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, ad valorem taxes. 2.1 – 2.4

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 3.1 – 3.4

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. 4.1 – 4.2

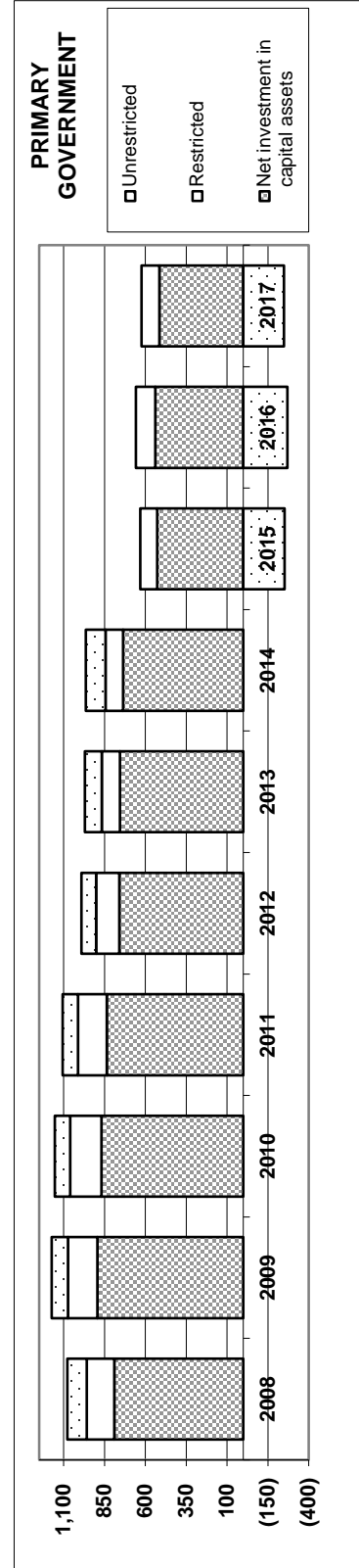
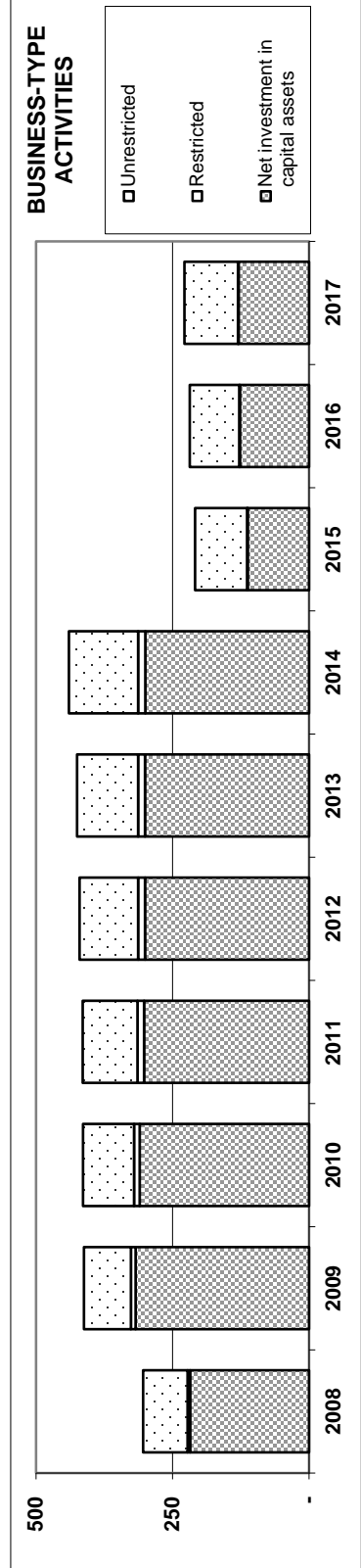
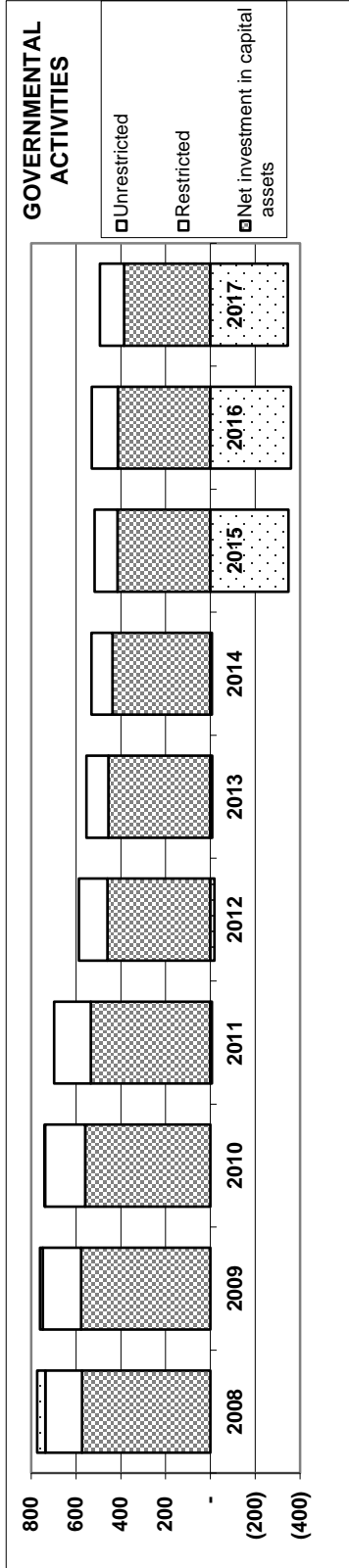
Operating Information

These schedules contain service and capital asset data to help the reader understand how the information in the County's financial report relates to the services provided and the activities performed. 5.1 – 5.3

Sources:

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

WASHOE COUNTY, NEVADA
NET POSITION TREND BY COMPONENT LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)



WASHOE COUNTY, NEVADA
NET POSITION BY COMPONENT LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012 ⁵	2013	2014	2015 ⁸	2016	2017
Governmental Activities⁶										
Net investment in capital assets ¹	\$ 572,750	\$ 576,532	\$ 559,117	\$ 533,468	\$ 459,302	\$ 455,643	\$ 437,044	\$ 415,132	\$ 412,863	\$ 385,853
Restricted	163,355	170,975	179,707	164,800	128,284	98,124	94,056	102,385	116,440	107,899
Unrestricted ²	37,009	12,622	462	(7,038)	(17,395)	(8,579)	(6,492)	(347,987)	(360,030)	(346,079)
Total Governmental Activities Net Position	\$ 773,114	\$ 760,129	\$ 739,286	\$ 691,230	\$ 570,191	\$ 545,188	\$ 524,608	\$ 169,530	\$ 169,273	\$ 147,673
Business-type Activities⁷										
Net investment in capital assets ¹	\$ 218,033	\$ 317,680	\$ 310,154	\$ 301,997	\$ 300,261	\$ 300,163	\$ 299,618	\$ 112,543	\$ 126,705	\$ 128,947
Restricted ³	4,376	8,515	10,004	11,875	12,804	12,801	13,461	1,234	1,122	1,151
Unrestricted	81,278	85,743	93,616	100,843	107,298	111,894	126,597	95,088	90,505	98,187
Total Business-type Activities Net Position	\$ 303,687	\$ 411,938	\$ 413,774	\$ 414,715	\$ 420,363	\$ 424,858	\$ 439,676	\$ 208,865	\$ 218,332	\$ 228,285
Primary Government										
Net investment in capital assets ¹	\$ 790,783	\$ 894,212	\$ 869,271	\$ 835,465	\$ 759,563	\$ 755,806	\$ 736,662	\$ 527,675	\$ 539,568	\$ 514,800
Restricted	167,731	179,490	189,711	176,675	141,088	110,925	107,517	103,619	117,562	109,050
Unrestricted	118,287	98,365	94,078	93,805	89,903	103,315	120,105	(252,899)	(269,525)	(247,892)
Total Primary Government Net Position ⁴	\$ 1,076,801	\$ 1,172,067	\$ 1,153,060	\$ 1,105,945	\$ 990,554	\$ 970,046	\$ 964,284	\$ 378,395	\$ 387,605	\$ 375,958

Information is presented on the accrual basis of accounting.

¹ Capital Assets include land, intangibles, infrastructure, construction in progress, buildings and improvements, equipment and software. In fiscal year 2010, the County implemented GASB 51 for intangible assets which resulted in accounting changes for assets previously capitalized. Net position for fiscal year 2009 has been restated for this change.

² Negative unrestricted net position in fiscal year 2011 resulted from OPEB and property tax refund liabilities in excess of unrestricted resources. In 2012 and 2013, the negative balance includes bonded debt liability of \$19 million for capital assets transferred to a local joint powers authority for flood management.

³ The decrease in restricted net position in fiscal year 2008 was due to \$6,595 from business-type funds being reclassified to governmental activities.

⁴ Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted.

Net position is considered restricted only when an external party, such as grantors, contributors, state or federal government, places a restriction on how resources may be used, or through enabling legislation enacted by the County.

⁵ The decrease in governmental net position in 2012 includes \$50 million in capital assets and \$17.8 million in restricted funds transferred to a local joint powers authority for flood management.

⁶ Fiscal years 2005-2011 include amounts for Sierra and/or Truckee Meadows Fire Protection Districts. Fiscal year 2012 has been restated to exclude these component units that are now discretely presented.

⁷ Business-type activity amounts have been restated to remove South Truckee Meadows General Improvement District (STMIGID). Effective FY13, STMIGID is no longer a component unit of the County.

⁸ Total Governmental Activities Net Position was reduced due to the recognition of GASB 68 in FY2015. Total Business-type Activities Net Position was impacted by the transfer of the Washoe County water resource division to Truckee Meadows Water Authority (TMWA) during FY2015.

WASHOE COUNTY, NEVADA
 CHANGES IN NET POSITION LAST TEN FISCAL YEARS
 (AMOUNTS EXPRESSED IN THOUSANDS)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities										
General government	\$ 93,781	\$ 99,921	\$ 103,576	\$ 120,606	\$ 107,954	\$ 85,898	\$ 80,958	\$ 85,674	\$ 100,763	\$ 89,304
Judicial	58,415	58,766	57,896	55,394	55,469	57,573	59,317	59,055	62,341	72,190
Public safety	152,410	161,395	155,600	149,376	125,573	138,149	137,584	141,623	144,615	165,745
Public works	39,397	41,722	39,309	39,447	39,675	37,188	48,420	49,794	50,188	49,151
Health and sanitation	27,861	27,858	22,749	22,826	18,429	18,785	18,384	18,901	18,607	21,217
Welfare	66,193	64,048	66,764	69,506	68,137	66,370	65,651	68,457	73,678	82,507
Culture and recreation	53,447	38,364	27,993	27,850	24,989	23,614	21,803	18,729	19,320	23,857
Community support	1,555	1,662	1,736	303	309	343	178	186	198	330
Interest on long-term debt	11,267	11,028	8,984	8,505	7,174	7,349	5,525	6,252	6,721	5,500
Total Governmental Activities Expenses	504,326	504,764	484,607	493,813	447,709	435,269	437,820	448,671	476,431	509,801
Business-type Activities^{2,3}										
Utilities ¹	38,022	32,508	29,541	28,451	30,029	30,844	28,300	22,889	11,511	11,215
Golf courses	1,741	1,757	1,893	2,070	874	979	952	955	945	454
Building permits	2,441	1,871	1,207	1,324	1,372	1,329	1,357	1,603	1,700	2,102
Total Business-type Activities Expenses	42,204	36,136	32,641	31,845	32,275	33,152	30,609	25,447	14,156	13,771
Total Primary Government Expenses	\$ 546,530	\$ 540,900	\$ 517,248	\$ 525,658	\$ 479,984	\$ 468,421	\$ 468,429	\$ 474,118	\$ 490,587	\$ 523,572
Program Revenues										
Governmental Activities										
Charges for Services										
General government	\$ 20,940	\$ 21,509	\$ 22,920	\$ 33,139	\$ 32,902	\$ 31,306	\$ 27,106	\$ 28,618	\$ 32,878	\$ 32,600
Judicial	7,999	8,117	9,376	10,309	10,056	10,412	9,904	9,386	9,465	10,145
Public safety	11,275	12,579	15,141	14,367	13,075	15,311	16,205	15,763	16,860	17,027
Other	15,092	15,763	14,658	13,912	10,061	10,521	15,261	24,280	21,517	23,707
Operating grants, interest and contributions	55,506	54,398	55,842	60,660	64,561	63,432	57,083	55,602	60,753	60,503
Capital grants, interest and contributions	43,987	34,590	17,467	7,157	25,205	7,413	12,245	9,378	20,716	16,573
Total Governmental Activities	154,799	146,956	135,404	139,544	155,860	138,395	137,804	143,027	162,189	160,555
Program Revenues										
Business-type Activities^{2,3}										
Charges for Services										
Utilities	28,461	27,903	27,382	29,274	30,466	31,539	32,287	23,595	14,374	15,008
Golf courses	1,583	1,617	1,720	1,944	1,090	1,037	854	1,424	1,374	(914)
Building permits	2,063	1,419	1,018	1,137	1,401	1,724	2,491	2,792	2,890	3,024
Operating grants, interest and contributions	612	34	49	123	94	449	112	7	11	109

(CONTINUED)

WASHOE COUNTY, NEVADA
 CHANGES IN NET POSITION LAST TEN FISCAL YEARS
 (AMOUNTS EXPRESSED IN THOUSANDS)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type Activities (continued)										
Capital grants, interest and contributions	\$ 19,214	\$ 110,304	\$ 5,040	\$ 4,286	\$ 1,921	\$ 4,448	\$ 8,107	\$ 5,438	\$ 4,508	\$ 6,447
Total Business-type Activities	51,933	141,277	35,209	36,764	34,972	39,197	43,851	33,256	23,157	23,674
Total Primary Government										
Program Revenues	\$ 206,732	\$ 288,233	\$ 170,613	\$ 176,308	\$ 190,832	\$ 177,592	\$ 181,655	\$ 176,283	\$ 185,346	\$ 184,229
Net (Expense)/Revenue	\$ (349,527)	\$ (357,808)	\$ (349,203)	\$ (354,269)	\$ (291,849)	\$ (296,874)	\$ (300,016)	\$ (305,644)	\$ (314,242)	\$ (349,246)
Governmental activities	9,729	105,141	2,568	4,919	2,697	6,045	13,242	7,809	9,001	9,903
Business-type activities	(339,798)	(252,667)	(346,635)	(349,350)	(289,152)	(290,829)	(286,774)	(297,835)	(305,241)	(339,343)
Total Primary Government										
Net (Expense) Revenue										
General Revenues and Other Changes										
in Net Position Governmental Activities										
Taxes and Intergovernmental										
Ad valorem	\$ 210,184	\$ 223,457	\$ 220,530	\$ 201,469	\$ 172,540	\$ 167,294	\$ 168,009	\$ 175,981	\$ 183,821	\$ 188,474
Consolidated	98,567	83,070	74,119	74,985	70,985	75,489	80,809	88,435	95,605	100,336
Other intergovernmental	27,787	21,231	19,114	19,791	18,840	18,530	19,832	21,414	22,935	24,374
Unrestricted investment earnings	9,586	7,906	4,944	2,153	3,403	174	1,594	1,927	2,747	158
Other	8,972	9,334	9,658	10,037	9,045	8,934	8,981	11,109	8,877	12,649
Extraordinary/special items	-	-	-	-	(67,832)	-	-	-	-	-
Transfers	(240)	(91)	(5)	(2,222)	(45)	1,450	211	-	-	-
Total Governmental Activities	354,856	344,907	328,360	306,213	206,936	271,871	279,436	298,866	313,985	325,991
Business-type Activities^{2,3}										
Unrestricted investment earnings	4,201	4,114	3,121	1,924	3,040	(100)	1,591	1,011	1,667	-
Other	20	2,019	-	(62)	-	-	-	-	(150)	50
Extraordinary/special items ⁴	-	-	(3,858)	(8,061)	-	-	-	(235,202)	-	-
Transfers	231	91	5	2,222	45	(1,450)	(211)	-	-	-
Total Business-type Activities	4,452	6,224	(732)	(3,977)	3,085	(1,550)	1,380	(234,191)	1,517	50
Total Primary Government										
General Revenues and Other Changes	\$ 359,308	\$ 351,131	\$ 327,628	\$ 302,236	\$ 210,021	\$ 270,321	\$ 280,816	\$ 64,675	\$ 315,502	\$ 326,041
Change in Net Position										
Governmental activities	\$ 5,329	\$ (12,901)	\$ (20,843)	\$ (48,056)	\$ (84,913)	\$ (25,003)	\$ (20,580)	\$ (6,778)	\$ (257)	\$ (23,255)
Business-type activities	14,181	111,365	1,836	942	5,782	4,495	14,622	(226,382)	10,518	9,953
Total Primary Government										
Change in Net Position	\$ 19,510	\$ 98,464	\$ (19,007)	\$ (47,114)	\$ (79,131)	\$ (20,508)	\$ (5,958)	\$ (233,160)	\$ 10,261	\$ (13,302)

Note: Information is presented on the accrual basis of accounting.

- Fiscal years 2005-2011 include amounts for Sierra and/or Truckee Meadows FPDs. Fiscal year 2012 has been restated to exclude these component units that are now discretely presented.
- Business-type activity amounts are restated to remove South Truckee Meadows General Improvement District (STMGID). Effective FY13, STMGID is no longer a component unit of the County.
- Fiscal year 2013 has been restated as a result of a reorganization which formed the Community Services Department. Certain expenditures were reclassified to different functions to better reflect activities within the General Government and Public Works functions.
- In 2015, Washoe County Water Resources was transferred to Truckee Meadows Water Authority.

WASHOE COUNTY, NEVADA
FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009 ²	2010	2011 ¹	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 8,818	\$ 1,422	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	34,504	30,263	31,173	-	-	-	-	-	-	-
Nonspendable	-	-	-	304	1	-	19	163	157	38
Restricted	-	-	-	760	750	801	792	766	879	750
Committed	-	-	-	5,277	4,718	4,598	4,519	3,229	4,722	3,191
Assigned ⁶	-	-	-	8,641	6,009	6,727	1,107	1,765	2,735	1,551
Unassigned ⁷	-	-	-	23,789	24,845	26,908	40,170	45,377	44,946	45,041
Total General Fund	43,322	31,685	31,923	38,771	36,323	39,034	46,607	51,300	53,439	50,571
All Other Governmental Funds⁵										
Reserved	63,587	59,909	57,274	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds ³	109,818	114,692	56,236	-	-	-	-	-	-	-
Capital Projects Funds	48,288	41,668	42,385	-	-	-	-	-	-	-
Nonspendable	-	-	-	112	67	75	39	59	55	66
Restricted	-	-	-	114,048	96,853	75,788	72,526	73,335	87,189	74,466
Committed	-	-	-	19,816	17,808	18,167	13,273	15,636	17,231	28,827
Assigned	-	-	-	143	3,559	5,076	7,482	10,303	9,002	5,011
Unassigned	-	-	-	-	(123)	(258)	(418)	(278)	(249)	-
Total All Other Governmental Funds⁴	221,693	216,269	155,895	134,119	118,164	98,848	92,902	99,055	113,228	108,370
Total All Governmental Funds	\$ 265,015	\$ 247,954	\$ 187,818	\$ 172,890	\$ 154,487	\$ 137,882	\$ 139,509	\$ 150,355	\$ 166,667	\$ 158,941

Note: Information is presented on the modified accrual basis of accounting.

- ¹ Fund balances for fiscal year 2011 through 2015 have been classified in accordance with new GASB 54 fund balance reporting standards.
- ² Fund balances for fiscal year 2009 have been restated to reflect the transfer of restricted funds of \$6,829 from the General Fund to special revenue funds.
- ³ The increase in special revenue fund balances in fiscal year 2008 was due to \$1,279 from capital projects and \$6,595 from business-type funds being reclassified to special revenue funds.
- ⁴ The decrease in other governmental fund balances in 2011 included \$10.6 million for early extinguishment of debt and \$3.9 million paid to the County's OPEB Trust. The decrease in fiscal year 2012 was primarily due to the payment of \$17.8 million to the Truckee River Flood Management Authority, a joint powers authority. Fluctuations in all other governmental fund balances primarily reflect financing, construction in progress and completion of large capital projects.
- ⁵ Fiscal years 2007 to 2012 have been restated to remove TMFPD and SFPD, component units that were reclassified from blended to discretely presented in 2013.
- ⁶ The increase in General Fund assigned fund balance from fiscal year 2014 to fiscal year 2015 was due to an increase in encumbrance carry forwards totalling \$758 thousand in fiscal year 2014.
- ⁷ The increase in assigned fund balance for the General Fund from fiscal year 2014 to fiscal year 2015 is due to an increase in revenue from Ad Valorem Taxes, Consolidated Taxes and Charges for Services and the County receiving \$2.0 million of proceeds from the disposition of assets.

WASHOE COUNTY, NEVADA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008 ²	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$ 196,290	\$ 207,848	\$ 204,577	\$ 190,232	\$ 178,395	\$ 170,260	\$ 170,915	\$ 177,313	\$ 185,688	\$ 190,912
Licenses and permits	11,130	11,150	10,655	9,713	9,183	9,501	9,936	9,941	10,337	12,242
Intergovernmental revenues	177,622	156,555	149,258	155,018	162,361	170,082	168,204	179,392	187,816	195,433
Charges for services	22,096	24,211	27,940	28,247	26,254	33,530	35,694	38,893	39,543	37,350
Fines and forfeits	9,625	10,792	10,563	10,996	9,999	10,528	10,490	9,963	9,326	10,427
Miscellaneous	24,419	21,591	14,354	9,902	13,399	6,915	10,981	11,606	19,495	16,794
Total Revenues	441,182	432,147	417,347	404,108	399,591	400,816	406,220	427,108	452,205	463,158
Expenditures										
Current										
General government ³	62,187	65,098	124,146	61,386	84,484	62,493	50,210	55,362	57,142	44,717
Judicial	55,721	55,628	53,874	53,667	53,818	54,214	55,637	56,745	61,263	70,061
Public safety	119,421	122,072	120,544	118,455	121,656	131,732	128,364	135,821	141,496	157,332
Public works	20,414	17,960	14,654	14,110	14,759	15,568	26,124	30,438	34,491	29,214
Health and sanitation ¹	22,008	22,534	20,459	19,366	17,659	20,558	21,558	21,491	21,201	22,569
Welfare	63,684	61,292	63,705	66,408	69,045	65,639	69,364	68,372	81,454	89,881
Culture and recreation	26,519	24,199	21,203	20,417	19,474	18,859	18,201	18,688	17,512	17,894
Community support	1,555	1,662	1,733	305	309	343	178	214	195	327
Intergovernmental	5,179	17,791	19,059	16,981	8,243	8,447	8,790	8,943	9,442	9,612
Capital outlay	52,070	31,635	9,180	16,682	23,390	21,355	12,571	10,914	9,313	20,559
Debt Service										
Principal	20,890	24,713	15,380	22,825	37,114	21,689	7,943	9,094	33,388	9,592
Interest	10,438	11,587	9,400	8,532	7,588	7,090	5,627	5,299	5,174	4,603
Other	416	360	585	182	645	796	98	71	875	75
Total Expenditures	460,502	456,531	473,922	419,316	458,184	428,783	404,665	421,452	472,946	476,436
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(19,320)	(24,384)	(56,575)	(15,208)	(58,593)	(27,967)	1,555	5,656	(20,741)	(13,278)

(CONTINUED)

WASHOE COUNTY, NEVADA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008 ²	2009	2010	2011	2012	2013	2014	2015	2016	2017
Other Financing Sources (Uses)										
Debt issued	\$ 18,943	\$ 21,489	\$ -	\$ -	\$ 38,518	\$ 46,919	\$ -	\$ -	\$ 33,438	\$ -
Debt premium (discount)	-	73	-	-	-	-	-	-	2,784	-
Proceeds from asset disposition	162	25	1,561	38	178	49	33	2,021	831	19
Proceeds from insurance recoveries	-	-	-	-	-	-	40	-	-	-
Proceeds from sale of water rights	-	-	-	-	-	-	-	-	-	2,895
Refunding payment to escrow agent	-	(10,436)	-	-	-	(37,391)	-	-	-	-
Transfers in	39,641	44,291	42,793	38,374	54,590	34,103	30,676	31,025	34,606	49,998
Transfers out	(39,855)	(47,202)	(47,883)	(38,132)	(35,309)	(32,318)	(30,676)	(33,856)	(34,606)	(49,998)
Total Other Financing Sources (Uses)	18,891	8,240	(3,529)	280	57,977	11,362	73	(810)	37,053	2,914
Special Item ⁴										
Net Change in Fund Balances	\$ (429)	\$ (16,144)	\$ (60,104)	\$ (14,928)	\$ (18,403)	\$ (16,605)	\$ 1,628	\$ 10,846	\$ 16,312	\$ (10,364)
Debt Service as a Percentage of Noncapital Expenditures	7%	5%	7%	11%	6%	3%	4%	9%	8%	3%

Note: Information is presented on the modified accrual basis of accounting.

¹ The Truckee River Flood Management Infrastructure Fund was reclassified from health and sanitation to public safety in fiscal year 2008.

² The net change in fund balances for fiscal year 2008 is before the restatement of \$6.595 added to fund balance for the Central Truckee Meadows Remediation District special revenue fund previously reported in a business fund.

³ General government expenditures in fiscal year 2010 included \$73 million paid to the County's OPEB trust.

⁴ The special item in fiscal year 2012 was payment to the Truckee Meadows Flood Management Authority, a joint powers authority and In 2015 a State Settlement of AB595 and AB543 of \$6.0 million.

WASHOE COUNTY, NEVADA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,										Change, 2008-2017
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Ad valorem ¹	\$ 193,369	\$ 204,836	\$ 202,122	\$ 187,709	\$ 173,849	\$ 167,698	\$ 168,571	\$ 174,116	\$ 183,051	\$ 188,474	-2.5%
Residential construction ²	229	97	29	48	68	132	215	246	310	319	39.3%
Special assessment ³	425	843	508	383	3,053	933	676	1,374	650	625	47.1%
Car rental fee	1,397	1,257	1,142	1,256	1,152	1,196	1,142	1,225	1,264	1,355	-3.0%
Room tax	342	293	265	275	272	300	311	351	413	456	33.3%
Motor vehicle fuel tax ⁴	528	523	511	561	-	-	-	-	-	-	n/a
	<u>\$ 196,290</u>	<u>\$ 207,849</u>	<u>\$ 204,577</u>	<u>\$ 190,232</u>	<u>\$ 178,394</u>	<u>\$ 170,259</u>	<u>\$ 170,915</u>	<u>\$ 177,312</u>	<u>\$ 185,688</u>	<u>\$ 191,229</u>	-2.6%

Note: Information is provided on the modified accrual basis of accounting.

¹ The decrease in ad valorem taxes represents decreased property values. The County's property tax rates have remained fairly stable (see Schedule 2.2). TMFPD and SFPD, discretely presented component units, are not included in the figures above.

² Decreases in construction tax revenues from 2009 to 2011 was due to the continued unfavorable economic conditions in the housing market. However, the recovery started in 2012 and the improving trend continued in 2017.

³ The change in special assessment taxes corresponds to the change in special assessment debt outstanding.

⁴ Motor vehicle fuel tax was reclassified to intergovernmental revenue in 2012.

WASHOE COUNTY, NEVADA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Real Property Assessed Value										
Residential	\$ 10,767,225	\$ 12,389,860	\$ 10,680,846	\$ 9,426,219	\$ 8,665,389	\$ 8,336,767	\$ 8,419,073	\$ 9,389,234	\$ 10,337,704	\$ 11,076,405
Commercial	3,317,724	3,598,911	3,779,799	3,489,578	3,306,237	3,402,688	3,330,546	3,383,703	3,375,615	3,304,064
Industrial	973,242	1,096,143	1,092,343	1,022,668	996,407	986,821	985,955	1,030,067	1,076,473	1,160,133
Other	1,885,497	2,430,308	1,475,332	1,584,556	1,329,717	1,374,092	1,286,207	1,172,158	265,551	661,272
Personal Property Assessed Value	691,628	738,274	748,403	636,184	636,409	612,022	713,824	688,878	712,632	769,547
Less: Tax Exempt Property	2,529,824	3,046,485	2,677,247	2,500,354	2,258,785	2,422,281	2,417,652	2,471,984	2,471,049	2,437,350
Total Assessed Value	\$ 15,105,492	\$ 17,207,011	\$ 15,099,476	\$ 13,658,851	\$ 12,675,374	\$ 12,290,109	\$ 12,317,953	\$ 13,192,055	\$ 13,296,926	\$ 14,534,071
Estimated Actual Taxable Value	\$ 43,158,549	\$ 49,162,889	\$ 43,141,360	\$ 39,025,289	\$ 36,215,354	\$ 35,114,597	\$ 35,194,151	\$ 37,691,586	\$ 37,991,217	\$ 41,525,917
Assessed Value to Taxable Value	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Total Direct Tax Rate	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917

Source: Washoe County Assessor

Note: Pursuant to NRS 361.227, real property is valued at taxable value, determined by calculating the full cash value (market value) of land and estimated replacement cost of improvements, less appropriate depreciation. Taxable assessed value is 35% of estimated actual value. Real property is reappraised at least every five years. Property not reappraised is revalued annually using various approved methods.

**WASHOE COUNTY, NEVADA
DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS
(TAX RATES PER \$100 ASSESSED VALUATION)**

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Washoe County										
Operating Rate	.9592	.9629	.9612	.9611	.9806	.9891	1.0037	1.0277	.9993	1.0005
Voter Approved										
Child Protective Services	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400	.0400
Regional Animal Services	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300	.0300
Senior Services	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100	.0100
Library Expansion	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200	.0200
Legislative Overrides										
Indigent Insurance	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150	.0150
Indigent Health	.0800	.0800	.0800	.0750	.0700	.0600	.0600	.0600	.0600	.0600
Capital Acquisition	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500	.0500
Youth Services	.0077	.0077	.0077	.0088	.0088	.0095	.0062	.0087	.0087	.0075
Detention Center	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774	.0774
SCCRT Loss	-	-	-	-	.0050	.0050	-	-	-	-
Family Court	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192	.0192
AB 104 Fair Share Tax	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272	.0272
Debt Service	.0560	.0523	.0540	.0580	.0385	.0393	.0330	.0065	.0349	.0349
Total, Washoe County Direct Rate	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917
State of Nevada	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700	.1700
Washoe County School District	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385
Total, Washoe County Unincorporated Area	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002	2.7002
Cities										
City of Reno	.9456	.9456	.9456	.9456	.9456	.9598	.9598	.9598	.9598	.9598
City of Sparks	.9161	.9161	.9161	.9161	.9161	.9161	.9161	.9598	.9598	.9598
Fire Districts										
North Lake Tahoe Fire Protection District	.5142	.5226	.5275	.5389	.5525	.6414	.6291	.6291	.6291	.6291
Sierra Fire Protection District	.4200	.5200	.5200	.5200	.5200	.5400	.5400	.5400	.5400	-
Truckee Meadows Fire Protection District	.4713	.4713	.4713	.4713	.4713	.5400	.5400	.5400	.5400	.5400
General Improvement Districts										
Genlach	-	-	.2500	.2500	.2998	.2998	.2998	.2998	.2998	.2998
Incline Village	.0711	.0741	.0755	.0806	.1129	.1153	.1105	.1157	.1269	.1183
Palomino Valley	.4270	.4885	.4885	.4885	.4885	.4198	.4198	.4198	.4198	.4198
Other Special Districts										
Lemmon Valley Underground Water Basin	.0012	-	-	-	-	-	-	-	-	-
Sun Valley Water & Sanitation District	.1329	.1329	.1457	.1736	.1736	.1836	.1836	.1836	.1836	.1836
Truckee Meadows Underground Water	.0004	.0005	.0004	.0005	-	-	-	-	-	-

WASHOE COUNTY, NEVADA
 PRINCIPAL PROPERTY TAX PAYERS FISCAL YEARS 2017 AND 2008
 (AMOUNTS EXPRESSED IN THOUSANDS)

Tax Payer	2017			2008		
	Valuation	Rank	Percent of Total Assessed Valuation	Valuation	Rank	Percent of Total Assessed Valuation
Peppermill Casinos, Inc.	\$ 90,684	1	0.59%	\$ 75,296	2	0.50%
Icon Reno Property Owner Pool 3 NE	51,835	2	0.34%	-	-	-
Golden Road Motor Inn, Inc.	45,328	3	0.29%	39,296	5	0.26%
MPT of Reno LLC	38,656	4	0.25%	-	-	-
Circus Circus & Eldorado Joint Venture	37,735	5	0.24%	59,896	4	0.40%
International Game Technology	24,850	6	0.16%	37,596	6	0.25%
Icon Reno Property Owner Pool 3 WI	23,173	7	0.15%	-	-	-
Toil South Reno LLC	18,743	8	0.12%	-	-	-
Ir G&I VII Reno Operating LLC	17,323	9	0.11%	-	-	-
TR Reno LLC	16,753	10	0.11%	-	-	-
Prologis NA3 LLC	-	-	-	98,716	1	0.65%
Grand Sierra Operating Corporation	-	-	-	72,325	3	0.48%
Eldorado Resorts LLC	-	-	-	31,293	7	0.21%
Harrah's Club	-	-	-	28,546	8	0.19%
Sparks Nugget, Inc	-	-	-	26,971	9	0.18%
Reno Retail Company LLC	-	-	-	24,916	10	0.16%
	365,080		2.37%	494,851		3.28%
	15,067,247		97.63%	14,610,641		96.72%
	\$ 15,432,327		100.00%	\$ 15,105,492		100.00%

Source: Washoe County Assessor's Office

No: The chart represents the ten largest parcel assessments based on property-owning taxpayers in the County and the respective taxable assessed values of such parcels for the fiscal years indicated. According to the Washoe County Assessor's Office, a determination of the largest parcel assessments can be made only by manually reviewing individual assessment records. Therefore, it is possible that an owner of several parcels may have an aggregate assessed value that is larger than those listed above. No independent investigation has been made of, and consequently there can be no representation as to the financial condition of the taxpayers listed above, or that such taxpayers will continue to maintain their status as major taxpayers based on the assessed valuation of their property in the County.

WASHOE COUNTY, NEVADA
PROPERTY TAX LEVIES AND COLLECTIONS FOR ALL GOVERNMENTS LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net Secured Roll Taxes Levied	\$ 480,945	\$ 514,531	\$ 504,823	\$ 458,717	\$ 422,799	\$ 411,058	\$ 411,260	\$ 424,115	\$ 440,185	\$ 452,327
Current Year Tax Collections	472,860	504,268	495,281	451,994	416,849	405,977	407,469	421,125	438,074	449,930
Percent of Taxes Levied	98.32%	98.01%	98.11%	98.53%	98.59%	98.76%	99.08%	99.30%	99.52%	99.47%
Delinquent Tax Collections	8,083	10,255	9,527	6,705	5,494	4,857	3,415	2,798	1,449	-
Totals to Date Tax Collections	480,943	514,523	504,808	458,699	422,343	410,834	410,884	423,923	439,523	449,930
Percent of Taxes Levied	100.00%	100.00%	100.00%	100.00%	99.89%	99.95%	99.91%	99.95%	99.85%	99.47%

Source: Washoe County Treasurer's Office

Note: Property tax levies increased 4% in fiscal year 2017. In 2012, property levies declined 8% and in 2011 by 9%, which was the largest recorded decline in property tax since 1982.

WASHOE COUNTY, NEVADA
RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities										
General Bonded Debt	\$ 188,307	\$ 166,471	\$ 154,621	\$ 135,562	\$ 129,700	\$ 120,146	\$ 114,217	\$ 108,446	\$ 113,402	\$ 104,756
Revenue Bonds	37,446	46,856	45,703	44,658	43,527	42,419	41,222	39,920	38,252	37,505
Capital Leases/Notes	359	341	320	-	-	-	-	-	-	-
Certificates of Participation	6,447	4,398	2,250	-	-	-	-	-	-	-
Special Assessment Bonds	2,733	3,453	3,065	2,729	10,738	9,061	8,117	6,417	5,824	5,278
Total Governmental Activities	235,292	221,519	205,959	182,949	183,965	171,626	163,556	154,783	157,478	147,539
Business-type Activities										
General Bonded Debt	117,111	112,532	72,244	67,258	63,713	59,947	57,175	18,789	16,551	14,291
Capital leases/notes	757	727	675	-	-	-	-	-	-	-
Total Business-type Activities	117,868	113,259	72,919	67,258	63,713	59,947	57,175	18,789	16,551	14,291
Total primary government	\$ 353,160	\$ 334,778	\$ 278,878	\$ 250,207	\$ 247,678	\$ 231,573	\$ 220,731	\$ 173,572	\$ 174,029	\$ 161,830
Percentage of personal income	1.84%	1.94%	1.60%	1.38%	1.33%	1.27%	1.17%	0.91%	0.86%	0.80%
Per capita ¹	\$ 851	\$ 801	\$ 660	\$ 588	\$ 576	\$ 536	\$ 506	\$ 393	\$ 386	\$ 359
General Bonded Debt										
Less restricted resources	\$ 305,418	\$ 279,003	\$ 226,865	\$ 202,820	\$ 193,413	\$ 180,093	\$ 171,392	\$ 127,235	\$ 129,953	\$ 119,047
Total Net General Bonded Debt	12,823	13,866	11,656	11,952	11,127	11,007	10,944	6,572	6,531	6,049
Percentage of Actual Property Value ²	\$ 292,595	\$ 265,137	\$ 215,209	\$ 190,868	\$ 182,286	\$ 169,086	\$ 160,448	\$ 120,663	\$ 123,422	\$ 112,998
Per capita ¹	0.68%	0.54%	0.50%	0.49%	0.50%	0.48%	0.46%	0.35%	0.32%	0.30%
Per capita ¹	\$ 705	\$ 635	\$ 510	\$ 449	\$ 424	\$ 391	\$ 367	\$ 274	\$ 274	\$ 250

Note: Details regarding Washoe County's outstanding debt can be found in the notes to the financial statements. Where applicable, all debt is presented net of original issuance discounts, premiums, and deferred refunding charges.

¹ Population and personal income data can be found in Schedule 4.1, Washoe County Demographic and Economic Statistics. Per capita amounts are not expressed in thousands.

² See Washoe County Assessed and Estimated Actual Value of Taxable Property on Schedule 2.1 for taxable property value data.

SCHEDULE 3.2

WASHOE COUNTY, NEVADA
LEGAL DEBT MARGIN COMPUTATION LAST TEN FISCAL YEARS
 (AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$ 1,510,549	\$ 1,720,701	\$ 1,509,948	\$ 1,365,885	\$ 1,267,537	\$ 1,229,011	\$ 1,231,795	\$ 1,328,628	\$ 1,434,271	\$ 1,543,233
Total net debt subject to limitation	412,262	382,579	332,977	308,142	295,697	277,578	268,292	225,354	223,754	216,641
Legal Debt Margin	\$ 1,098,287	\$ 1,338,122	\$ 1,176,971	\$ 1,057,743	\$ 971,840	\$ 951,433	\$ 963,503	\$ 1,103,274	\$ 1,210,517	\$ 1,326,592
Total net debt subject to limitation as a percentage of debt limit	27%	22%	22%	23%	23%	23%	22%	17%	16%	14%

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2017

Assessed value of taxable property for fiscal year ended June 30, 2016 \$ 15,432,327

Debt limit (10% of Assessed Valuation) \$ 1,543,233

Debt applicable to limit	
Governmental activities	\$ 147,539
Business-type activities	14,291
Reno-Sparks Convention and Visitor's Authority	109,482
Total Bonded Debt	<u>271,312</u>
Less: Special assessment bonds	5,278
Special revenue bonds	37,296
Amount available for repayment of general obligation bonds	<u>12,097</u>
Total net debt subject to debt limitation	<u>216,641</u>
Legal Debt Margin	<u>\$ 1,326,592</u>

Note: The statutory county debt limit is 10% of the assessed value of all taxable property in the County, as set forth in Chapter 244A.059 of the Nevada Revised Statutes. The statutory debt limit for recreational bonds issued by the Reno-Sparks Convention and Visitor's Authority (RSCVA) is further limited to 3% of the total assessed valuation by Nevada Revised Statutes 244A.453 and 244A.655. RSCVA's total outstanding recreational debt of \$109,482 is below the 3% limit of \$462,970.

WASHOE COUNTY, NEVADA
 DIRECT AND OVERLAPPING DEBT JUNE 30, 2017
 (AMOUNTS EXPRESSED IN THOUSANDS)

Name of Government Unit	Debt Outstanding	Presently Self-Supporting Debt	Percent Applicable ¹	Applicable Net Debt
Direct ²				
Washoe County				
Governmental Activity Bonds	\$ 104,757	\$ -	100%	\$ 104,757
Revenue Bond ³	37,504	37,504	100%	-
Special Assessment Bonds ⁴	5,278	5,278	100%	-
Total Direct Debt	147,539	42,782		104,757
Overlapping				
Washoe County School District	516,233	-	100%	516,233
Reno-Sparks Convention and Visitors Authority	109,482	109,482	100%	-
City of Reno	48,770	-	100%	48,770
City of Reno supported by specific revenue	5,786	5,786	100%	-
Reno - Special Assessment Bonds ³	8,928	8,928	100%	-
City of Sparks	-	-	100%	-
Sparks - Sewer and Utility Bonds	42,145	42,145	100%	-
Incline Village General Improvement District	8,649	8,649	100%	-
State of Nevada	1,379,760	295,593	14.58%	158,180
Total Overlapping Debt	2,119,753	470,583		723,183
Total General Obligation Direct and Overlapping Debt	\$ 2,267,292	\$ 513,365		\$ 827,940

¹ Based on fiscal year 2014-15 assessed valuation in the respective jurisdiction.

² Includes all governmental debt activities and amounts are net of related discounts, premiums and deferred refunding charges.

³ Revenue bonds are not general obligation, but are special limited obligation of the County payable solely from the pledged revenue

⁴ Special assessment bonds are not general obligations of Washoe County, or of the City of Reno. If, however, the special assessments collected with all other available resources were insufficient to meet debt service requirements on these bonds, the respective bond ordinances require that the deficiency be made up with the government's general fund.

WASHOE COUNTY, NEVADA
PLEGDED REVENUE COVERAGE LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017 ⁴
Special Assessment Bonds ¹										
Pledged Revenue	\$ 524	\$ 455	\$ 639	\$ 501	\$ 1,686	\$ 1,508	\$ 1,161	\$ 1,797	\$ 1,071	\$ 966
Debt Service Requirements										
Principal	311	265	374	322	570	1,664	894	1,700	592	546
Interest	118	107	157	148	251	389	344	302	241	217
Total Debt Service Requirements	\$ 429	\$ 372	\$ 531	\$ 470	\$ 821	\$ 2,053	\$ 1,238	\$ 2,002	\$ 833	\$ 763
Coverage Ratios	1.22	1.22	1.20	1.07	2.05	0.73	0.94	0.90	1.29	1.27
Sales Tax Revenue Bonds ²										
Pledged Revenue	\$ 8,386	\$ 8,475	\$ 7,040	\$ 6,802	\$ 7,263	\$ 7,148	\$ 7,672	\$ 8,228	\$ 8,865	\$ 9,396
Debt Service Requirements										
Principal	500	520	545	570	595	625	655	690	800	-
Interest	921	899	876	852	826	798	768	737	703	561
Total Debt Service Requirements	\$ 1,421	\$ 1,419	\$ 1,421	\$ 1,422	\$ 1,421	\$ 1,423	\$ 1,423	\$ 1,427	\$ 1,503	\$ 561
Coverage Ratios	5.90	5.97	4.95	4.78	5.11	5.02	5.39	5.77	5.90	16.75
Car Rental Fee Revenue Bonds ³										
Pledged Revenue	\$ 1,397	\$ 1,257	\$ 1,142	\$ 1,256	\$ 1,152	\$ 1,196	\$ 1,142	\$ 1,225	\$ 1,264	\$ 1,355
Debt Service Requirements										
Principal	-	-	588	456	516	463	522	592	673	768
Interest	-	1,174	934	897	873	680	492	476	457	435
Total Debt Service Requirements	\$ -	\$ 1,174	\$ 1,522	\$ 1,353	\$ 1,389	\$ 1,143	\$ 1,014	\$ 1,068	\$ 1,130	\$ 1,203
Coverage Ratios	-	1.07	0.75	0.93	0.83	1.05	1.13	1.15	1.12	1.13

Note: Coverage ratios are calculated on numbers rounded to two decimal places.

¹ Pledged revenue for Special Assessment Bonds includes assessments, assessment forfeitures, interest and penalties. Additional details regarding bonds for various assessment districts can be found in Notes 9, 10 and 11. Coverage ratios are impacted by timing differences. Cash balances are adequate for debt service. Remaining cash at June 30, 2017 in the Special Assessment Debt Service Fund is \$1,859.

² Pledged revenue for the Sales Tax Revenue Bonds represents pledged sales tax collections at the rate of 0.125% of taxable sales. Sales tax revenues are accounted for in the Truckee River Flood Management Infrastructure Fund. The bonds are payable solely from pledged sales tax revenue. Unspent sales tax revenues total \$636 at June 30, 2017.

³ Pledged revenue for the Baseball Stadium Revenue Bonds (2004 - 2007, paid in full June 2007) consists of a 2% short-term car rental fee. Car rental fees collected per NRS 244A.810 are accounted for in the Other Restricted Fund. Subsequently, Senior and Subordinate Car Rental Lien Revenue Bonds were issued February 2008 and are payable solely from pledged car rental fee revenues. Unspent car rental fee revenues total \$660 at June 30, 2017.

⁴ Debt was refinanced on the Truckee River Flood Management Fund. No Principal payments were due in FY2017 and a lower interest rate on the new debt resulted in lower interest costs.

WASHOE COUNTY, NEVADA
 DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS
 (DOLLARS EXPRESSED IN THOUSANDS)

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Population ¹	414,793	417,722	422,029	424,912	429,079	433,731	436,647	444,008	451,248	459,142
Total Personal Income ²	\$ 19,222,621	\$ 17,286,483	\$ 17,409,987	\$ 18,121,519	\$ 18,656,484	\$ 19,627,834	\$ 18,832,669	\$ 19,077,494	\$ 20,164,911	\$ 21,265,239
Per Capita Income ²	\$ 46	\$ 41	\$ 41	\$ 43	\$ 45	\$ 45	\$ 48	\$ 48	\$ 51	\$ 48
Median Age ³	36.5	36.4	37.0	37.2	37.0	37.6	37.6	37.4	37.5	37.5
School Enrollment ⁴	63,635	63,310	62,452	62,324	62,220	62,424	62,986	63,108	63,670	63,919
Unemployment Rate (Percent) ⁵	6.8	11.6	13.6	13.2	12.3	9.8	7.2	6.4	6.4	4.0
Total Labor Force ⁵	221,785	224,089	221,954	225,481	222,532	219,550	206,624	213,773	213,923	223,409
Construction Activity-Total Value ⁶	\$ 202,519	\$ 85,657	\$ 55,952	\$ 67,721	\$ 95,876	\$ 126,468	\$ 203,086	\$ 246,628	\$ 231,742	\$ 301,127
Number of New Family Units ⁶	240	103	36	55	83	74	120	255	320	378
Taxable Sales ⁷	\$ 6,823,701	\$ 5,707,791	\$ 5,176,982	\$ 5,282,936	\$ 5,522,605	\$ 5,824,726	\$ 6,370,685	\$ 6,817,589	\$ 7,550,467	\$ 7,989,009
Gross Income Gaming Revenue ⁸	\$ 996,615	\$ 867,198	\$ 788,509	\$ 751,467	\$ 738,152	\$ 741,038	\$ 744,962	\$ 765,248	\$ 789,359	\$ 738,373
Total Passenger Air Traffic ⁹	4,841,257	3,979,015	3,777,701	3,795,421	3,561,557	3,514,421	3,312,839	3,297,642	3,563,818	3,819,896

Sources:

- ¹ Annual population for years 2007 per Nevada Workforce Informer, Data Analysis 2010 US Census-Nevada; for years 2008 through 2013 per Governor Certified Population of Nevada's Counties, Cities and Towns 2000 to 2013. 2014 data source: Washoe County Community Development, with projected growth rate applied to the 2010 US census. 2015,2016,2017 data source: Nevada State Demographer's Office-NV Small Business Development Center.
- ² U.S. Department of Commerce, Bureau of Economic Analysis (BEA) FY 2012 and prior; Washoe County Community Development Demographic Information FY 2013 - FY 2014; BEA 2012 Estimate with Compound Annual Growth Rate applied - FY - 2014, FY2015, FY2016and FY2017.
- ³ Nevada State Demographer FY 2001 - FY 2007; Demographics USA FY 2008; Center for Regional Studies, University of Nevada, Reno, FY 2009 - FY 2013; trend applied to US Census Bureau 2008-2012 American Community Survey 5-Year Estimates - FY 2014, FY2015, FY2016 and FY2017.
- ⁴ Washoe County School District
- ⁵ Total represents the average labor force during the fiscal year. Nevada State Department of Employment, Training and Rehabilitation (DETR)
- ⁶ Washoe County Building and Safety Department
- ⁷ Nevada State Department of Taxation
- ⁸ Nevada State Gaming Control Board
- ⁹ Reno/Tahoe International Airport (RTIA)

SCHEDULE 4.2

WASHOE COUNTY, NEVADA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	December, 2016			December, 2007		
	Employees ¹	Rank	Percentage of Total County Employment	Employees ¹	Rank	Percentage of Total County Employment
Washoe County School District	8,750	1	4.16%	8,750	1	3.93%
University of Nevada - Reno	4,750	2	2.26%	4,750	2	2.13%
Renown Medical Center	3,250	3	1.55%	2,750	5	1.15%
Washoe County	2,750	4	1.31%	3,250	3	1.42%
Peppermill Hotel Casino - Reno	2,250	5	1.07%	2,250	6	1.13%
Grand Sierra Resort	2,250	6	1.07%	-	-	1.22%
International Game Technology PLC ³	1,750	7	0.83%	2,750	4	1.25%
Atlantis Casino Resort	1,750	8	0.83%	1,750	10	0.84%
Silver Legacy Resort Casino	1,750	9	0.83%	2,250	8	0.96%
St. Mary's	1,750	10	0.83%	-	-	-
Integrity Staffing Solutions	-	-	-	2,250	7	1.03%
City of Reno	-	-	-	2,250	9	0.92%
Total Washoe County Covered Employment	210,251			219,501		

¹ Nevada Revised Statutes Chapter 612 stipulate that actual employment for individual employers may not be published. The Nevada Department of Employment Training and Rehabilitation publishes employee counts in ranges of 500. The number of employees shown are estimated using the midpoint.

³ International Game Technology was acquired by Gtech in 2015 becoming International Game Technology PLC

WASHOE COUNTY, NEVADA
 FULL-TIME EQUIVALENT WASHOE COUNTY EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	461.4	413.2	378.0	363.4	323.8	315.9	320.8	283.7	293.3	297.4
Judicial	522.1	499.9	483.1	470.4	458.6	452.4	463.8	471.8	495.8	514.8
Public safety	1,009.4	1,007.2	974.2	939.8	898.9	892.8	911.6	902.5	908.1	934.5
Public works	111.0	104.0	90.0	87.8	72.4	74.0	122.0	137.0	135.6	132.4
Health and sanitation	185.8	168.9	169.6	170.8	161.0	153.3	154.3	154.6	150.2	150.3
Welfare	259.5	249.8	244.3	239.9	228.6	229.7	233.9	241.5	274.1	301.0
Culture and recreation	362.7	283.8	227.9	219.0	203.9	214.4	210.3	222.7	209.6	206.6
Utilities	95.4	84.4	77.1	72.2	64.7	63.4	59.0	23.0	20.5	23.0
Golf courses	19.9	18.9	14.9	10.9	9.9	9.9	10.9	8.9	7.0	-
Building permits	20.0	14.0	13.0	13.0	12.0	12.8	13.0	14.4	15.4	18.0
Total¹	3,047.2	2,844.1	2,672.1	2,587.2	2,433.8	2,418.6	2,499.6	2,460.1	2,509.6	2,578.0

Function/Program	% of Total
General government	15%
Judicial	16%
Public safety	33%
Public works	4%
Health and sanitation	6%
Welfare	9%
Culture and recreation	12%
Utilities	3%
Golf courses	1%
Building permits	1%

Source: Washoe County human resource system
 Note Full-time equivalents are reported based on staffing as of June 30 of each fiscal year. Actual salaries may represent higher numbers of staff due to the use of seasonal workers, particularly for culture and recreation activities.

¹ Washoe County full-time equivalent employee totals declined over fiscal years 2008 to 2013 due to budget reduction programs including delays in filling open positions and reductions in force.

WASHOE COUNTY, NEVADA
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Judicial ¹										
District Court Cases Filed										
Criminal	3,008	2,679	2,508	2,163	2,122	3,016	n/r	n/r	n/r	n/r
Civil	4,219	4,749	4,835	4,543	4,142	3,934	n/r	n/r	n/r	n/r
Family	12,060	11,248	11,606	11,349	10,630	10,657	n/r	n/r	n/r	n/r
Juvenile	2,287	2,084	1,888	1,859	1,866	2,013	n/r	n/r	n/r	n/r
District Court Cases Disposed										
Criminal	3,058	2,504	2,293	2,027	1,927	2,617	n/r	n/r	n/r	n/r
Civil	2,369	2,481	2,839	2,782	2,389	3,317	n/r	n/r	n/r	n/r
Family	7,939	6,967	6,533	6,975	6,955	10,059	n/r	n/r	n/r	n/r
Juvenile	5,650	5,120	4,653	4,518	4,327	1,182	n/r	n/r	n/r	n/r
Justice Courts Cases Filed										
Criminal	11,423	11,835	11,262	10,249	8,770	7,853	8,089	9,106	8,505	8,549
Civil	23,403	22,389	20,005	18,670	16,517	17,560	13,049	11,769	11,787	12,221
Traffic and parking violations	62,850	64,121	65,637	71,585	72,544	56,354	37,755	43,686	27,317	33,764
Justice Courts Cases Disposed										
Criminal	9,715	11,710	10,957	9,141	8,995	8,480	10,084	8,285	9,107	8,943
Civil	16,799	18,766	20,207	17,303	10,233	18,575	14,823	14,110	11,286	12,698
Traffic and parking violations	47,528	53,068	49,004	50,437	48,485	55,811	36,882	42,850	27,014	32,820
Public Safety ²										
Police										
Arrests (Valley and Incline)	4,716	4,510	4,547	4,816	3,654	2,993	2,389	2,587	2,865	2,590
Citations issued	12,800	12,835	10,277	13,526	11,950	13,839	11,771	12,821	13,082	12,370
Alarms	2,600	2,533	2,002	1,754	499	1,424	1,410	1,497	1,764	1,797
Crime lab analysis requests	10,384	9,600	8,905	7,907	7,379	6,378	5,809	6,406	6,238	6,966
Warrants processed	2,832	2,771	2,479	2,605	2,189	1,980	2,025	2,187	1,909	1,879
Detention										
Bookings	27,351	26,778	24,558	23,233	21,553	20,755	20,852	20,750	20,361	20,452
Civil protective custody	2,957	2,827	2,705	2,460	1,667	353	259	284	216	284
Average daily population	1,090	1,072	1,071	1,019	1,018	1,050	1,052	1,082	1,047	1,048
Animal Services										
Calls for service responded to	34,534	31,712	31,045	34,769	37,269	33,617	33,393	38,753	35,144	33,651
Number of animals impounded	13,116	11,463	10,707	12,071	12,548	14,300	13,620	13,556	13,584	13,598

(CONTINUED)

WASHOE COUNTY, NEVADA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Health and Sanitation ²										
Permitted food establishments	3,321	3,329	3,317	3,352	3,308	3,425	3,571	3,661	3,663	3,783
Air quality permits issued	1,301	1,370	1,277	1,356	1,315	1,334	1,377	1,440	1,429	1,232
Birth certificates issued	15,394	13,395	11,424	9,071	7,761	7,229	6,834	7,125	7,264	7,060
Death certificates issued	24,259	23,913	25,011	22,183	18,878	21,166	19,551	19,267	21,463	22,533
Welfare ²										
Adult Services ³										
Nursing home bed days	84,305	94,055	87,903	82,336	7,091	6,798	6,912	5,240	3,900	3,556
Supportive housing program bed days	n/r	n/r	n/r	n/r	20,946	22,842	25,640	35,674	47,450	44,815
Adult group care bed days	n/r	n/r	n/r	n/r	13,690	8,629	7,336	7,612	5,532	4,312
Clinic accepts ⁴	1,608	1,828	2,078	2,617	n/r	n/r	n/r	n/r	n/r	n/r
Emergency room accepts ⁴	4,554	2,952	2,974	2,257	n/r	n/r	n/r	n/r	n/r	n/r
Total general assistance applications ⁴	4,768	4,184	3,474	3,317	n/r	n/r	n/r	n/r	n/r	n/r
Clients receiving general assistance	1,309	1,274	956	747	18	3	1	n/r	n/r	n/r
Served in burial	n/r	n/r	n/r	n/r	374	412	458	463	593	575
Children's Services										
Number of children in legal custody	973	831	771	718	612	811	928	1,002	1,582	1,480
Average length of stay in paid foster care (days)	468	544	452	458	422	388	356	383	13	420
Number of adoptions finalized	119	120	138	141	184	110	117	156	116	136
Number of adoption subsidies	737	811	911	1,055	1,172	1,126	1,269	1,349	2,728	2,811
Number of child welfare reports received	7,373	6,777	6,466	6,869	7,364	7,525	7,396	7,358	5,936	5,556
Number of child welfare investigations	2,995	2,496	2,371	2,523	2,469	2,178	2,196	2,038	2,045	1,951
Culture and Recreation ²										
Parks and Recreation										
Golf courses - total rounds of golf	64,531	67,792	59,694	64,315	76,664	75,834	74,511	76,374	75,128	61,412
Aquatics - pool attendance ⁵	47,000	14,677	8,643	14,621	n/r	26,903	46,729	52,502	51,126	13,500
Library										
Visitors to libraries ('000s)	1,668	1,750	1,404	1,214	1,265	1,228	1,172	1,093	1,071	1,094
Volumes in collection ('000s)	959	916	874	858	760	723	668	617	513	464
Total volumes borrowed ('000s)	2,254	2,226	2,258	2,123	2,341	2,283	2,203	2,045	1,674	1,966
Senior Services ⁶										
Number of unduplicated clients served	6,149	4,444	4,950	5,126	5,237	5,037	4,563	4,692	4,909	5,065

(CONTINUED)

WASHOE COUNTY, NEVADA
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Utilities/Water ² (continued)										
Water										
Customer count	21,643	22,036	22,263	22,523	22,789	23,092	23,722	n/r	n/r	n/r
Average daily consumption (thousands of gallons)	12,153	12,877	11,584	11,472	12,194	13,143	12,929	n/r	n/r	n/r
Peak daily consumption (thousands of gallons)	26,191	25,491	24,390	22,945	24,113	24,030	23,823	n/r	n/r	n/r
Wastewater										
Customer count	19,086	19,552	19,850	20,120	20,354	20,572	21,068	23,545	24,523	25,339
Building Permits ²										
Commercial construction	235	260	192	81	287	258	211	251	227	118
Residential construction ⁷	350	137	64	43	96	168	246	260	320	378
Miscellaneous	1,637	1,189	1,023	495	1,195	1,090	1,212	1,597	1,572	1,422

n/r = not reported

¹ Uniform System for Judicial Records, Nevada AOC, Planning & Analysis Divisor

² Various Washoe County Departments. In 2015, the Washoe County Water Resources was transferred to Truckee Meadows Water Authority (TMWA).

³ Effective 3/1/12 Adult Services implemented the Health Care Assistance Program facilitated by a third party administrator. New tracking metrics were established to monitor program effectiveness.

⁴ Effective 7/1/12 tracking information is no longer supported as the programs ended.

⁵ Bowers Pool closed in 2009 and reopened in 2013.

⁶ The decrease in the number of unduplicated clients served can be directly attributed to the outsourcing of the Senior Law Program, July 1, 2013.

⁷ New single family dwellings.

WASHOE COUNTY, NEVADA
 CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Information Technology										
Business applications	119	123	127	133	136	147	147	123	123	123
Networked buildings and small facilities	137	137	217	216	214	216	226	139	139	140
Network wireless coverage (square miles) ⁴	400	400	400	400	400	600	1,440	1,440	1,440	1,440
Network personal computers	3,350	3,627	3,500	3,500	3,388	3,480	3,660	3,792	3,724	3,597
Equipment Services										
Vehicles	1,017	1,001	987	972	978	954	939	918	892	905
Judicial										
District court/justice courts	10	10	10	10	10	12	12	12	12	12
District court/justice courts locations	6	6	6	6	6	6	6	6	6	6
Public Safety										
Juvenile services facilities	2	2	2	2	2	2	2	2	2	1
Sheriff's detention center/substations	3	3	3	3	3	3	3	3	3	3
Sheriff's patrol aircraft (helicopters)	3	3	3	3	3	3	3	3	3	4
Sheriff's patrol/search and rescue boats (in excess of 20 feet)	3	2	2	2	2	2	3	3	3	3
Crime lab	1	1	1	1	1	1	1	1	1	1
Regional emergency operations / training center	2	2	2	2	2	2	2	2	2	2
Public Works										
Paved streets (miles)	707	708	709	709	710	723	723	723	726	721
Unpaved streets (miles)	405	358	376	368	368	368	368	362	362	362
Traffic signals	17	17	17	16	16	17	17	17	17	17
Bridges	73	73	73	73	73	73	73	73	73	67
Culture and Recreation										
Libraries	13	13	13	13	13	13	13	13	13	13
Major/regional parks	13	13	13	13	13	13	13	13	13	13
Community/neighborhood parks ¹	36	37	36	33	33	33	33	33	32	32
Developed park acreage ¹	1,810	2,451	2,438	1,872	1,872	1,872	1,872	1,877	1,870	1,870
Undeveloped park acreage ²	7,854	7,380	7,367	10,017	10,017	10,017	10,017	10,034	10,034	10,039

(CONTINUED)

WASHOE COUNTY, NEVADA
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Culture and Recreation (continued)										
Special use facilities	5	5	5	5	5	5	5	5	6	6
Playgrounds ¹	50	51	50	47	46	46	46	46	45	45
Golf courses	2	2	2	2	2	2	2	2	2	2
Swimming pools/waterpark	3	3	2	2	2	2	3	3	3	3
Camping sites	64	64	64	64	64	64	64	64	64	64
Sheltered group picnic facilities	44	57	55	52	52	52	52	57	57	57
Regional shooting facilities	2	2	2	2	2	2	2	2	2	2
Baseball fields	33	33	32	29	28	28	28	28	27	27
Soccer fields	26	26	25	25	25	25	25	25	25	25
Tennis courts	22	22	22	22	22	22	22	22	22	22
Volleyball courts	8	8	7	7	7	7	20	20	20	20
Historical buildings/museums	5	6	6	6	6	6	6	6	6	6
Amphitheaters	4	4	4	4	4	4	4	4	4	4
Arboretum and botanical garden	1	1	1	1	1	1	1	1	1	1
Specialized childrens' facility	3	3	3	3	3	3	3	3	3	3
Established bicycle paths (miles)	20	20	20	20	20	20	20	20	20	20
Hiking trails (miles) ²	45	45	45	158	158	158	158	161	161	161
Bike moto cross facility	1	1	-	-	-	-	-	-	-	-
Horse arenas	5	5	5	5	5	5	5	5	5	5
Skateboard parks	4	4	3	3	3	3	3	3	3	3
Utilities										
Water										
Water mains (miles) ³	475	483	473	487	476	480	565	Note 3	n/r	n/r
Wastewater										
Storm sewers (miles)	276	285	288	288	288	289	290	290	291	297
Reclaimed Water										
Reclaimed mains (miles)	n/r	n/r	n/r	n/r	n/r	40	40	40	40	40

n/r = not reported

Sources: Washoe County capital asset records and departments

¹ The decrease in FY 2016 is due to the sale of one park. Due to development, the location was no longer desirable.

² The increase in FY 2011 is due to GIS data collection that was not previously available.

³ Note 3 - As of December 31, 2014, Washoe County and the Truckee Meadows Water Authority (TMWA) consolidated their water utilities with TMWA surviving as the water purveyor. Therefore, Washoe County is no longer in the water utility business.

⁴The increase in FY 2014 is due to completed wireless project.



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COMPLIANCE SECTION

COMPLIANCE SECTION

Page

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Independent Auditor’s 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*

To the Honorable Board of Commissioners
Washoe County, Nevada
Reno, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Washoe County, Nevada (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Washoe County’s basic financial statements, and have issued our report thereon dated November 21, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the 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 opinions on the 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 over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting 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 a certain deficiency in internal control that we consider to be a material weakness.

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 entity’s financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding 2017-A to be a material weakness. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's 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 financial statement amounts. 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*.

Washoe County's Response to the Finding

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

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Reno, Nevada
November 21, 2017



Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Honorable Board of Commissioners
Washoe County, Nevada
Reno, Nevada

Report on Compliance for Each Major Federal Program

We have audited Washoe County, Nevada's (Washoe County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Washoe County's major federal programs for the year ended June 30, 2017. Washoe County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Washoe 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* (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 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 Washoe 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 Washoe County's compliance.

Opinion on Each Major Federal Program

In our opinion, Washoe 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 its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of Washoe County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Washoe 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 Washoe County's internal control over compliance.

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 that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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 compliance requirement will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2017-004 to be a material weakness.

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. We consider the deficiencies in internal control described in the accompanying schedule of findings and questioned costs as Findings 2017-001 through 2017-003 and 2017-005 to be significant deficiencies.

Washoe County's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Washoe County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Eide Sallee LLP

Reno, Nevada
November 21, 2017

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Award or Pass-Through Number</u>	<u>Expenditures</u>	<u>Payments to Subrecipients</u>
<u>Research and Development Cluster:</u> U.S. Department of Health and Human Services (HHS): Direct Programs: Child Welfare Research Training or Demonstration	93.648	90CT0157-05-02	\$ 262,115	\$ -
Total Research and Development Cluster			262,115	-
<u>U.S. Department of Agriculture (USDA):</u> Direct Programs: Cooperative Law Enforcement	10.UNKNOWN	16-LE-11041701-008	13,245	-
Lake Tahoe Erosion Control Grant Program	10.690	14-DG-11051900-004	736,527	-
Child Nutrition Cluster: Passed through State of Nevada, Department of Agriculture: School Breakfast Program	10.553	UNKNOWN	32,399	-
National School Lunch Program (School Lunch)	10.555	UNKNOWN	51,529	-
National School Lunch Program (School Lunch)	10.555	UNKNOWN	4,533	-
Total Child Nutrition Cluster			88,461	-
Food Distribution Cluster: Passed through State of Nevada, Department of Agriculture: Emergency Food Assistance Program (Food Commodities) (TEFAP, USDA Foods, Commodities)	10.569	UNKNOWN	11,436	-
Total Food Distribution Cluster			11,436	-
Passed through State of Nevada, Department of Agriculture: Senior Farmers Market Nutrition Program (Senior Farmers Market, or SFMNP)	10.576	UNKNOWN	8,250	-
Passed through Nevada Department of Health and Human Services, Health Division: Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program) Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program)	10.557 10.557	HD 15722 HD 15149	783,936 320,279	- -
Total WIC Programs			1,104,215	-
Passed through Nevada Division of Forestry: Cooperative Forestry Assistance	10.664	CPG13-STEWE-001	4,965	-

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Agriculture (USDA) (continued):				
Forest Service Schools and Roads Cluster:				
Passed through Nevada State Controller's Office:				
Schools and Roads - Grants to States (Payments to Forest Service Schools and Roads Cluster)	10.665	UNKNOWN	\$ 4,524	\$ -
Total Forest Service Schools and Roads Cluster			4,524	
Total U.S. Department of Agriculture			1,971,623	-
U.S. Department of Housing and Urban Development (HUD):				
Direct Programs:				
Continuum of Care Program	14.267	NV0044L9T011506	82,902	82,902
Continuum of Care Program	14.267	NV0052L9T011402	4,574	-
Continuum of Care Program	14.267	NV0095L9T011500	48,807	-
Continuum of Care Program	14.267	NV0044L9T011405	24,363	16,531
			160,646	99,433
CDBG-Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants (Community Development Block Grant program for Entitlement Communities Program Income	14.218	UNKNOWN	21,786	-
Community Development Block Grants/Entitlement Grants (Community Development Block Grant program for Entitlement Communities Program Income	14.218	UNKNOWN	30,318	-
Total CDBG-Entitlement Grants Cluster			52,104	-
CDBG-State-Administered CDBG:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (State CDBG) Program Income	14.228	UNKNOWN	3,738	-
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (State CDBG) Program Income	14.228	CDBG 06/HS/001	7,730	-
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii (State CDBG) Program Income	14.228	15/PS/10	74,854	-
			86,322	-
Total U.S. Department of Housing and Urban Development			299,072	99,433
U.S. Department of Justice (DOJ):				
Direct Programs:				
Organized Crime Drug Enforcement Task Forces (OCDETF) State and Local Overtime	16.UNKNOWN	UNKNOWN	20,892	-
Child Exploitation	16.UNKNOWN	31E-LV-C39500	46,251	-
Safe Streets Task Force	16.UNKNOWN	259C-LV-C4847341	6,326	-

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Justice (DOJ) (continued):				
Direct Programs (continued):				
Missing Alzheimer's Disease Patient Assistance Program	16.015	2015-SJ-BX-0002	\$ 68,585	\$ -
Violence Against Women Formula Grants	16.588	2016-VAWA-36	30,000	-
Violence Against Women Formula Grants	16.588	2016-VAWA-53	16,568	-
			<u>46,568</u>	<u>-</u>
State Criminal Alien Assistance Program	16.606	2012-H4758-NV-AP	80,493	-
State Criminal Alien Assistance Program	16.606	2013-AP-BX-0596	7,460	-
State Criminal Alien Assistance Program	16.606	2014-AP-BX-0825	147,777	-
State Criminal Alien Assistance Program	16.606	2015-AP-BX-0775	119,810	-
State Criminal Alien Assistance Program	16.606	2016-AP-BX-0447	67,675	-
			<u>423,215</u>	<u>-</u>
DNA Backlog Reduction Program	16.741	2014-DN-BX-0029	105,820	-
DNA Backlog Reduction Program	16.741	2016-DN-BX-0086	39,868	-
DNA Backlog Reduction Program	16.741	2015-DN-BX-0097	157,197	-
			<u>302,885</u>	<u>-</u>
Equitable Sharing Program	16.922	UNKNOWN	113,053	-
Program Income	16.922	UNKNOWN	1,005	-
			<u>114,058</u>	<u>-</u>
Passed through Reno Police Department:				
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	UNKNOWN	26,183	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	2013-DJ-BX-0956	5,184	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	2014-DJ-BX-0553	302	-
			<u>31,669</u>	<u>-</u>
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	16-JAG-27	27,066	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	15-JAG-26	162	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	15-JAG-30	6,643	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	16-JAG-25	7,034	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	16-JAG-28	21,000	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	16-JAG-22	917	-
Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG Program)	16.738	BJA-2015-4167	5,947	-
			<u>68,769</u>	<u>-</u>
			<u>100,438</u>	<u>-</u>

(CONTINUED)

WASHOE COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Justice (DOJ) (continued):				
Passed through Nevada Department of Health and Human Services, Child and Family Services Division:				
Crime Victim Assistance	16.575	15-VOCA-17-037	\$ 5,000	\$ -
Crime Victim Assistance	16.575	16-VOCA-17-035	1,477,105	-
Crime Victim Assistance	16.575	16-VOCA-17-036	50,000	-
Crime Victim Assistance	16.575	16-VOCA-17-048	51,241	-
Crime Victim Assistance	16.575	16-VOCA-17-049	45,974	-
			1,629,320	-
Passed through Las Vegas Metropolitan Police Department:				
Missing Children's Assistance	16.543	2014-MC-FX-K045	50,015	-
Passed through Nevada Department of Public Safety, Office of Criminal Justice Assistance:				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	16-FSI-03	53,866	-
			2,862,419	-
Total U.S. Department of Justice				
U.S. Department of Transportation (DOT):				
Passed through Nevada Department of Public Safety, Office of Traffic Safety:				
Highway Planning and Construction Cluster:				
Passed through Nevada Division of State Parks:				
Recreational Trails Program	20.219	2015-03	107,600	-
Recreational Trails Program	20.219	2012-15.5	2,500	-
			110,100	-
Total Highway Planning and Construction Cluster				
Highway Safety Cluster:				
Passed through Nevada Department of Public Safety, Office of Traffic Safety:				
State and Community Highway Safety Program Income	20.600	21-AL-2	8,652	-
State and Community Highway Safety Program Income	20.600	21-AL-2	30,750	-
State and Community Highway Safety Program Income	20.600	21-AL-3	62,441	-
State and Community Highway Safety Program Income	20.600	21-AL-3	58,067	-
State and Community Highway Safety Program Income	20.600	JF-2017-WCSO-00002	36,266	-
State and Community Highway Safety Program Income	20.600	JF-2016-WCSO-00009	17,635	-
			213,811	-

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Award or Pass-Through Number</u>	<u>Expenditures</u>	<u>Payments to Subrecipients</u>
<u>U.S. Department of Transportation (DOT) (continued):</u>				
Highway Safety Cluster (continued):				
Passed through Nevada Department of Public Safety, Office of Traffic Safety (continued):			\$	
National Priority Safety Programs	20.616	TS-2017-WC	20,000	-
National Priority Safety Programs	20.616	JF-2017-WCSO-00002	5,317	-
National Priority Safety Programs	20.616	TS-2017-RJC-00070	31,271	-
Program Income	20.616	TS-2017-RJC-00070	90,175	-
National Priority Safety Programs	20.616	JF-2016-WCSO-00009	4,451	-
National Priority Safety Programs	20.616	TS-2016-RJC-00130	30,095	-
Program Income	20.616	TS-2016-RJC-00130	8,908	-
			190,217	-
			404,028	-
Total Highway Safety Cluster				
Passed through Nevada State Emergency Response Commission:				
Interagency Hazardous Materials Public Sector Training and Planning Grants (Hazardous Materials Emergency Preparedness Training and Planning Grants, HMEP, Hazardous Materials Instructor Training Grants HMIT Supplemental Public Sector Training Grants SPST)	20.703	16-HMEP-16-01	25,321	16,210
Interagency Hazardous Materials Public Sector Training and Planning Grants (Hazardous Materials Emergency Preparedness Training and Planning Grants, HMEP, Hazardous Materials Instructor Training Grants HMIT Supplemental Public Sector Training Grants SPST)	20.703	17-HMEP-16-01-16	5,205	-
			30,526	16,210
			544,654	16,210
Total U.S. Department of Transportation				
<u>General Services Administration:</u>				
Direct Programs:				
Donation of Federal Surplus Personal Property (Donation Program)	39.003	UNKNOWN	1,003,220	-
			1,003,220	-
Total General Services Administration				

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
<u>Institute of Museum and Library Services:</u>				
Passed through Nevada State Library and Archives:				
Grants to States	45.310	2016-20	\$ 2,800	-
Grants to States	45.310	2016-20-DIA	2,100	-
Total Institute of Museum and Library Services			4,900	-
<u>U.S. Environmental Protection Agency (EPA):</u>				
Direct Programs:				
Air Pollution Control Program Support	66.001	A-00905417-0	538,588	-
Air Pollution Control Program Support	66.001	A-00905416-0	169,822	-
			708,410	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-00T56401-4	10,670	-
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	PM-00T56401-2	41,098	-
In-kind Costs	66.034	UNKNOWN	52,834	-
			104,602	-
Passed through Nevada Department of Conservation and Natural Resources, Division of Environmental Protection:				
Multipurpose Grants to States and Tribes	66.204	DEP 17-025	9,376	-
State Public Water System Supervision	66.432	DEP 16-001	125,000	-
Underground Storage Tank Prevention, Detection and Compliance Program (UST Prevention, Detection and Compliance Program)	66.804	DEP 14-003-03	8,085	-
Leaking Underground Storage Tank Trust Fund Corrective Action Program (Leaking UST Corrective Action Program)	66.805	UNKNOWN	32,334	-
Total U.S. Environmental Protection Agency			987,807	-
<u>U.S. Department of Health and Human Services (HHS):</u>				
Direct Programs:				
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	5U18FD004668-05	59,467	-
Family Planning-Services (FP Services) Program Income	93.217	6FHPA096051-04-02	119,758	-
Family Planning-Services (FP Services)	93.217	5 FHPA096238-02-00	250,065	-
Family Planning-Services (FP Services)	93.217	FHPA096238-01-00	703,603	-
			1,073,426	-

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
<u>U.S. Department of Health and Human Services (HHS) (continued):</u>				
Direct Programs (continued):				
Substance Abuse and Mental Health Services-Projects of Regional and National Significance (PRNS)	93.243	5H79TI025004-03	\$ 23,656	\$ 17,409
Aging Cluster:				
Passed through Nevada Aging and Disability Services Division:				
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-05-BX-17	62,811	-
Program Income	93.044	16-000-05-BX-17	21,450	-
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-02-BX-17	72,000	-
Program Income	93.044	16-000-02-BX-17	240	-
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	16-000-21-BX-17	31,218	-
			<u>187,719</u>	<u>-</u>
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-17	200,587	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-17	79,986	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-17	411,291	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-17	24,282	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-16	101,386	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-04-2X-16	6,653	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-16	59,150	-
Special Programs for the Aging-Title III, Part C-Nutrition Services Program Income	93.045	16-000-07-1X-16	17,812	-
			<u>901,147</u>	<u>-</u>
Nutrition Services Incentive Program (NSIP)	93.053	16-000-57-NX-16	201,414	-
Nutrition Services Incentive Program (NSIP)	93.053	16-000-57-NX-15	91,345	-
Nutrition Services Incentive Program (NSIP)	93.053	16-000-57-NX-17	133,972	-
			<u>426,731</u>	<u>-</u>
Total Aging Cluster			<u>1,515,597</u>	<u>-</u>

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services (HHS) (continued):				
Passed through Nevada Department of Health and Human Services Health Division:				
Public Health Emergency Preparedness (PERLC: PREPAREDNESS AND EMERGENCY RESPONSE LEARNING CENTER PERLC Supporting PHEP; awards other than PHEP Cooperative agreement not recorded under 93074)	93.069	HD 15546	\$ 625,578	\$ -
Public Health Emergency Preparedness (PERLC: PREPAREDNESS AND EMERGENCY RESPONSE LEARNING CENTER PERLC Supporting PHEP; awards other than PHEP Cooperative agreement not recorded under 93074)	93.069	HD 15964	2,504	-
Public Health Emergency Preparedness (PERLC: PREPAREDNESS AND EMERGENCY RESPONSE LEARNING CENTER PERLC Supporting PHEP; awards other than PHEP Cooperative agreement not recorded under 93074)	93.069	HD 15760	33,921	-
Public Health Emergency Preparedness (PERLC: PREPAREDNESS AND EMERGENCY RESPONSE LEARNING CENTER PERLC Supporting PHEP; awards other than PHEP Cooperative agreement not recorded under 93074)	93.069	HD 16008	21,054	-
			<u>683,057</u>	<u>-</u>
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements (HPP/PHEP)	93.074	HD 14892-1	56,542	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs (Tuberculosis Prevention and Control and Laboratory Program)	93.116	HD 15800	61,222	-
Program Income	93.116	HD 15800	10,190	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs (Tuberculosis Prevention and Control and Laboratory Program)	93.116	HD 15332	58,293	-
			<u>129,705</u>	<u>-</u>
Injury Prevention and Control Research and State and Community Based Programs (National Center for Injury Prevention and Control)	93.136	HD 15855	15,452	-
Substance Abuse and Mental Health Services-Projects of Regional and National Significance (PRNS)	93.243	HD 15300	254,293	-
Immunization Cooperative Agreements	93.268	HD 15389	51,733	-
Program Income	93.268	HD 15959	221,221	-
Immunization Cooperative Agreements	93.268	HD 15389	116,547	-
			<u>389,501</u>	<u>-</u>

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services (HHS) (continued):				
Passed through Nevada Department of Health and Human Services Health Division (continued):				
National State Based Tobacco Control Programs (National Tobacco Control Program)	93.305	HD 15903	\$ 24,570	-
National State Based Tobacco Control Programs (National Tobacco Control Program)	93.305	HD 15505	83,884	-
			108,454	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	HD 15753	118,353	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	HD 15105	4,292	-
			122,645	-
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF (ELC/EIP - 2012 Prevention and Public Health Fund and Other Capacity-Building Activities)	93.521	HD 15753	150,630	-
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF (ELC/EIP - 2012 Prevention and Public Health Fund and Other Capacity-Building Activities)	93.521	HD 15105	8,715	-
			159,345	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	HD 15389	22,098	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	HD 15389	122,181	-
			144,279	-
Preventative Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	HD 15729	16,228	-
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.815	HD 14910	108,913	-
Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities	93.817	HD 15629	3,826	-
National Bioterrorism Hospital Preparedness Program (HPP)	93.889	HD 15761	37,518	-
National Bioterrorism Hospital Preparedness Program (HPP)	93.889	HD 15551	255,454	-
			292,972	-
Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs (National Breast and Cervical Cancer Early Detection Program NBCCEDP)	93.919	UNKNOWN	6,037	-

(CONTINUED)

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>CFDA Number</u>	<u>Award or Pass-Through Number</u>	<u>Expenditures</u>	<u>Payments to Subrecipients</u>
U.S. Department of Health and Human Services (HHS) (continued):				
Passed through Nevada Department of Health and Human Services Health Division (continued):				
HIV Prevention Activities-Health Department Based (HIV Prevention Program)	93.940	HD 15923	\$ 119,409	-
HIV Prevention Activities-Health Department Based (HIV Prevention Program)	93.940	HD 15329	179,820	-
			<u>299,229</u>	<u>-</u>
HIV Care Formula Grants	93.917	HD 15502	22,354	-
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance (HIV/AIDS Surveillance)	93.944	HD 15813	32,995	-
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance (HIV/AIDS Surveillance)	93.944	HD 15373	18,508	-
			<u>51,503</u>	<u>-</u>
Block Grants for Community Mental Health Services	93.958	HD15643	3,108	-
Block Grants for Prevention and Treatment of Substance Abuse (Substance Abuse Block Grant SABG)	93.959	HD 15271	135,952	-
Block Grants for Prevention and Treatment of Substance Abuse (Substance Abuse Block Grant SABG)	93.959	HD 16027	8,028	-
			<u>143,980</u>	<u>-</u>
Preventive Health Services-Sexually Transmitted Diseases Control Grants Program Income	93.977	HD 15818	66,055	-
Preventive Health Services-Sexually Transmitted Diseases Control Grants	93.977	HD 15818	62,803	-
	93.977	HD 15365	64,882	-
			<u>193,740</u>	<u>-</u>
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	93.994	HD 15447	35,502	-
Passed through Nevada Department of Health and Human Services Child and Family Services Division:				
Adoption Incentive Payments	93.603	AI-13-012	67,100	-
Adoption Incentive Payments	93.603	AI-13-013	136,788	-
			<u>203,888</u>	<u>-</u>

WASHOE COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass-Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services (HHS) (continued):				
Passed through Nevada Department of Health and Human Services Child and Family Services Division (continued):				
Foster Care-Title IV-E	93.658	UNKNOWN	\$ 11,441,615	\$ -
Adoption Assistance	93.659	UNKNOWN	6,153,868	-
Social Services Block Grant (SSBG Program)	93.667	UNKNOWN	653,297	-
Child Abuse and Neglect State Grants	93.669	12-CANS-16-001	1,963	-
Child Abuse and Neglect State Grants	93.669	14-CANS-17-003	15,000	-
Child Abuse and Neglect State Grants	93.669	14-CANS-17-004	31,711	-
			<u>48,674</u>	<u>-</u>
Chafee Foster Care Independence Program (CFCIP; Independent Living Program)	93.674	CH-17-020	250,000	-
Children's Justice Grants to State	93.643	14-CJA-16-009	4,824	-
Children's Justice Grants to State	93.643	15-CJA-17-004	30,000	-
			<u>34,824</u>	<u>-</u>
Promoting Safe and Stable Families	93.556	16-IVB-2-17-022	58,000	-
Promoting Safe and Stable Families	93.556	15-IVB2CW-16-002	6,759	-
Promoting Safe and Stable Families	93.556	IVB-2-13-062	26,672	-
			<u>91,431</u>	<u>-</u>
Passed through Nevada Aging & Disability Services Division:				
Children's Justice Grants to State	93.643	15-CJA-17-003	10,000	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	UNKNOWN	62,004	-
Passed through National Association of County and City Health Officials:				
Medical Reserve Corps Small Grant Program (MRC)	93.008	MRC 12 443	1,116	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	G-SP-1510-03238	882	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	G-MP-1510-03283	18,162	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	G-T-1510-03158	2,500	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	G-SP-1611-04200	2,970	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	2016-122020	7,596	-
Food and Drug Administration-Research (General Grant Funding Program 93103)	93.103	G-MP-1611-03955	14,287	-
			<u>46,397</u>	<u>-</u>

(CONTINUED)

WASHOE COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title <u>U.S. Department of Health and Human Services (HHS) (continued):</u>	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
Passed through Nevada Division of Welfare and Supportive Services: Child Support Enforcement Program Income	93.563 93.563	UNKNOWN UNKNOWN	\$ 3,139,602 \$ 6,073 3,145,675	- - -
Grant to States for Access and Visitation Programs	93.597	1701NVSAPV	25,160	-
Passed through Supreme Court of Nevada, Administrative Office of the Courts: State Court Improvement Program (State and Tribal Court Improvement Programs) State Court Improvement Program (State and Tribal Court Improvement Programs)	93.586 93.586	17-455 AOC 2017	40,000 10,000 50,000	- - -
Passed through Centers for Medicare & Medicaid Services: Medicare-Prescription Drug Coverage (Medicare Part D)	93.770	CMS-10156	427,034	-
Total U.S. Department of Health and Human Services			28,557,794	17,409
Executive Office of the President, Office of National Drug Control Policy: Passed through Las Vegas Metropolitan Police Department: High Intensity Drug Trafficking Areas Program (HIDTA) High Intensity Drug Trafficking Areas Program (HIDTA) High Intensity Drug Trafficking Areas Program (HIDTA)	95.001 95.001 95.001	G14NV0001A G15NV0001A G17NV0001A	30,325 22,721 79,057	- - -
Total Executive Office of the President, Office of National Drug Control Policy			132,103	-
U.S. Department of Homeland Security (DHS): Direct Programs: Internet Crimes Against Children	97. UNKNOW	UNKNOWN	11,975	-
Passed through Nevada Department of Public Safety Division of Emergency Management: Homeland Security Grant Program (HSGP and THSGP) Homeland Security Grant Program (HSGP and THSGP) Homeland Security Grant Program (HSGP and THSGP)	97.067 97.067 97.067	97067HL4 97067HL5 97067.16-3000	153,638 188,801 11,677 354,116	- - - -

(CONTINUED)

WASHOE COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2017

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Award or Pass- Through Number	Expenditures	Payments to Subrecipients
U.S. Department of Homeland Security (DHS) (continued):				
Passed through Nevada Department of Public Safety Division of Emergency Management (continued):				
Emergency Management Performance Grant (EMPG)	97.042	9704217	\$ 51,349	\$ -
Emergency Management Performance Grant (EMPG)	97.042	9704214	20,000	-
Emergency Management Performance Grant (EMPG)	97.042	9704216	121,811	-
			<u>193,160</u>	<u>-</u>
Total U.S. Department of Homeland Security			559,251	-
Total Federal Financial Assistance			\$ 37,184,958	\$ 133,052

The notes to the Schedule of Federal Awards are an integral part of this schedule.

WASHOE COUNTY, NEVADA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 – REPORTING ENTITY

The Washoe County reporting entity is defined in Note 1 to its basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included in the schedule.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting. The County has not elected to use the 10% de minimis indirect cost rate.

NOTE 3 – NONCASH EXPENDITURES

The expenditures reported include noncash items as follows:

National School Lunch Program (School Lunch Program [10.555])

Expenditures of \$4,533 for this program represent the dollar value of food commodities served at the County's juvenile detention facilities. The value of commodities is determined by the U.S. Department of Agriculture.

Emergency Food Assistance Program (Food Commodities [10.569])

Expenditures of \$11,436 for this program represent the dollar value of food commodities distributed to eligible recipients during the year. The value of commodities is determined by the U.S. Department of Agriculture.

Senior Farmers Market Nutrition Program (10.576)

Expenditures of \$8,250 for this program represent the dollar value of nutrition program coupons received from the Department of Agriculture (DA). The value of items received was determined by the DA.

Donation of Federal Surplus Personal Property (39.003)

Expenditures of \$1,003,220 for this program represent the dollar value of items received from the Defense Reutilization and Marketing Office (DRMO). The value of the items received was determined by the DRMO.

Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act (66.034)

The expenditures include \$52,834 representing the value of sample analyses obtained at no charge to Washoe County.

NOTE 4 – PROGRAM INCOME

Expenditures reported include income received by the grantee, directly generated by grant-supported activity and includes the following programs:

PROGRAM	CFDA NUMBER	AMOUNT
Community Development Block Grants/Entitlement Grants	14.218	\$ 52,104
Community Development Block Grants/State's Program	14.228	11,468
Equitable Sharing Program	16.922	1,005
State and Community Highway Safety	20.600	88,817
National Priority Safety Programs	20.616	99,083
Special Programs for the Aging Title III, Part B	93.044	21,690
Special Programs for the Aging Title III, Part C	93.045	128,733
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	10,190
Family Planning Services	93.217	119,758
Immunization Cooperative Agreements	93.268	221,221
Child Support Enforcement	93.563	6,073
Preventive Health Services-Sexually Transmitted Diseases Control Grants	93.977	62,803
Total Program Income		\$ 822,945

**WASHOE COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
State Criminal Alien Assistance Program	16.606
Crime Victim Assistance	16.575
Donation of Federal Surplus Personal Property	39.003
Foster Care Title IV-E	93.658
Adoption Assistance	93.659
Dollar threshold used to distinguish between Type A and Type B programs:	\$1,115,548
Auditee qualified as a low-risk auditee?	No

WASHOE COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017

Section III – Federal Award Findings and Questioned Costs

**2017-001: U.S. Department of Justice
State Criminal Alien Assistance Program, CFDA 16.606**

**Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance**

Grant Award Number: Affects all grant awards included under CFDA 16.606.

Criteria: 2 CFR Part 200 (Uniform Guidance) requires price or rate quotations from an adequate number of qualified sources for small purchases. Washoe County procurement policy sets the small purchase threshold at \$3,500.

Condition: Quotations from an adequate number of sources were not obtained for a small purchase.

Cause: The Washoe County Sheriff's Office did not obtain price quotations for a purchase qualifying as a small purchase under Uniform Guidance, because the items purchased were personal safety equipment, which is exempt from competitive bidding under the Nevada Revised Statutes. However, there is no correlating exclusion from obtaining price quotations for small purchases under Uniform Guidance. As evidenced by this misunderstanding, the Washoe County Sheriff's Office did not have adequate internal controls to ensure **federal** procurement policies were adhered to.

Effect: The best price for the purchase may not have been obtained.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 28 procurement transactions out of approximately 200 was selected for testing. The **federal** procurement policies were not followed for one transaction.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend Washoe County Sheriff's Office enhance internal controls to ensure **federal** procurement policies are adhered to.

Views of Responsible Officials: Management agrees with the finding.

**WASHOE COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

**2017-002: U.S. Department of Justice
State Criminal Alien Assistance Program, CFDA 16.606
Crime Victim Assistance, CFDA 16.575**

**Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance**

Grant Award Number: Affects all grant awards included under CFDA 16.606 and CFDA 16.575.

Criteria: 2 CFR Part 200 (Uniform Guidance) requires contracts contain the applicable provisions described in Appendix II to Part 200 for contracts under Federal awards.

Condition: Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.

Cause: Washoe County Social Services and the Washoe County Sheriff's Office did not have adequate internal controls to ensure contracts under Federal awards contained all of the applicable provisions.

Effect: Contractors may not be aware of required terms and conditions.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 28 procurement transactions out of approximately 200 was selected for testing under State Criminal Alien Assistance. Three contracts were included within the 28 transactions and required provisions were missing from one contract.

A nonstatistical sample of 60 procurement transactions out of approximately 400 was selected for testing under Crime Victim Assistance. Seven contracts were included within the 60 transactions and required provisions were missing from two contracts.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend Washoe County Social Services and the Washoe County Sheriff's Office enhance internal controls to ensure contracts under Federal awards contain all of the applicable provisions.

Views of Responsible Officials: Management agrees with the finding.

**WASHOE COUNTY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

**2017-003: U.S. Department of Justice
Crime Victim Assistance, CFDA 16.575**

**Procurement, Suspension, and Debarment
Significant Deficiency in Internal Control over Compliance**

Grant Award Number: Affects all grant awards included under CFDA 16.575.

Criteria: 2 CFR Part 200 (Uniform Guidance) provides that the non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

Condition: During our testing over procurement transactions, we noted a contract was entered into with an entity that created a potential conflict of interest that was not disclosed in writing in accordance with applicable Federal awarding agency policy.

Cause: Washoe County Social Services did not have adequate policies and controls to ensure potential conflicts of interest were disclosed in writing in accordance with applicable Federal awarding agency policy.

Effect: A potential conflict of interest was not disclosed in writing to the Applicable Federal awarding agency, which may invalidate the contract and potentially result in questioned costs.

Questioned Costs: None

Context/Sampling: A nonstatistical sample of 60 procurement transactions out of approximately 400 was selected for testing. Seven contracts were included within the 60 transactions and a potential conflict was not disclosed for one contract.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend Washoe County Social Services implement policies and controls to ensure potential conflicts of interest are disclosed in writing in accordance with applicable Federal awarding agency policy.

Views of Responsible Officials: Management agrees with the finding.

**WASHOE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

**2017-004: General Services Administration
Donation of Federal Surplus Personal Property, CFDA 39.003**

**Other
Material Weakness in Internal Control over Compliance**

Grant Award Number: Affects all grant awards included under CFDA 39.003.

Criteria: 2 CFR Part 200 (*Uniform Guidance*) requires Washoe County to prepare a Schedule of Expenditures of Federal Awards (SEFA) showing total Federal expenditures for the year.

Condition: During our testing and reconciliation of amounts on the 2017 SEFA to Washoe County's underlying accounting records, we identified certain amounts that should have been reported on the 2016 SEFA rather than on the 2017 SEFA. We also identified amounts that were omitted from the 2017 SEFA in error.

Cause: Washoe County did not have adequate controls to ensure donated federal surplus assets were recorded in the correct fiscal year and at a proper and complete amount to ensure accurate reporting on the SEFA.

Effect: Federal expenditures on the SEFA were overstated by more than \$1,036,000 and were understated by more than \$922,000, resulting in a net overstatement of approximately \$114,000.

Questioned Costs: None

Context/Sampling: No sampling was used; all program expenditures on the SEFA were reconciled to the County's accounting records.

Repeat Finding from Prior Year(s): Yes, prior year finding 2016-010.

Recommendation: We recommend Washoe County enhance controls to ensure donated federal assets are recorded in the correct fiscal year and at the proper and complete amount to ensure accurate reporting on the SEFA.

Views of Responsible Officials: Management partially agrees with the finding.

**WASHOE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2017**

**2017-005: U.S. Department of Health and Human Services
Foster Care, CFDA 93.658
Adoption Assistance, CFDA 93.659**

**Allowable Costs/Cost Principles
Significant Deficiency in Internal Control over Compliance**

Grant Award Number: Affects all grant awards included under CFDA 93.658 and CFDA 93.659.

Criteria: 2 CFR Part 200 (Uniform Guidance) provides that a non-Federal entity must claim Federal financial participation for costs associated with a program only in accordance with its approved cost allocation plan. Since cost allocation plans are of a narrative nature, the Federal government needs assurance that the cost allocation plan has been implemented as approved.

Condition: During our testing over the Washoe County Social Services' cost allocation plan, we noted one error on the quarter ended December 31, 2016 cost allocation where amounts were not correctly reported for services and supplies which impacted the allocation for Foster Care and Adoption Assistance.

We also noted an error on the quarter ended December 31, 2016 and the quarter ended March 31, 2017 cost allocations where salaries and benefits were not allocated appropriately due to a formula error, which impacted the allocation for Foster Care.

Cause: Washoe County Social Services did not have adequate controls in place to ensure the correct costs were included in the cost allocations and to ensure the formulas in the cost allocations were correct.

Effect: Administrative costs claimed were inaccurately calculated.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of two cost allocations out of four were selected for testing.

Repeat Finding from Prior Year(s): Foster Care – No
Adoption Assistance – Yes, prior year finding 2016-008.

Recommendation: We recommend Washoe County Social Services enhance controls in place to ensure the correct costs are included in the cost allocations and to ensure the formulas in the cost allocations are correct.

Views of Responsible Officials: Management agrees with the finding.



Washoe County Office of the Comptroller

CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: November 22, 2017

Corrective Action Plan

Audit Report Number: N/A
 Finding Number: 2017-A
 Finding: Accounting Principle Implementation
 Corrective Action Taken or To Be Taken: Washoe County will continue to seek guidance from its auditors when implementing GASB requirements.

If already taken,
date of completion:

If to be taken, estimated
date of completion: 11/1/2017

Agency Response

Does the Agency Agree with finding?: Yes No Partially

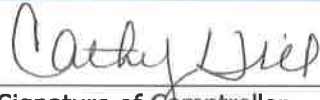
If No or Partial, Please explain reason(s) why:

Additional Comments: N/A

Division Responsible for Corrective Action Plan

Name, Title: Cathy Hill, Comptroller
 Address or Mailstop: P.O. Box 11130
 City, State, Zip Code: Reno, NV 89520
 Phone Number: 775-328-2552
 Email: chill@washoecounty.us

Reviewed and Approved



 Signature of Comptroller

11-22-17

 Date:



Date: 10/23/2017
Division: Washoe County Sheriff's Office

Corrective Action Plan

Audit Report Number: N/A
Finding Number: 2017-001
Finding: Required quotes were not obtained.
Corrective Action Taken or To Be Taken: Necessary grant purchasing requirements will be reviewed with all Support Personnel and Command Staff to ensure compliance.

If already taken, date of completion: 10/25/2017

If to be taken, estimated date of completion: [Click here to enter a date.](#)

Agency Response

Does the Agency Agree with finding?: Yes No Partially

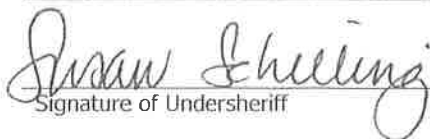
If No or Partial, Please explain reason(s) why: [Click here to enter text.](#)

Additional Comments: [Click here to enter text.](#)

Division Responsible for Corrective Action Plan

Name, Title: Susan Schilling, Undersheriff
Address or Mailstop: 911 Parr Blvd
City, State, Zip Code: Reno, NV, 89502
Phone Number: 775-328-3005
Email: sschilling@washoecounty.us

Reviewed and Approved


Signature of Undersheriff


Date:



Washoe County Human Services Agency
CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: 10/20/2017
 Division: Finance and Administration

Corrective Action Plan

Audit Report Number:
 Finding Number: 2017-002
 Finding: Washoe County Social Services and the Washoe County Sheriff's Office did not have adequate internal controls to ensure contract under Federal awards contained all of the applicable provisions.
 Corrective Action Taken or To Be Taken: Washoe County Social Services (Human Services Agency (HSA) effective August 8, 2017) will update the policy, procedures and internal controls manual to include a review and verification all contract funded by Federal awards include the required provisions. The manual will also reference the most current version of the Washoe County Grants Management Policy. HSA staff will review all current contracts to insure the applicable provisions are included and amend contracts as necessary.

If already taken, date of completion:
 If to be taken, estimated date of completion: 1/31/2018

Agency Response

Does the Agency Agree with finding?: Yes No Partially

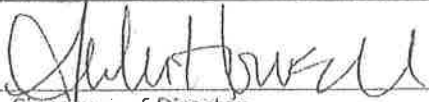
If No or Partial, Please explain reason(s) why:

Additional Comments:

Division Responsible for Corrective Action Plan

Name, Title: Leslie Williams, Division Director- Finance and Administration
 Address or Mailstop: PO Box 11130
 City, State, Zip Code: Reno, NV 89520-0027
 Phone Number: 775-785-5652
 Email: lemwilliams@washoecounty.us

Reviewed and Approved


 Signature of Director

10-24-17
 Date:



Date: 10/23/2017
Division: Washoe County Sheriff's Office

Corrective Action Plan

Audit Report Number: N/A
Finding Number: 2017-002
Finding: Certain applicable provisions described in Appendix II to Part 200 were not included in contracts as required.
Corrective Action Taken or To Be Taken: Designated Grant Program Managers will be reminded of all grant requirements involving their grant and sign off on acknowledgement of these requirements. Captains and Managers will be trained that requirements remain our responsibility to ensure compliance even if other County Departments are responsible for selecting and overseeing Contractor such as Facility work overseen by CSD.
If already taken, date of completion: 10/25/2017
If to be taken, estimated date of completion:

Agency Response

Does the Agency Agree with finding?: Yes No Partially

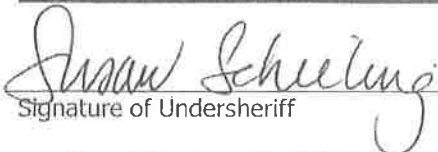
If No or Partial, Please explain reason(s) why:

Additional Comments: [Click here to enter text.](#)

Division Responsible for Corrective Action Plan

Name, Title: Susan Schilling, Undersheriff
Address or Mailstop: 911 Parr Blvd
City, State, Zip Code: Reno, NV, 89502
Phone Number: 775-328-3005
Email: sschilling@washoecounty.us

Reviewed and Approved


Signature of Undersheriff

10/30/2017
Date:



Washoe County Human Services Agency
CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: 10/20/2017
 Division: Finance and Administration

Corrective Action Plan

Audit Report Number:
 Finding Number: 2017-003
 Finding: Washoe County Social Services did not have adequate policies and controls to ensure potential conflicts of interest were disclosed in writing in accordance with applicable Federal awarding agency policy.
 Corrective Action Taken or To Be Taken: Washoe County Social Services (Human Services Agency (HSA) effective August 8, 2017) will update the policy, procedures and internal controls manual to include a process to address potential conflicts of interest in Federally funded awards. The manual will also reference the most current version of the Washoe County Grants Management Policy. HSA will disclose potential conflicts of interest in federally funded programs.
 If already taken, date of completion:
 If to be taken, estimated date of completion: 1/31/2018

Agency Response

Does the Agency Agree with finding?: Yes No Partially

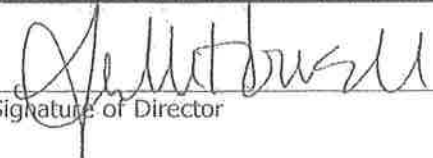
If No or Partial, Please explain reason(s) why:

Additional Comments:

Division Responsible for Corrective Action Plan

Name, Title: Leslie Williams, Division Director- Finance and Administration
 Address or Mailstop: PO Box 11130
 City, State, Zip Code: Reno, NV 89520-0027
 Phone Number: 775-785-5652
 Email: lemwilliams@washoecounty.us

Reviewed and Approved


 Signature of Director

10-24-17
 Date:



Date: 10/23/2017
Division: Washoe County Sheriff's Office

Corrective Action Plan

Audit Report Number: N/A
Finding Number: 2017-004
Finding: Program 1033 equipment was reported in 2017 to Board of County Commissioners, but should have been reported in 2016 for SEFA reporting purposes. Error in identified value/amount in the 2017 SEFA report.
Corrective Action Taken or To Be Taken: The Sheriff's Office will report on applicable donated equipment on a quarterly basis. The last report will be completed in July for the retro period ending June 30th of each year instead of the previously requested period in May. Applicable personnel involved with donated items will be trained on this requirement.

If already taken, date of completion: 10/25/2017
If to be taken, estimated date of completion: [Click here to enter a date.](#)

Agency Response

Does the Agency Agree with finding?: Yes No Partially

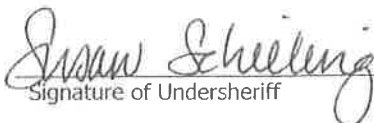
If No or Partial, Please explain reason(s) why: Bureau of Justice Assistance does not require reporting of 1033 equipment on SEFA unless the local jurisdiction expended funds towards the 1033 equipment.

Additional Comments: [Click here to enter text.](#)

Division Responsible for Corrective Action Plan

Name, Title: Susan Schilling, Undersheriff
Address or Mailstop: 911 Parr Blvd
City, State, Zip Code: Reno, NV, 89502
Phone Number: 775-328-3005
Email: sschilling@washoecounty.us

Reviewed and Approved


Signature of Undersheriff

10/30/2017
Date:



Washoe County Human Services Agency
CORRECTIVE ACTION PLAN FOR AUDIT FINDING

Date: 10/20/2017
 Division: Finance and Administration

Corrective Action Plan

Audit Report Number:
 Finding Number: 2017-005
 Finding: Washoe County Social Services did not have adequate controls in place to ensure the correct costs were included in the cost allocations and to ensure the formulas in the cost allocations were correct.
 Corrective Action Taken or To Be Taken: Washoe County Social Services (Human Services Agency (HSA) effective August 8, 2017) will revise the internal policies and procedures manual to include a secondary review of the cost allocation claiming spreadsheet to insure all cells and sheets are linked appropriately. In FY18 the Human Services Agency will implement an automated cost allocation software system to replace the manual process.
 If already taken, date of completion:
 If to be taken, estimated date of completion: 6/30/2018

Agency Response

Does the Agency Agree with finding?: Yes No Partially


If No or Partial, Please explain reason(s) why:

Additional Comments:

Division Responsible for Corrective Action Plan

Name, Title: Leslie Williams, Division Director- Finance and Administration
 Address or Mailstop: PO Box 11130
 City, State, Zip Code: Reno, NV 89520-0027
 Phone Number: 775-785-5652
 Email: lemwilliams@washoecounty.us

Reviewed and Approved


 Signature of Director

10-24-17
 Date:



AUDITOR'S COMMENTS

AUDITOR'S COMMENTS

Page

Auditor's Comments C-36



Auditor's Comments

To the Honorable Board of Commissioners
Washoe County, Nevada
Reno, Nevada

In connection with our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washoe County, Nevada (the County) as of and for the year ended June 30, 2017, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the County failed to comply with the specific requirements of Nevada Revised Statutes cited below. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the County's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

Statute Compliance

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

Progress on Prior Year Statute Compliance

The County conformed to all significant statutory constraints on its financial administration for the year ended June 30, 2016.

Prior Year Recommendations

See the Summary Schedule of Prior Year Audit Findings under separate cover.

Current Year Recommendations

The current year finding is reported in the Schedule of Findings and Questioned Costs.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Reno, Nevada
November 21, 2017