



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: 12/21/2017

Staff Contact: Jason Link , Chief Financial Officer (npaulson@carson.org)

Agenda Title: For Possible Action: To accept the Carson City Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. (jlink@carson.org)

Staff Summary: NRS 354.624 requires the City to provide for an annual audit of all of its financial statements. In addition, the opinion and findings of the auditor contained in the report of the audit must be presented at a meeting of the governing body held not more than 30 days after the report is submitted to it (November 30). The annual audit must be accepted by the Board of Supervisors prior to filing with the State of Nevada and distribution to outside agencies such as bond holders.

Agenda Action: Formal Action/Motion

Time Requested: 5

Proposed Motion

I move to accept the Carson City Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017.

Board's Strategic Goal

Efficient Government

Previous Action

N/A

Background/Issues & Analysis

NRS 354.624 requires the City to provide for an annual audit of all of its financial statements. In addition, the opinion and findings of the auditor contained in the report of the audit must be presented at a meeting of the governing body held not more than 30 days after the report is submitted to it (November 30).

The Carson City Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017 has been completed by the Finance Department and audited by the City's independent auditors, Eide Bailly, LLP.

The City has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the last twenty-seven years and the Finance Department believes this report continues to meet the requirements of the program.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 354.624

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number:

Is it currently budgeted? Yes No

Explanation of Fiscal Impact: N/A

Alternatives

N/A



CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2017

**CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2017**

**Prepared by: Finance Department
Nancy Paulson, Chief Financial Officer**

**CARSON CITY, NEVADA
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INTRODUCTORY SECTION



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

November 21, 2017

Honorable Mayor,
Members of the Board of Supervisors
and the Citizens of Carson City:

The comprehensive annual financial report of Carson City for the fiscal year ended June 30, 2017, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that Carson City issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has 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.

Eide Bailly, LLP, Certified Public Accountants, have issued an unmodified opinion on Carson City's financial statements for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

Carson City is required to undergo an annual single audit in conformity with the provisions of Government Auditing Standards and the U.S. Office of Management and Budget (OMB) Compliance Supplement. Information related to this single audit, including the schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance, the schedule of findings and questioned costs and the summary schedule of prior audit findings are included in the compliance section.

Accounting principles generally accepted in the United States of America (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Carson City's MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity, Carson City, includes all the funds of the primary government (i.e., the Consolidated Municipality of Carson City as legally defined), as well as, all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the Redevelopment Authority is reported as special revenue, debt service and capital project funds of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and results of operations from those of the primary government. The Carson City Culture and Tourism Authority, formerly known as, Carson City Culture and Tourism Authority and Airport Authority are reported as discretely presented component units.

DEPARTMENT OF FINANCE

201 North Carson Street, Suite #3 • 89701 • (775) 887-2133

THE CITY AND ITS GOVERNING BODY

Carson City is the capital city of the State of Nevada. Carson City was founded as a trading post in 1858 and incorporated February 25, 1875. Carson City is a combined City and County governmental entity formed by the consolidation of the City of Carson City and Ormsby County on July 19, 1969.

Carson City has a land area of 147 square miles and an estimated population of 54,273 as of June 30, 2017. The City is empowered to levy a property tax on both real and personal property located within its boundaries. Real and personal taxable property located within the City has an estimated market value of \$4,129,013,637 and an assessed value of \$1,445,154,773.

The City operates under what is commonly known as a "council-manager" form of government which was established by charter and adopted by the State Legislature. Under this form of government, Carson City is governed by a mayor and four supervisors who are elected at large, on a non-partisan basis, for overlapping four year terms. The Board of Supervisors is a policy-making board, appointing a city manager to oversee daily operations.

Carson City provides a full range of services including police and fire protection; sewer and water services; the construction and maintenance of highways, streets and infrastructure; and culture and recreational activities.

The City maintains several budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body in accordance with Nevada Revised Statutes Chapter 354, the Local Government Budget and Finance Act. Activities of the general fund, special revenue funds, capital projects funds, debt service funds, enterprise funds and internal service funds are included in the annual appropriated budget. The level of budgetary control (that is, the level of which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund for governmental funds and the sum of operating and non-operating expenses in the proprietary funds.

LOCAL ECONOMY

Carson City is located in the Northwestern part of the State. Nevada's rate of growth in population had been one of the highest in the nation, but with the recent economic downturn, this number is expected to remain flat at best for the next several years. Carson City's population increased 0.6% when comparing July 1, 2016 to July 1, 2017. During the past year, Carson City experienced growth in the real estate market, not unlike the region, the state, and the nation. According to the Assessor's office, the average sales price of a home this year has risen to around \$328,098, up from \$279,880 (17% increase) in the prior year. The average price in Carson City hit its peak in 2006 with the average sales price around \$346,000.

Property tax revenue increased slightly from the prior year (1.3%) due to an increase in assessed valuation for FY 16-17. Taxable sales are now increasing as the economy improves contributing to the \$2.6 million (10.4%) increase in the consolidated tax revenues. Our region is finally back to pre-recession unemployment rates at 4.6%. At the end of the current fiscal year, total fund balance of the general fund exceeded the final budget by \$4,789,746. Of this amount, \$1,355,278 has been included as a budgetary resource in the subsequent year's budget to eliminate a projected excess of expected expenditures over expected revenues.

The assessed valuation of Carson City increased 5.2% in FY 16-17 and in FY 17-18 the assessed valuation increased by 3.9%. Due to a cap on the growth in property tax for existing property and improvements approved by the 2005 Nevada State Legislature, the real growth in tax revenues is limited. The growth in the tax bill for residential property is limited to 3% annual growth and commercial property can grow by a maximum of 8% per year. Only new construction is outside of this cap for the first year it is on the tax rolls. The difference between the actual tax calculation (assessed valuation (x) tax rate) and the capped tax calculation is termed the “abatement”. In the general fund, this abatement amount will be approximately \$5.75 million in FY 17-18. The growth in the tax bill is further reduced given a provision of Nevada Revised Statute 361.4722, which includes an additional limit based on the greater of the 10-year average percentage change in assessed valuation or twice the percentage increase in the Consumer Price Index (CPI). A very low percentage increase in the CPI of just 1.3% resulted in a property tax cap of 2.6% for both residential and commercial properties for FY 17-18. In an effort to increase property tax revenues and provide a possible funding source for the City’s Asset Management Program, the Board of Supervisors approved a five cent increase in the City’s operating tax rate for FY 17-18. However, due to the property tax caps, property tax revenues are only expected to increase by 3%.

With the recent completion of the Carson Street Downtown Revitalization Project, there is a renewed sense of interest in new retail and restaurant activity in the downtown area. A mixed-use commercial and residential project is currently under construction in the downtown. This project includes commercial space (retail, dining and office space) on the first and second floors and ten residential units on the third and fourth floors. In the southern part of the City, a building permit is currently under review for a Marriott Towneplace Suites. The four story hotel along South Curry Street is planned to include ninety-five guestrooms. Regarding residential activity, plans / construction is moving forward on a variety of projects including the Vintage at Kings Canyon, the Lompa Ranch Development, Mills Landing and Shultz Ranch. In addition, several apartment and townhome projects are in various stages of review / construction throughout the City.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the General Fund at year end was 12.5% of total General Fund expenditures. This amount is significantly above the policy goal set by the Board of Supervisors for budgetary and planning purposes (i.e., one month of general fund expenditures, approximately 8.3%).

Fees charged at the Carson City Landfill were set based upon regional market rates rather than actual costs. The resultant change in rates has produced revenues in excess of expenditures at the Landfill. These excess revenues will be used to help offset overall General Fund ongoing expenditures.

The City has entered back into a period of economic growth and development. New residential and commercial development has been extremely strong with new building permits valued at \$108.9 million for calendar year 2016 compared to just \$19.8 million in 2009.

Pursuant to Nevada Revised Statutes, the City maintains a five-year Capital Improvement Program (CIP) which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. Under the guidance of a CIP Committee, this process gives the City the ability to plan for its capital needs and allocate short-term and long-term resources appropriately. As part of this process, the City identifies and quantifies the operational costs associated with its capital projects and budgets resources accordingly. The FY 17-18 Capital Improvement Program includes \$13.4 million in capital projects and equipment replacement for Governmental Activities and \$13.7 million for Business-Type Activities for a total of \$27.1 million. Included in this \$27.1 million is \$9.1 million for the rehabilitation of the Water Resource Recovery Facility and \$2.0 million for sewer line replacement, \$4.9 million for road construction and signals, \$1.2

million in building improvements, approximately \$3.9 million for vehicle and equipment replacement \$1.9 million in computer system replacement, \$1 million in parks, open space and park equipment replacement, and \$3.1 million for other equipment and water system improvements.

A 1/8 cent increase in sales tax was approved and implemented in October 2014 which will be used to pay down capital project bonds. These bonds have been used pursuant to NRS 377B, for projects including, but not limited to, construction of an animal services facility and street and pedestrian improvements in the downtown area which were both completed in October 2016 and a multi-purpose athletic center which was completed in January 2016. Design work has begun for the Downtown Curry Streetscape Project and street beautification and utility improvements on five east / west downtown streets between Carson Street and Curry Street. Construction is anticipated to begin in April 2018. The South Carson Street Corridor Project is currently under design as well with construction anticipated to begin in 2019. The remaining infrastructure sales tax projects are anticipated to be designed and constructed in future years with the proceeds from the issuance of additional bonds.

Improvements to the Water Resource Recovery Facility are being implemented due to our outdated facility. The City recently completed replacing the secondary treatment and solids mixing systems. The construction of this phase is in close out and is expected to be completed by the end of this year. There is an additional \$10 million phase called WRRF – Capital Improvements FY18, which is currently under design that will include some items that weren't covered in the first phase including odor control system, reconditioning of primary settling tanks, new underground piping to the secondary system, reconditioning of the secondary settling tanks, lining of the overflow basin, repurposing existing aeration basin and replacing electrical distribution systems. This work will continue over the next two years. The Board authorized a comprehensive review of water and sewer rates in fiscal year 2013 and as a result authorized water and sewer rate increases for the five subsequent years to fund these upgrades as well as provide reserves for system reinvestment as the comprehensive review determined we were relying too heavily on debt for capital improvements.

The Carson Freeway, Phases 2B-1 and 2B-2 are complete and 2B-3 was completed on August 2, 2017, which extended the freeway from Fairview Drive to Highway 50 / S. Carson Street. By agreement with the State, Carson City will defer payment of local fuel taxes until the completion of Phase 2B-4 which will include the S. Carson St. Interchange.

RELEVANT FINANCIAL POLICIES

A minimum unrestricted ending fund balance of not less than 5% (with a goal of 8.3%) of total budgeted expenditures shall be included in the General Fund budget each fiscal year. An inability to meet this requirement must be approved by the Board of Supervisors.

For the FY 17-18, the City budgeted an ending fund balance of 7.6% of budgeted expenditures, an increase of 7% from the amount budgeted in the prior fiscal year.

OTHER INFORMATION

AWARDS. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Carson City for its comprehensive annual financial report for the fiscal year ended June 30, 2016. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Carson City has received a Certificate of Achievement for the last twenty-seven consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

ACKNOWLEDGMENTS. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contribution made in the preparation of this report.

In closing, without the leadership and support of the Carson City Board of Supervisors, the continued strengthening of the City's finances and the continued dedication to financial excellence would not have been possible.

Sincerely,



Nancy Paulson, CPA
Chief Financial Officer



Government Finance Officers Association

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

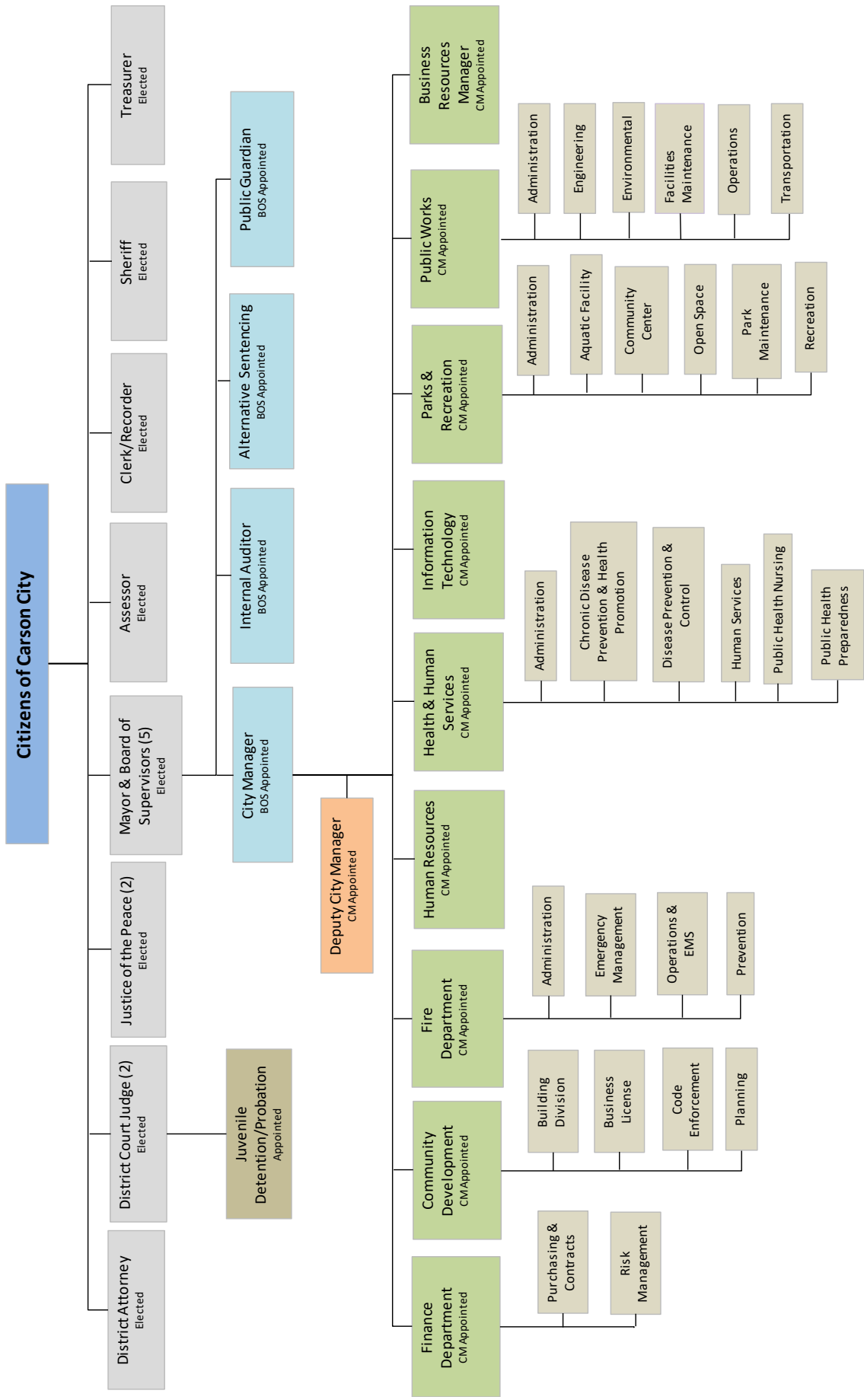
Presented to

**City of Carson City
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



**CARSON CITY, NEVADA
LISTING OF PRINCIPAL OFFICIALS
FY 2017**

TITLE	NAME
Mayor	Robert L. Crowell
Supervisor, Ward 1	Karen Abowd
Supervisor, Ward 2	Brad Bonkowski
Supervisor, Ward 3	Lori Bagwell
Supervisor, Ward 4	John Barrette
Assessor	Dave Dawley
Treasurer	Gayle Robertson
District Attorney	Jason Woodbury
District Court I	Judge James T. Russell
District Court II	Judge James E. Wilson, Jr.
Justice of the Peace	Judge Thomas Armstrong
Justice of the Peace	Judge John Tatro
Clerk-Recorder	Susan Merriwether
Sheriff	Ken Furlong
City Manager	Nick Marano
Chief Financial Officer/Risk Manager	Nancy Paulson
Chief Information Officer	Eric Von Schimmelmann
Community Development Director	Lee Plemel
Cooperative Extension Director	Lindsay Chichester
Library Director	Sena Loyd
Health & Human Services Director	Nicki Aaker
Juvenile Special Master	Kimberly Okezie
Chief Juvenile Probation Officer	Ali Banister
Parks and Recreation Director	Jennifer Budge
Fire Chief	Sean Slamon
Senior Center Director	Courtney Warner
Human Resources Director	Melanie Bruketta
Public Works Director	Darren Schulz
Engineering Manager	Daniel Stucky
Transportation Program Manager	Lucia Maloney

FINANCIAL SECTION



Independent Auditor's Report

To the Honorable Mayor and Members of the Board of Supervisors
Carson City, Nevada

Report on the Financial Statements

We have audited the accompanying 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 Carson City, Nevada (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City'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 audits. We did not audit the financial statements of the Airport Authority of Carson City, Nevada, or the Carson City Culture and Tourism Authority, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Airport Authority of Carson City, Nevada and the Carson City Culture and Tourism Authority is based solely on the reports of the other auditors. We conducted our audits 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, based on our audit and the reports of other auditors, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 12 through 21, the schedule of funding progress – other postemployment benefits on page 73, the schedule of the City's proportionate share of the net pension liability on page 74, and the schedule of City's contributions on page 75, 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 City's financial statements. The introductory section, combining and individual fund financial statements and schedules including budgetary comparisons, 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* (CAFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules including budgetary comparisons 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 fund statements and schedules including budgetary comparisons 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 Comparative Information

The combining and individual fund financial statements and schedules related to the 2016 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2016 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The statements and schedules referred to above are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 30, 2017, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 City’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 City’s internal control over financial reporting and compliance.

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

Reno, Nevada
November 30, 2017

Carson City, Nevada Management's Discussion and Analysis

As management of Carson City, Nevada (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$314,225,049 (*net position*).
- The City's total net position increased by \$11,237,126 (3.7%). This increase is attributable to a year over year consolidated tax increase of 10.4% while initial budget only included a 4.0% increase.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$22,266,875, a decrease of \$629,391 in comparison to the prior year. Approximately 29.0% of this amount (\$6,447,478) is available for spending at the City's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$8,179,956, or 12.5% of total General Fund expenditures.
- The City's total bonded debt and notes payable increased by \$18,680,868 (11.0%) during the current fiscal year as a result of \$25,380,900 of Sewer, Water and Stormwater State Revolving Fund debt issuance, as well as \$3,425,293 of Energy Efficiency Installment Purchase Agreements issued, reduced by current year principal payments on debt.
- The City's total capital assets increased by \$23,334,552 (4.2%) during the fiscal year as a result of the construction of the water resource recovery facility, the completion of the downtown streetscape project, and the new animal shelter.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City's assets, liabilities, and deferred inflows / outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City 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 City include general government, public safety, judicial, public works, sanitation, health, welfare, community support, airport, economic opportunity, and culture and recreation. The business-type activities of the City include water, sewer, ambulance, cemetery, building permits and stormwater drainage.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate airport authority and a legally separate culture and tourism authority for which the City is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The Redevelopment Authority, although also legally separate, functions for all practical purposes as a department of the City, therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 22-25 of this report.

Carson City, Nevada Management's Discussion and Analysis

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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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 may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is considered to be a major fund. Data from the other twenty-four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and for each of its special revenue funds, debt service funds and capital projects funds. A budgetary comparison schedule has been provided for each of the City's governmental funds to demonstrate compliance with this budget. The budgetary comparison statement for the General Fund the major governmental fund is located in the basic financial statements and budgetary comparison schedules for the nonmajor governmental funds are provided in the individual funds statements.

The basic governmental fund financial statements can be found on pages 26-30 of this report.

Proprietary funds. The City 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. The City uses enterprise funds to account for its water, sewer, ambulance, cemetery, building permit, and stormwater drainage operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its group medical insurance, workers' compensation, insurance and fleet management. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, each of which are considered to be major funds of the City. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Data from the other four enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report. Individual fund data for the internal service funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 31-35 of this report.

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

Carson City, Nevada
Management's Discussion and Analysis

The basic fiduciary fund financial statements can be found on pages 36-37 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a gaining full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-72 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents *required supplementary information* concerning the City's progress in funding its obligation to provide OPEB benefits to its employees, schedule of City's proportionate share of the net pension liability, and the Schedule of City's retirement contributions. Required supplementary information can be found on page 73-75 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds, and enterprise funds are presented following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 76-166 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$314,225,049 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (126.0%) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Carson City's Net Position

	Governmental		Business-type		Total - Primary Government	
	Activities		Activities			
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 35,837,763	\$ 40,377,560	\$ 23,301,945	\$ 15,310,416	\$ 59,139,708	\$ 55,687,976
Capital assets	373,399,113	366,329,346	203,567,677	187,302,922	576,966,790	553,632,268
Total assets	409,236,876	406,706,906	226,869,622	202,613,338	636,106,498	609,320,244
Deferred outflows of resources	21,559,535	13,647,688	2,938,867	2,049,524	24,498,402	15,697,212
Total assets and deferred outflows of resources	430,796,411	420,354,594	229,808,489	204,662,862	660,604,900	625,017,456
Long-term liabilities outstanding	195,146,009	190,600,752	117,170,531	101,397,266	312,316,540	291,998,018
Other liabilities	15,004,728	11,970,340	10,879,547	7,257,065	25,884,275	19,227,405
Total liabilities	210,150,737	202,571,092	128,050,078	108,654,331	338,200,815	311,225,423
Deferred inflows of resources	7,191,779	9,519,869	987,257	1,284,241	8,179,036	10,804,110
Total liabilities and deferred inflows of resources	217,342,516	212,090,961	129,037,335	109,938,572	346,379,851	322,029,533
Net position:						
Net investment in capital assets	302,089,834	299,558,400	93,571,145	94,521,657	395,660,979	394,080,057
Restricted	10,081,646	13,049,482	-	-	10,081,646	13,049,482
Unrestricted	(98,717,585)	(104,344,249)	7,200,009	202,633	(91,517,576)	(104,141,616)
Total net position	\$213,453,895	\$208,263,633	\$100,771,154	\$94,724,290	\$314,225,049	\$302,987,923

Carson City, Nevada
Management's Discussion and Analysis

An additional portion of the City's net position (3.2%) represents resources that are subject to external restrictions on how they may be used. This leaves a negative balance of \$91,517,576 for *unrestricted net position*.

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net position for the government as a whole, as well as, for its separate governmental activities. Unrestricted net position is reported as a negative balance. The business-type activities reported positive balances in all categories of net position. In the prior fiscal year, the City reported positive balances in all categories with the exception of unrestricted net position.

The City's net position increased \$11,237,126 during the current fiscal year. The increase is attributable to increases in sales, property and consolidated taxes, as well as charges for services in Building Permits, Sewer and Water Funds.

Carson City's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total – Primary Government	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$13,326,513	\$12,395,216	\$34,370,565	\$31,360,939	\$47,697,078	\$43,756,155
Operating grants and contributions	6,263,119	6,910,090	500	-	6,263,619	6,910,090
Capital grants and contributions	3,936,604	1,767,300	833,172	782,391	4,769,776	2,549,691
General revenues:						
Property taxes	27,522,923	27,166,226	-	-	27,522,923	27,166,226
Other taxes	45,556,767	42,493,326	-	-	45,556,767	42,493,326
Other	353,939	602,647	60,748	187,344	414,687	789,991
Total Revenues	96,959,865	91,334,805	35,264,985	32,330,674	132,224,850	123,665,479
Expenses:						
General government	14,887,443	14,820,254	-	-	14,887,443	14,820,254
Public safety	34,946,511	34,442,723	-	-	34,946,511	34,442,723
Judicial	7,017,989	6,241,597	-	-	7,017,989	6,241,597
Public works	9,904,418	9,052,258	-	-	9,904,418	9,052,258
Sanitation	2,060,980	1,838,049	-	-	2,060,980	1,838,049
Health	5,998,209	6,344,506	-	-	5,998,209	6,344,506
Welfare	2,164,908	2,038,500	-	-	2,164,908	2,038,500
Culture and recreation	9,595,541	9,530,025	-	-	9,595,541	9,530,025
Community support	1,058,025	597,679	-	-	1,058,025	597,679
Airport	548,672	465,157	-	-	548,672	465,157
Economic opportunity	90,492	119,127	-	-	90,492	119,127
Interest and fiscal charges	3,089,777	3,167,238	-	-	3,089,777	3,167,238
Sewer	-	-	10,249,949	9,596,628	10,249,949	9,596,628
Water	-	-	13,464,964	13,710,079	13,464,964	13,710,079
Stormwater Drainage	-	-	1,033,393	1,159,632	1,033,393	1,159,632
Ambulance	-	-	3,544,833	3,505,024	3,544,833	3,505,024
Cemetery	-	-	227,792	233,663	227,792	233,663
Building Permits	-	-	1,103,828	1,148,900	1,103,828	1,148,900
Total Expenses	91,362,965	88,657,113	29,624,759	29,353,926	120,987,724	118,011,039

Carson City, Nevada
Management's Discussion and Analysis

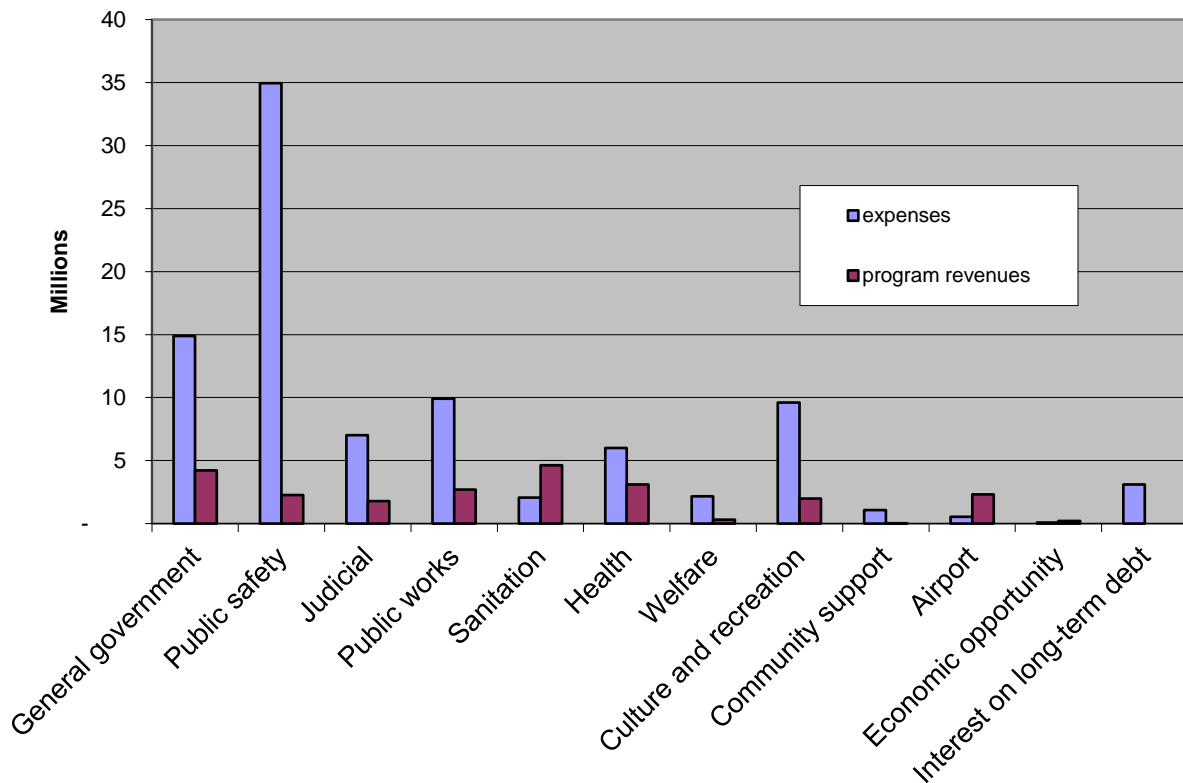
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Increase (decrease) in net position before transfers	\$5,596,900	\$2,677,692	\$5,640,226	\$2,976,748	\$11,237,126	\$5,654,440
Transfers	(406,638)	(311,622)	406,638	311,622	-	-
Increase (decrease) in Net Position	5,190,262	2,366,070	6,046,864	3,288,370	11,237,126	5,654,440
Net position – July 1	208,263,633	205,897,563	94,724,290	91,435,920	302,987,923	297,333,483
Net position - June 30	\$213,453,895	\$208,263,633	\$100,771,154	\$94,724,290	\$314,225,049	\$302,987,923

Governmental activities. Governmental activities increased the City's net position by \$5,190,262. This results in a net change (increase) of \$2,824,192 when compared to the increase of \$2,366,070 in the prior year. Key elements of the change from prior year are as follows:

- \$3.2 million increase in sales and consolidated taxes.
- \$827,000 increase in landfill fees.
- \$2.1 million increase in Federal Grants for the Airport.
- \$3.2 million increase in OPEB Obligation expense due to changes in actuarial assumptions.

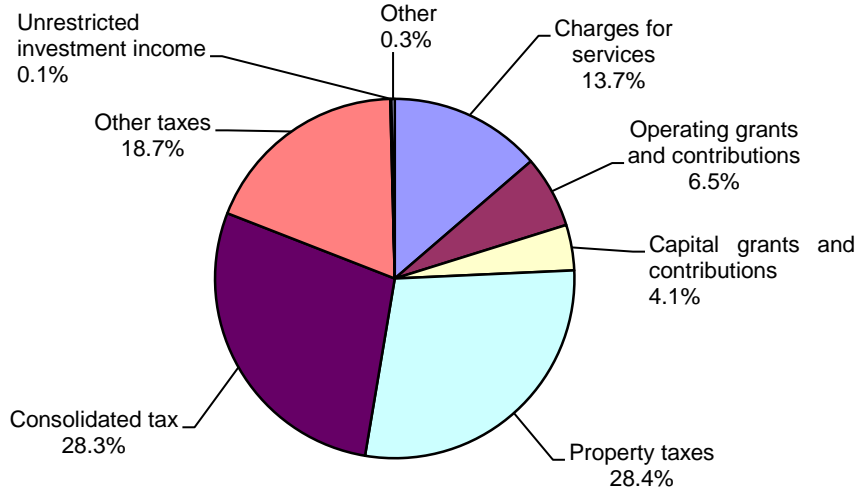
Program revenues for governmental activities provided 25.8% of the resources necessary to pay the cost of providing program services. The remaining program costs were financed with general revenues. The largest general revenues are property taxes of \$27,522,923 and consolidated taxes of \$27,426,295.

Expenses and Program Revenues - Governmental Activities



**Carson City, Nevada
Management's Discussion and Analysis**

Revenues by Source - Governmental Activities

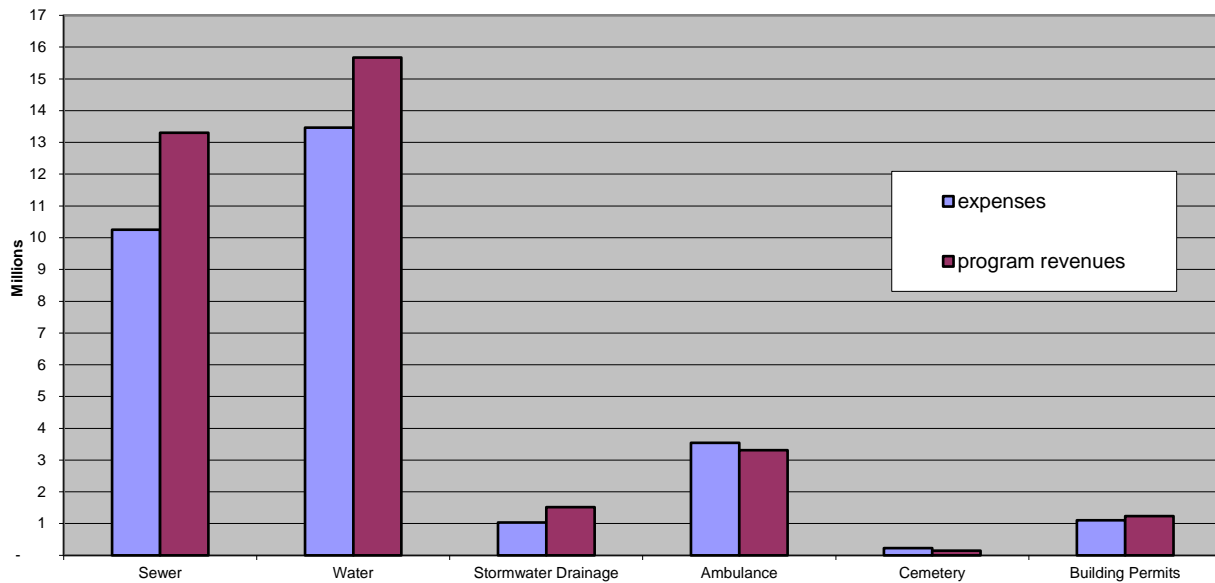


Business-type activities. Business-type activities increased the City's net position by \$6,046,864. This results in a net change (increase) of \$2,758,494 when compared to the increase of \$3,288,370 in the prior year. Key elements of the change from prior year are as follows:

- \$1.6 million (13.7%) increase in sewer revenue is due to a rate increase implemented July 1, 2013 by the Board of Supervisors for upcoming capital purchases and reinvestment.
- \$653,000 increase in sewer expenses which includes contract adjustments and merit increases for employees, and interest due on debt issues.
- \$1.2 million (8.7%) increase in water charges for services expected given rate increases, implemented July 1, 2013 by the Board of Supervisors for upcoming capital purchases and reinvestment.
- \$245,000 decrease in the Water Expenses as they purchased fewer water meters during the year.

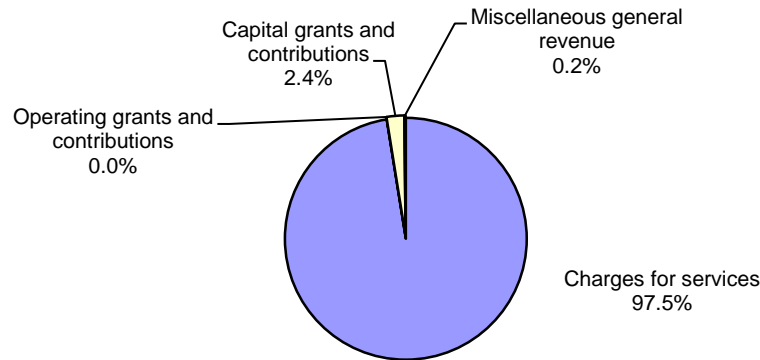
Sewer and water expenses represent 80.1% of total expenses for business-type activities.

Expenses and Program Revenues - Business - type Activities



Carson City, Nevada
Management's Discussion and Analysis

Revenues by Source - Business - type Activities



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Board of Supervisors.

At June 30, 2017, the City's governmental funds reported combined ending fund balances of \$22,266,875, a decrease of \$629,391 in comparison with the prior year. Approximately 29.0% of this amount (\$6,447,478) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of the fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is: 1) not in spendable form (\$455,137), 2) restricted for particular purposes (\$11,035,145), 3) committed for particular purposes (\$10,044), or 4) assigned for particular purposes (\$4,319,071).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,447,478, while total fund balance increased to \$1,215,874. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents 9.8% of total general fund expenditures, while total fund balance represents 14.4% of that same amount.

The fund balance of the City's general fund increased by \$1,215,874 during the current fiscal year. This results in a net change (decrease) of \$663,044 when compared to the increase of \$552,830 in the prior year. Key elements of the change from prior year are as follows:

- Consolidated tax revenues increased by \$2,579,409 from the prior year. This is revenue passed through from the State, which is the result of an increase in taxable sales as our economy recovers.
- Property tax revenues increased by \$294,001 from the prior year. This is a result of the increase in assessed values.
- Increase in landfill fees of \$808,944.
- General fund expenditures increased by approximately \$1.3 million (or 2.0%). This increase was mostly due to an increase in salaries and benefits during the current fiscal year as a result of the contract adjustments and merit increases.
- Increases in transfers out of \$878,700 to Capital Projects Fund for deferred capital needs, \$250,000 to the Insurance Fund related to the 2017 Flood, and \$358,277 to the Grant Fund as we moved the Clinical Services and Vaccine program reserves to this fund for tracking purposes.

Carson City, Nevada Management's Discussion and Analysis

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the year amounted to \$9,703,193 in the Sewer Fund and \$1,759,493 in the Water Fund. The Sewer Funds total net position increased by \$3,168,355 and the Water Funds net position increased by \$2,260,257. Other factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights:

Budgeted appropriations increased \$4,046,750 between the original budget and the final amended budget. The increase can be briefly summarized as follows:

- Carryover of program costs and savings from the prior year budget amounting to \$2,747,134 allocated to various departments.
- \$1,549,616 increase in various department appropriations offset by increases in charges for services, intergovernmental revenues, and other miscellaneous revenues.

Of this increase, \$847,703 was funded from Landfill revenue charges for services, \$341,555 was funded from intergovernmental revenues, \$110,358 was funded from refunds, reimbursements, grants and donations, and \$2,747,134 was to be budgeted from available fund balance.

The significant differences between the final amended budget and actual amounts are as follows:

- Actual intergovernmental revenues were \$810,006 more than the final budget due to an increase in consolidated tax revenue. This increase is offset by a decrease of \$480,000 which was budgeted as an intergovernmental revenue but for financial reporting purposes was reclassified as a transfer in from the Redevelopment Revolving Fund.
- Actual expenditures by function were less than the final budget as a result of expenditure reductions, employee vacancies and unspent restricted funds that will be carried over to the next fiscal year's budget.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounts to \$576,966,790 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, water capacity and water rights. The total increase in the City's investment in capital assets for the current fiscal year was 4.2% (a 1.9% increase for governmental activities and an 8.7% increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- East-West Water Transmission Main Phase II and Water Resource Recovery Facility projects continued during fiscal year 17 resulting in an increase in construction in progress in the Sewer and Water Funds of approximately \$18.8 million.
- Downtown Streetscape project and several smaller street and sidewalk projects were completed in fiscal year 17, resulting in a reclassification from construction in progress to infrastructure of \$3.5 million and \$1.6 million, respectively.
- Animal Control Facility was completed in fiscal year 17 and reclassified from construction in progress to Buildings in the amount of \$3,232,655.
- Fiscal year 17 the City started work on the Energy Efficiency Project resulting in an increase to construction in progress of \$3.5 million

Carson City, Nevada
Management's Discussion and Analysis

Carson City's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$136,918,665	\$136,831,268	\$ 5,401,968	\$ 5,397,807	\$142,320,633	\$142,229,075
CIP - Infrastructure	264,514	5,331,527	-	-	264,514	5,331,527
Construction in progress	3,741,698	4,394,566	41,980,282	23,178,003	45,721,980	27,572,569
Buildings	62,414,757	60,612,033	14,293,308	14,712,965	76,708,065	75,324,998
Improvements other than						
Buildings	28,739,104	27,521,519	114,810,292	116,918,170	143,549,396	144,439,689
Machinery and equipment	9,432,206	8,892,729	2,930,451	2,944,601	12,362,657	11,837,330
Infrastructure	131,888,169	122,745,704	-	-	131,888,169	122,745,704
Water capacity	-	-	4,169,896	4,169,896	4,169,896	4,169,896
Water rights	-	-	19,981,480	19,981,480	19,981,480	19,981,480
Total	373,399,113	\$366,329,346	\$203,567,677	\$187,302,922	\$576,966,790	\$553,632,268

Additional information on the City's capital assets can be found in Note 3-B on pages 49-53 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$180,851,630. Of this amount, \$165,467,430 comprises debt backed by the full faith and credit of the government. The remainder of the City's bonded debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

Carson City's Outstanding Debt
General Obligation, Revenue Bonds and Notes Payable

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation						
Bonds	\$59,670,000	\$63,375,000	\$105,797,430	\$85,399,055	\$165,467,430	\$148,774,005
Revenue bonds	15,384,200	15,970,500	-	-	15,384,200	15,970,500
Notes Payable	6,240,093	3,361,300	785,800	1,090,800	7,025,893	4,452,100
Total	\$81,294,293	\$82,706,800	106,583,230	\$86,489,855	\$187,877,523	\$169,196,655

The City's total bonded debt and notes payable increased by \$18,680,868 (11.0%) from the prior year primarily due to the General Obligation Revenue Bonds - State of Nevada Revolving Loan authorized \$35.8 million in the prior year and \$25.4 million was drawn down during the current year. Notes payable increased by \$2,573,793 (57.8%) due to two installment purchase agreements entered into for the Energy Efficiency project during fiscal year 2017 for a total authorized amount of \$4.3 million and \$3.4 million was drawn on those notes as of June 30, 2017. Revenue Bonds decreased by \$586,300 (3.7%) due to current year principal payments.

The City maintained an "AA-" rating from Standard & Poor's and an "A1" rating from Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15.0% of its total assessed valuation. The current debt limitation for the City is \$226,790,989, which is significantly in excess of the City's outstanding general obligation debt.

Additional information on the City's long-term debt can be found in Note 3-D on pages 54-61 of this report.

Carson City, Nevada Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

- The City's unemployment rate was 4.6% at June 30, 2017, which is a decrease from a rate of 6.9% a year ago. The national and state unemployment rates were 4.4% and 4.9%, respectively, at June 30, 2017.
- The City's assessed value increased 5.2% in fiscal year 2016-17 to \$1.445 billion and increased 3.9% in fiscal year 2017-18 to \$1.502 billion.
- Consolidated tax revenue was projected to increase 4.0% for fiscal year 2017-18. July 2017 shows a 8.5% increase and August 2017 shows a 12.9% increase compared to the same months during fiscal year 2016-17.

All of these factors were considered in preparing the City's budget for the 2018 fiscal year.

During the current fiscal year, unrestricted fund balance in the General Fund increased from \$7,318,481 to \$8,179,956. The City has assigned \$1,355,278 of this amount for eliminating a 2018 fiscal year budget deficiency.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Carson City Finance Department, 201 N. Carson Street, Suite 3, Carson City, Nevada 89701.

BASIC FINANCIAL STATEMENTS

CARSON CITY, NEVADA
STATEMENT OF NET POSITION
JUNE 30, 2017

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL
	ACTIVITIES	ACTIVITIES	
ASSETS			
Cash and investments	\$ 20,777,720	\$ 18,891,116	\$ 39,668,836
Receivables (net of allowances for uncollectibles)	3,083,456	4,191,369	7,274,825
Due from other governments	9,968,166	523,412	10,491,578
Due from primary government	-	-	-
Internal balances	700,486	(700,486)	-
Inventories	224,736	361,792	586,528
Prepays	502,992	34,742	537,734
Restricted assets:			
Cash and investments	490,207	-	490,207
Other assets	90,000	-	90,000
Capital assets (net of accumulated depreciation):			
Land	136,918,665	5,401,968	142,320,633
Construction in progress - infrastructure	264,514	-	264,514
Construction in progress	3,741,698	41,980,282	45,721,980
Buildings	62,414,757	14,293,308	76,708,065
Improvements other than buildings	28,739,104	114,810,292	143,549,396
Machinery and equipment	9,432,206	2,930,451	12,362,657
Infrastructure	131,888,169	-	131,888,169
Water capacity	-	4,169,896	4,169,896
Water rights	-	19,981,480	19,981,480
Total Assets	<u>409,236,876</u>	<u>226,869,622</u>	<u>636,106,498</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred retirement contributions	10,048,314	1,254,808	11,303,122
Deferred actuarial adjustment to 2016 contributions	547,834	66,444	614,278
Deferred earnings on retirement investment	7,821,519	975,576	8,797,095
Deferred loss on refundings	3,141,868	642,039	3,783,907
Total Deferred Outflows of Resources	<u>21,559,535</u>	<u>2,938,867</u>	<u>24,498,402</u>
Total Assets and Deferred Outflows of Resources	<u>430,796,411</u>	<u>229,808,489</u>	<u>660,604,900</u>
LIABILITIES			
Accounts payable and accrued expenses	5,765,567	2,607,346	8,372,913
Accrued interest payable	545,657	1,060,813	1,606,470
Due to other governments	447,648	340,107	787,755
Due to component units	246,131	-	246,131
Unearned revenue	99,423	263,533	362,956
Other liabilities	114,454	7,200	121,654
Current liabilities payable from restricted assets	490,207	-	490,207
Noncurrent liabilities:			
Due within one year	7,295,641	6,600,548	13,896,189
Due in more than one year	88,578,280	103,202,109	191,780,389
Net OPEB obligation	22,601,778	3,388,786	25,990,564
Net retirement obligations	83,965,951	10,579,636	94,545,587
Total Liabilities	<u>210,150,737</u>	<u>128,050,078</u>	<u>338,200,815</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred change in retirement experience	5,638,455	702,725	6,341,180
Deferred change in retirement contributions	1,553,324	194,143	1,747,467
Deferred gain on refundings	-	90,389	90,389
Total Deferred Inflows of Resources	<u>7,191,779</u>	<u>987,257</u>	<u>8,179,036</u>
Total Liabilities and Deferred Inflows of Resources	<u>217,342,516</u>	<u>129,037,335</u>	<u>346,379,851</u>
NET POSITION			
Net investment in capital assets	302,089,834	93,571,145	395,660,979
Restricted for:			
General government	835,633	-	835,633
Public safety	354,718	-	354,718
Judicial	443,386	-	443,386
Health	623,138	-	623,138
Welfare	21,536	-	21,536
Culture and recreation	1,812,308	-	1,812,308
Debt service	-	-	-
Economic opportunity	4,469	-	4,469
Infrastructure projects	2,891,574	-	2,891,574
Redevelopment	778,512	-	778,512
Claims	2,316,372	-	2,316,372
Unrestricted	(98,717,585)	7,200,009	(91,517,576)
Total Net Position	<u>\$ 213,453,895</u>	<u>\$ 100,771,154</u>	<u>\$ 314,225,049</u>

See accompanying notes.

COMPONENT UNITS			
AIRPORT AUTHORITY		CULTURE AND TOURISM AUTHORITY	
\$	697,829	\$	1,368,333
	35,634		244,629
	191,242		25,000
	246,131		-
	-		-
	-		-
	4,567		2,024
	-		-
	170,213		-
	146,542		-
	-		-
	-		-
	-		5,841
	69,771		68,164
	-		-
	-		-
	-		-
	<u>1,561,929</u>		<u>1,713,991</u>
	14,690		104,988
	-		3,445
	21,532		50,569
	-		-
	<u>36,222</u>		<u>159,002</u>
	<u>1,598,151</u>		<u>1,872,993</u>
	280,347		103,246
	-		-
	-		23,137
	-		-
	-		-
	14,856		-
	-		-
	24,627		-
	498,903		65,692
	-		289,842
	231,620		537,706
	<u>1,050,353</u>		<u>1,019,623</u>
	15,510		36,426
	46,878		10,063
	-		-
	<u>62,388</u>		<u>46,489</u>
	<u>1,112,741</u>		<u>1,066,112</u>
	216,313		74,005
	-		-
	-		-
	-		-
	-		-
	-		-
	-		698,291
	-		-
	-		-
	-		-
	269,097		34,585
\$	<u>485,410</u>	\$	<u>806,881</u>

See accompanying notes.

**CARSON CITY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental Activities:				
General government	\$ 14,887,443	\$ 3,203,733	\$ 1,024,317	\$ -
Public safety	34,946,511	1,403,924	693,507	170,486
Judicial	7,017,989	1,732,900	48,945	-
Public works	9,904,418	271,693	1,221,193	1,214,364
Sanitation	2,060,980	4,614,674	-	-
Health	5,998,209	665,181	2,438,005	-
Welfare	2,164,908	-	317,352	-
Culture and recreation	9,595,541	1,433,832	310,100	230,901
Community support	1,058,025	576	-	12,600
Airport	548,672	-	-	2,308,253
Economic opportunity	90,492	-	209,700	-
Debt Service:				
Interest and fiscal charges	3,089,777	-	-	-
Total Governmental Activities	<u>91,362,965</u>	<u>13,326,513</u>	<u>6,263,119</u>	<u>3,936,604</u>
Business-Type Activities:				
Sewer	10,249,949	13,021,147	-	286,134
Water	13,464,964	15,278,926	-	389,824
Stormwater Drainage	1,033,393	1,362,516	-	157,214
Ambulance	3,544,833	3,315,712	-	-
Cemetery	227,792	152,015	500	-
Building Permits	1,103,828	1,240,249	-	-
Total Business-Type Activities	<u>29,624,759</u>	<u>34,370,565</u>	<u>500</u>	<u>833,172</u>
Total Primary Government	<u>\$ 120,987,724</u>	<u>\$ 47,697,078</u>	<u>\$ 6,263,619</u>	<u>\$ 4,769,776</u>
Component units:				
Airport Authority	\$ 2,962,972	\$ 434,089	\$ 2,386,190	\$ -
Culture and Tourism Authority	2,024,036	12,877	31,694	-
Total Component Units	<u>\$ 4,987,008</u>	<u>\$ 446,966</u>	<u>\$ 2,417,884</u>	<u>\$ -</u>
General Revenues:				
Property taxes				
Sales taxes				
Unrestricted intergovernmental revenues - Consolidated tax				
Franchise taxes				
Other taxes				
Room taxes				
Motor vehicle fuel tax				
Unrestricted investment income				
Miscellaneous revenue				
Gain on sale of capital assets				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
NET POSITION, JULY 1				
NET POSITION, JUNE 30				

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			COMPONENT UNITS	
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	AIRPORT AUTHORITY	CULTURE AND TOURISM AUTHORITY
\$ (10,659,393)	\$ -	\$ (10,659,393)	\$ -	\$ -
(32,678,594)	-	(32,678,594)	-	-
(5,236,144)	-	(5,236,144)	-	-
(7,197,168)	-	(7,197,168)	-	-
2,553,694	-	2,553,694	-	-
(2,895,023)	-	(2,895,023)	-	-
(1,847,556)	-	(1,847,556)	-	-
(7,620,708)	-	(7,620,708)	-	-
(1,044,849)	-	(1,044,849)	-	-
1,759,581	-	1,759,581	-	-
119,208	-	119,208	-	-
<u>(3,089,777)</u>	<u>-</u>	<u>(3,089,777)</u>	<u>-</u>	<u>-</u>
<u>(67,836,729)</u>	<u>-</u>	<u>(67,836,729)</u>	<u>-</u>	<u>-</u>
-	3,057,332	3,057,332	-	-
-	2,203,786	2,203,786	-	-
-	486,337	486,337	-	-
-	(229,121)	(229,121)	-	-
-	(75,277)	(75,277)	-	-
-	136,421	136,421	-	-
<u>-</u>	<u>5,579,478</u>	<u>5,579,478</u>	<u>-</u>	<u>-</u>
<u>(67,836,729)</u>	<u>5,579,478</u>	<u>(62,257,251)</u>	<u>-</u>	<u>-</u>
-	-	-	(142,693)	-
-	-	-	-	(1,979,465)
-	-	-	(142,693)	(1,979,465)
27,522,923	-	27,522,923	209,001	-
7,721,472	-	7,721,472	-	-
27,426,295	-	27,426,295	-	-
4,970,904	-	4,970,904	-	-
281,063	-	281,063	-	-
-	-	-	-	1,934,371
5,157,033	-	5,157,033	-	-
81,370	54,321	135,691	803	14,967
272,569	-	272,569	-	-
-	6,427	6,427	-	-
<u>(406,638)</u>	<u>406,638</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>73,026,991</u>	<u>467,386</u>	<u>73,494,377</u>	<u>209,804</u>	<u>1,949,338</u>
5,190,262	6,046,864	11,237,126	67,111	(30,127)
<u>208,263,633</u>	<u>94,724,290</u>	<u>302,987,923</u>	<u>418,299</u>	<u>837,008</u>
<u>\$ 213,453,895</u>	<u>\$ 100,771,154</u>	<u>\$ 314,225,049</u>	<u>\$ 485,410</u>	<u>\$ 806,881</u>

See accompanying notes.

**CARSON CITY, NEVADA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and investments	\$ 6,192,551	\$ 9,750,736	\$ 15,943,287
Receivables (net of allowances for uncollectibles):			
Taxes, delinquent	296,701	37,984	334,685
Accounts receivable	1,708,994	730,921	2,439,915
Interest	95,865	-	95,865
Due from other funds	42,951	7,320	50,271
Due from other governments	5,106,574	4,367,420	9,473,994
Inventories	2,753	-	2,753
Prepaid items	412,410	39,975	452,385
Restricted assets:			
Cash and investments	447,234	42,973	490,207
Total Assets	<u>\$ 14,306,033</u>	<u>\$ 14,977,329</u>	<u>\$ 29,283,362</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,046,482	\$ 1,402,161	\$ 2,448,643
Accrued salaries and benefits	2,654,766	208,863	2,863,629
Due to other funds	-	50,271	50,271
Due to other governments	200,244	241,279	441,523
Due to component units	215,171	30,960	246,131
Other liabilities	114,454	-	114,454
Unearned revenue	-	99,423	99,423
Payable from restricted assets	447,234	42,973	490,207
Total Liabilities	<u>4,678,351</u>	<u>2,075,930</u>	<u>6,754,281</u>
Deferred inflows of resources:			
Unavailable revenue - delinquent landfill fees	261	-	261
Unavailable revenue - delinquent property taxes	230,405	31,540	261,945
Total Deferred Inflows of Resources	<u>230,666</u>	<u>31,540</u>	<u>262,206</u>
Fund balances:			
Nonspendable	415,162	39,975	455,137
Restricted	801,898	10,233,247	11,035,145
Committed	-	10,044	10,044
Assigned	1,732,478	2,586,593	4,319,071
Unassigned	6,447,478	-	6,447,478
Total Fund Balances	<u>9,397,016</u>	<u>12,869,859</u>	<u>22,266,875</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 14,306,033</u>	<u>\$ 14,977,329</u>	<u>\$ 29,283,362</u>

CARSON CITY, NEVADA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2017

Fund Balances - Governmental Funds (page 26)		\$ 22,266,875
<p>Amounts reported for governmental activities in the statement of net position (pages 22-23) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.</p>		
Governmental capital assets	\$ 482,043,267	
Less: Accumulated depreciation	<u>(111,089,142)</u>	
		370,954,125
<p>Long-term liabilities, deferred outflows of resources and deferred inflows of resources, including bonds payable, are not due and payable in the current period, and therefore are not reported in the governmental funds.</p>		
General obligation revenue bonds payable	(59,670,000)	
Notes payable	(6,240,093)	
Revenue bonds payable	(15,384,200)	
Issuance premium	(3,844,087)	
Less: current year amortization	304,624	
Capital leases payable	(65,204)	
Landfill closure / post closure costs	(3,781,203)	
Net OPEB obligation	(22,233,657)	
Net retirement obligation	(82,039,378)	
Deferred outflows of resources:		
Deferred retirement contributions	9,833,139	
Deferred actuarial adjustment to 2016 contributions	536,412	
Deferred loss on refundings	3,141,868	
Deferred earnings on retirement investments	7,653,800	
Deferred inflows of resources:		
Deferred difference between expected and actual retirement experience	(5,517,645)	
Deferred change in retirement contributions	(1,519,947)	
Compensated absences	<u>(5,455,191)</u>	
		(184,280,762)
Interest payable		(545,657)
<p>Deferred inflows of resources represent amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.</p>		
		262,206
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds are reported with governmental activities.</p>		
		4,096,622
<p>Internal balances are receivable from business-type activities.</p>		
		<u>700,486</u>
Net Position - Governmental Activities (pages 22-23)		<u>\$ 213,453,895</u>

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

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:			
Taxes	\$ 22,608,987	\$ 16,335,804	\$ 38,944,791
Licenses and permits	6,562,319	209,789	6,772,108
Intergovernmental revenues	28,286,192	10,203,140	38,489,332
Charges for services	12,714,864	475,446	13,190,310
Fines and forfeits	764,906	26,034	790,940
Miscellaneous	1,378,005	692,230	2,070,235
Total Revenues	<u>72,315,273</u>	<u>27,942,443</u>	<u>100,257,716</u>
Expenditures:			
Current:			
General government	15,081,020	358,474	15,439,494
Public safety	30,626,879	1,198,619	31,825,498
Judicial	6,423,660	158,945	6,582,605
Public works	2,158,460	7,015,258	9,173,718
Sanitation	1,840,005	-	1,840,005
Health	2,655,322	2,511,348	5,166,670
Welfare	356,595	1,768,947	2,125,542
Culture and recreation	5,721,113	1,789,396	7,510,509
Community support	331,134	402,594	733,728
Airport	-	74,903	74,903
Economic opportunity	-	90,492	90,492
Capital outlay	271,901	14,589,207	14,861,108
Debt service:			
Principal retirement	-	5,239,300	5,239,300
Interest and fiscal charges	-	3,178,466	3,178,466
Total Expenditures	<u>65,466,089</u>	<u>38,375,949</u>	<u>103,842,038</u>
Excess (Deficiency) of Revenues over Expenditures	<u>6,849,184</u>	<u>(10,433,506)</u>	<u>(3,584,322)</u>
Other Financing Sources (Uses):			
Capital leases	54,845	30,000	84,845
Refunding debt issued	-	5,951,000	5,951,000
Debt Issued	-	3,425,293	3,425,293
Payment to refunded bond escrow agent	-	(5,859,759)	(5,859,759)
Sale of capital assets	-	43,552	43,552
Transfers in	582,321	11,620,788	12,203,109
Transfers out	(6,270,476)	(6,622,633)	(12,893,109)
Total Other Financing Sources (Uses)	<u>(5,633,310)</u>	<u>8,588,241</u>	<u>2,954,931</u>
Net Change in Fund Balances	1,215,874	(1,845,265)	(629,391)
Fund Balances, July 1	<u>8,181,142</u>	<u>14,715,124</u>	<u>22,896,266</u>
Fund Balances, June 30	<u>\$ 9,397,016</u>	<u>\$ 12,869,859</u>	<u>\$ 22,266,875</u>

See accompanying notes.

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

Net Change in Fund Balances - Governmental Funds (page 28)	\$	(629,391)
<p>Amounts reported for governmental activities in the statement of activities (pages 24-25) are different because:</p>		
<p>Governmental funds report capital outlays as expenditures and the proceeds from the sale of assets as other financing sources. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and only the gain or loss is recorded when assets are sold.</p>		
Expenditures for capital assets	\$	14,861,108
Contributions of capital assets from business-type activities		23,469
Donated capital assets		216,825
Sale/disposition of assets		(487,047)
Less: Current year depreciation		(7,391,311)
		7,223,044
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.</p>		
Change in unavailable revenue		(22,977)
<p>Bond and note proceeds and capital leases provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bonds and note principal and capital leases is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which bonds and notes issued and capital lease financing exceeded repayments and costs of issuance.</p>		
Bonds issued		(9,376,293)
Capital lease		(84,845)
Accrued interest		(545,657)
Capital lease payments		29,822
Interest payments		589,305
Principal payments		5,239,300
Payment to escrow agent for refunding		5,859,759
		1,711,391
<p>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.</p>		
Amortization of loss on bond refunding		(259,583)
Amortization of bond premiums		304,624
Change in long-term landfill closure / post closure		(149,413)
Change in net OPEB asset		(1,390)
Change in net OPEB obligation		(3,159,476)
Change in net retirement obligation		(10,677,668)
Change in deferred outflows of resources		7,683,118
Change in deferred inflows of resources		2,287,869
Change in long-term compensated absences		445,318
		(3,526,601)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds is reported with governmental activities.</p>		
		434,796
Change in Net Assets of Governmental Activities (pages 24-25)	\$	5,190,262

See accompanying notes.

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**CARSON CITY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes	\$ 22,582,474	\$ 22,582,474	\$ 22,608,987	\$ 26,513
Licenses and permits	6,936,867	6,936,867	6,562,319	(374,548)
Intergovernmental revenues	27,134,631	27,476,186	28,286,192	810,006
Charges for services	11,638,896	12,486,599	12,714,864	228,265
Fines and forfeits	694,600	694,600	764,906	70,306
Miscellaneous	1,183,813	1,544,171	1,378,005	(166,166)
Total Revenues	<u>70,171,281</u>	<u>71,720,897</u>	<u>72,315,273</u>	<u>594,376</u>
Expenditures:				
Current:				
General government	15,911,629	16,341,210	15,081,020	1,260,190
Public safety	31,819,245	31,934,522	30,626,879	1,307,643
Judicial	4,764,624	6,556,101	6,423,660	132,441
Public works	2,050,165	2,190,640	2,158,460	32,180
Sanitation	1,858,384	2,025,814	1,840,005	185,809
Health	2,815,102	3,284,896	2,655,322	629,574
Welfare	515,597	515,597	356,595	159,002
Culture and recreation	5,943,213	6,062,832	5,721,113	341,719
Community support	336,513	336,513	331,134	5,379
Capital outlay	-	176,844	271,901	(95,057)
Total Expenditures	<u>66,014,472</u>	<u>69,424,969</u>	<u>65,466,089</u>	<u>3,958,880</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,156,809</u>	<u>2,295,928</u>	<u>6,849,184</u>	<u>4,553,256</u>
Other Financing Sources (Uses):				
Capital leases	-	-	54,845	54,845
Transfers in	113,684	(136,316)	582,321	718,637
Transfers out	(4,647,231)	(5,733,484)	(6,270,476)	(536,992)
Contingency	(450,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(4,983,547)</u>	<u>(5,869,800)</u>	<u>(5,633,310)</u>	<u>236,490</u>
Net Change in Fund Balances	(826,738)	(3,573,872)	1,215,874	4,789,746
Fund Balances, July 1	<u>5,480,037</u>	<u>8,181,142</u>	<u>8,181,142</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 4,653,299</u>	<u>\$ 4,607,270</u>	<u>\$ 9,397,016</u>	<u>\$ 4,789,746</u>

CARSON CITY, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SEWER	WATER	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
ASSETS					
Current assets:					
Cash and investments	\$ 12,773,552	\$ 4,179,422	\$ 1,938,142	\$ 18,891,116	\$ 4,834,433
Receivables:					
Accounts and contracts, net	1,174,071	1,584,705	1,432,593	4,191,369	212,991
Due from other governments	117,412	406,000	-	523,412	494,172
Inventories	-	348,284	13,508	361,792	221,983
Prepaid items	30,033	4,360	349	34,742	50,607
Total Current Assets	14,095,068	6,522,771	3,384,592	24,002,431	5,814,186
Noncurrent assets:					
Other assets	-	-	-	-	90,000
Capital assets:					
Land	841,784	2,671,955	1,888,230	5,401,969	-
Water capacity	-	4,169,896	-	4,169,896	-
Buildings	15,294,303	4,708,903	590,143	20,593,349	1,820,327
Improvements other than buildings	104,923,370	108,347,384	8,293,783	221,564,537	-
Machinery and equipment	5,249,426	4,757,488	2,287,108	12,294,022	1,238,464
Water rights	-	19,981,480	-	19,981,480	-
Construction in progress	35,665,897	6,078,997	235,387	41,980,281	-
Less: Accumulated depreciation	161,974,780 (69,038,615)	150,716,103 (50,244,940)	13,294,651 (3,134,302)	325,985,534 (122,417,857)	3,058,791 (613,803)
Net Capital Assets	92,936,165	100,471,163	10,160,349	203,567,677	2,444,988
Total Noncurrent Assets	92,936,165	100,471,163	10,160,349	203,567,677	2,534,988
Total Assets	107,031,233	106,993,934	13,544,941	227,570,108	8,349,174
Deferred outflows of resources:					
Deferred retirement contributions	308,436	355,805	590,567	1,254,808	215,175
Deferred actuarial adjustment to 2016 contributions	16,387	18,839	31,218	66,444	11,422
Deferred earnings on retirement investments	240,601	276,603	458,372	975,576	167,719
Deferred loss on refundings	132,411	411,413	98,215	642,039	-
Total Deferred Outflows of Resources	697,835	1,062,660	1,178,372	2,938,867	394,316
Total Assets and Deferred Outflows of Resources	107,729,068	108,056,594	14,723,313	230,508,975	8,743,490

See accompanying notes.

CARSON CITY, NEVADA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017
(PAGE 2 OF 2)

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	<u>SEWER</u>	<u>WATER</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL ENTERPRISE FUNDS</u>	
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 1,856,681	\$ 394,255	\$ 171,178	\$ 2,422,114	\$ 418,808
Accrued salaries and benefits	55,426	65,586	64,220	185,232	34,488
Accrued interest	497,361	541,919	21,533	1,060,813	-
Due to other governments	-	340,072	35	340,107	6,125
Unearned revenue	754	2,369	260,410	263,533	-
Other current liabilities	-	-	-	-	389,033
Current portion:					
Commitments payable	-	7,200	-	7,200	-
Accrued compensated absences	30,008	10,319	66,107	106,434	50,938
General obligation bonds and notes payable	2,530,571	3,466,021	497,522	6,494,114	-
Total Current Liabilities	<u>4,970,801</u>	<u>4,827,741</u>	<u>1,081,005</u>	<u>10,879,547</u>	<u>899,392</u>
Noncurrent liabilities:					
Accrued compensated absences	186,305	276,768	217,243	680,316	84,605
Net OPEB obligation	769,493	976,219	1,643,074	3,388,786	368,121
Net retirement obligation	2,356,744	2,957,527	5,265,365	10,579,636	1,926,573
Other liabilities	-	-	-	-	1,213,990
General obligation bonds and notes payable	43,842,026	54,892,051	3,787,716	102,521,793	-
Total Noncurrent Liabilities	<u>47,154,568</u>	<u>59,102,565</u>	<u>10,913,398</u>	<u>117,170,531</u>	<u>3,593,289</u>
Total Liabilities	<u>52,125,369</u>	<u>63,930,306</u>	<u>11,994,403</u>	<u>128,050,078</u>	<u>4,492,681</u>
Deferred inflows of resources:					
Deferred change in retirement experience	173,310	199,242	330,173	702,725	120,810
Deferred change in retirement contributions	47,881	55,045	91,217	194,143	33,377
Deferred gain on refundings	30,464	59,925	-	90,389	-
Total Deferred Inflows of Resources	<u>251,655</u>	<u>314,212</u>	<u>421,390</u>	<u>987,257</u>	<u>154,187</u>
Total Liabilities and Deferred Inflows of Resources	<u>52,377,024</u>	<u>64,244,518</u>	<u>12,415,793</u>	<u>129,037,335</u>	<u>4,646,868</u>
NET POSITION					
Net investment in capital assets	45,648,851	42,052,583	5,869,711	93,571,145	2,444,988
Restricted Claims	-	-	-	-	2,316,372
Unrestricted	9,703,193	1,759,493	(3,562,191)	7,900,495	(664,738)
Total Net Position	<u>\$ 55,352,044</u>	<u>\$ 43,812,076</u>	<u>\$ 2,307,520</u>	<u>101,471,640</u>	<u>\$ 4,096,622</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(700,486)</u>	
Net position of business - type activities				<u>\$ 100,771,154</u>	

See accompanying notes.

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CARSON CITY, NEVADA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>				GOVERNMENTAL
	<u>SEWER</u>	<u>WATER</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL ENTERPRISE FUNDS</u>	<u>INTERNAL SERVICE FUNDS</u>
Operating Revenues:					
Charges for services	\$ 12,996,501	\$ 15,053,015	\$ 6,063,596	\$ 34,113,112	\$ 12,955,755
Operating Expenses:					
Salaries and wages	1,491,839	1,559,356	1,716,097	4,767,292	747,904
Employee benefits	782,452	934,593	1,259,174	2,976,219	481,433
Services and supplies	3,508,870	5,453,566	2,378,436	11,340,872	12,093,934
Depreciation	3,385,557	3,331,454	380,796	7,097,807	162,008
Total Operating Expenses	<u>9,168,718</u>	<u>11,278,969</u>	<u>5,734,503</u>	<u>26,182,190</u>	<u>13,485,279</u>
Operating Income (Loss)	<u>3,827,783</u>	<u>3,774,046</u>	<u>329,093</u>	<u>7,930,922</u>	<u>(529,524)</u>
Nonoperating Revenues (Expenses):					
Investment income	29,684	17,742	6,895	54,321	15,811
Miscellaneous	23,138	1,582	7,396	32,116	73,941
Interest expense	(1,002,575)	(2,047,931)	(128,528)	(3,179,034)	-
Federal interest subsidy	1,508	224,329	-	225,837	-
Gain (loss) on sales of capital assets	4,085	(98,004)	-	(93,919)	(64,300)
Bond issuance costs	(1,402)	(1,331)	-	(2,733)	-
Total Nonoperating Revenues (Expenses)	<u>(945,562)</u>	<u>(1,903,613)</u>	<u>(114,237)</u>	<u>(2,963,412)</u>	<u>25,452</u>
Income (Loss) Before Contributions and Transfers	<u>2,882,221</u>	<u>1,870,433</u>	<u>214,856</u>	<u>4,967,510</u>	<u>(504,072)</u>
Capital Contributions:					
Capital assets	-	4,161	157,214	161,375	-
Capital grants	-	125,000	-	125,000	495,050
Developers	41,974	75,648	-	117,622	-
Connection fees	244,160	185,015	-	429,175	-
Total Capital Contributions	<u>286,134</u>	<u>389,824</u>	<u>157,214</u>	<u>833,172</u>	<u>495,050</u>
Transfers In	-	-	440,000	440,000	281,020
Transfers Out	-	-	(31,020)	(31,020)	-
Total Transfers	<u>-</u>	<u>-</u>	<u>408,980</u>	<u>408,980</u>	<u>281,020</u>
Change in Net Position	<u>3,168,355</u>	<u>2,260,257</u>	<u>781,050</u>	<u>6,209,662</u>	<u>271,998</u>
Net Position, July 1	<u>52,183,689</u>	<u>41,551,819</u>	<u>1,526,470</u>		<u>3,824,624</u>
Net Position, June 30	<u>\$ 55,352,044</u>	<u>\$ 43,812,076</u>	<u>\$ 2,307,520</u>		<u>\$ 4,096,622</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(162,798)</u>	
Change in net position of business - type activities				<u>\$ 6,046,864</u>	

See accompanying notes.

CARSON CITY, NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SEWER	WATER	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ 13,008,697	\$ 14,972,082	\$ 5,908,512	\$ 33,889,291	\$ 1,797,883
Cash received from employee contributions	-	-	-	-	1,152,002
Cash received from employer contributions	-	-	-	-	10,274,001
Cash payments for personnel costs	(2,314,441)	(2,383,873)	(2,931,649)	(7,629,963)	(1,378,155)
Cash payments for services and supplies	(3,202,442)	(5,824,882)	(2,415,833)	(11,443,157)	(12,841,663)
Miscellaneous cash received	23,138	1,582	7,396	32,116	73,941
	<u>7,514,952</u>	<u>6,764,909</u>	<u>568,426</u>	<u>14,848,287</u>	<u>(921,991)</u>
Net Cash Provided (Used) by Operating Activities					
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer to other funds	-	-	(31,020)	(31,020)	-
Transfer from other funds	-	-	440,000	440,000	281,020
	<u>-</u>	<u>-</u>	<u>440,000</u>	<u>440,000</u>	<u>281,020</u>
Net Cash Provided (Used) by Noncapital Financing Activities					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from capital debt	25,075,445	831,455	305,456	26,212,356	-
Proceeds from sales of capital assets	-	-	-	-	3,477
Connection fees	244,160	185,015	-	429,175	-
Acquisition of capital assets	(24,437,754)	(1,088,285)	(395,277)	(25,921,316)	(76,509)
Principal paid on capital debt	(1,614,719)	(3,229,806)	(443,001)	(5,287,526)	-
Interest paid on capital debt	(732,338)	(2,089,288)	(108,555)	(2,930,181)	-
Bond issuance costs	(1,402)	(1,331)	-	(2,733)	-
Federal interest subsidy	1,508	224,329	-	225,837	-
Subsidy from grant	-	125,000	-	125,000	495,050
	<u>(1,465,100)</u>	<u>(5,042,911)</u>	<u>(641,377)</u>	<u>(7,149,388)</u>	<u>422,018</u>
Net Cash Provided (Used) by Capital and Related Financing Activities					
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	29,684	17,742	6,895	54,321	15,811
	<u>29,684</u>	<u>17,742</u>	<u>6,895</u>	<u>54,321</u>	<u>15,811</u>
Net Increase (Decrease) in Cash and Cash Equivalents	6,079,536	1,739,740	342,924	8,162,200	(203,142)
Cash and Cash Equivalents, July 1	6,694,016	2,439,682	1,595,218	10,728,916	5,037,575
Cash and Cash Equivalents, June 30	<u>\$ 12,773,552</u>	<u>\$ 4,179,422</u>	<u>\$ 1,938,142</u>	<u>\$ 18,891,116</u>	<u>\$ 4,834,433</u>

See accompanying notes.

CARSON CITY, NEVADA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 2)

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	<u>SEWER</u>	<u>WATER</u>	<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTAL ENTERPRISE FUNDS</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 3,827,783	\$ 3,774,046	\$ 329,093	\$ 7,930,922	\$ (529,523)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	3,385,557	3,331,454	380,796	7,097,807	162,008
Miscellaneous revenues	23,138	1,582	7,396	32,116	73,941
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	12,445	115,892	(114,989)	13,348	288,212
Due from other governments	(21,647)	496	-	(21,151)	(488,750)
Inventories		(937)	2,376	1,439	(53,933)
Prepaid items	(1,174)	12,949	2,462	14,237	(41,106)
Other assets	-	-	-	-	(20,000)
Retirement deferred outflows	(258,760)	(284,269)	(445,605)	(988,634)	(178,053)
Increase (decrease) in:					
Accounts payable	329,422	(142,132)	(40,508)	146,782	4,228
Accrued salaries and benefits	(64,386)	(64,673)	(92,774)	(221,833)	(37,899)
Due to other governments	(173)	(241,692)	(1,727)	(243,592)	(22,661)
Deferred revenue	-	-	-	-	-
Unearned revenue	(23)	(201,551)	(40,095)	(241,669)	-
Connection deposits	(226)	4,726		4,500	-
Accrued compensated absences	(114,249)	(8,935)	(137,235)	(260,419)	(183,280)
Net OPEB obligation	132,441	164,422	217,871	514,734	65,932
Net retirement obligation	320,273	380,381	652,522	1,353,176	224,703
Other liabilities	-	-	-	-	(145,589)
Retirement deferred outflows	(55,469)	(76,850)	(151,157)	(283,476)	(40,221)
Total Adjustments	<u>3,687,169</u>	<u>2,990,863</u>	<u>239,333</u>	<u>6,917,365</u>	<u>(392,468)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,514,952</u>	<u>\$ 6,764,909</u>	<u>\$ 568,426</u>	<u>\$ 14,848,287</u>	<u>\$ (921,991)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Purchase of capital assets on account	\$ 151,403	\$ 50,793	\$ 5,400	\$ 207,596	\$ -
Retainage payable on construction of capital assets	763,314	2,515	-	765,829	-
Contributed capital assets	41,974	79,809	157,214	278,997	-

See accompanying notes.

CARSON CITY, NEVADA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017

	INVESTMENT TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and investments		
Unrestricted	\$ 8,223,429	\$ 1,063,927
Taxes receivable, delinquent	-	181,049
Due from other governments	-	19,347
	8,223,429	1,264,323
Total Assets		
LIABILITIES		
Accounts payable	-	26,858
Due to other governments	-	1,224,348
Other liabilities	-	13,117
	-	1,264,323
Total Liabilities		
NET POSITION		
Held in trust for pool participants	\$ 8,223,429	\$ -

CARSON CITY, NEVADA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	INVESTMENT TRUST FUND
ADDITIONS	
Investment income	\$ 37,449
Capital share transactions:	
Shares sold	5,817,058
Total Additions	5,854,507
DEDUCTIONS	
Capital share transactions:	
Shares redeemed	5,609,411
Change in Net Position	245,096
Net Position, July 1	7,978,333
Net Position, June 30	\$ 8,223,429

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Carson City, Nevada (the City) is a consolidated municipality governed by an elected mayor and a four-member board, which comprise the Board of Supervisors. The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and, therefore, data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. Each blended and discretely presented component unit has a June 30 year end.

BLENDED COMPONENT UNIT. The Redevelopment Authority is governed by a board comprised of the City's elected Board of Supervisors. The ad valorem tax rates and bond issuance authorizations are approved by the Redevelopment Authority and the Board of Supervisors and the legal liability for the general obligation portion of the Redevelopment Authority's debt remains with the City. The financial statements of the Redevelopment Authority are reported as special revenue, debt service and capital projects funds of the City and did not obtain a separate financial audit.

DISCRETELY PRESENTED COMPONENT UNITS. The Carson City Culture and Tourism Authority, (formerly known as, Carson City Visitors' Bureau) is responsible for the promotion of tourism in Carson City. The members of the Culture and Tourism Authority's governing board are appointed by the Board of Supervisors. The Culture and Tourism Authority is fiscally dependent upon the City since the Board of Supervisors sets the room tax rates and must approve any general obligation debt issuances. The Culture and Tourism Authority is presented as a governmental activity.

The Carson City Airport Authority is responsible for the operations of the Carson City Airport. The members of the Airport Authority are appointed by the Board of Supervisors. The Airport Authority is fiscally dependent upon the City since the Board of Supervisors is the recognized grantee for any Federal Aviation Administration grants awarded on behalf of the Authority and any property tax levies must be approved by the Board of Supervisors. The Airport Authority is presented as a governmental activity.

Complete financial statements for each of the discretely presented component units may be obtained at the entity's administrative offices.

Carson City Culture and Tourism Authority
1900 South Carson Street
Carson City, Nevada

Carson City Airport Authority
2600 East Graves Lane, Suite 6
Carson City, Nevada

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Fund Financial Statements – 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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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 as soon as all 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*. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues, except grants, available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if they are collected within 120 days of the end of the current fiscal period. Expenditures 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.

Property taxes, consolidated taxes, franchise fees, motor vehicle fuel taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Grants and similar items are recognized as revenues when eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the City.

The government reports the following major governmental fund:

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

The government reports the following major proprietary funds:

The *Sewer Fund* accounts for the activities of the sewer services provided to the residents of Carson City.

The *Water Fund* accounts for the activities of the water services provided to the residents of Carson City.

Additionally, the government reports the following fund types:

Internal service funds account for group medical insurance, workers' compensation, liability and property insurance, and fleet management services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The *Investment Trust Fund* accounts for the external portion of the investment pool administered by the City which includes assets held in trust for the school district.

Agency funds are custodial in nature and do not involve measurement of results of operations. The funds account for assets held by the City as an agent for various local governments, special districts and individuals. Included are funds for property taxes, sales taxes, shared revenues and other financial resources for schools, special districts, and other state and city agencies.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used and other charges between the City's business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CARSON CITY
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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. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for services. Operating expenses for enterprise funds and internal service funds include salaries and wages, employee benefits, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

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 City's cash and is available upon demand, all cash and investments in those funds except restricted cash and investments are considered cash equivalents. The City considers cash purchases and sales of the following types of investments as part of its cash management program rather than part of its operating, capital, investing, and financing activities.

Pursuant to NRS 355.170 and 355.167, Carson City may only invest in the following types of securities:

- a) United States bonds and debentures maturing within ten (10) years from the date of purchase.
- b) Certain farm loan bonds.
- c) Bills and notes of the United States Treasury and obligations of an agency or instrumentality of the United States of America or a corporation sponsored by the government maturing within ten (10) years from the date of purchase.
- d) Negotiable and non-negotiable certificates of deposit from commercial banks and insured credit unions or savings and loan associations.
- e) Certain securities issued by local governments of the State of Nevada.
- f) Other securities expressly provided by other Statutes, including repurchase agreements.
- g) State of Nevada Local Government Investment Pool.
- h) Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and money market mutual funds.

Investments are reported at fair value.

2. Investment Pool Investment Income

Interest income is recorded on the accrual basis in the investment pool. Net realized gains (losses) on investments are the sum of differences between the cost (if purchased during the fiscal year) or the fair value of the investment at the beginning of the year, and the net selling price received for investments that are sold or matured.

The net increase (decrease) in fair value of investments in the investment pool is the difference between the cost (if purchased during the fiscal year) or the fair value of the investments at the beginning of the year, and the fair value of the investments at the end of the year.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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3. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.” Operating appropriations and subsidies are accounted for as transfers in the funds involved.

Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All funds employ the allowance method of recognizing bad debts. Management does not anticipate any material collection losses with respect to its accounts receivable balances in any fund, except the Ambulance Fund; and, therefore, the allowance in those funds is zero.

The Ambulance Fund accounts receivable are presented net of the allowance for uncollectible accounts. Allowance for uncollectible accounts at June 30, 2017 is \$198,384 and represents claims outstanding more than 180 days. Total uncollectible ambulance charges written off during the period amounted to \$608,180.

Property taxes are levied as of July 1 on property values assessed the previous December. Taxes may be paid in four installments on the third Monday in August and the first Mondays in October, January, and March. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. On the first Monday in June, if the taxes remain unpaid, a Treasurer's Trustee Certificate is issued conveying the property to the Treasurer as Trustee, constituting a lien for back taxes and accumulated delinquency charges. A two year redemption period begins after the certificate placing such property in trust is issued. Redemption may be made by the owner and such persons as described by Statute by paying all back taxes and accumulated penalties, interest, and costs before sale. For property with taxes remaining unpaid at the end of the two year redemption period, The City may take a deed to the property and proceed to a tax sale. Secured roll property taxes receivable reflect only those taxes receivable from the delinquent roll years. No provision for uncollectible accounts has been established since management does not anticipate any material collection losses in respect to the remaining balances.

Accounts receivable for the discretely presented component units do not reflect an allowance for uncollectible accounts. The managements of the respective entities do not anticipate any material collection losses with respect to accounts receivable balances.

4. Inventories and Prepaid Items

The City's policy is to value inventories in Governmental Funds at cost using the average cost method, while Proprietary Fund inventories are valued at cost using the weighted average method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The City uses the consumption method, expenses are recorded to the period in which those services were used.

5. Restricted Assets

Certain assets of the City's General Fund and Commissary Special Revenue Fund are classified as restricted assets because their use is restricted as the amounts are held for others.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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6. Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements, machinery and equipment 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. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of at least one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Improvements other than buildings	30-45
Machinery and equipment	5-10
Infrastructure	15-50

7. Long-Term Obligations

In the government-wide financial statements and the 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 statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method. For current and advanced refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred as an inflow or an outflow and amortized as a component of interest expense using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the 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 in the year incurred.

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The City pays a portion of the employee's unused sick leave at the time of employee termination if provided for in the applicable Employee Association contract. Vacation pay and sick leave payoff are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Pension

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 purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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9. Deferred Outflows and Deferred Inflows of Resources and Restatements

Deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow or resources (expense/expenditure) until that time. Deferred inflow of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Items currently presented as deferred outflows and deferred inflows are as follows:

- Unamortized gains or losses resulting from advance bond refunding's are presented as deferred inflows of resources and deferred outflows of resources.
- Delinquent property taxes and delinquent landfill fees are presented in the General Fund and Other Governmental Funds as a deferred inflow of resources, specifically unavailable revenue-delinquent property taxes and delinquent landfill fees. Property tax revenues are considered "delinquent" when the due date of an assessment has passed and any statutory appeal rights have expired. Landfill fees earned but delinquent are considered delinquent if unpaid within 10 days of the due date.
- The City participates in Public Employees' Retirement System of the State of Nevada (PERS) and Judicial Retirement System of the State of Nevada (JRS), and will now present the City's portion of these retirement obligations on the Statement of Net Position. In addition, the City will recognize differences between expected and actual experience and the net difference between projected and actual earnings on pension plans investments as a deferred inflow of resources, and changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions and City contributions subsequent to the measurement date as deferred outflows of resources. Contributions subsequent to the measurement date include the current fiscal year contributions made by the City to PERS and JRS. All other deferred amounts were obtained from the Schedule of Employer Allocations, Schedule of Pension Amounts by Employer, and Related Notes Report prepared by PERS and the GASB 68 Actuarial Valuation for JRS for the Fiscal Year Ended June 30, 2016.

10. Connection Fees

It is the policy of the Board of Supervisors that new users hooking up to the water and sewer systems pay a "pro rata" share of the cost of the existing systems as calculated on the basis of "Equivalent Residential Customers." To this end, a connection fee is charged for new hookups to the water and sewer systems and the amounts are reported as capital contributions.

11. Equity Classifications

In the government-wide financial 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 outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- Restricted Net Position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; (2) law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – All other net position that do not meet the definition of "net investment in capital assets, net of related debt" or "restricted."

In the fund financial statements, governmental fund equity is classified as fund balance.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Fund Balance Classification:

In the governmental fund statements, fund balance classifications describe the relative strength of the spending constraints:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors. These amounts cannot be used for any other purpose unless the Board of Supervisors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.
- Assigned: This classification includes amounts that are constrained by the City's intended use for a specific purpose but are neither restricted nor committed. The Board of Supervisors, in accordance with the Fund Balance Policy, has delegated the authority to assign fund balance for specific purposes to the City Manager or the Finance Director. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes the residual fund balance for the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

A minimum unrestricted ending fund balance of not less than 5% (with a goal of 8.3%) of total budgeted expenditures shall be included in the General Fund budget each fiscal year. An inability to meet this requirement must be approved by the Board of Supervisors.

Spending Order of Fund Balances:

Fund balance classifications should depict the nature of the net resources that are reported in the governmental fund. Fund balance in individual governmental funds may be comprised of a single classification or many classifications.

When both restricted and unrestricted funds are available for expenditure, it is the City's policy to expend restricted resources first then unrestricted resources.

Unrestricted fund balance includes the committed, assigned, and unassigned classifications. When any of these amounts are available for expenditure, it is the City's policy to expend committed resources first, followed by assigned resources, then unassigned resources.

12. Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in financial position and operations for the funds. Also, certain amounts presented in prior year data have been reclassified in order to be consistent with current year's presentation.

E. IMPLEMENTATION OF GASB STATEMENTS NO. 77 AND NO. 82

As of July 1, 2016, the City adopted GASB Statement No. 77, Tax Abatement Disclosures. The implementation of this standard requires state and local governments to disclose tax abatements affecting their revenue-raising abilities in their financial reports. The additional disclosures required by this standards are included in Note 4.

As of July 1, 2016, the City 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 clarify issues regarding the presentation of payroll-related measures in required supplementary information.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds. All annual appropriations lapse at fiscal year-end.

On or before mid-February of each year, all agencies of the City must submit requests for appropriations to the Internal Finance Committee comprised of the City Manager, Finance Director, District Attorney and Human Resources Director in order that a budget may be prepared. Before April 15th, a tentative budget is submitted to the Board of Supervisors, the Redevelopment Authority, and the State of Nevada. The City then holds a series of public hearings and a final budget must be prepared and adopted no later than June 1st.

The appropriated budget is prepared by fund, function and department. The City's department heads may request transfers of appropriations within the department's budget categories. Transfers of appropriations between department categories or functions within a fund may be made with the City Manager's approval. Transfers of appropriations between funds, from contingency accounts, or increases in budget appropriations require the approval of the Board of Supervisors or Redevelopment Authority. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level for governmental funds and the sum of operating and nonoperating expenses in the proprietary funds. There are no budgetary restrictions in the debt service funds regarding expenditures related to payments of principal and interest on long-term debt. The Board of Supervisors made several supplemental budgetary appropriations throughout the year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The City conformed to all significant statutory constraints on its financial administration during the fiscal year.

C. DEFICIT FUND EQUITY

The Ambulance and the Group Medical Insurance Funds have deficit fund balances of \$3,407,938 and \$181,135, respectively. These deficit balances are due to large retirement obligations added according to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was \$4,866,572 and the bank balance was \$5,653,225. All of the bank balance was covered by FDIC, SIPC, or collateralized by the Office of the State Treasurer/Nevada Collateral Pool.

The carrying amount of deposits for Carson City Airport Authority, discretely presented component unit, was \$697,829, and the bank balance was \$703,238. All of the bank balance was covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name. As of June 30, 2017, the Carson City Culture and Tourism Authority (formerly known as Carson City Visitors' Bureau) is investing in the Carson City Investment Pool, their balance is \$1,368,333.

The City has a formal investment policy to establish guidelines for the prudent investment of City funds. Funds of the City will be invested in compliance with the provisions of Nevada Revised Statutes (NRS), Chapters 355.167 through 355.200, and other applicable statutes. Allowable investments are described in Note 1.D.1.

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

- Level 1 – Inputs are quoted prices in active markets for identical assets;
- Level 2 – Inputs are significant other observable inputs; and
- Level 3 – Inputs are significant unobservable inputs.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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The City does not have any investments that are measured using Level 3 inputs.

As of June 30, 2017, the City had the following recurring fair value measurements below:

<u>Government-wide Balances:</u> <u>Investment Type</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>	
		<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>
U.S. Treasuries	\$ 5,937,912	\$ 5,937,912	\$ -
U.S. Agencies	13,808,540	-	13,808,540
Corporate Bonds	12,226,900	-	12,226,900
Money Market Mutual Fund	186,933	186,933	-
	<u>32,160,285</u>	<u>6,124,845</u>	<u>26,035,440</u>
State of Nevada:			
Local Government Investment Pool	<u>13,765,695</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 45,925,980</u>	<u>\$ 6,124,845</u>	<u>\$ 26,035,440</u>

Investments categorized as Level 1 are valued using prices quoted in active markets for those investments. Investments categorized as Level 2 are valued at fair value based on the observable market prices of the underlying assets held by the pool or fund less liabilities.

At year end, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than 1</u>	<u>Investment Maturities (in Years)</u>		
			<u>1-5</u>	<u>6-10</u>	<u>10+</u>
U.S. Treasuries	\$ 5,937,912	\$ 498,475	\$ 5,439,437	\$ -	\$ -
U.S. Agencies	13,808,540	1,745,236	10,960,333	832,343	270,628
Corporate Bonds	12,226,900	2,609,090	9,617,810	-	-
Money Market Mutual Fund	186,933	186,933	-	-	-
State of Nevada:					
Local Government Investment Pool	<u>13,765,695</u>	<u>13,765,695</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 45,925,980</u>	<u>\$ 18,805,429</u>	<u>\$ 26,017,580</u>	<u>\$ 832,343</u>	<u>\$ 270,628</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's Investment Policy states that portfolio maturities must be structured to avoid the forced sale of securities in any but the most severe circumstances. To this end, portfolio management procedures will provide for the projection of a "minimum liquidity requirement" for the City's operating fund.

The following procedures will be applied:

- **Minimum Liquidity Requirement:** This is defined as the total cash flow needed to pay City obligations for a period of four weeks. All securities to be included in the "minimum liquidity requirement" must mature within 28 days.
- **Intermediate Market Investment:** That portion of City funds remaining after deletion of the "minimum liquidity requirement" may be invested in the intermediate market, defined herein as instruments maturing between zero and ten years.
- **No U.S. bonds, debentures, bills, notes, agency obligations or other securities, including those used as collateral for repurchase agreements, may have a maturity date of more than 10 years from the date of purchase. Securities purchased by money managers under the provisions of NRS 355.171 may have a longer stated maturity date.**

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Credit Risk. Funds invested with the State of Nevada Treasurer in the Local Government Investment Pool may be invested as permitted by Nevada Revised Statutes. City policy does not further restrict these investments. As of June 30, 2017, the City's investments in U.S. Agencies were rated AA- by Standard and Poor's and A1 by Moody's Investors Service. The City's investment in the State of Nevada Local Government Investment Pool is an unrated external investment pool with an average duration of 142 days. The City's investments in corporate bonds were rated as follows:

	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>
Moody's	\$4,546,888	\$ 1,496,770	\$1,935,278	\$4,247,964
S&P	4,021,277	1,248,960	2,183,088	4,773,575

Concentration of Credit Risk. The City's Investment Policy states that no more than 20% of the total book value of the portfolio will be invested in a single security type with the exception of U.S. Treasury and government agency securities.

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

Federal Home Loan Mortgage Corporation	\$5,651,613	12.31%
Federal Home Loan Banks	4,140,197	9.01%
Federal National Mortgage Association	4,016,730	8.75%

A reconciliation of cash and investments for the primary government follows:

Cash on hand	\$ 7,522
Carrying amount of deposits	4,866,572
Carrying amount of investments	<u>45,925,980</u>
	\$50,800,074
Less: Carrying amount of deposits held for component unit	<u>(1,368,333)</u>
	<u>\$49,431,741</u>
Cash and investments – governmental activities	\$20,767,251
Cash and investments – business-type activities	18,891,114
Cash and investments – investment trust fund	8,223,429
Cash and investments – OPEB trust fund	(4,220)
Cash and investments – agency funds	1,063,960
Cash and investments – restricted	<u>490,207</u>
	<u>\$49,431,741</u>

The State of Nevada Local Government Investment Pool is an external pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance. Investment in the Local Government Investment Pool is carried at fair value, which is the same as the value of the pool shares.

The City administers an external investment pool combining the City money with involuntary investments from the Carson City School District and voluntary investments from the Carson City Other Post-Employment Benefits Trust Fund. Each participant's share is equal to their original investment plus or minus monthly allocation of interest income and realized and unrealized gains and losses. Interest allocation is calculated monthly and is based on the month end cash balances of each fund participating in the pool. The fair value and interest receivable allocations are calculated at year end and are based on the average monthly cash balance of each fund participating in the pool. The determination of realized gains and losses is independent of the determination of the net change in the fair value of investments and realized gains and losses on investments that were held by the governmental entity during a previous accounting period(s) but sold during the current period were used to compute the change in the fair value of investments for the previous year(s) as well as the current year. The participant's share and redemption value are calculated using the same method. The Board of Supervisors has overall responsibility for investment of the City funds, including the Investment Trust Fund, in accordance with NRS 355.175. The Carson City Chief Investment Official is the Carson City Treasurer, under authority delegated by the Board of Supervisors. The City has not provided or obtained any legally binding guarantees during the period to support the value of shares. The external investment pool is not registered with the SEC as an investment company.

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Summary of investments held in the external investment pool at June 30, 2017:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Principal Amount Number of Shares</u>	<u>Interest Rate</u>	<u>Maturity Dates</u>
U.S. Treasuries	\$ 5,937,912	\$ 5,971,000	0.75-1.50%	02/28/2018-03/31/2021
U.S. Agencies	13,808,540	13,822,765	0.75-5.5%	09/25/2017-07/25/2035
Corporate Bonds	12,226,900	12,221,922	0.0-5.65%	07/03/2017-03/15/2022
Money Market Mutual Fund	186,933	186,933	0.0%	07/01/2017
State of Nevada Local Government Investment Pool	<u>13,765,695</u>	13,765,695	Variable	07/01/2017
Total Pooled Investments	<u>\$45,925,980</u>			

External Investment Pool financial statements:

Statement of Net Position, June 30, 2017

Assets:

Investments in securities:

U.S. Treasuries	\$ 5,937,912
U.S. Agencies	13,808,540
Corporate Bonds	12,226,900
Money Market Mutual Fund	186,933
State of Nevada Local Government Investment Pool	13,765,695
Interest receivable	<u>95,865</u>

Total Assets \$46,021,845

Net position consists of:

Internal participants	\$37,802,636
External participants	<u>8,219,209</u>

Total Net Position Held in Trust for Pool Participants
(Participant units outstanding, \$1.00/par) \$46,021,845

Statement of Changes in Net Position, Year Ended June 30, 2017

Additions:

Capital share transactions	\$ 7,578,927
Investment income	594,142
Realized gains (losses)	(73,592)
Unrealized gains (losses)	<u>(292,893)</u>

Total Additions 7,806,584

Deductions:

Investment fees	<u>46,987</u>
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Total Deductions 46,987

Net Increase 7,759,597

Net position:

Beginning of Year 38,262,248

End of Year \$ 46,021,845

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

B. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Increases	Decreases	Transfers	Balance June 30, 2017
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 136,831,268	\$ 112,098	\$ (24,701)	\$ -	\$ 136,918,665
Construction in progress - infrastructure	5,331,527	222,349	(3,325)	(5,286,037)	264,514
Construction in progress	4,394,566	3,711,233	-	(4,364,101)	3,741,698
Total Capital Assets not being Depreciated	146,557,361	4,045,680	(28,026)	(9,650,138)	140,924,877
Capital assets, being depreciated:					
Buildings	85,181,423	659,764	(345,434)	3,232,655	88,728,408
Improvements other than buildings	46,970,743	2,700,054	(7,301)	87,723	49,751,219
Machinery and equipment	34,340,864	1,819,431	(1,261,541)	1,309,959	36,208,713
Infrastructure	158,278,168	5,929,512	-	5,281,161	169,488,841
Total Capital Assets being Depreciated	324,771,198	11,108,761	(1,614,276)	9,911,498	344,177,181
Less accumulated depreciation for:					
Buildings	(24,569,390)	(1,771,896)	27,635	-	(26,313,651)
Improvements other than buildings	(19,449,224)	(1,564,838)	1,947	-	(21,012,115)
Machinery and equipment	(25,448,135)	(2,148,377)	1,079,025	(259,020)	(26,776,507)
Infrastructure	(35,532,464)	(2,068,208)	-	-	(37,600,672)
Total Accumulated Depreciation	(104,999,213)	(7,553,319)	1,108,607	(259,020)	(111,702,945)
Total Capital Assets being Depreciated, Net	219,771,985	3,555,442	(505,669)	9,652,478	232,474,236
Governmental Activities Capital Assets, Net	\$ 366,329,346	\$ 7,601,122	\$ (533,695)	\$ 2,340	\$ 373,399,113

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

	Balance July 1, 2016	Increases	Decreases	Transfers	Balance June 30, 2017
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 5,397,807	\$ 4,161	\$ -	\$ -	\$ 5,401,968
Construction in progress	23,178,003	21,824,052	-	(3,021,773)	41,980,282
Water rights	19,981,480	-	-	-	19,981,480
Water Capacity	4,169,896	-	-	-	4,169,896
Total Capital Assets not being Depreciated	52,727,186	21,828,213	-	(3,021,773)	71,533,626
Capital assets, being depreciated:					
Buildings	20,593,349	-	-	-	20,593,349
Improvements other than buildings	217,837,832	939,173	-	2,787,532	221,564,537
Machinery and equipment	11,634,106	597,521	(113,696)	195,209	12,313,140
Total Capital Assets being Depreciated	250,065,287	1,536,694	(113,696)	2,982,741	254,471,026
Less accumulated depreciation for:					
Buildings	(5,880,384)	(419,657)	-	-	(6,300,041)
Improvements other than buildings	(100,919,662)	(5,834,583)	-	-	(106,754,245)
Machinery and equipment	(8,689,505)	(843,572)	113,696	36,692	(9,382,689)
Total Accumulated Depreciation	(115,489,551)	(7,097,812)	113,696	36,692	(122,436,975)
Total Capital Assets being Depreciated, Net	134,575,736	(5,561,118)	-	3,019,433	132,034,051
Business-type activities capital assets, Net	\$ 187,302,922	\$ 16,267,095	\$ -	\$ (2,340)	\$ 203,567,677

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 546,551
Judicial	54,084
Public safety	1,393,965
Public works	2,604,287
Airport	476,769
Health	687,285
Culture and recreation	1,631,370
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>162,008</u>
Total Depreciation Expense – Governmental Activities	<u>\$7,553,319</u>
Business-type activities:	
Ambulance	\$ 46,432
Sewer	3,385,558
Water	3,331,455
Cemetery	12,892
Storm Drainage	<u>321,475</u>
Total Depreciation Expense – Business-Type Activities	<u>\$7,097,812</u>

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Construction commitments

The City was committed to construction projects in various funds, as of June 30, 2017, as follows:

Project Name Contract Number <u>Vendor Name</u>	<u>Bid Award</u>	Value of Work Completed as of <u>June 30, 2017</u>	Remaining Commitment as of <u>June 30, 2017</u>
<u>Sewer Fund:</u>			
CMAR Water Resource Recovery Facility Phase 1 - #1314-132B KG Walters/Q&D	\$29,991,581	\$25,435,312	\$4,556,269
N. Nevada St. & N. Division St. Sewer & Water Main Replacement - #1617-119 Peek Brothers Construction, Inc.	2,197,952	109,166	2,088,786
<u>Transportation Projects:</u>			
Blue Line ADA Improvements #1617-123 Justin Wilson Construction, LLC	76,642	72,807	3,835
Koontz Land ADA Improvements #1617-152 Justin Wilson Construction, LLC	61,125	-	61,125
<u>Parks and Recreation – Swimming Pool:</u>			
Aquatic Center Re-roof Project #1617-056 Alpine Roofing	54,278	49,344	4,934
Rifle Range Vault Toilet & ADA #1617-147 MNW Construction, LLC	11,000	2,750	8,250
<u>Infrastructure Fund:</u>			
CMAR Downtown Carson Streetscape Project - #1415-145B Q&D Construction	8,258,518	8,093,348	165,170
<u>Insurance Fund:</u>			
Vice Canyon Sediment Basin Repair Project (2017 Flood) - #1617-155 Horizon Construction, Inc.	50,175	45,614	4,561
Combs/Timberline Sediment Basin Project (2017 Flood) - #1617-157 ARMAC Construction, LLC	98,489	98,015	474
Historic Roberts House Preservation Project (Arson) - #1617-118 Central Sierra Construction, Inc.	45,500	-	45,500
Total	<u>\$40,845,260</u>	<u>\$33,906,356</u>	<u>\$6,938,904</u>

Other Commitments:

On April 1, 1997, the City entered into an agreement with the State of Nevada, Department of Transportation (Highway Agreement No. R159-97-060) to help construct the Carson City Bypass. The City is funding this obligation through a \$.05 increase in the county motor vehicle fuel tax. The City intends to contribute a total of \$19 million plus interest. As of June 30, 2017 the City has contributed \$14,196,189.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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In August 2004, the City and the State of Nevada, Department of Transportation (NDOT) added Amendment 1 to the above Agreement. The amendment provides for the following:

- The City shall pay to NDOT an amount of \$15,000,000, with payments beginning upon completion of the funding obligation for Phase I of the freeway as prescribed in Highway Agreement No. R159-97-060 and amended herein, estimated to start in 2011 and finish in 2026. For Phase 2, the City shall pay the tax based on a \$.03 levy in the county motor vehicle fuel tax. The amounts received from the additional \$.02 levy will be used to maintain Carson Street and Fairview Drive as described below.
- It is further agreed that the City will assume ownership and maintenance responsibility for Carson Street from approximately Arrowhead Drive in the north to the intersection of the Carson City Freeway at the Spooner Intersection to the south, upon construction completion to the point when vehicles are using Phase 2.
- The City also agrees to construct Fairview Drive to a minimum of four through lanes with turn lanes, from the terminus of Phase 2A at Fairview Drive to US 395/Carson Street, and to be responsible for maintenance of Fairview Drive.
- NDOT agrees to defer payment by the City of the current \$.05 tax as defined in Highway Agreement No. R159-97-060 from the period beginning July 1, 2005 through June 30, 2008, to allow the City to utilize the payments for the Fairview Drive improvements.

In December 2007, the City and the NDOT added Amendment 2. The amendment provides for the following:

- City agreed to assume ownership and maintenance responsibility of additional State streets in lieu of remaining payment due for Phase 1 in the amount of \$4.8 million dollars.
- Deferred payment of \$.03 tax to July 1, 2009, to allow construction of Fairview Drive.

In 2009, the City and the NDOT added Amendment 3. The amendment provides for the following:

- City agreed to take additional State streets for maintenance and forego pavement rehabilitation by NDOT of Carson Street in lieu of a portion of the remaining payment due for Phase 2 in the amount of \$7.9 million dollars.
- Deferred \$.03 tax payments for remaining \$7.1 million until completion of Phase 2B.

On August 10, 2016 the City and the NDOT added Amendment 4. The amendment provides for the following:

- Clarification that the portions of Snyder Avenue and S. Carson Street (including associated Frontage Road) would be relinquished to the City as previously agreed upon following completion and opening to traffic of Phase 2B-3 of the freeway (expected in 2018). Although the freeway is open to traffic the State has not completed the project.
- NDOT shall pay Carson City a sum not to exceed \$5.1 million for improvements to include a Complete Streets Project within the relinquished State highways area, which Carson City agrees to have under construction by the end of 2019.
- Clarification of the deferred \$.03 tax payments for the remaining \$7.1 million was included which states that tax payments are deferred until the completion of Phase 2B, including the completion of the interchange at Carson Street/U.S. Highway 50 West at the southern terminus of the Carson City Freeway, (known as Phase 2B-4).

As of June 30, 2017, Phase 2B-4 had not yet been initiated or programmed by the Nevada Department of Transportation and, as such, the \$.03 tax payments mentioned above remain deferred.

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Discretely presented component units

Activity for the Airport Authority for the year ended June 30, 2017 was as follows:

	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2017</u>
Capital assets not being depreciated:				
Land	\$ 146,542	\$ -	\$ -	\$146,542
Total Capital Assets not being Depreciated	<u>146,542</u>	<u>-</u>	<u>-</u>	<u>146,542</u>
Capital assets being depreciated:				
Machinery and equipment	705,815	-	-	705,815
Less accumulated depreciation for:				
Machinery and equipment	<u>(614,272)</u>	<u>(21,772)</u>	<u>-</u>	<u>(636,044)</u>
Total Capital Assets being Depreciated, Net	<u>91,543</u>	<u>(21,772)</u>	<u>-</u>	<u>69,771</u>
Airport Authority Capital Assets, Net	<u>\$ 238,085</u>	<u>\$ (21,772)</u>	<u>\$ -</u>	<u>\$216,313</u>

Activity for the Culture and Tourism Authority for the year ended June 30, 2017 was as follows:

	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2017</u>
Capital assets, not being depreciated:				
Website	\$ 41,028	\$ -	\$ -	\$ 41,028
Total Capital Assets not being Depreciated	<u>41,028</u>	<u>-</u>	<u>-</u>	<u>41,028</u>
Capital assets, being depreciated:				
Improvement other than buildings	8,388	-	-	8,388
Machinery and equipment	<u>42,795</u>	<u>-</u>	<u>-</u>	<u>42,795</u>
Total Capital Assets being Depreciated	<u>51,183</u>	<u>-</u>	<u>-</u>	<u>51,183</u>
Less accumulated depreciation for:				
Improvements other than buildings	(1,349)	(1,198)	-	(2,547)
Machinery and equipment	<u>(9,545)</u>	<u>(6,114)</u>	<u>-</u>	<u>(15,659)</u>
Total Accumulated Depreciation	<u>(10,894)</u>	<u>(7,312)</u>	<u>-</u>	<u>(18,206)</u>
Total Assets Being Depreciated, Net	<u>40,289</u>	<u>(7,312)</u>	<u>-</u>	<u>32,977</u>
Culture and Tourism Authority Capital Assets, Net	<u>\$ 81,317</u>	<u>\$ (7,312)</u>	<u>\$ -</u>	<u>\$ 74,005</u>

C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2017, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	<u>\$42,951</u>
Nonmajor governmental funds	Nonmajor governmental funds	<u>\$7,320</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The above interfund balances at June 30, 2017 are generally short-term loans to cover temporary cash deficits in various funds. They are expected to be repaid in the next fiscal year.

Due to/from primary government and component units:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Component unit – Airport Authority	Primary government – General Fund	<u>\$ 246,131</u>

Interfund transfers:

<u>Transfers out:</u>	<u>Transfers In:</u>				<u>Total</u>
	<u>General Fund</u>	<u>Internal Service Funds</u>	<u>Nonmajor Enterprise Funds</u>	<u>Nonmajor Governmental Funds</u>	
General Fund	\$ -	\$250,000	\$440,000	\$5,580,476	\$6,270,476
Nonmajor Governmental Funds	582,321	-	-	6,040,312	6,622,633
Nonmajor Enterprise Funds	-	31,020	-	-	31,020
Total Transfers	<u>\$582,321</u>	<u>\$281,020</u>	<u>\$ 440,000</u>	<u>\$11,620,788</u>	<u>\$12,924,129</u>

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, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

D. LONG-TERM DEBT

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. In addition, general obligation bonds have been issued to refund general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year.

Business-type general obligation bonds through the State of Nevada revolving loan program were authorized on July 10, 2015 up to the amounts of \$12,000,000 Sewer Bonds. At June 30, 2017 amounts drawn and payable are \$8,257,708. General obligation revenue bonds through the State of Nevada revolving loan program were issued to finance capital improvement projects for the City’s public sewer system. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	3.00-5.00%	\$ 13,340,000
Governmental activities - refunding	2.00-5.00%	46,330,000
Business-type activities	0.0-6.662%	82,095,430
Business-type activities - refunding	2.0-5.000%	23,702,000

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Revenue Bonds. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. On May 25, 2017 the City issued Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds Series 2017 in the amount of \$5,951,000, proceeds were used to partially refund the 2008 Highway Revenue Bonds. Revenue bonds outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities:		
Regional Transportation	2.37-5.00%	\$ 15,384,200

Notes Payable. The City issues notes to provide funds for open space, various improvements, and vehicles and to refund Redevelopment debt. On December 14, 2016 the City issued two installment purchase agreements for an energy efficiency project, one was a 10 year tax exempt note in the amount of \$1,156,700, and the other was a 20 year qualified energy conservation bond in the amount of \$3,101,538. The installment purchase agreements are payable to the City on a reimbursement basis, as of June 30, 2017 the City had drawn \$3,425,293. Notes payable outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities:		
Installment purchase agreement		
BRIC Purchase	2.650%	899,800
Landfill capital equipment	2.230%	1,253,000
911 Surcharge capital equipment	2.230%	662,000
Installment purchase agreement		
Energy Efficiency	2.190%	790,343
Energy Efficiency (QECB)	4.690%	2,634,950
Business-type activities:		
Stormwater Drainage	1.880%	260,900
Sewer	1.880%	524,900

Pledged Revenues. The City has pledged specific revenues to repay bonds in governmental and business-type activities.

Governmental activities

The City has pledged 15% of the consolidated tax revenue receipts for the repayment of various General Obligation Revenue bonds consisting of the Refunding Bonds series 2010, 2013 Installment Purchase Agreement, Refunding Bonds Series 2013A, Medium Term Landfill Capital Acquisition Bonds Series 2014, Medium Term 911 Surcharge Capital Acquisition Bonds Series 2014 and the Refunding Capital Improvement Bonds Series 2015C. The total principal and interest remaining to be paid on the bonds is \$41,491,312 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled \$3,805,032 and pledged revenues totaled \$4,113,944.

The City has pledged future 1/4 cent voter approved (Quality of Life) sales tax revenues to repay \$9,060,000 in Parks Refunding Bonds Series 2010 and Parks Refunding Bonds Series 2013C. Proceeds of the bonds provided financing for new parks facilities, to purchase open space and to improve and equip current parks facilities. The bonds are intended to be paid solely from the 1/4 cent tax revenues and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 25% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$8,870,605. For the current year, principal and interest paid for the bonds totaled \$655,169 and pledged revenues totaled \$2,575,087.

The City has pledged future 1/8 cent sales tax revenues (NRS 377B), to repay \$8,400,000 in General Obligation V&T Historical Refunding Bonds Series 2014E. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year 2026. Annual principal and interest payments on the bonds are expected to require 81% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$9,384,575. For the current year, principal and interest paid for the bonds totaled \$1,042,450 and pledged revenues totaled \$1,287,504.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The City has pledged future 1/8 cent sales tax revenue (NRS 377B), to repay \$13,600,000 in General Obligation Infrastructure Sales Tax Bonds 2014F. The bonds are intended to be paid solely from the 1/8 cent tax revenues and are payable through fiscal year Fiscal Year 2045. Annual principal and interest payments on the bonds are expected to require 60% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$21,703,875. For the current year, principal and interest paid for the bonds totaled \$773,575, and pledged revenues totaled \$1,283,794.

The City has pledged room tax to repay \$3,350,000 in Room Tax Refunding Revenue Supported Bonds. The bonds are intended to be paid solely from room tax and are payable through fiscal year 2023. Annual principal and interest payments on the bonds are expected to require 17% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$2,375,350. For the current year, principal and interest paid for the bonds totaled \$347,655 and pledged revenues totaled \$1,934,371.

The City has pledged motor vehicle fuel tax revenues to repay \$9,055,000 in Highway Revenue (Motor Vehicle Fuel Tax) Improvement Bonds Series 2008, and \$3,332,300 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Refunding Bonds Series 2012, \$6,170,000 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Improvement Bonds Series 2015, and \$5,951,000 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds Series 2017. The bonds are secured solely from motor vehicle fuel tax and are payable through fiscal year 2030. Annual principal and interest payments on the bonds are expected to require 57% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$18,550,489. For the current year, principal and interest paid for the bonds totaled \$1,634,911 and pledged revenues totaled \$2,858,234.

Business-type activities

The City has pledged future sewer utility customer revenues, connection fees and investment earnings, net of specified operating expenses to repay \$56,741,728 in sewer utility system general obligation revenue bonds issued between fiscal years 1995 and 2017. Sewer State Revolving Fund Bonds issued July 10, 2015 totaled \$12,000,000 are not fully drawn down, as of June 30, 2017 only \$8,257,708 was drawn. Proceeds from the bonds provided financing for expansion of, and improvements to, the sewer utility system. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2035. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$57,179,902. For the current year, principal and interest paid for the bonds totaled \$2,638,875 and net pledged revenues totaled \$7,510,428.

The City has pledged future water utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$69,147,000 in water utility system general obligation revenue bonds issued between fiscal years 1998 and 2014. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2040. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$78,211,548. For the current year, principal and interest paid for the bonds totaled \$5,277,736 and net pledged revenues totaled \$7,532,837.

The City has pledged future storm drainage utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$5,141,738 in storm drainage utility system general obligation revenue bonds issued between fiscal years 2005 and 2014. The bonds are intended to be paid solely from utility customer net revenues and are payable through fiscal year 2034. Annual principal and interest payments on the bonds are expected to require as much as 100% of the utility's net revenues. The total principal and interest remaining to be paid on the bonds is \$4,980,928. For the current year, principal and interest paid for the bonds totaled \$571,528 and net pledged revenues totaled \$805,080.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Capital Leases. The City has entered into lease agreements as lessee for financing the acquisition of office equipment. The net present value of minimum lease payments at year end was \$65,202 to be paid in full in 2021.

The assets acquired through capital lease are as follows:

	Governmental Activities
Asset:	
Machinery and equipment	\$ 95,143
Less: Accumulated depreciation	<u>(19,201)</u>
Total	<u>\$ 75,942</u>

Compensated Absences. The compensated absences liability attributable to governmental activities is liquidated primarily by the General Fund.

Advanced Refundings. During the year ended June 30, 2017 the City had the following advanced refundings:

On May 25, 2017, the City issued \$5,951,000 of Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds Series 2017 to provide resources for capital improvements and to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$5,549,500 of Highway Revenue Bonds. The refunding was undertaken to refund the “Regional Transportation Improvement Program Note, Series 2008” maturing on November 1, 2027. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government-wide Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$310,259. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is the same as the old debt. The advanced refunding resulted in a decrease in total debt service payments over the next eleven years of \$678,286 and an economic gain of \$585,669. The total amount of the outstanding debt defeased and placed in an irrevocable trust at May 25, 2017 was \$5,859,759.

Conduit Debt. On March 4, 2002, October 1, 2003, and October 27, 2005, the City issued \$45,185,000, \$95,000,000, and \$15,000,000, respectively, in revenue bonds for Carson-Tahoe Regional Healthcare, a non-profit corporation. As of September 1, 2012 the City issued \$52,930,000 in Hospital Revenue Refunding Bonds (Carson Tahoe Regional HealthCare Project) Series 2012 for the sole purpose of refunding \$20,180,000 of the March 4, 2002 Hospital Revenue Bonds (Carson-Tahoe Hospital Project) Series 2002 and \$39,035,000 of the October 1, 2003 Hospital Revenue Bonds (Carson-Tahoe Hospital Project) Series 2003A. The bonds issued pursuant to NRS Chapter 268, are not obligations of the City, nor shall they ever constitute a debt of the City and therefore have been excluded from the City’s financial statements. The principal balance outstanding at June 30, 2017 was \$96,135,000.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation revenue bonds:					
2.0 to 3.5% Park refunding general obligation revenue bonds series 2010, due 11/01/18 - \$2,505,000	\$ 1,045,000	\$ -	\$ (335,000)	\$ 710,000	\$ 350,000
2.0 to 4.0% Various Purpose refunding general obligation revenue bonds series 2010, due 6/01/21 - \$4,705,000	2,455,000	-	(605,000)	1,850,000	630,000
2.2 to 3.5% Various Purpose refunding general obligation revenue bonds series 2013A, due 5/31/30 - \$16,520,000	14,465,000	-	(750,000)	13,715,000	780,000
2.0 to 2.5% Room Tax refunding general obligation revenue bonds series 2013B, due 6/01/23 - \$3,350,000	2,495,000	-	(295,000)	2,200,000	300,000
2.0 to 4.0% Parks refunding general obligation revenue bonds series 2013C, due 3/01/30 - \$6,555,000	6,505,000	-	(80,000)	6,425,000	75,000
2.0 to 5.0% V&T refunding general obligation revenue bonds series 2014E, due 12/01/25 - \$8,400,000	8,400,000	-	(720,000)	7,680,000	735,000
3.0 to 5.0% Infrastructure Sales Tax general obligation revenue bonds series 2014F, due 9/01/44 - \$13,600,000	13,600,000	-	(260,000)	13,340,000	270,000
2.0 to 5.0% Capital improv. refunding general obligation revenue bonds series 2015C, due 5/01/33 - \$15,410,000	14,410,000	-	(660,000)	13,750,000	670,000
Subtotal	<u>63,375,000</u>	<u>-</u>	<u>(3,705,000)</u>	<u>59,670,000</u>	<u>3,810,000</u>
Revenue Bonds:					
4.9% 2008 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/27 - \$9,055,000	6,912,200	-	(5,865,800)	1,046,400	329,700
2.370% 2012 Highway Revenue refunding motor vehicle fuel tax revenue bonds, due 11/01/23 - \$3,332,300	2,928,300	-	(336,500)	2,591,800	346,900
3.0 to 5.0% 2015 Highway Revenue refunding motor vehicle fuel tax revenue bonds, due 11/01/29 - \$6,170,000	6,130,000	-	(335,000)	5,795,000	345,000
2.415% Highway Revenue refunding motor vehicle fuel tax revenue bonds, due 11/1/2027 - \$5,951,000	-	5,951,000	-	5,951,000	83,000
Subtotal	<u>15,970,500</u>	<u>5,951,000</u>	<u>(6,537,300)</u>	<u>15,384,200</u>	<u>1,104,600</u>
Notes Payable:					
1.88% Capital Projects general obligation (limited tax) medium-term note dated 7/8/12, due 3/1/17 - \$1,100,000	226,900	-	(226,900)	-	-
2.65% Installment purchase agreement, building purchase, medium-term note dated 4/24/13, due 4/1/28 - \$1,169,500	969,400	-	(69,600)	899,800	71,500
2.230% Landfill general obligation (limited tax) medium-term note dated 6/24/2014, due 6/1/2024 - \$1,733,000	1,416,000	-	(163,000)	1,253,000	167,000
2.230% 911 Surcharge general obligation (limited tax) medium-term note dated 6/24/14, due 6/1/24 - \$918,000	749,000	-	(87,000)	662,000	88,000
2.190% Installment purchase agreement, energy savings contract, medium term note dated 12/14/2016, due 12/1/2025 - \$1,156,700	-	790,343	-	790,343	56,300
4.690% Installment purchase agreement, energy savings contract (Qualified Energy Conservation Bond) dated 12/14/16, due 12/1/2036 - \$3,101,538	-	2,634,950	-	2,634,950	-
Subtotal	<u>3,361,300</u>	<u>3,425,293</u>	<u>(546,500)</u>	<u>6,240,093</u>	<u>382,800</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Deferred amounts:					
For issuance premiums	\$ 3,844,087	\$ -	\$ (304,624)	\$ 3,539,463	\$ 304,624
Total Bonds and Notes Payable	86,550,887	9,376,293	(11,093,424)	84,833,756	5,602,024
Incurred but not Reported Claims Liability:	1,748,612	828,535	(974,124)	1,603,023	389,033
Capital Leases:	10,181	84,845	(29,822)	65,204	30,060
Landfill Closure/Post closure costs:	3,631,790	149,413	-	3,781,203	134,228
Compensated Absences Payable:	6,219,332	3,378,426	(4,007,023)	5,590,735	840,296
Governmental Activity Long-Term Liabilities	98,160,802	13,817,512	(16,104,393)	95,873,921	6,995,641
Business Type Activities:					
Bonds payable:		57,179,902	78,211,548	4,980,928	140,372,378
General obligation revenue bonds:		2,638,875	5,277,736	571,528	8,488,139
3.23% Sewer general obligation revenue bonds, dated 1998 State of Nevada revolving loan, due 07/01/18 - \$6,096,302	1,078,728	-	(421,150)	657,578	434,863
0% Water general obligation revenue bonds series 2009 State of Nevada revolving loan, due 07/01/29 - \$3,400,000	2,481,081	-	(183,784)	2,297,297	183,784
6.662% Water general obligation revenue bonds series 2010A, due 11/01/39 - \$10,100,000	10,100,000	-	-	10,100,000	-
2.0 to 4.125% Water refunding general obligation revenue bonds series 2010B, due 11/01/21 - \$7,095,000	4,650,000	-	(520,000)	4,130,000	765,000
3.75% Water general obligation revenue bonds series 2010E State of Nevada revolving loan due 7/1/2030 authorized up to - \$21,900,000	19,235,932	-	(1,113,405)	18,122,527	1,141,752
2.0-4.5% Sewer refunding general obligation revenue bonds series 2010D, due 11/1/29 - \$2,690,000	960,000	-	(55,000)	905,000	55,000
3.75% Sewer general obligation revenue bonds series 2010F State of Nevada revolving loan due 7/1/2030 - \$2,748,556	2,301,961	-	(134,570)	2,167,391	137,805
4% Water general obligation revenue bonds series 2012, due 11/1/31 - \$3,750,000	3,235,000	-	(150,000)	3,085,000	155,000
4% Water refunding general obligation revenue bonds series 2012, due 11/1/26 - \$11,565,000	9,865,000	-	(625,000)	9,240,000	335,000
3.966% Sewer general obligation revenue bonds series 2012, due 11/1/31 - \$2,250,000	1,930,000	-	(90,000)	1,840,000	90,000
4% Sewer refunding general obligation revenue bonds series 2012, due 11/1/23 - \$3,685,000	2,255,000	-	(500,000)	1,755,000	220,000
2.79% Sewer general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$23,787,662	6,902,907	16,884,755	-	23,787,662	1,110,407
2.79% Water general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$6,000,000	5,168,545	-	(140,616)	5,027,929	273,618
2.79% Stormwater general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$962,338	656,883	305,455	-	962,338	44,922

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
General obligation revenue bonds (Continued):					
2.53% Water refunding general obligation revenue bonds series 2014C, due 6/1/25 - \$5,337,000	\$ 5,107,000	\$ -	\$ (497,000)	\$ 4,610,000	\$ 512,000
2.53% Stormwater refunding general obligation revenue bonds series 2014, due 6/1/25 - \$3,466,000	3,404,000	-	(342,000)	3,062,000	350,000
2.37% Sewer general obligation revenue bonds series 2015 State of Nevada revolving loan due 7/1/2035 - \$12,000,000	67,018	8,190,690	-	8,257,708	-
2 to 5% Sewer improv. and refunding general obligation revenue bonds series 2015, due 11/1/34 - \$6,245,000	6,000,000	-	(210,000)	5,790,000	215,000
Subtotal	85,399,055	25,380,900	(4,982,525)	105,797,430	6,024,151
Notes Payable:					
1.88% Drainage refunding general obligation (limited tax) medium-term bond, due 09/01/19 - \$713,400	361,900	-	(101,000)	260,900	102,600
1.88% Sewer refunding general obligation (limited tax) medium-term bond, due 09/01/19 - \$1,436,500	728,900	-	(204,000)	524,900	207,400
Subtotal	1,090,800	-	(305,000)	785,800	310,000
Deferred amounts:					
For issuance premiums	1,767,657	-	(159,102)	1,608,555	160,558
For issuance discounts	(7,927)	-	595	(7,332)	(594)
Total bonds payable	88,249,585	25,380,900	(5,446,032)	108,184,453	6,494,115
Compensated Absences Payable:					
Business-Type Activity Long-Term Liabilities	1,047,169	300,624	(561,043)	786,750	107,144
Business-Type Activity Long-Term Liabilities	89,296,754	25,681,524	(6,007,075)	108,971,203	6,601,259
Total debt	\$ 187,457,556	\$ 39,499,036	\$ (22,111,468)	\$ 204,845,124	\$ 13,596,900

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$135,544 of internal service funds compensated absences and \$1,603,023 of incurred but not reported claims liability are included in the above amounts.

Discretely presented component units

Long-term liability activity for the Airport Authority for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Airport lease agreement	\$ 176,453	\$ -	\$ (6,240)	\$ 170,213	\$ 6,240
Prepaid lease Agreements	341,860	27,424	(15,967)	353,317	18,387
	<u>\$ 518,313</u>	<u>\$ 27,424</u>	<u>\$ (22,207)</u>	<u>\$ 523,530</u>	<u>\$ 24,627</u>

Long-term liability activity for the Culture and Tourism Authority for the year ended June 30, 2017, was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Compensated absences	\$ 67,883	\$ -	\$ (2,191)	\$ 65,692	\$ -

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Payment requirements for debt service. The annual debt service requirements to maturity for all bonds outstanding of the primary government are as follows:

Year Ended June 30	GOVERNMENTAL ACTIVITIES					
	General Obligation Revenue Bonds		Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 3,809,999	\$ 2,190,273	\$ 1,104,600	\$ 475,869	\$ 382,800	\$ 235,149
2019	4,055,000	2,067,498	1,131,600	448,114	447,300	225,981
2020	4,175,000	1,940,874	1,172,600	407,615	463,500	215,652
2021	4,315,000	1,804,323	1,211,100	368,534	481,000	204,957
2022	4,270,000	1,645,099	1,247,600	332,872	497,900	193,863
2023-2027	16,860,001	6,066,659	6,871,700	1,028,691	1,939,138	805,056
2028-2032	12,695,000	3,062,794	2,645,000	104,594	1,309,300	528,478
2033-2037	4,185,000	1,362,787	-	-	1,552,100	203,228
2038-2042	3,115,000	759,300	-	-	-	-
2043-2045	2,190,000	133,800	-	-	-	-
Total	\$ 59,670,000	\$ 21,033,404	\$ 15,384,200	\$ 3,166,289	\$ 7,073,038	\$ 2,612,364

Year Ended June 30	BUSINESS-TYPE ACTIVITIES			
	General Obligation Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2018	\$ 6,024,151	\$ 3,300,879	\$ 310,000	\$ 19,595
2019	6,363,778	3,166,118	315,800	13,710
2020	6,321,751	2,981,887	160,000	2,555
2021	6,519,658	2,790,742	-	-
2022	6,720,842	2,603,139	-	-
2023-2027	33,993,075	9,853,060	-	-
2028-2032	24,488,364	5,608,404	-	-
2033-2037	12,437,261	2,272,295	-	-
2038-2042	3,760,000	345,313	-	-
2043-2045	-	-	-	-
Total	\$ 106,628,879	\$ 32,921,838	\$ 785,800	\$ 35,860

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

E. RESTRICTED ASSETS

The balances of the City's restricted asset accounts in the governmental funds are as follows:

	<u>General</u>	<u>Commissary</u>	<u>Total</u>
Funds held in trust	<u>\$447,234</u>	<u>\$ 42,973</u>	<u>\$490,207</u>

F. 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 grant) 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. Restrictions for debt service represent resources legally restricted by State Statute or bond covenants for future debt service requirements of both principal and interest. Amounts restricted for capital projects consist 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 Workers' Compensation Fund and Insurance Fund. The government-wide Statement of Net Position reports \$10,081,646 of restricted net resources, all of which is externally imposed.

Unrestricted net position represents available financial resources of the City.

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

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Fund Balances</u>			
Nonspendable:			
Inventories	\$ 2,753	\$ -	\$ 2,753
Prepaid items	412,409	39,975	452,384
Total Nonspendable	415,162	39,975	455,137

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

	General Fund	Other Governmental Funds	Total Governmental Funds
Restricted for:			
Recorder technology	\$ 38,469	\$ -	\$ 38,469
Court programs and expansion	345,990	89,127	435,117
Health and human services programs	140,746	482,390	623,136
Parks and recreation programs	126,105	-	126,105
Sheriff's programs	72,894	115,180	188,074
Clerk / Recorder programs	3,178	-	3,178
District Attorney programs	74,516	-	74,516
Infrastructure projects	-	3,491,908	3,491,908
Street maintenance	-	678,318	678,318
Extraordinary maintenance	-	114,595	114,595
Redevelopment	-	904,559	904,559
Public transportation services	-	345,164	345,164
Roadways	-	1,029,025	1,029,025
Parks and open space	-	2,424,563	2,424,563
Fire programs	-	642	642
Juvenile programs	-	58	58
Senior Center	-	73,272	73,272
Cooperative extension	-	241,725	241,725
Indigent programs	-	21,536	21,536
Library	-	34,621	34,621
Emergency communications	-	186,564	186,564
Total Restricted	801,898	10,233,247	11,035,145
Committed to:			
Traffic control	-	10,044	10,044
Assigned to:			
Assessor technology	153,333	-	153,333
Fire programs	8,275	-	8,275
Sheriff's programs	76,366	27,869	104,235
Juvenile programs	4,635	-	4,635
Other programs	7,252	-	7,252
Health and human services programs	97,505	148,792	246,297
Parks and recreation programs	29,834	-	29,834
Grant programs	-	422,657	422,657
Subsequent year's budget deficit	1,355,278	-	1,355,278
Capital improvement projects	-	1,920,305	1,920,305
Debt service	-	66,970	66,970
Total Assigned	1,732,478	2,586,593	4,319,071
Unassigned	6,447,478	-	6,447,478
	\$ 9,397,016	\$ 12,869,859	\$ 22,266,875

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 4 - OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. General liability insurance has a \$1,000,000 maximum coverage per occurrence, \$1,000,000 personal injury, and a \$2,000,000 general aggregate maximum benefit, with a self-insured retention of \$100,000 per occurrence. For property insurance, the policy limit is \$210,000,000 with a deductible of \$25,000 per occurrence. The earth movement policy limit is \$50,000,000 with a deductible of 2% per unit of insurance or \$100,000 minimum per location. The flood property policy limit is \$50,000,000 with a deductible of \$100,000 per location. The flood property – high hazard zone policy limit is \$5,000,000 with a \$250,000 per occurrence deductible. Other coverage currently held by the City, including airport liability, auto physical damage, boiler and machinery and bonds on public officials, are insured with deductibles varying from \$10,000 to \$25,000.

As of July 1, 2010, the City formed its own self-insured workers compensation program. This program exposes the City to various risks of loss related to large claims based on the health of their work force; therefore, an excess loss policy provides coverage. Statutory limits for worker’s compensation coverage are \$1,000,000 for employer’s liability limits with self-insured retentions of \$2,000,000 for police and fire employees and \$750,000 for all other employees, per accident. The City’s total net position of the Worker’s Compensation Fund was \$1,157,011 at June 30, 2017.

Liabilities are reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors.

The liabilities for claims and judgments are reported in the Workers’ Compensation and Insurance Funds. Changes in the balances of claims liabilities during the past two years are as follows:

	<u>Current Portion</u>	<u>Long-Term Portion</u>	<u>Totals</u>	
			<u>2017</u>	<u>2016</u>
Unpaid claims, beginning of fiscal year	\$ 725,879	\$ 1,022,733	\$1,748,612	\$ 850,258
Claims and changes in estimates	637,278	191,257	828,535	2,587,930
Claim payments	<u>(974,124)</u>	<u>-</u>	<u>(974,124)</u>	<u>(1,689,576)</u>
Unpaid claims, end of fiscal year	<u>\$ 389,033</u>	<u>\$1,213,990</u>	<u>\$ 1,603,023</u>	<u>\$ 1,748,612</u>

Settlements have not exceeded coverages in any of the past three fiscal years.

B. LANDFILL CLOSURE AND POSTCLOSURE COSTS

The City operates a Municipal Solid Waste Landfill. The operation of this landfill is regulated by both federal and state governments under Subtitle D (40 CFR Part 258) and NRS 444.556. Recognition of liability for closure and post closure care costs is based on landfill capacity used to date. This liability at June 30, 2017, \$3,781,203 is reported in governmental activities. It is estimated that the landfill will be used for an additional fifty years and that at June 30, 2017, approximately 41.19% of its capacity had been utilized. The City passes the EPA "financial assurance test" for local governments, and will self-assure payment for its obligations for closure, post closure, and corrective care costs. The estimated total current cost of closure and post closure care, \$9,179,906 has been calculated in 2017 dollars in accordance with current federal and state regulations and will be adjusted each year for changes resulting from inflation, deflation or technology.

C. CONTINGENT LIABILITIES

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not determinable, it is the opinion of the District Attorney, the City’s counsel, that resolution of these matters will not have a material adverse effect on the financial condition of the City.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

From an accrual accounting perspective, the cost of postemployment healthcare and life insurance benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future when it will be paid. The City recognizes the cost of postemployment healthcare and life insurance in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the City's future cash flows.

Plan Descriptions. The City contributes to a single-employer defined benefit healthcare and life insurance plan, the City's Retiree Subsidy Plan (City's Plan), and an agent multiple-employer defined healthcare plan, State of Nevada Public Employees' Benefits Program (PEBP). Both plans provide medical, dental, vision, accidental death and dismemberment, and life insurance benefits to eligible retired City employees and beneficiaries.

Benefit provisions for the City's Plan are established pursuant to NRS 287.023 and amended through Board resolution and contracts between the City and the various bargaining units. The City explicitly subsidizes the healthcare premiums pursuant to the City's Plan and contracts negotiated with various bargaining units. The City currently contributes toward the cost of coverage as follows:

- Firefighters who retire under Nevada PERS after July 1, 2002, sheriff's department employees who retire under Nevada PERS after June 30, 2010, and Carson City Employee Association (CCEA – Classified Employees) who retire under Nevada PERS after July 1, 2013, at age 47 or older and with 20 or more years of service receive a percentage of the medical, dental, vision and life insurance premiums for themselves and their dependents. The City pays 90% of the retiree group health premium until age 65, then 50% of the retiree's Medicare supplement medical premium. The City pays 50% of dependent coverage until age 65, then 25% of the dependent's Medicare supplement medical premium.
- Unclassified Employees who retire under Nevada PERS after July 1, 2013, at age 47 or older and with 15 or more years of service receive a percentage of their medical, dental, vision and life insurance premiums for themselves and their dependents. If an employee has more than 15 years of service, the City pays 75% of the retiree group health premiums and 25% of their dependent's premium. Employees with over 20 years of service the City pays 90% of the retiree group health premiums and 50% of their dependent's premium. Once the retiree reaches age 65, the City pays 50% of the retiree's and 25% of their dependent's supplement medical premium.
- Employees that retired from the City prior to the above contract changes who had at least 10 years of service (including firefighters and sheriff's department retirees not yet eligible or not qualifying for the benefits above) received a subsidy of \$6 per month for each year of service toward the cost of their coverage. Retirees were allowed to elect to continue coverage for their spouse and other eligible dependents, however, had to do so entirely at their expense.

Under state law, retiree loss experience is pooled with active loss experience for the purposes of setting rates in the City's Plan. The difference between the true claims cost and the blended premium is an implicit rate subsidy that creates an OPEB obligation for the City.

The City serves as a secondary carrier for retirees eligible for Medicare. Expenditures for post-employment healthcare and life insurance are recognized each month when premiums are paid. A summary of the premium rates for the City's Plan, as of July 1, 2016, are shown below:

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

Retirees Without Medicare	HMO	POS (In Area)	PPO (Out of Area)
Retiree	\$ 568.93	\$ 629.62	\$ 867.26
Retiree & spouse/both without Medicare	1,123.69	1,248.11	1,735.35
Retiree & spouse 1 without Medicare	1,019.68	1,128.53	1,560.77
Retiree & children without Medicare	1,078.17	1,194.60	1,650.56
Retiree & family/both without Medicare	1,719.82	1,909.99	2,654.65
Retiree & family/1 without Medicare	1,256.54	1,377.30	1,877.00

Retirees With Medicare	HMO	POS (In Area)	PPO (Out of Area)
Retiree	\$ 435.95	\$ 476.72	\$ 644.04
Retiree & spouse/both with Medicare	877.60	965.16	1,322.29
Retiree & spouse 1 with Medicare	1,019.68	1,128.53	1,560.77
Retiree & children with Medicare	1,069.84	1,185.03	1,636.58
Retiree & family/both with Medicare	1,101.77	1,199.36	1,617.20
Retiree & family/1 with Medicare	1,256.54	1,377.30	1,877.00

The NPEBP Master Plan Document can be obtained by writing to the Nevada Public Employees' Medical Program, 901 South Stewart Street, Suite 1001, Carson City, NV 89701.

Benefit provisions for PEBP are established pursuant to NRS 287.023 and are subject to amendment by the State of Nevada each biennium. Pursuant to NRS 287.023 (as amended during the 2007 session of the Nevada Legislature), through November 29, 2008, retirees had the option to participate in the City's Plan for post-employment healthcare and life insurance benefits or to join PEBP offered by the State of Nevada. However, subsequent to November 29, 2008, retirees no longer have the option of joining PEBP, yet still retain the option to participate in the City's Plan. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan.

The City is required to provide a subsidy for their retirees that have elected to join PEBP. The subsidy is paid on the pay-as-you-go basis. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depend on the date of retirement of prior years of PERS service for employees earned while working for the City. These subsidies are then allocated and billed to all applicable former employers of the retiree. The City's portion of the monthly subsidies ranged from \$0.73 to \$773.87 during the 2017 fiscal year.

Funding Policy and Annual OPEB Cost. The City funded the annual OPEB cost on a pay as you go basis for both plans; however as of July 1, 2015 the Board of Supervisors established the Carson City Other Post-Employment Benefits Trust Fund. The City intends to fund the Trust annually at a rate of approximately 1% of covered payroll, over normal costs. The net OPEB obligation attributable to governmental activities is liquidated primarily by the General Fund.

The City's actuarial valuation for the plans was prepared from employee and retiree data as of June 30, 2017. The City engaged the original actuary to incorporate the July 1, 2016 benefit changes into the fiscal year ended June 30, 2017 OPEB estimate. The number of participants as of June 30, 2017, the effective date of the OPEB valuation, is as follows:

	City Plan	PEBP Plan
Active employees	576	-
Retirees enrolled in City Plan	151	-
Retirees enrolled in PEBP	-	196

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal year 2016-2017 and the two preceding years were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
City Plan	6/30/15	\$ 4,436,073	\$ 749,055	16.89%	\$19,094,558
City Plan	6/30/16	\$ 4,797,397	\$ 1,641,533	34.22%	\$22,250,422
City Plan	6/30/17	\$ 4,964,076	\$ 1,276,308	25.71%	\$25,938,190
PEBP	6/30/15	\$ 449,893	\$ 425,328	94.54%	\$ (41,946)
PEBP	6/30/16	\$ 451,976	\$ 411,420	91.03%	\$ (1,390)
PEBP	6/30/17	\$ 485,997	\$ 417,968	86.00%	\$ 66,639
Totals	6/30/15	\$ 4,885,966	\$ 1,174,383	24.04%	\$19,052,612
Totals	6/30/16	\$ 5,249,373	\$ 2,052,953	39.11%	\$22,249,032
Totals	6/30/17	\$ 5,450,073	\$ 1,694,276	31.09%	\$26,004,829

The net OPEB obligation (asset) as of June 30, 2017, was calculated as follows:

	City Plan	PEBP Plan	Totals
Normal Cost (Current Service Cost)	\$ 2,705,495	\$ -	\$ 2,705,495
Amortization of unfunded actuarial accrued liability	2,208,066	485,957	2,694,023
Total Annual Required Contribution (ARC or Annual OPEB cost)	\$ 4,913,561	485,957	5,399,518
Interest on the beginning net OPEB obligation (asset)	995,522	(56)	995,466
ARC adjustment	(945,007)	96	(944,911)
Annual OPEB cost	4,964,076	485,997	5,450,073
Contributions made	(1,276,308)	(417,968)	(1,694,276)
Increase (decrease) in net OPEB obligation (asset)	3,687,768	68,029	3,755,797
Net OPEB obligation (asset), beginning of year	22,250,422	(1,390)	22,249,032
Net OPEB obligation (asset), end of year	\$ 25,938,190	\$ 66,639	\$ 26,004,829

Funded Status and Funding Progress. The funded status of the plans as of the latest actuarial valuation date of June 30, 2017, was as follows:

	City Plan	PEBP Plan	Totals
Accrued actuarial liability (a)	\$ 56,695,207	\$ 6,885,558	\$ 63,580,765
Actuarial value of plan assets (b)	750,518	-	750,518
Unfunded actuarial accrued Liability (a) - (b)	\$ 55,944,689	\$ 6,885,558	\$ 62,830,247
Funded ratio (b) / (a)	1.32%	0%	1.18%
Covered payroll (c)	\$ 36,664,557	N/A	N/A
Unfunded actuarial accrued liability as a percentage of covered payroll $[(a) - (b)] / (c)$	152.59%	N/A	N/A

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of the events in the future. Amounts determined regarding the funded status of the plan and the 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 required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefits between the City and the plan members at that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

	City Plan	PEBP Plan
Actuarial valuation date	6/30/17	6/30/17
Actuarial cost method	Entry age normal cost	Entry age normal cost
Amortization method	Level percentage of pay	Level dollar
Remaining amortization period	30 years, open	22 years, closed
Asset valuation method	N / A	N / A
Actuarial assumptions:		
Investment rate of return	4.47%	4.0%
Inflation rate	2.75%	2.75%
Projected salary increases	4.0%	4.0%
Healthcare inflation rate	Medical – 7.0% *	Medical – 7.0% *
* Medical – decreasing 0.5% each year until ultimate trend rate of 5% is reached.		

Carson City OPEB Trust Fund. Complete financial statements for the trust may be obtained at City of Carson City, Finance Department, 201 North Carson Street, Suite #3, Carson City, NV 89701.

E. DEFINED BENEFIT PENSION PLAN

Plan Description. Carson City contributes to the Public Employees’ Retirement System of the State of Nevada (PERS) and Judicial Retirement System of the State of Nevada (JRS). PERS and JRS administer cost-sharing, multiple-employer, defined benefit public employees’ retirement systems, PERS includes both Regular and Police/Fire members, and JRS includes only Justices of the peace and municipal judges. 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. JRS was established in 2001 by the Nevada Legislature (NRS 1A.160) and is governed by the Public Employees’ Retirement Board.

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, this multiplier is 2.67% of average compensation. For members entering PERS and JRS on or after January 1, 2010, there is a 2.5% multiplier, and for members entering 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 his or her death.

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

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
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Vesting. Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering PERS on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 62 with 10 years of service, or 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, or age 62 with ten years of service, at age 55 with thirty years of service, or at any age with thirty-three and a third years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering PERS on or after January 1, 2010, 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 for PERS and JRS. However, a PERS 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.

PERS' and JRS' basic funding policies provide 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 and JRS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS and JRS 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, NRS 286.450 and NRS 1A.180(1).

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, 2016 and June 30, 2017 the Statutory Employer/employee matching rate was 14.50% for Regular and 20.75% for Police/Fire. The Employer-pay contributions (EPC) rate was 28% for Regular and 40.5% for Police/Fire. For the fiscal years ended June 30, 2016 and June 30, 2017 the Statutory Employer-pay contributions (EPC) rate was 15.25% for justices of the peace and other municipal judges.

The City's contributions were \$11,281,288 and \$11,099,260 for the years ended June 30, 2017 and 2016, respectively.

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 the System.

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

Asset Class	PERS Target Allocation	PERS Long-Term Geometric Expected Real Rate of Return	JRS Target Allocation	JRS Long-Term Geometric Expected Real Rate of Return
Domestic Equity	42%	5.50%	49%	5.50%
International Equity	18%	5.75%	21%	5.75%
Domestic Fixed Income	30%	0.25%	30%	0.25%
Private Markets	10%	6.80%	0%	0.00%

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

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

Net Pension Liability. At June 30, 2017, the City reported a liability for its proportionate share of the 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 City's allocation percentage of the net pension liability was based on the City's total contributions due on wages paid during the measurement period. The City's proportion of the net pension liability is based on its combined employer and member contributions relative to the total combined employer and member contributions for all employers participating in PERS and JRS for the period ended June 30, 2016. At June 30, 2016, the City's proportion of PERS was 0.71147%, including Carson City Culture and Tourism Authority (A Component Unit of Carson City) and the Carson City Water Sub-Conservancy District (An Agency Fund of Carson City). Once these external entities were removed, Carson City's proportion is 0.70192%, which is a decrease of .01566 from its proportion measured as of June 30, 2015. At June 30, 2016, the City's proportion of JRS was .35864%, which was an increase of 0.07483 from its proportion measured as of June 30, 2015.

Pension Liability Discount Rate Sensitivity. The following presents the net pension liability of the City as of June 30, 2016, calculated using the discount rate of 8.00%, as well as what the City'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%)
PERS Net Pension Liability	\$138,466,285	\$94,464,352	\$57,855,285
JRS Net Pension Liability	132,090	81,235	38,254

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the PERS and JRS Comprehensive Annual Financial Report, available on the PERS website, www.nvperson.org, or may be obtained from the Public Employees' Retirement System, 693 West Nye Lane, Carson City, Nevada 89703.

Actuarial Assumptions. The City'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 Justices: 3.0% to 8.0% 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

Mortality rates for non-disabled male regular members were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA. Mortality rates for non-disabled female regular members were based on the RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year. Mortality rates for all non-disabled police/fire members were based on the RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year. The mortality table used in the actuarial valuation to project mortality rates for all disabled regular members and all disabled police/fire members is the RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years.

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

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017**

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 City recognized pension expense of \$11,989,937 for PERS and \$20,721 for JRS. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERS		JRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 6,325,157	\$ -	\$ 16,023
Changes in assumptions or other inputs	-	1,747,467	2,657	-
Net difference between projected and actual earnings on pension plan investments	8,781,055	-	16,040	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	598,059	-	13,562	-
City contributions subsequent to the measurement date	11,281,288	-	21,834	-
Total	\$ 20,660,402	\$ 8,072,624	\$ 54,093	\$ 16,023

\$11,303,122 was reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending 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 and JRS is 4.8 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:

Year ended June 30:	PERS	JRS
2018	(\$ 919,304)	\$ 3,644
2019	(919,304)	3,644
2020	2,922,019	3,644
2021	1,312,206	5,304
2022	(820,905)	-
Thereafter	(268,222)	-

Additional Information. Additional information is available on the PERS website at www.nvpers.org under Quick Links – Publications.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2017

F. TAX ABATEMENTS

Implementation of GASB Statement No. 77: As of July 1, 2016 the City adopted GASB Statement No. 77, *Tax Abatement Disclosures*. The implementation of this standard requires governments to disclose certain arrangements related to the reduction in taxes that results from an agreement between one or more governmental entities and an individual or entity.

The City has entered into agreements in accordance with the provisions of the Nevada Revised Statutes (NRS) Chapter 279, the Redevelopment of Communities, in order to stimulate economic growth. The City currently has four agreements in place. Abatements are calculated on the Basic City-County Relief Tax and the Supplemental City-County Relief Tax (“sales taxes”) collected in Carson City for each business. The Southgate Big 5 agreement is for the expansion of an existing business, which provides that the business will not receive abatements on a certain base amount of sales tax, but the City will reimburse 50% of sales taxes paid as abatements, for a 15 year period, on any sales taxes paid beyond that base amount. The remaining agreements are for new businesses moving into Carson City, for which the City agreed to reimburse 50% of sales taxes paid as abatements on all sales for a 15 year period.

<u>Name</u>	<u>Base Amount</u>	<u>Percentage of Abatement</u>	<u>Calendar 2016 Abatement Paid</u>	<u>Expiration Date</u>
Southgate – Big 5	\$ 20,831	50%	\$ 4,193	10/21/2025
Southgate – Big Lots	-	50%	31,049	10/21/2025
Beall’s	-	50%	16,321	12/31/2029
Sportsman’s Warehouse	-	50%	97,696	12/31/2029
			<u>\$ 149,259</u>	

Beginning in Fiscal Year 2014 GMRI Olive Garden was granted a partial property tax abatement based on the provisions of NAC 701A.280, for a duration of 6 years and in an annual amount that equals 25% of the portion of the taxes imposed pursuant to NRS Chapter 361. This is a State of Nevada Energy Related Tax Incentive to encourage businesses to construct energy efficient buildings. Total Property taxes abated for fiscal year ended June 30, 2017 totaled \$2,113.

G. SUBSEQUENT EVENTS

On July 6, 2017, Carson City issued \$3,840,000 of General Obligation (Limited Tax) Medium Term Bond, Series 2017. The bonds are secured by the full faith and credit of the City, subject to Nevada Constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City. The proceeds will be used for various capital projects and equipment needs of the City.

On November 7th, Carson City issued \$6,000,000 of General Obligation (Limited Tax) Sewer Bonds (Additionally Secured by Pledged Revenues), Series 2017B, through the State of Nevada Municipal Bond Bank. The bonds are secured by the full faith and credit of the City, subject to Nevada Constitutional and statutory limitations on the aggregate amount of property taxes that may be levied by and within the City, and are additionally secured by pledged sewer system revenues. The proceeds will be used in the rehabilitation of the Wastewater Reclamation Facility as well as various improvements to the wastewater system.

**CARSON CITY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

Schedule of Funding Progress - Other Post Employment Benefits

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age Normal Cost (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
City Plan	6/30/17	\$ 750,518	\$ 56,695,207	\$ 55,944,689	1.3%	\$36,664,557	152.59%
PEBP	6/30/17	-	6,885,558	6,885,558	-	N/A	N/A
Total	6/30/17	<u>\$ 750,518</u>	<u>\$ 63,580,765</u>	<u>\$ 62,830,247</u>	<u>1.3%</u>		
City Plan	6/30/15	\$ -	\$ 50,747,594	\$ 50,747,594	0%	\$32,085,798	158.16%
PEBP	6/30/15	-	6,681,568	6,681,568	-	N/A	N/A
Total	6/30/15	<u>\$ -</u>	<u>\$ 57,429,162</u>	<u>\$ 57,429,162</u>	<u>0%</u>		
City Plan	6/30/13	\$ -	\$ 32,624,566	\$ 32,624,566	0%	\$32,019,089	101.89%
PEBP	6/30/13	-	9,312,605	9,312,605	-	N/A	N/A
Total	6/30/13	<u>\$ -</u>	<u>\$ 41,937,171</u>	<u>\$ 41,937,171</u>	<u>0%</u>		

Trend Analysis

The principal changes from the June 30, 2013 valuation to the June 30, 2017 valuation are:

- (1) Improvements in the mortality table resulting in longer life expectancies for City Retirees and PEBP retirees (increase);
- (2) updates of employees and premium data (increase);
- (3) an extension of paid dental, vision, and life insurance benefits for Sheriff's department retirees (increase);
- (4) a small increase in the assumed percentage of employees and their dependents who will elect coverage in retirement;
- (5) an update to the trend assumptions for future increases in medical premiums (Increase).
- (6) Carson City Employees Association negotiated a percentage of premium paid for the retirees subsidy in lieu of raises during FY14, instead of the prior subsidy, which was \$6 per year of service. (Increase)
- (7) Legislative change to PEBP's now provide for different levels of Agency subsidy based on the level and type of coverage, which lead to higher subsidies paid by the City in future years. (Increase)
- (8) recognition of the projected excise tax for high cost coverage. (Increase)

**CARSON CITY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

**Schedule of the City's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years***

Public Employees Retirement System of Nevada

	2016	2015	2014
City's proportion of the net pension liability	0.70192%	0.71758%	0.71205%
City's proportionate share of the net pension liability	\$ 94,464,352	\$ 82,230,821	\$ 74,209,811
Covered Payroll	\$ 37,585,137	\$ 36,559,436	\$ 35,233,657
City's proportionate share of the net pension liability as a percentage of it's covered payroll	251.33%	224.92%	210.62%
Plan fiduciary net position as a percentage of the total pension liability	72.20%	75.10%	76.30%

Judicial Retirement System of Nevada

City's proportion of the net pension liability	0.35864%	0.28381%	0.28061%
City's proportionate share of the net pension liability	\$ 81,235	\$ 59,219	\$ 46,348
Covered Payroll	\$ 136,630	\$ 114,925	\$ 105,258
City's proportionate share of the net pension liability as a percentage of it's covered payroll	59.46%	51.53%	44.03%
Plan fiduciary net position as a percentage of the total pension liability	81.70%	82.60%	84.80%

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

**CARSON CITY, NEVADA
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

**Schedule of the City's Contributions
Last Ten Fiscal Years***

Public Employees Retirement System of Nevada

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contributions	\$ 11,281,288	\$ 11,099,260	\$ 10,302,384
Contributions in relation to the statutorily required contributio	11,281,288	11,099,260	10,302,384
Contribution (deficiency) excess	-	-	-
Covered Payroll	40,080,581	37,585,137	36,559,436
Contributions as a percentage of covered payroll	28.15%	29.53%	28.18%

Judicial Retirement System of Nevada

Statutorily required contributions	\$ 21,834	\$ 20,704	\$ 17,469
Contributions in relation to the statutorily required contributio	21,834	20,704	17,469
Contribution (deficiency) excess	-	-	-
Covered Payroll	143,174	136,630	114,925
Contributions as a percentage of covered payroll	15.25%	15.15%	15.20%

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

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GENERAL FUND

The General Fund is used to account for resources traditionally associated with government, which are not required legally or by sound financial management to be accounted for in another fund.

**CARSON CITY, 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)
(PAGE 1 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Ad valorem	\$ 22,582,474	\$ 22,608,987	\$ 26,513	\$ 22,314,986
Licenses and permits:				
Business licenses and permits:				
Business licenses	683,400	796,531	113,131	672,989
Liquor licenses	155,000	159,285	4,285	168,175
City / county gaming licenses	611,050	623,380	12,330	632,068
Right-of-way toll	241,680	262,375	20,695	234,241
Franchise fees:				
Gas	1,258,763	1,117,342	(141,421)	1,230,906
Electric	2,363,400	1,981,989	(381,411)	2,177,457
Telephone	716,797	622,253	(94,544)	696,128
Sanitation	458,540	489,464	30,924	465,283
Cable television	436,187	497,481	61,294	440,161
	<u>6,924,817</u>	<u>6,550,100</u>	<u>(374,717)</u>	<u>6,717,408</u>
Nonbusiness licenses and permits:				
Marriage licenses	12,000	12,201	201	12,138
Mobile home permits	50	18	(32)	55
	<u>12,050</u>	<u>12,219</u>	<u>169</u>	<u>12,193</u>
Total Licenses and Permits	<u>6,936,867</u>	<u>6,562,319</u>	<u>(374,548)</u>	<u>6,729,601</u>
Intergovernmental revenues:				
Federal grants:				
HIV/AIDS Surveillance	-	-	-	3,400
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,400</u>
Federal payments in lieu of taxes	119,000	109,045	(9,955)	116,489
State shared revenues:				
Consolidated tax revenues	26,144,276	27,426,295	1,282,019	24,846,886
State gaming licenses	145,000	137,003	(7,997)	138,096
Candidate filing fee	-	-	-	1,050
Court administrative assessments	152,460	140,835	(11,625)	131,543
	<u>26,441,736</u>	<u>27,704,133</u>	<u>1,262,397</u>	<u>25,117,575</u>

**CARSON CITY, 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)
(PAGE 2 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Other local government grants:				
Interlocal cooperative agreements	\$ 850,752	\$ 410,912	\$ (439,840)	\$ 216,228
Other local government shared revenues:				
Miscellaneous other governments	64,698	62,102	(2,596)	62,942
Total Intergovernmental Revenues	<u>27,476,186</u>	<u>28,286,192</u>	<u>810,006</u>	<u>25,516,634</u>
Charges for services:				
General government:				
Treasurer fees	20,000	17,475	(2,525)	18,430
Clerk fees	138,000	154,907	16,907	136,213
Recorder fees	208,610	234,960	26,350	215,857
Technology fees	30,000	29,877	(123)	28,698
Assessor commissions	208,000	211,320	3,320	219,866
Building and zoning fees	110,000	155,028	45,028	132,813
Public administrator fees	110,000	122,525	12,525	113,006
Administration fees	4,154,417	4,202,504	48,087	4,358,516
Miscellaneous	8,200	11,227	3,027	9,043
	<u>4,987,227</u>	<u>5,139,823</u>	<u>152,596</u>	<u>5,232,442</u>
Judicial:				
Drug Court	12,000	9,655	(2,345)	10,660
Court facilities	90,000	87,507	(2,493)	83,579
Justice civil fees	556,000	568,217	12,217	563,896
	<u>658,000</u>	<u>665,379</u>	<u>7,379</u>	<u>658,135</u>
Public safety:				
Police:				
Sheriff's fees	322,000	282,132	(39,868)	309,859
Fire	9,000	16,827	7,827	11,881
Protective services	113,200	133,680	20,480	133,152
	<u>444,200</u>	<u>432,639</u>	<u>(11,561)</u>	<u>454,892</u>
Sanitation:				
Landfill fees	4,469,873	4,555,665	85,792	3,746,721

**CARSON CITY, 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)
(PAGE 3 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Health:				
Vaccine	\$ 185,000	\$ 187,364	\$ 2,364	\$ 272,212
Clinic services	130,000	177,504	47,504	188,360
Health inspection fees	226,311	232,535	6,224	235,080
	<u>541,311</u>	<u>597,403</u>	<u>56,092</u>	<u>695,652</u>
Culture and recreation	<u>1,385,988</u>	<u>1,323,955</u>	<u>(62,033)</u>	<u>1,425,448</u>
Total Charges for Services	<u>12,486,599</u>	<u>12,714,864</u>	<u>228,265</u>	<u>12,213,290</u>
Fines and forfeits:				
Court	694,600	755,058	60,458	686,826
Sheriff	-	9,848	9,848	5,560
Total Fines and Forfeits	<u>694,600</u>	<u>764,906</u>	<u>70,306</u>	<u>692,386</u>
Miscellaneous:				
Investment income	40,000	37,758	(2,242)	115,127
Rents and royalties	199,960	207,014	7,054	210,412
Other	80,603	118,073	37,470	81,501
Gifts and donations	250	37,217	36,967	127,790
Refunds and reimbursements	808,358	654,202	(154,156)	811,672
Penalties and interest - delinquent taxes	415,000	323,741	(91,259)	490,696
Total Miscellaneous	<u>1,544,171</u>	<u>1,378,005</u>	<u>(166,166)</u>	<u>1,837,198</u>
Total Revenues	<u>71,720,897</u>	<u>72,315,273</u>	<u>594,376</u>	<u>69,304,095</u>
Expenditures:				
General Government:				
Legislative:				
Board of Supervisors:				
Salaries and wages	130,507	129,084	1,423	125,260
Employee benefits	101,696	95,293	6,403	97,242
Services and supplies	20,450	14,971	5,479	17,978
Total Legislative	<u>252,653</u>	<u>239,348</u>	<u>13,305</u>	<u>240,480</u>
Executive:				
Clerk:				
Salaries and wages	205,718	205,685	33	196,096
Employee benefits	65,308	64,823	485	62,546
Services and supplies	19,823	11,533	8,290	13,544
	<u>290,849</u>	<u>282,041</u>	<u>8,808</u>	<u>272,186</u>
Elections:				
Salaries and wages	136,304	131,648	4,656	124,560
Employee benefits	61,010	59,780	1,230	58,564
Services and supplies	73,670	65,203	8,467	55,171
	<u>270,984</u>	<u>256,631</u>	<u>14,353</u>	<u>238,295</u>

See accompanying notes.

**CARSON CITY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Public Guardian:				
Salaries and wages	\$ 145,726	\$ 144,536	\$ 1,190	\$ 117,744
Employee benefits	68,215	68,630	(415)	48,964
Services and supplies	6,750	5,130	1,620	5,779
	<u>220,691</u>	<u>218,296</u>	<u>2,395</u>	<u>172,487</u>
Treasurer:				
Salaries and wages	328,124	301,250	26,874	304,328
Employee benefits	164,111	141,869	22,242	149,916
Services and supplies	44,680	52,447	(7,767)	50,129
	<u>536,915</u>	<u>495,566</u>	<u>41,349</u>	<u>504,373</u>
Recorder:				
Salaries and wages	344,018	341,305	2,713	331,054
Employee benefits	157,989	156,100	1,889	152,485
Services and supplies	85,904	47,326	38,578	28,675
	<u>587,911</u>	<u>544,731</u>	<u>43,180</u>	<u>512,214</u>
Assessor:				
Salaries and wages	487,837	488,471	(634)	469,073
Employee benefits	224,176	220,677	3,499	214,347
Services and supplies	192,094	23,092	169,002	68,169
	<u>904,107</u>	<u>732,240</u>	<u>171,867</u>	<u>751,589</u>
District Attorney:				
Salaries and wages	1,706,348	1,617,457	88,891	1,572,678
Employee benefits	756,051	709,474	46,577	657,822
Services and supplies	205,693	108,959	96,734	103,494
	<u>2,668,092</u>	<u>2,435,890</u>	<u>232,202</u>	<u>2,333,994</u>
City Manager:				
Salaries and wages	373,054	341,345	31,709	363,089
Employee benefits	152,992	138,432	14,560	147,454
Services and supplies	94,953	81,210	13,743	138,930
Capital outlay	-	-	-	10,300
	<u>620,999</u>	<u>560,987</u>	<u>60,012</u>	<u>659,773</u>
Central Services:				
Services and supplies	1,959,608	1,946,545	13,063	1,872,316
Total Executive	<u>8,060,156</u>	<u>7,472,927</u>	<u>587,229</u>	<u>7,317,227</u>
Finance:				
Finance:				
Salaries and wages	460,341	463,835	(3,494)	483,922
Employee benefits	227,793	216,709	11,084	208,361
Services and supplies	94,743	76,925	17,818	96,567
	<u>782,877</u>	<u>757,469</u>	<u>25,408</u>	<u>788,850</u>

**CARSON CITY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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FOR THE YEAR ENDED JUNE 30, 2017
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Internal Auditor:				
Services and supplies	\$ 110,200	\$ 91,882	\$ 18,318	\$ 100,908
Purchasing:				
Salaries and wages	86,345	86,282	63	77,366
Employee benefits	32,646	32,618	28	29,212
Services and supplies	9,032	8,860	172	10,283
	<u>128,023</u>	<u>127,760</u>	<u>263</u>	<u>116,861</u>
Human Resources:				
Salaries and wages	202,817	199,537	3,280	199,347
Employee benefits	87,926	84,200	3,726	84,936
Services and supplies	88,040	67,564	20,476	37,603
	<u>378,783</u>	<u>351,301</u>	<u>27,482</u>	<u>321,886</u>
Total Finance	<u>1,399,883</u>	<u>1,328,412</u>	<u>71,471</u>	<u>1,328,505</u>
Other:				
Community Development:				
Planning:				
Salaries and wages	449,286	429,058	20,228	395,023
Employee benefits	178,557	169,797	8,760	171,906
Services and supplies	51,921	50,542	1,379	43,337
	<u>679,764</u>	<u>649,397</u>	<u>30,367</u>	<u>610,266</u>
Business License:				
Salaries and wages	69,889	65,034	4,855	66,648
Employee benefits	34,834	30,804	4,030	33,793
Services and supplies	11,750	8,295	3,455	8,084
	<u>116,473</u>	<u>104,133</u>	<u>12,340</u>	<u>108,525</u>
Total Community Development	<u>796,237</u>	<u>753,530</u>	<u>42,707</u>	<u>718,791</u>
Information Technology:				
Salaries and wages	828,951	759,228	69,723	734,914
Employee benefits	373,015	340,849	32,166	327,847
Services and supplies	842,294	717,864	124,430	659,953
Capital outlay	-	54,845	(54,845)	15,000
	<u>2,044,260</u>	<u>1,872,786</u>	<u>171,474</u>	<u>1,737,714</u>
Geographic Information Systems:				
Services and supplies	271,500	160,395	111,105	270,305
Capital outlay	-	30,439	(30,439)	-
	<u>271,500</u>	<u>190,834</u>	<u>80,666</u>	<u>270,305</u>
Public Defender:				
Services and supplies	1,572,365	1,546,150	26,215	1,558,341
Public Safety Complex / Courthouse:				
Services and supplies	344,725	188,919	155,806	252,458

See accompanying notes.

**CARSON CITY, NEVADA
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
City Hall:				
Services and supplies	\$ 115,760	\$ 90,057	\$ 25,703	\$ 76,393
Northgate:				
Services and supplies	32,800	26,693	6,107	28,825
Facilities Maintenance:				
Salaries and wages	709,336	714,666	(5,330)	704,285
Employee benefits	327,062	315,887	11,175	302,187
Services and supplies	414,473	395,656	18,817	382,186
	<u>1,450,871</u>	<u>1,426,209</u>	<u>24,662</u>	<u>1,388,658</u>
Total Other	<u>6,628,518</u>	<u>6,095,178</u>	<u>533,340</u>	<u>6,031,485</u>
Total General Government	<u>16,341,210</u>	<u>15,135,865</u>	<u>1,205,345</u>	<u>14,917,697</u>
Public Safety:				
Sheriff:				
Chartered Administration:				
Salaries and wages	721,521	698,729	22,792	612,654
Employee benefits	347,793	307,037	40,756	314,017
	<u>1,069,314</u>	<u>1,005,766</u>	<u>63,548</u>	<u>926,671</u>
Administrative Services:				
Salaries and wages	276,763	304,901	(28,138)	257,223
Employee benefits	195,702	193,974	1,728	178,615
Services and supplies	609,952	559,129	50,823	651,856
Capital outlay	-	-	-	39,666
	<u>1,082,417</u>	<u>1,058,004</u>	<u>24,413</u>	<u>1,127,360</u>
Investigations:				
Salaries and wages	1,292,353	1,286,507	5,846	1,297,988
Employee benefits	738,864	705,140	33,724	702,821
Services and supplies	349,647	316,996	32,651	281,075
Capital outlay	-	-	-	26,642
	<u>2,380,864</u>	<u>2,308,643</u>	<u>72,221</u>	<u>2,308,526</u>
Operational Services:				
Salaries and wages	3,863,483	3,750,560	112,923	3,627,659
Employee benefits	2,314,802	2,264,453	50,349	2,177,055
Services and supplies	598,271	622,221	(23,950)	639,595
Capital outlay	-	-	-	1,078
	<u>6,776,556</u>	<u>6,637,234</u>	<u>139,322</u>	<u>6,445,387</u>

See accompanying notes.

**CARSON CITY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Detention Facility:				
Salaries and wages	\$ 2,379,130	\$ 2,416,609	\$ (37,479)	\$ 2,376,782
Employee benefits	1,479,633	1,467,226	12,407	1,420,700
Services and supplies	440,453	431,452	9,001	391,968
	<u>4,299,216</u>	<u>4,315,287</u>	<u>(16,071)</u>	<u>4,189,450</u>
General Services:				
Salaries and wages	380,099	361,426	18,673	435,997
Employee benefits	168,312	158,831	9,481	203,572
Services and supplies	64,395	60,638	3,757	65,288
	<u>612,806</u>	<u>580,895</u>	<u>31,911</u>	<u>704,857</u>
Dispatch:				
Salaries and wages	1,292,707	1,244,313	48,394	1,282,414
Employee benefits	515,126	482,357	32,769	473,043
Services and supplies	139,346	144,842	(5,496)	144,556
	<u>1,947,179</u>	<u>1,871,512</u>	<u>75,667</u>	<u>1,900,013</u>
Federal, Tri-Net Grant:				
Salaries and wages	23,580	11,982	11,598	649
Employee benefits	54,810	41,307	13,503	51,506
Services and supplies	14,370	10,546	3,824	16,085
	<u>92,760</u>	<u>63,835</u>	<u>28,925</u>	<u>68,240</u>
Total Sheriff	<u>18,261,112</u>	<u>17,841,176</u>	<u>419,936</u>	<u>17,670,504</u>
Fire:				
Administration:				
Salaries and wages	499,302	357,322	141,980	300,580
Employee benefits	158,967	94,300	64,667	149,754
Services and supplies	42,333	48,761	(6,428)	48,470
	<u>700,602</u>	<u>500,383</u>	<u>200,219</u>	<u>498,804</u>
Operations:				
Salaries and wages	5,031,603	4,925,786	105,817	4,866,514
Employee benefits	2,344,105	2,281,329	62,776	2,317,661
Services and supplies	548,912	552,131	(3,219)	515,649
Capital outlay	-	-	-	10,195
	<u>7,924,620</u>	<u>7,759,246</u>	<u>165,374</u>	<u>7,710,019</u>
Prevention:				
Salaries and wages	315,579	291,270	24,309	272,626
Employee benefits	126,325	115,938	10,387	121,940
Services and supplies	50,888	55,288	(4,400)	49,493
	<u>492,792</u>	<u>462,496</u>	<u>30,296</u>	<u>444,059</u>
Emergency Management:				
Salaries and wages	184,404	222,010	(37,606)	108,693
Employee benefits	104,318	85,579	18,739	96,464
Services and supplies	20,706	20,405	301	24,453
	<u>309,428</u>	<u>327,994</u>	<u>(18,566)</u>	<u>229,610</u>

See accompanying notes.

**CARSON CITY, NEVADA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2016)
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Training:				
Salaries and wages	\$ 162,701	\$ 132,369	\$ 30,332	\$ 111,877
Employee benefits	89,053	80,697	8,356	63,674
Services and supplies	113,835	101,847	11,988	99,096
	<u>365,589</u>	<u>314,913</u>	<u>50,676</u>	<u>274,647</u>
Wildland Fire Management:				
Salaries and wages	178,771	125,585	53,186	206,670
Employee benefits	5,568	9,941	(4,373)	15,608
Services and supplies	274,780	199,178	75,602	178,902
Capital outlay	30,000	30,000	-	-
	<u>489,119</u>	<u>364,704</u>	<u>124,415</u>	<u>401,180</u>
Total Fire	<u>10,282,150</u>	<u>9,729,736</u>	<u>552,414</u>	<u>9,558,319</u>
Corrections:				
Juvenile Probation:				
Salaries and wages	961,165	907,480	53,685	813,515
Employee benefits	516,945	465,138	51,807	470,757
Services and supplies	286,016	215,665	70,351	258,391
Capital outlay	46,029	46,028	1	-
	<u>1,810,155</u>	<u>1,634,311</u>	<u>175,844</u>	<u>1,542,663</u>
Juvenile Detention:				
Salaries and wages	1,040,342	1,005,792	34,550	1,023,863
Employee benefits	461,473	426,413	35,060	415,272
Services and supplies	109,290	95,918	13,372	106,016
	<u>1,611,105</u>	<u>1,528,123</u>	<u>82,982</u>	<u>1,545,151</u>
Total Corrections	<u>3,421,260</u>	<u>3,162,434</u>	<u>258,826</u>	<u>3,087,814</u>
Total Public Safety	<u>31,964,522</u>	<u>30,733,346</u>	<u>1,231,176</u>	<u>30,316,637</u>
Judicial:				
Juvenile Court:				
Salaries and wages	365,113	379,593	(14,480)	272,606
Employee benefits	173,502	178,553	(5,051)	130,964
Services and supplies	98,002	64,068	33,934	77,916
	<u>636,617</u>	<u>622,214</u>	<u>14,403</u>	<u>481,486</u>
Justice Court:				
Salaries and wages	2,326,092	2,340,967	(14,875)	2,306,927
Employee benefits	1,103,177	1,066,702	36,475	1,096,646
Services and supplies	1,299,887	1,173,009	126,878	906,845
Capital outlay	63,940	67,761	(3,821)	21,169
	<u>4,793,096</u>	<u>4,648,439</u>	<u>144,657</u>	<u>4,331,587</u>
Alternative Sentencing:				
Salaries and wages	704,782	712,408	(7,626)	655,453
Employee benefits	321,545	334,178	(12,633)	255,630
Services and supplies	164,001	174,182	(10,181)	177,452
	<u>1,190,328</u>	<u>1,220,768</u>	<u>(30,440)</u>	<u>1,088,535</u>
Total Judicial	<u>6,620,041</u>	<u>6,491,421</u>	<u>128,620</u>	<u>5,901,608</u>

See accompanying notes.

**CARSON CITY, NEVADA
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Public Works:				
Engineering / Public Works:				
Public Works:				
Salaries and wages	\$ 1,245,716	\$ 1,214,720	\$ 30,996	\$ 1,294,800
Employee benefits	843,176	843,472	(296)	798,461
Services and supplies	101,748	100,268	1,480	95,694
Total Public Works	<u>2,190,640</u>	<u>2,158,460</u>	<u>32,180</u>	<u>2,188,955</u>
Sanitation:				
Landfill:				
Salaries and wages	638,618	600,220	38,398	554,006
Employee benefits	277,266	270,892	6,374	238,826
Services and supplies	1,109,930	968,893	141,037	812,137
Total Sanitation	<u>2,025,814</u>	<u>1,840,005</u>	<u>185,809</u>	<u>1,604,969</u>
Health:				
Public Health Administration:				
Salaries and wages	248,687	248,840	(153)	257,263
Employee benefits	120,145	114,465	5,680	120,125
Services and supplies	775,115	680,715	94,400	697,095
Total Public Health Administration	<u>1,143,947</u>	<u>1,044,020</u>	<u>99,927</u>	<u>1,074,483</u>
Medical:				
Salaries and wages	71,080	70,857	223	70,458
Employee benefits	35,074	35,035	39	34,048
Services and supplies	564,312	333,007	231,305	450,640
Total Medical	<u>670,466</u>	<u>438,899</u>	<u>231,567</u>	<u>555,146</u>
Environmental Health:				
Salaries and wages	181,694	178,729	2,965	344,411
Employee benefits	64,426	64,050	376	130,137
Services and supplies	13,224	4,847	8,377	28,036
Total Environmental Health	<u>259,344</u>	<u>247,626</u>	<u>11,718</u>	<u>502,584</u>
Douglas County Environmental Health:				
Salaries and wages	162,254	140,310	21,944	-
Employee benefits	73,254	55,309	17,945	-
Services and supplies	28,074	18,317	9,757	-
Total Environmental Health	<u>263,582</u>	<u>213,936</u>	<u>49,646</u>	<u>-</u>
Animal Services:				
Services and supplies	947,557	710,841	236,716	705,834
Total Health	<u>3,284,896</u>	<u>2,655,322</u>	<u>629,574</u>	<u>2,838,047</u>

See accompanying notes.

**CARSON CITY, NEVADA
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FOR THE YEAR ENDED JUNE 30, 2017
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	FINAL BUDGET	ACTUAL	VARIANCE	2016
Welfare:				
Administration:				
Salaries and wages	\$ 106,178	\$ 102,442	\$ 3,736	\$ 101,191
Employee benefits	59,025	58,264	761	56,919
Services and supplies	328,931	176,022	152,909	90,874
Total Administration	494,134	336,728	157,406	248,984
Sexual Assault Response Team (SART):				
Salaries and wages	16,000	13,865	2,135	3,675
Employee benefits	505	416	89	122
Services and supplies	4,958	5,586	(628)	9,006
Total SART	21,463	19,867	1,596	12,803
Total Welfare	515,597	356,595	159,002	261,787
Culture and Recreation:				
Parks:				
Parks and Recreation Administration:				
Salaries and wages	439,708	422,490	17,218	454,711
Employee benefits	204,329	197,511	6,818	188,789
Services and supplies	82,827	74,599	8,228	36,479
	726,864	694,600	32,264	679,979
Park Maintenance:				
Salaries and wages	542,347	507,055	35,292	545,172
Employee benefits	254,403	236,099	18,304	229,023
Services and supplies	524,177	526,657	(2,480)	559,978
	1,320,927	1,269,811	51,116	1,334,173
Grants, Gifts, and Donations:				
Salaries and wages	65,259	51,696	13,563	48,724
Services and supplies	66,751	16,570	50,181	34,661
Capital outlay	15,484	22,268	(6,784)	2,621
	147,494	90,534	56,960	86,006
Youth Sports Association				
Salaries and wages	45,588	27,420	18,168	35,579
Services and supplies	61,437	51,999	9,438	50,809
	107,025	79,419	27,606	86,388
Total Parks	2,302,310	2,134,364	167,946	2,186,546
Participant Recreation:				
Community Center:				
Salaries and wages	172,186	150,795	21,391	145,498
Employee benefits	55,072	53,636	1,436	51,407
Services and supplies	141,103	119,528	21,575	124,195
	368,361	323,959	44,402	321,100

See accompanying notes.

**CARSON CITY, NEVADA
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SCHEDULE OF REVENUES, EXPENDITURES,
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FOR THE YEAR ENDED JUNE 30, 2017
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(PAGE 11 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Recreation:				
Salaries and wages	\$ 285,710	\$ 329,952	\$ (44,242)	\$ 285,805
Employee benefits	41,232	27,184	14,048	51,803
Services and supplies	85,871	59,918	25,953	58,390
	<u>412,813</u>	<u>417,054</u>	<u>(4,241)</u>	<u>395,998</u>
Swimming Pool:				
Salaries and wages	365,264	388,138	(22,874)	407,117
Employee benefits	82,616	82,116	500	78,839
Services and supplies	228,579	168,023	60,556	179,633
	<u>676,459</u>	<u>638,277</u>	<u>38,182</u>	<u>665,589</u>
Ice Rink:				
Salaries and wages	46,886	45,704	1,182	30,642
Employee benefits	1,013	849	164	1,620
Services and supplies	44,039	45,527	(1,488)	32,072
	<u>91,938</u>	<u>92,080</u>	<u>(142)</u>	<u>64,334</u>
Nevada Fair:				
Salaries and wages	-	-	-	15,954
Employee benefits	-	-	-	794
Services and supplies	-	-	-	142,565
	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,313</u>
Sports:				
Salaries and wages	166,139	162,970	3,169	171,695
Employee benefits	50,379	43,061	7,318	49,360
Services and supplies	165,535	164,767	768	151,461
	<u>382,053</u>	<u>370,798</u>	<u>11,255</u>	<u>372,516</u>
Multi-Purpose Athletic Center				
Salaries and wages	53,571	49,694	3,877	518
Employee benefits	1,692	1,493	199	16
Services and supplies	104,646	80,206	24,440	39,292
	<u>159,909</u>	<u>131,393</u>	<u>28,516</u>	<u>39,826</u>
Total Participant Recreation	<u>2,091,533</u>	<u>1,973,561</u>	<u>117,972</u>	<u>2,018,676</u>
Library:				
Salaries and wages	876,586	870,109	6,477	892,482
Employee benefits	379,520	342,631	36,889	321,564
Services and supplies	428,367	422,716	5,651	384,236
Capital outlay	21,391	20,560	831	-
	<u>1,705,864</u>	<u>1,656,016</u>	<u>49,848</u>	<u>1,598,282</u>
Total Culture and Recreation	<u>6,099,707</u>	<u>5,763,941</u>	<u>335,766</u>	<u>5,803,504</u>

See accompanying notes.

**CARSON CITY, 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)
(PAGE 12 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Community Support:				
Support Services:				
Services and supplies	\$ 336,513	\$ 331,134	\$ 5,379	\$ 368,771
Total Expenditures	<u>69,378,940</u>	<u>65,466,089</u>	<u>3,912,851</u>	<u>64,201,965</u>
Excess (Deficiency) of Revenues over Expenditures	<u>2,341,957</u>	<u>6,849,184</u>	<u>4,507,227</u>	<u>5,102,130</u>
Other Financing Sources (Uses):				
Capital Leases	-	54,845	54,845	10,300
Transfers in (out):				
Quality of Life Fund	63,684	52,321	(11,363)	68,608
Insurance Fund	(250,000)	(250,000)	-	-
Redevelopment Revolving Fund	-	480,000	480,000	480,000
MAC Maintenance	50,000	50,000	-	25,000
Capital Projects Fund	(1,653,700)	(1,653,700)	-	(775,000)
Infrastructure Fund	-	-	-	(82,100)
Library Gift Fund	(932)	(932)	-	-
Carson City Debt Service Fund	(2,937,860)	(2,937,860)	-	(2,896,204)
Traffic Transportation Fund	(20,000)	(20,000)	-	(10,000)
Street Maintenance	-	-	-	(370,197)
Cemetery Fund	(90,000)	(90,000)	-	(90,000)
Carson City Transit Fund	(400,000)	(400,000)	-	(400,000)
Grant Fund	(180,992)	(467,984)	(286,992)	(109,707)
Ambulance Fund	(350,000)	(350,000)	-	(300,000)
Extraordinary Maintenance	(100,000)	(100,000)	-	(100,000)
Total Other Financing Sources (Uses)	<u>(5,869,800)</u>	<u>(5,633,310)</u>	<u>236,490</u>	<u>(4,549,300)</u>
Net Change in Fund Balances	<u>(3,527,843)</u>	<u>1,215,874</u>	<u>4,743,717</u>	<u>552,830</u>
Fund Balances, July 1	<u>8,181,142</u>	<u>8,181,142</u>	<u>-</u>	<u>7,628,312</u>
Fund Balances, June 30	<u>\$ 4,653,299</u>	<u>\$ 9,397,016</u>	<u>\$ 4,743,717</u>	<u>\$ 8,181,142</u>

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NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	\$ 5,610,558	\$ 186,955	\$ 3,953,223	\$ 9,750,736
Receivables (net of allowances for uncollectibles):				
Taxes, delinquent	29,609	8,375	-	37,984
Accounts receivable	708,627	22,294	-	730,921
Due from other funds	7,320	-	-	7,320
Due from other governments	4,131,769	-	235,651	4,367,420
Prepaid items	39,975	-	-	39,975
Restricted assets:				
Cash and investments	42,973	-	-	42,973
Total Assets	\$ 10,570,831	\$ 217,624	\$ 4,188,874	\$ 14,977,329
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,215,318	\$ 2,000	\$ 184,843	\$ 1,402,161
Accrued salaries and benefits	208,863	-	-	208,863
Due to other funds	50,271	-	-	50,271
Due to other governments	241,279	-	-	241,279
Due to component units	30,960	-	-	30,960
Unearned revenue	99,423	-	-	99,423
Payable from restricted assets	42,973	-	-	42,973
Total Liabilities	1,889,087	2,000	184,843	2,075,930
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	23,943	7,597	-	31,540
Fund balances:				
Nonspendable	39,975	-	-	39,975
Restricted	6,088,159	141,057	4,004,031	10,233,247
Committed	10,044	-	-	10,044
Assigned	2,519,623	66,970	-	2,586,593
Total Fund Balances	8,657,801	208,027	4,004,031	12,869,859
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,570,831	\$ 217,624	\$ 4,188,874	\$ 14,977,329

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

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 13,134,413	\$ 1,745,597	\$ 1,455,794	\$ 16,335,804
Licenses and permits	209,789	-	-	209,789
Intergovernmental revenues	9,811,978	391,162	-	10,203,140
Charges for services	475,446	-	-	475,446
Fines and forfeits	26,034	-	-	26,034
Miscellaneous	572,907	97,570	21,753	692,230
Total Revenues	<u>24,230,567</u>	<u>2,234,329</u>	<u>1,477,547</u>	<u>27,942,443</u>
Expenditures:				
Current:				
General government	358,474	-	-	358,474
Public safety	1,198,619	-	-	1,198,619
Judicial	158,945	-	-	158,945
Public works	7,015,258	-	-	7,015,258
Sanitation	-	-	-	-
Health	2,506,692	-	4,656	2,511,348
Welfare	1,768,947	-	-	1,768,947
Culture and recreation	1,789,396	-	-	1,789,396
Community support	-	-	402,594	402,594
Airport	74,903	-	-	74,903
Economic opportunity	90,492	-	-	90,492
Capital outlay	9,580,644	-	5,008,563	14,589,207
Debt service:				
Principal retirement	-	5,239,300	-	5,239,300
Interest and fiscal charges	-	3,178,466	-	3,178,466
Total Expenditures	<u>24,542,370</u>	<u>8,417,766</u>	<u>5,415,813</u>	<u>38,375,949</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(311,803)</u>	<u>(6,183,437)</u>	<u>(3,938,266)</u>	<u>(10,433,506)</u>
Other Financing Sources (Uses):				
Refunding bonds issued	-	5,951,000	-	5,951,000
Capital leases	30,000	-	-	30,000
Debt issued	3,425,293	-	-	3,425,293
Payment to refunded bond escrow agent	-	(5,859,759)	-	(5,859,759)
Sale of capital assets	43,552	-	-	43,552
Transfers in	2,842,555	7,468,459	1,309,774	11,620,788
Transfers out	(3,888,329)	(1,480,729)	(1,253,575)	(6,622,633)
Total Other Financing Sources (Uses)	<u>2,453,071</u>	<u>6,078,971</u>	<u>56,199</u>	<u>8,588,241</u>
Net Change in Fund Balances	2,141,268	(104,466)	(3,882,067)	(1,845,265)
Fund Balances, July 1	<u>6,516,533</u>	<u>312,493</u>	<u>7,886,098</u>	<u>14,715,124</u>
Fund Balances, June 30	<u>\$ 8,657,801</u>	<u>\$ 208,027</u>	<u>\$ 4,004,031</u>	<u>\$ 12,869,859</u>

See accompanying notes.

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SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Nonmajor Funds

Senior Citizens Center Fund - This Fund is used to account for the 1984 voter-approved tax override of five cents to provide for the construction, furnishing, equipment, operation, and ongoing maintenance of Senior Citizens facilities in Carson City.

Cooperative Extension Fund - This Fund was established in accordance with Nevada Revised Statute 549.020 and is used to account for the City's share of the Cooperative Extension work which is funded by a one cent to five cent tax rate subject to Board of Supervisor approval.

Traffic Transportation Fund - This Fund was established in accordance with the Carson City Charter Section 2.240 and is used to account for monies received for parking fees and fines and may be expended only for the establishment, repair, and control of parking meters, facilities for parking, and any other appurtenances necessary for traffic control.

Supplemental Indigent Fund - This Fund is used to account for additional indigent expenditures other than General Fund requirements and for the collection and payment to the State of Nevada for the auto accident indigent ad valorem tax levy.

Library Gift Fund - This Fund was established in accordance with Nevada Revised Statute 379.106 and is used to account for all gifts to the Ormsby Public Library.

Administrative Assessments Fund - This Fund was established by NRS 176.059 and is used to account for the City's share of assessments on misdemeanor convictions.

911 Surcharge Fund - This Fund was established in accordance with Nevada Revised Statute 244A.7643 and is used to account for the 911 surcharge monies that may be expended only for the enhancement or improvement of the telephone system for reporting an emergency in Carson City County.

Capital Projects Fund - This Fund is used to account for the additional ad valorem tax imposed in accordance with Nevada Revised Statute 354.598155 for the purpose of replacing major assets.

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SPECIAL REVENUE FUNDS Continued

Street Maintenance Fund - This Fund is used to account for the one-quarter percent (0.25%) retail sales and use tax for the sole purpose of maintaining and repairing public roads within Carson City; the one cent per gallon motor vehicle fuel tax approved by the voters in 1986 for the purpose of repairing or restoring existing paved roads, streets, and alleys; and the 3.60 and 1.75 cents per gallon motor vehicle fuel taxes collected in accordance with Nevada Revised Statutes 365.180 and 365.190.

Redevelopment Administration Fund - This Fund is used to account for the operations of the Redevelopment Agency, which has been combined with Carson City for financial statement purposes.

Carson City Transit Fund - This Fund is used to account for transit grants, fares, donations, and additional City funding to be used for the sole purpose of providing public transportation services within Carson City.

Commissary Fund - This Fund is used to operate a commissary to allow the Sheriff to sell to the prisoners food, beverages, toiletries, and similar items as the Sheriff may approve. The Sheriff must expend the profits from the operation of the commissary only for the welfare and benefit of the prisoners in the jail.

V & T Special Infrastructure Fund – This fund is used to account for the 0.125% sales tax revenue that is pledged for the payment of principal and interest on the bonds known as the V & T Historical Bonds.

Campo Fund - This fund is used to account for revenues received and expenditures incurred related to the administration of Federal Highway Administration and Federal Transit Administration Metropolitan Planning activities.

Airport Fund - This Fund is used to account for Federal Aviation Administration grants awarded to the City.

Regional Transportation Fund - This Fund is used to account for the nine cent per gallon County fuel tax imposed in accordance with Nevada Revised Statute 373.030. The monies are to be used for the purpose of street and highway construction.

Quality of Life Fund - This Fund is used to account for a voter approved one-quarter percent (0.25%) sales tax for the purpose of acquiring open space and the construction and maintenance of park and trail facilities.

Grant Fund - This fund is used to account for state and federal grants.

**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 3)**

	<u>SENIOR CITIZENS CENTER</u>	<u>COOPERATIVE EXTENSION</u>	<u>TRAFFIC TRANSPORTATION</u>	<u>SUPPLEMENTAL INDIGENT</u>
ASSETS				
Cash and investments:				
Unrestricted	\$ 86,826	\$ 251,661	\$ 11,177	\$ 157,857
Restricted	-	-	-	-
Taxes receivable, delinquent	6,501	1,653	-	14,953
Accounts receivable	213	3	-	-
Due from other funds	-	-	-	-
Due from other governments	-	7,121	-	40,112
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 93,540</u>	<u>\$ 260,438</u>	<u>\$ 11,177</u>	<u>\$ 212,922</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 6,349	\$ 13,311	\$ -	\$ 480
Accrued salaries and benefits	8,662	301	1,133	23,016
Due to other funds	-	-	-	-
Due to other governments	-	3,763	-	155,797
Due to component units	-	-	-	-
Unearned revenue	-	-	-	-
Payable from restricted assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>15,011</u>	<u>17,375</u>	<u>1,133</u>	<u>179,293</u>
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	5,256	1,339	-	12,093
	<u>5,256</u>	<u>1,339</u>	<u>-</u>	<u>12,093</u>
Fund balances:				
Nonspendable	-	-	-	-
Restricted	73,273	241,724	-	21,536
Committed	-	-	10,044	-
Assigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>73,273</u>	<u>241,724</u>	<u>10,044</u>	<u>21,536</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 93,540</u>	<u>\$ 260,438</u>	<u>\$ 11,177</u>	<u>\$ 212,922</u>

<u>LIBRARY GIFT</u>	<u>ADMINISTRATIVE ASSESSMENTS</u>	<u>911 SURCHARGE</u>	<u>CAPITAL PROJECTS</u>
\$ 39,971	\$ 111,142	\$ 168,956	\$ 1,935,819
-	-	-	-
-	-	-	6,502
-	-	18,416	680,359
-	-	-	-
-	588	-	-
1,371	298	35,163	-
<u>\$ 41,342</u>	<u>\$ 112,028</u>	<u>\$ 222,535</u>	<u>\$ 2,622,680</u>
\$ 5,321	\$ 603	\$ 808	\$ 697,122
29	-	-	-
-	-	-	-
-	22,000	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>5,350</u>	<u>22,603</u>	<u>808</u>	<u>697,122</u>
-	-	-	5,255
1,371	298	35,163	-
34,621	89,127	186,564	-
-	-	-	-
-	-	-	1,920,303
<u>35,992</u>	<u>89,425</u>	<u>221,727</u>	<u>1,920,303</u>
<u>\$ 41,342</u>	<u>\$ 112,028</u>	<u>\$ 222,535</u>	<u>\$ 2,622,680</u>

See accompanying notes.

**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 3)**

	<u>STREET MAINTENANCE</u>	<u>REDEVELOPMENT ADMINISTRATION</u>	<u>CARSON CITY TRANSIT</u>
ASSETS			
Cash and investments:			
Unrestricted	\$ 57,965	\$ 89,934	\$ 223,305
Restricted	-	-	-
Taxes receivable, delinquent	-	-	-
Accounts receivable	-	-	2,000
Due from other funds	-	-	-
Due from other governments	787,901	-	175,197
Prepaid items	160	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 846,026</u>	<u>\$ 89,934</u>	<u>\$ 400,502</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 114,670	\$ 2,734	\$ 73,273
Accrued salaries and benefits	52,877	4,041	2,164
Due to other funds	-	-	-
Due to other governments	-	-	12,024
Due to component units	-	-	-
Unearned revenue	-	-	-
Payable from restricted assets	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>167,547</u>	<u>6,775</u>	<u>87,461</u>
Deferred inflows of resources:			
Unavailable revenue - delinquent property taxes	-	-	-
	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES			
Nonspendable	160	-	-
Restricted	678,319	83,159	313,041
Committed	-	-	-
Assigned	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>678,479</u>	<u>83,159</u>	<u>313,041</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances			
	<u>\$ 846,026</u>	<u>\$ 89,934</u>	<u>\$ 400,502</u>

<u>COMMISSARY</u>	<u>V & T SPECIAL INFRASTRUCTURE</u>	<u>CAMPO</u>	<u>AIRPORT</u>
\$ 140,594	\$ 364,251	\$ -	\$ -
42,973	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	236,375	64,890	30,960
-	-	513	-
<u>\$ 183,567</u>	<u>\$ 600,626</u>	<u>\$ 65,403</u>	<u>\$ 30,960</u>
\$ 24,242	\$ 292	\$ 25,447	\$ -
1,172	-	-	-
-	-	7,320	-
-	-	-	-
-	-	-	30,960
-	-	-	-
42,973	-	-	-
<u>68,387</u>	<u>292</u>	<u>32,767</u>	<u>30,960</u>
-	-	-	-
-	-	513	-
115,180	600,334	32,123	-
-	-	-	-
-	-	-	-
<u>115,180</u>	<u>600,334</u>	<u>32,636</u>	<u>-</u>
<u>\$ 183,567</u>	<u>\$ 600,626</u>	<u>\$ 65,403</u>	<u>\$ 30,960</u>

See accompanying notes.

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**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 3 OF 3)**

	<u>REGIONAL TRANSPORTATION</u>	<u>QUALITY OF LIFE</u>	<u>GRANT</u>	<u>TOTAL</u>
ASSETS				
Cash and investments:				
Unrestricted	\$ 298,404	\$ 1,672,696	\$ -	\$ 5,610,558
Restricted	-	-	-	42,973
Taxes receivable, delinquent	-	-	-	29,609
Accounts receivable	-	2,000	5,636	708,627
Due from other funds	7,320	-	-	7,320
Due from other governments	889,652	510,527	1,388,446	4,131,769
Prepaid items	375	149	1,946	39,975
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,195,751</u>	<u>\$ 2,185,372</u>	<u>\$ 1,396,028</u>	<u>\$ 10,570,831</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 125,054	\$ 57,873	\$ 67,739	\$ 1,215,318
Accrued salaries and benefits	34,630	14,775	66,063	208,863
Due to other funds	-	-	42,951	50,271
Due to other governments	6,667	5,534	35,494	241,279
Due to component units	-	-	-	30,960
Unearned revenue	-	-	99,423	99,423
Payable from restricted assets	-	-	-	42,973
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>166,351</u>	<u>78,182</u>	<u>311,670</u>	<u>1,889,087</u>
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	-	-	-	23,943
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES				
Nonspendable	375	149	1,946	39,975
Restricted	1,029,025	2,107,041	483,092	6,088,159
Committed	-	-	-	10,044
Assigned	-	-	599,320	2,519,623
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>1,029,400</u>	<u>2,107,190</u>	<u>1,084,358</u>	<u>8,657,801</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances				
	<u>\$ 1,195,751</u>	<u>\$ 2,185,372</u>	<u>\$ 1,396,028</u>	<u>\$ 10,570,831</u>

CARSON CITY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 3)

	SENIOR CITIZENS CENTER	COOPERATIVE EXTENSION	TRAFFIC TRANSPORTATION	SUPPLEMENTAL INDIGENT
Revenues:				
Taxes	\$ 629,208	\$ 161,077	\$ -	\$ 1,447,186
Licenses and permits	-	-	-	-
Intergovernmental revenues	-	10,000	-	-
Charges for services	-	7,086	-	-
Fines and forfeits	-	-	26,034	-
Miscellaneous	618	13,050	9,829	1,622
Total Revenues	<u>629,826</u>	<u>191,213</u>	<u>35,863</u>	<u>1,448,808</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	52,675	-
Judicial	-	-	-	-
Public works	-	-	-	-
Welfare	-	-	-	1,448,243
Health	-	-	-	-
Culture and recreation	452,664	174,471	-	-
Airport	-	-	-	-
Economic opportunity	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>452,664</u>	<u>174,471</u>	<u>52,675</u>	<u>1,448,243</u>
Excess (Deficiency) of Revenues over Expenditures	<u>177,162</u>	<u>16,742</u>	<u>(16,812)</u>	<u>565</u>
Other Financing Sources (Uses):				
Debt issued	-	-	-	-
Capital leases	-	-	-	-
Sale of capital assets	-	-	-	-
Transfers in	-	-	20,000	-
Transfers out	(151,600)	-	-	-
Total Other Financing Sources (Uses)	<u>(151,600)</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Net Change in Fund Balances	25,562	16,742	3,188	565
Fund Balances, July 1	<u>47,711</u>	<u>224,982</u>	<u>6,856</u>	<u>20,971</u>
Fund Balances, June 30	<u>\$ 73,273</u>	<u>\$ 241,724</u>	<u>\$ 10,044</u>	<u>\$ 21,536</u>

See accompanying notes.

LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	911 SURCHARGE	CAPITAL PROJECTS
\$ -	\$ -	\$ -	\$ 629,216
-	-	209,789	-
-	61,714	-	76,000
-	-	-	-
-	-	-	-
85,228	-	534	3,265
<u>85,228</u>	<u>61,714</u>	<u>210,323</u>	<u>708,481</u>
-	-	-	50,692
-	-	151,725	32,263
-	48,957	-	-
-	-	-	157,530
-	-	-	-
-	-	-	-
119,598	-	-	-
-	-	-	-
-	-	-	-
5,469	-	172,138	3,805,279
<u>125,067</u>	<u>48,957</u>	<u>323,863</u>	<u>4,045,764</u>
<u>(39,839)</u>	<u>12,757</u>	<u>(113,540)</u>	<u>(3,337,283)</u>
-	-	-	3,425,293
-	-	30,000	-
-	-	-	15,598
932	-	-	1,653,700
-	-	(103,223)	(230,104)
<u>932</u>	<u>-</u>	<u>(73,223)</u>	<u>4,864,487</u>
(38,907)	12,757	(186,763)	1,527,204
<u>74,899</u>	<u>76,668</u>	<u>408,490</u>	<u>393,099</u>
<u>\$ 35,992</u>	<u>\$ 89,425</u>	<u>\$ 221,727</u>	<u>\$ 1,920,303</u>

See accompanying notes.

CARSON CITY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 3)

	STREET MAINTENANCE	REDEVELOPMENT ADMINISTRATION	CARSON CITY TRANSIT
Revenues:			
Taxes	\$ 2,959,823	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenues	1,393,363	-	1,338,031
Charges for services	159,836	-	96,894
Fines and forfeits	-	-	-
Miscellaneous	(805)	9,416	16,258
Total Revenues	<u>4,512,217</u>	<u>9,416</u>	<u>1,451,183</u>
Expenditures:			
Current:			
General government	-	275,812	-
Public safety	-	-	-
Judicial	-	-	-
Public works	4,754,996	-	1,234,330
Welfare	-	-	-
Health	-	-	-
Culture and recreation	-	-	-
Airport	-	-	-
Economic opportunity	-	-	-
Capital outlay	330,966	-	636,795
Total Expenditures	<u>5,085,962</u>	<u>275,812</u>	<u>1,871,125</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(573,745)</u>	<u>(266,396)</u>	<u>(419,942)</u>
Other Financing Sources (Uses):			
Debt issued	-	-	-
Capital leases	-	-	-
Sale of capital assets	20,639	-	7,315
Transfers in	-	287,342	400,000
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>20,639</u>	<u>287,342</u>	<u>407,315</u>
Net Change in Fund Balances	(553,106)	20,946	(12,627)
Fund Balances, July 1	<u>1,231,585</u>	<u>62,213</u>	<u>325,668</u>
Fund Balances, June 30	<u>\$ 678,479</u>	<u>\$ 83,159</u>	<u>\$ 313,041</u>

See accompanying notes.

<u>COMMISSARY</u>	<u>V & T SPECIAL INFRASTRUCTURE</u>	<u>CAMPO</u>	<u>AIRPORT</u>
\$ -	\$ 1,287,504	\$ -	\$ -
-	-	-	-
-	-	367,371	2,308,253
144,152	-	-	-
-	-	-	-
87,788	1,283	-	-
<u>231,940</u>	<u>1,288,787</u>	<u>367,371</u>	<u>2,308,253</u>
-	292	-	-
193,643	-	-	-
-	-	-	-
-	-	373,796	-
-	-	-	-
-	-	-	-
-	-	-	74,903
-	-	-	-
-	-	-	2,233,350
<u>193,643</u>	<u>292</u>	<u>373,796</u>	<u>2,308,253</u>
<u>38,297</u>	<u>1,288,495</u>	<u>(6,425)</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	12,597	-
-	(1,042,450)	-	-
<u>-</u>	<u>(1,042,450)</u>	<u>12,597</u>	<u>-</u>
38,297	246,045	6,172	-
76,883	354,289	26,464	-
<u>\$ 115,180</u>	<u>\$ 600,334</u>	<u>\$ 32,636</u>	<u>\$ -</u>

See accompanying notes.

CARSON CITY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 3 OF 3)

	REGIONAL TRANSPORTATION	QUALITY OF LIFE	GRANT	TOTAL
Revenues:				
Taxes	\$ 3,445,312	\$ 2,575,087	\$ -	\$ 13,134,413
Licenses and permits	-	-	-	209,789
Intergovernmental revenues	411,581	86,239	3,759,426	9,811,978
Charges for services	-	708	66,770	475,446
Fines and forfeits	-	-	-	26,034
Miscellaneous	137,586	12,115	195,120	572,907
	<u>3,994,479</u>	<u>2,674,149</u>	<u>4,021,316</u>	<u>24,230,567</u>
Total Revenues				
Expenditures:				
Current:				
General government	-	-	31,678	358,474
Public safety	-	-	768,313	1,198,619
Judicial	-	-	109,988	158,945
Public works	494,606	-	-	7,015,258
Welfare	-	-	320,704	1,768,947
Health	-	-	2,506,692	2,506,692
Culture and recreation	-	916,826	125,837	1,789,396
Airport	-	-	-	74,903
Economic opportunity	-	-	90,492	90,492
Capital outlay	1,781,578	382,421	232,648	9,580,644
	<u>2,276,184</u>	<u>1,299,247</u>	<u>4,186,352</u>	<u>24,542,370</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures				
	<u>1,718,295</u>	<u>1,374,902</u>	<u>(165,036)</u>	<u>(311,803)</u>
Other Financing Sources (Uses):				
Debt issued	-	-	-	3,425,293
Capital leases	-	-	-	30,000
Sale of capital assets	-	-	-	43,552
Transfers in	-	-	467,984	2,842,555
Transfers out	(1,663,895)	(697,057)	-	(3,888,329)
	<u>(1,663,895)</u>	<u>(697,057)</u>	<u>467,984</u>	<u>2,453,071</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances				
	<u>54,400</u>	<u>677,845</u>	<u>302,948</u>	<u>2,141,268</u>
Fund Balances, July 1	<u>975,000</u>	<u>1,429,345</u>	<u>781,410</u>	<u>6,516,533</u>
Fund Balances, June 30	<u>\$ 1,029,400</u>	<u>\$ 2,107,190</u>	<u>\$ 1,084,358</u>	<u>\$ 8,657,801</u>

See accompanying notes.

**CARSON CITY, NEVADA
SENIOR CITIZENS 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Ad valorem	\$ 620,602	\$ 629,208	\$ 8,606	\$ 625,158
Miscellaneous:				
Investment income	500	618	118	1,214
Total Revenues	<u>621,102</u>	<u>629,826</u>	<u>8,724</u>	<u>626,372</u>
Expenditures:				
Culture and recreation:				
Participant recreation:				
Salaries and wages	229,041	230,179	(1,138)	222,239
Employee benefits	128,021	122,261	5,760	119,935
Services and supplies	<u>106,701</u>	<u>100,224</u>	<u>6,477</u>	<u>110,368</u>
Total Expenditures	<u>463,763</u>	<u>452,664</u>	<u>11,099</u>	<u>452,542</u>
Excess (Deficiency) of Revenues over Expenditures	<u>157,339</u>	<u>177,162</u>	<u>19,823</u>	<u>173,830</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	<u>(151,600)</u>	<u>(151,600)</u>	<u>-</u>	<u>(152,000)</u>
Total Other Financing Sources (Uses)	<u>(151,600)</u>	<u>(151,600)</u>	<u>-</u>	<u>(152,000)</u>
Net Change in Fund Balances	5,739	25,562	19,823	21,830
Fund Balances, July 1	<u>47,711</u>	<u>47,711</u>	<u>-</u>	<u>25,881</u>
Fund Balances, June 30	<u>\$ 53,450</u>	<u>\$ 73,273</u>	<u>\$ 19,823</u>	<u>\$ 47,711</u>

**CARSON CITY, NEVADA
COOPERATIVE EXTENSION 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>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2016</u>
Revenues:				
Taxes:				
Ad valorem	\$ 158,877	\$ 161,077	\$ 2,200	\$ 160,036
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	-	10,000	10,000	-
Charges for services	-	7,086	7,086	-
Miscellaneous:				
Refunds and reimbursements	12,905	13,050	145	13,315
Total Revenues	<u>171,782</u>	<u>191,213</u>	<u>19,431</u>	<u>173,351</u>
Expenditures:				
Culture and recreation:				
Cooperative extension:				
Salaries and wages	8,000	12,907	(4,907)	7,601
Employee benefits	200	396	(196)	228
Services and supplies	368,564	161,168	207,396	170,677
Total Expenditures	<u>376,764</u>	<u>174,471</u>	<u>202,293</u>	<u>178,506</u>
Excess (Deficiency) of Revenues over Expenditures	(204,982)	16,742	221,724	(5,155)
Fund Balances, July 1	<u>224,982</u>	<u>224,982</u>	-	<u>230,137</u>
Fund Balances, June 30	<u>\$ 20,000</u>	<u>\$ 241,724</u>	<u>\$ 221,724</u>	<u>\$ 224,982</u>

**CARSON CITY, NEVADA
TRAFFIC TRANSPORTATION 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Fines and forfeits:				
Fines:				
Court	\$ 30,000	\$ 26,034	\$ (3,966)	\$ 33,509
Miscellaneous:				
Investment income	100	28	(72)	33
Rents and royalties	16,150	9,000	(7,150)	11,940
Other	-	801	801	277
	<u>16,250</u>	<u>9,829</u>	<u>(6,421)</u>	<u>12,250</u>
Total Revenues	<u>46,250</u>	<u>35,863</u>	<u>(10,387)</u>	<u>45,759</u>
Expenditures:				
Public safety:				
Sheriff - parking enforcement:				
Salaries and wages	32,876	31,354	1,522	30,161
Employee benefits	16,990	16,702	288	15,014
Services and supplies	16,054	4,619	11,435	11,454
	<u>65,920</u>	<u>52,675</u>	<u>13,245</u>	<u>56,629</u>
Total Expenditures	<u>65,920</u>	<u>52,675</u>	<u>13,245</u>	<u>56,629</u>
Excess (Deficiency) of Revenues over Expenditures	(19,670)	(16,812)	2,858	(10,870)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	20,000	20,000	-	10,000
Net Change in Fund Balances	330	3,188	2,858	(870)
Fund Balances, July 1	<u>4,977</u>	<u>6,856</u>	<u>1,879</u>	<u>7,726</u>
Fund Balances, June 30	<u>\$ 5,307</u>	<u>\$ 10,044</u>	<u>\$ 4,737</u>	<u>\$ 6,856</u>

**CARSON CITY, NEVADA
SUPPLEMENTAL INDIGENT 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Ad valorem	\$ 1,427,385	\$ 1,447,186	\$ 19,801	\$ 1,437,862
Miscellaneous:				
Investment income	1,000	1,622	622	3,533
Total Revenues	<u>1,428,385</u>	<u>1,448,808</u>	<u>20,423</u>	<u>1,441,395</u>
Expenditures:				
Welfare:				
Institutional care:				
Salaries and wages	80,000	79,195	805	-
Employee benefits	-	23,478	(23,478)	-
Services and supplies	1,369,356	1,345,570	23,786	1,420,467
Total Expenditures	<u>1,449,356</u>	<u>1,448,243</u>	<u>1,113</u>	<u>1,420,467</u>
Excess (Deficiency) of Revenues over Expenditures	(20,971)	565	21,536	20,928
Fund Balances, July 1	<u>20,971</u>	<u>20,971</u>	<u>-</u>	<u>43</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 21,536</u>	<u>\$ 21,536</u>	<u>\$ 20,971</u>

**CARSON CITY, NEVADA
LIBRARY GIFT 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Miscellaneous:				
Investment income	\$ 1,000	\$ 155	\$ (845)	\$ 799
Donations and gifts	88,375	85,073	(3,302)	89,168
Total Revenues	<u>89,375</u>	<u>85,228</u>	<u>(4,147)</u>	<u>89,967</u>
Expenditures:				
Culture and recreation:				
Libraries:				
Salaries and wages	10,000	7,993	2,007	15,210
Employee benefits	475	393	82	738
Services and supplies	135,672	111,212	24,460	131,796
Capital outlay	12,500	5,469	7,031	10,943
Total Expenditures	<u>158,647</u>	<u>125,067</u>	<u>33,580</u>	<u>158,687</u>
Excess (Deficiency) of Revenues over Expenditures	(69,272)	(39,839)	29,433	(68,720)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	932	932	-
Net Change in Fund Balances	<u>(69,272)</u>	<u>(38,907)</u>	<u>30,365</u>	<u>(68,720)</u>
Fund Balances, July 1	<u>74,899</u>	<u>74,899</u>	<u>-</u>	<u>143,619</u>
Fund Balances, June 30	<u>\$ 5,627</u>	<u>\$ 35,992</u>	<u>\$ 30,365</u>	<u>\$ 74,899</u>

CARSON CITY, NEVADA
ADMINISTRATIVE ASSESSMENTS 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
State shared revenue:				
Administrative assessments	\$ 60,000	\$ 61,714	\$ 1,714	\$ 58,627
Expenditures:				
Judicial:				
Salaries and wages	-	890	(890)	3,453
Employee benefits	-	28	(28)	49
Services and supplies	131,668	48,039	83,629	40,489
Capital outlay	-	-	-	1,543
Total Expenditures	<u>131,668</u>	<u>48,957</u>	<u>82,711</u>	<u>45,534</u>
Excess (Deficiency) of Revenues over Expenditures	(71,668)	12,757	84,425	13,093
Fund Balances, July 1	<u>76,668</u>	<u>76,668</u>	-	<u>63,575</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 89,425</u>	<u>\$ 84,425</u>	<u>\$ 76,668</u>

**CARSON CITY, NEVADA
911 SURCHARGE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Licenses and permits:				
Franchise fees:				
Telephone	\$ 218,000	\$ 209,789	\$ (8,211)	\$ 212,164
Miscellaneous:				
Investment income	1,000	534	(466)	3,114
Total Revenues	<u>219,000</u>	<u>210,323</u>	<u>(8,677)</u>	<u>215,278</u>
Expenditures:				
Public Safety:				
Services and supplies	319,938	151,725	168,213	209,959
Capital outlay	154,329	172,138	(17,809)	271,934
Total Expenditures	<u>474,267</u>	<u>323,863</u>	<u>150,404</u>	<u>481,893</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(255,267)</u>	<u>(113,540)</u>	<u>141,727</u>	<u>(266,615)</u>
Other Financing Sources (Uses):				
Capital leases	-	30,000	30,000	-
Transfers in (out):				
Carson City Debt Service Fund	(103,223)	(103,223)	-	(103,130)
Total Other Financing Sources (Uses)	<u>(103,223)</u>	<u>(73,223)</u>	<u>30,000</u>	<u>(103,130)</u>
Net Change in Fund Balances	(358,490)	(186,763)	171,727	(369,745)
Fund Balances, July 1	<u>408,490</u>	<u>408,490</u>	<u>-</u>	<u>778,235</u>
Fund Balances, June 30	<u>\$ 50,000</u>	<u>\$ 221,727</u>	<u>\$ 171,727</u>	<u>\$ 408,490</u>

**CARSON CITY, NEVADA
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)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Ad valorem	\$ 620,602	\$ 629,216	\$ 8,614	\$ 625,156
Intergovernmental revenues:				
State grants	76,000	76,000	-	-
Miscellaneous:				
Investment income	1,500	3,265	1,765	3,683
Donations and gifts	-	-	-	9,344
	<u>1,500</u>	<u>3,265</u>	<u>1,765</u>	<u>13,027</u>
Total Revenues	<u>698,102</u>	<u>708,481</u>	<u>10,379</u>	<u>638,183</u>
Expenditures:				
General government:				
Services and supplies	99,474	50,692	48,782	471,865
Capital outlay	1,053,899	202,612	851,287	432,845
	<u>1,153,373</u>	<u>253,304</u>	<u>900,069</u>	<u>904,710</u>
Public safety:				
Services and supplies	103,100	32,263	70,837	79,403
Capital outlay	186,832	148,707	38,125	289,245
	<u>289,932</u>	<u>180,970</u>	<u>108,962</u>	<u>368,648</u>
Landfill:				
Services and supplies	-	-	-	59,196
Capital outlay	654,991	-	654,991	42,747
	<u>654,991</u>	<u>-</u>	<u>654,991</u>	<u>101,943</u>
Public works:				
Services and supplies	254,655	157,530	97,125	26,226
Capital outlay	4,170,786	3,453,960	716,826	-
	<u>4,425,441</u>	<u>3,611,490</u>	<u>813,951</u>	<u>26,226</u>
Culture and recreation:				
Services and supplies	-	-	-	33,917
Capital outlay	23,018	-	23,018	18,624
	<u>23,018</u>	<u>-</u>	<u>23,018</u>	<u>52,541</u>
Total Expenditures	<u>6,546,755</u>	<u>4,045,764</u>	<u>1,784,165</u>	<u>1,454,068</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(5,848,653)</u>	<u>(3,337,283)</u>	<u>2,511,370</u>	<u>(815,885)</u>

**CARSON CITY, NEVADA
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)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Other Financing Sources (Uses):				
Debt issued	\$ 4,258,238	\$ 3,425,293	\$ (832,945)	\$ -
Sale of capital assets	15,598	15,598	-	30,799
Transfers in (out):				
General Fund	1,653,700	1,653,700	-	775,000
Carson City Debt Service Fund	(262,602)	(230,104)	32,498	(230,111)
Total Other Financing Sources (Uses)	5,664,934	4,864,487	(800,447)	575,688
Net Change in Fund Balances	(183,719)	1,527,204	1,710,923	(240,197)
Fund Balances, July 1	393,099	393,099	-	633,296
Fund Balances, June 30	\$ 209,380	\$ 1,920,303	\$ 1,710,923	\$ 393,099

**CARSON CITY, NEVADA
STREET MAINTENANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 375,421	\$ 384,736	\$ 9,315	\$ 376,731
Sales tax, voter approved	2,460,686	2,575,087	114,401	2,363,332
	<u>2,836,107</u>	<u>2,959,823</u>	<u>123,716</u>	<u>2,740,063</u>
Intergovernmental revenues:				
Federal grants	-	648	648	5,127
State shared revenues:				
Motor vehicle fuel tax	1,300,723	1,326,985	26,262	1,297,002
Other local government grants	53,500	65,730	12,230	78,821
	<u>1,354,223</u>	<u>1,393,363</u>	<u>39,140</u>	<u>1,380,950</u>
Charges for services	65,000	159,836	94,836	88,192
Miscellaneous:				
Investment income	1,000	(1,005)	(2,005)	6,840
Refunds and reimbursements	-	200	200	240
	<u>1,000</u>	<u>(805)</u>	<u>(1,805)</u>	<u>7,080</u>
Total Revenues	<u>4,256,330</u>	<u>4,512,217</u>	<u>255,887</u>	<u>4,216,285</u>
Expenditures:				
Public works:				
Salaries and wages	1,413,409	1,440,895	(27,486)	1,396,615
Employee benefits	592,325	592,502	(177)	558,890
Services and supplies	2,976,709	2,721,599	255,110	2,459,750
Capital outlay	403,504	330,966	72,538	758,548
	<u>5,385,947</u>	<u>5,085,962</u>	<u>299,985</u>	<u>5,173,803</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,129,617)</u>	<u>(573,745)</u>	<u>555,872</u>	<u>(957,518)</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	20,639	20,639	42,560
Transfers in (out):				
General Fund	-	-	-	370,197
Regional Transportation Fund	-	-	-	574,197
	<u>-</u>	<u>20,639</u>	<u>20,639</u>	<u>986,954</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>20,639</u>	<u>20,639</u>	<u>986,954</u>
Net Change in Fund Balances	<u>(1,129,617)</u>	<u>(553,106)</u>	<u>576,511</u>	<u>29,436</u>
Fund Balances, July 1	<u>1,231,585</u>	<u>1,231,585</u>	<u>-</u>	<u>1,202,149</u>
Fund Balances, June 30	<u>\$ 101,968</u>	<u>\$ 678,479</u>	<u>\$ 576,511</u>	<u>\$ 1,231,585</u>

See accompanying notes.

CARSON CITY, NEVADA
REDEVELOPMENT ADMINISTRATION 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Miscellaneous:				
Investment income	\$ 500	\$ 821	\$ 321	\$ 1,261
Other	10,000	8,595	(1,405)	10,960
	<u>10,500</u>	<u>9,416</u>	<u>(1,084)</u>	<u>12,221</u>
Total Revenues	<u>10,500</u>	<u>9,416</u>	<u>(1,084)</u>	<u>12,221</u>
Expenditures:				
General government:				
Salaries and wages	97,059	97,701	(642)	94,938
Employee benefits	26,152	23,864	2,288	25,290
Services and supplies	194,710	154,247	40,463	194,839
	<u>317,921</u>	<u>275,812</u>	<u>42,109</u>	<u>315,067</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(307,421)</u>	<u>(266,396)</u>	<u>41,025</u>	<u>(302,846)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	287,342	287,342	-	278,891
	<u>287,342</u>	<u>287,342</u>	<u>-</u>	<u>278,891</u>
Net Change in Fund Balances	(20,079)	20,946	41,025	(23,955)
Fund Balances, July 1	<u>62,213</u>	<u>62,213</u>	<u>-</u>	<u>86,168</u>
Fund Balances, June 30	<u>\$ 42,134</u>	<u>\$ 83,159</u>	<u>\$ 41,025</u>	<u>\$ 62,213</u>

**CARSON CITY, NEVADA
CARSON CITY TRANSIT 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 1,701,955	\$ 1,288,031	\$ (413,924)	\$ 908,943
State grants	50,000	50,000	-	50,000
	<u>1,751,955</u>	<u>1,338,031</u>	<u>(413,924)</u>	<u>958,943</u>
Charges for services:				
Ticket sales	93,622	96,894	3,272	91,244
Miscellaneous:				
Investment income	1,000	1,495	495	2,715
Rents and royalties	20,000	14,763	(5,237)	15,759
	<u>21,000</u>	<u>16,258</u>	<u>(4,742)</u>	<u>18,474</u>
Total Revenues	<u>1,866,577</u>	<u>1,451,183</u>	<u>(415,394)</u>	<u>1,068,661</u>
Expenditures:				
Public works:				
Transit system:				
Salaries and wages	27,013	19,503	7,510	27,574
Employee benefits	31,248	37,158	(5,910)	31,306
Services and supplies	1,475,988	1,177,669	298,319	1,214,645
Capital outlay	1,022,717	636,795	385,922	81,626
Total Expenditures	<u>2,556,966</u>	<u>1,871,125</u>	<u>685,841</u>	<u>1,355,151</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(690,389)</u>	<u>(419,942)</u>	<u>270,447</u>	<u>(286,490)</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	7,315	7,315	-
Transfers in (out):				
General Fund	400,000	400,000	-	400,000
Net Change in Fund Balances	<u>(290,389)</u>	<u>(12,627)</u>	<u>277,762</u>	<u>113,510</u>
Fund Balances, July 1	<u>325,668</u>	<u>325,668</u>	<u>-</u>	<u>212,158</u>
Fund Balances, June 30	<u>\$ 35,279</u>	<u>\$ 313,041</u>	<u>\$ 277,762</u>	<u>\$ 325,668</u>

See accompanying notes.

**CARSON CITY, NEVADA
COMMISSARY 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Charges for Services:				
Public safety:				
Commissary sales	\$ 140,000	\$ 144,152	\$ 4,152	\$ 111,936
Miscellaneous:				
Investment income	300	496	196	956
Rents and royalties	60,000	83,686	23,686	81,024
Donations and gifts	-	231	231	251
Other	-	3,375	3,375	1,516
	<u>60,300</u>	<u>87,788</u>	<u>27,488</u>	<u>83,747</u>
Total Revenues	<u>200,300</u>	<u>231,940</u>	<u>31,640</u>	<u>195,683</u>
Expenditures:				
Public safety:				
Salaries and wages	80,815	55,519	25,296	69,676
Employee benefits	17,262	16,133	1,129	15,114
Services and supplies	161,383	121,991	39,392	123,706
	<u>259,460</u>	<u>193,643</u>	<u>65,817</u>	<u>208,496</u>
Net Change in Fund Balances	(59,160)	38,297	97,457	(12,813)
Fund Balances, July 1	<u>76,883</u>	<u>76,883</u>	<u>-</u>	<u>89,696</u>
Fund Balances, June 30	<u>\$ 17,723</u>	<u>\$ 115,180</u>	<u>\$ 97,457</u>	<u>\$ 76,883</u>

**CARSON CITY, NEVADA
V & T SPECIAL 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>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2016</u>
Revenues:				
Taxes:				
Sales tax	\$ 1,230,753	\$ 1,287,504	\$ 56,751	\$ 1,181,643
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	-	-	-	100,000
Miscellaneous:				
Investment income	100	1,283	1,183	894
Total Revenues	<u>1,230,853</u>	<u>1,288,787</u>	<u>57,934</u>	<u>1,282,537</u>
Expenditures:				
General government:				
Services and supplies	1,250	292	958	1,075
Excess (Deficiency) of Revenues over Expenditures	<u>1,229,603</u>	<u>1,288,495</u>	<u>58,892</u>	<u>1,281,462</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	(1,042,450)	(1,042,450)	-	(1,125,878)
Net Change in Fund Balances	187,153	246,045	58,892	155,584
Fund Balances, July 1	<u>354,289</u>	<u>354,289</u>	<u>-</u>	<u>198,705</u>
Fund Balances, June 30	<u>\$ 541,442</u>	<u>\$ 600,334</u>	<u>\$ 58,892</u>	<u>\$ 354,289</u>

**CARSON CITY
CAMPO 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 360,050	\$ 360,968	\$ 918	\$ 393,255
Other local government grants:				
Interlocal cooperative agreements	6,386	6,403	17	8,407
Total Revenues	<u>366,436</u>	<u>367,371</u>	<u>935</u>	<u>401,662</u>
Expenditures:				
Public works:				
Services and supplies	<u>379,000</u>	<u>373,796</u>	<u>5,204</u>	<u>418,067</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(12,564)</u>	<u>(6,425)</u>	<u>6,139</u>	<u>(16,405)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Regional Transportation Fund	<u>12,597</u>	<u>12,597</u>	<u>-</u>	<u>16,542</u>
Net Change in Fund Balances	33	6,172	6,139	137
Fund Balances, July 1	<u>26,464</u>	<u>26,464</u>	<u>-</u>	<u>26,327</u>
Fund Balances, June 30	<u>\$ 26,497</u>	<u>\$ 32,636</u>	<u>\$ 6,139</u>	<u>\$ 26,464</u>

**CARSON CITY, NEVADA
AIRPORT 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
Federal grant, FAA	\$ 2,573,438	\$ 2,163,987	\$ (409,451)	\$ 150,000
Other local shared revenues:				
CC Airport Authority	<u>171,562</u>	<u>144,266</u>	<u>(27,296)</u>	<u>10,000</u>
Total Revenues	<u>2,745,000</u>	<u>2,308,253</u>	<u>(436,747)</u>	<u>160,000</u>
Expenditures:				
Airport:				
Services and supplies	-	74,903	(74,903)	-
Capital outlay	<u>2,745,000</u>	<u>2,233,350</u>	<u>511,650</u>	<u>160,000</u>
Total Expenditures	<u>2,745,000</u>	<u>2,308,253</u>	<u>436,747</u>	<u>160,000</u>
Excess (Deficiency) of Revenues over Expenditures	-	-	-	-
Fund Balances, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CARSON CITY, NEVADA
REGIONAL TRANSPORTATION 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 3,361,551	\$ 3,445,312	\$ 83,761	\$ 3,373,625
Intergovernmental revenues:				
Federal grants	1,052,390	411,581	(640,809)	456,805
Miscellaneous:				
Investment income	500	1,666	1,166	2,305
Gifts and donations	10,000	10,208	208	10,212
Miscellaneous other	125,712	125,712	-	-
	<u>136,212</u>	<u>137,586</u>	<u>1,374</u>	<u>12,517</u>
Total Revenues	<u>4,550,153</u>	<u>3,994,479</u>	<u>(555,674)</u>	<u>3,842,947</u>
Expenditures:				
Public works:				
Paved streets:				
Salaries and wages	22,771	57,070	(34,299)	-
Employee benefits	140,193	116,415	23,778	52,885
Services and supplies	368,411	321,121	47,290	314,776
Capital outlay	3,269,818	1,781,578	1,488,240	795,187
	<u>3,801,193</u>	<u>2,276,184</u>	<u>1,525,009</u>	<u>1,162,848</u>
Total Expenditures	<u>3,801,193</u>	<u>2,276,184</u>	<u>1,525,009</u>	<u>1,162,848</u>
Excess (Deficiency) of Revenues over Expenditures	<u>748,960</u>	<u>1,718,295</u>	<u>969,335</u>	<u>2,680,099</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Street Maintenance Fund	-	-	-	(574,197)
Campo Fund	(12,597)	(12,597)	-	(16,542)
Carson City Debt Service Fund	(1,634,911)	(1,634,911)	-	(1,668,734)
Infrastructure Fund	(16,387)	(16,387)	-	-
	<u>(1,663,895)</u>	<u>(1,663,895)</u>	<u>-</u>	<u>(2,259,473)</u>
Total Other Financing Sources (Uses)	<u>(1,663,895)</u>	<u>(1,663,895)</u>	<u>-</u>	<u>(2,259,473)</u>
Net Change in Fund Balances	(914,935)	54,400	969,335	420,626
Fund Balances, July 1	<u>975,000</u>	<u>975,000</u>	<u>-</u>	<u>554,374</u>
Fund Balances, June 30	<u>\$ 60,065</u>	<u>\$ 1,029,400</u>	<u>\$ 969,335</u>	<u>\$ 975,000</u>

See accompanying notes.

**CARSON CITY, NEVADA
QUALITY OF LIFE 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)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Sales tax, voter approved	\$ 2,475,441	\$ 2,575,087	\$ 99,646	\$ 2,363,277
Intergovernmental revenues:				
Federal grants	475,969	50,577	(425,392)	152,199
State grants	115,636	16,218	(99,418)	-
Other local government grants:				
Noxious weed abatement	15,000	19,444	4,444	15,000
Eagle Creek restoration	-	-	-	10,000
	<u>606,605</u>	<u>86,239</u>	<u>(520,366)</u>	<u>177,199</u>
Charges for services:	-	708	708	857
Miscellaneous:				
Investment income	5,000	5,805	805	6,393
Other	6,210	6,310	100	-
	<u>11,210</u>	<u>12,115</u>	<u>905</u>	<u>6,393</u>
Total Revenues	<u>3,093,256</u>	<u>2,674,149</u>	<u>(419,107)</u>	<u>2,547,726</u>
Expenditures:				
Culture and recreation:				
Park maintenance:				
Salaries and wages	83,953	75,902	8,051	84,744
Employee benefits	23,446	20,956	2,490	20,173
Services and supplies	263,900	227,412	36,488	280,197
Capital outlay	15,000	-	15,000	18,203
	<u>386,299</u>	<u>324,270</u>	<u>62,029</u>	<u>403,317</u>
Parks capital:				
Salaries and wages	14,287	13,423	864	14,190
Employee benefits	451	-	451	-
Services and supplies	62,388	37,654	24,734	60,168
Capital outlay	836,384	326,197	510,187	2,713,951
	<u>913,510</u>	<u>377,274</u>	<u>536,236</u>	<u>2,788,309</u>
Quality of life:				
Salaries and wages	291,633	232,652	58,981	242,876
Employee benefits	102,056	99,134	2,922	81,086
Services and supplies	531,004	209,693	321,311	300,649
Capital outlay	1,452,724	56,224	1,396,500	131,789
	<u>2,377,417</u>	<u>597,703</u>	<u>1,779,714</u>	<u>756,400</u>
Total Expenditures	<u>3,677,226</u>	<u>1,299,247</u>	<u>2,377,979</u>	<u>3,948,026</u>

See accompanying notes.

**CARSON CITY, NEVADA
QUALITY OF LIFE 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)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Excess (Deficiency) of Revenues over Expenditures	\$ (583,970)	\$ 1,374,902	\$ 1,958,872	\$ (1,400,300)
Other Financing Sources (Uses):				
Sale of capital assets	-	-	-	570
Transfers in (out):				
General Fund	(113,684)	(102,321)	11,363	(93,608)
Carson City Debt Service Fund	(594,736)	(594,736)	-	(595,537)
Total Other Financing Sources (Uses)	(708,420)	(697,057)	11,363	(688,575)
Net Change in Fund Balances	(1,292,390)	677,845	1,970,235	(2,088,875)
Fund Balances, July 1	1,429,345	1,429,345	-	3,518,220
Fund Balances, June 30	\$ 136,955	\$ 2,107,190	\$ 1,970,235	\$ 1,429,345

**CARSON CITY, NEVADA
GRANT 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)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 4,172,377	\$ 3,078,807	\$ (1,093,570)	\$ 3,778,293
State grants	475,831	271,059	(204,772)	296,929
Other local government grants:				
Interlocal cooperative agreements	582,702	409,560	(173,142)	477,326
	<u>5,230,910</u>	<u>3,759,426</u>	<u>(1,471,484)</u>	<u>4,552,548</u>
Charges for services	-	66,770	66,770	112,705
Miscellaneous:				
Donations and gifts	23,264	92,936	69,672	93,765
Other	39,520	102,184	62,664	112,701
	<u>62,784</u>	<u>195,120</u>	<u>132,336</u>	<u>206,466</u>
Total Revenues	<u>5,293,694</u>	<u>4,021,316</u>	<u>(1,272,378)</u>	<u>4,871,719</u>
Expenditures:				
General government:				
Services and supplies	83,414	31,678	51,736	29,663
	<u>83,414</u>	<u>31,678</u>	<u>51,736</u>	<u>29,663</u>
Public safety:				
Salaries and wages	347,549	271,221	76,328	157,145
Employee benefits	156,561	150,137	6,424	102,049
Services and supplies	560,340	346,955	213,385	627,633
Capital outlay	196,866	170,486	26,380	77,423
	<u>1,261,316</u>	<u>938,799</u>	<u>322,517</u>	<u>964,250</u>
Judicial:				
Salaries and wages	59,868	60,020	(152)	57,251
Employee benefits	27,185	26,990	195	26,130
Services and supplies	23,000	22,978	22	26,576
Capital outlay	5,412	5,412	-	13,488
	<u>115,465</u>	<u>115,400</u>	<u>65</u>	<u>123,445</u>
Welfare:				
Salaries and wages	129,185	129,892	(707)	111,409
Employee benefits	66,017	61,806	4,211	56,698
Services and supplies	208,177	129,006	79,171	174,271
Capital outlay	25,500	25,500	-	-
	<u>428,879</u>	<u>346,204</u>	<u>82,675</u>	<u>342,378</u>

See accompanying notes.

**CARSON CITY, NEVADA
GRANT 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)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Health:				
Salaries and wages	\$ 1,859,773	\$ 1,397,121	\$ 462,652	\$ 1,578,339
Employee benefits	694,852	542,213	152,639	603,426
Services and supplies	895,417	567,358	328,059	542,266
	<u>3,450,042</u>	<u>2,506,692</u>	<u>943,350</u>	<u>2,724,031</u>
Culture and recreation:				
Salaries and wages	59,706	52,348	7,358	43,125
Employee benefits	1,794	2,067	(273)	1,337
Services and supplies	73,162	71,422	1,740	120,538
Capital outlay	-	-	-	18,708
	<u>134,662</u>	<u>125,837</u>	<u>8,825</u>	<u>183,708</u>
Economic opportunity:				
Services and supplies	357,108	90,492	266,616	160,396
Capital outlay	54,902	31,250	23,652	443,473
	<u>412,010</u>	<u>121,742</u>	<u>290,268</u>	<u>603,869</u>
Total Expenditures	<u>5,885,788</u>	<u>4,186,352</u>	<u>1,699,436</u>	<u>4,971,344</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(592,094)</u>	<u>(165,036)</u>	<u>427,058</u>	<u>(99,625)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	180,992	467,984	286,992	109,707
General Fund	(370,308)	-	370,308	-
Total Other Financing Sources (Uses)	<u>(189,316)</u>	<u>467,984</u>	<u>657,300</u>	<u>109,707</u>
Net Change in Fund Balances	<u>(781,410)</u>	<u>302,948</u>	<u>1,084,358</u>	<u>10,082</u>
Fund Balances, July 1	<u>781,410</u>	<u>781,410</u>	<u>-</u>	<u>771,328</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 1,084,358</u>	<u>\$ 1,084,358</u>	<u>\$ 781,410</u>

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DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources and payment of long-term obligation principal and interest from governmental resources.

Nonmajor Funds

Carson City Debt Service Fund - This Fund is used to accumulate monies for payment of general obligation bonds, notes, and capital lease obligations of the City that are not required to be accounted for in the Proprietary Funds.

Redevelopment Debt Service Fund - This Fund is used to accumulate monies for the payment of bonds and notes of the Redevelopment Agency.

**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	CARSON CITY DEBT	REDEVELOPMENT DEBT	TOTAL
ASSETS			
Cash and investments	\$ 46,676	\$ 140,279	\$ 186,955
Taxes receivable, delinquent	-	8,375	8,375
Accounts receivable	22,294	-	22,294
	<u>\$ 68,970</u>	<u>\$ 148,654</u>	<u>\$ 217,624</u>
Total Assets	<u>\$ 68,970</u>	<u>\$ 148,654</u>	<u>\$ 217,624</u>
DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,000	\$ -	\$ 2,000
Deferred inflows of resources:			
Unavailable revenue - delinquent property taxes	\$ -	\$ 7,597	\$ 7,597
Fund balances:			
Restricted	-	141,057	141,057
Assigned	66,970	-	66,970
	<u>66,970</u>	<u>141,057</u>	<u>208,027</u>
Total Fund Balances	<u>66,970</u>	<u>141,057</u>	<u>208,027</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 68,970</u>	<u>\$ 148,654</u>	<u>\$ 217,624</u>

CARSON CITY, NEVADA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	CARSON CITY DEBT	REDEVELOPMENT DEBT	TOTAL
Revenues:			
Taxes	\$ -	\$ 1,745,597	\$ 1,745,597
Intergovernmental revenues	391,162	-	391,162
Miscellaneous	97,645	(75)	97,570
Total Revenues	488,807	1,745,522	2,234,329
Expenditures:			
Debt service:			
Principal	5,009,300	230,000	5,239,300
Interest	3,049,121	49,600	3,098,721
Fiscal charges	79,645	100	79,745
Total Expenditures	8,138,066	279,700	8,417,766
Excess (Deficiency) of Revenues over Expenditures	(7,649,259)	1,465,822	(6,183,437)
Other Financing Sources (Uses):			
Refunding bonds issued	5,951,000	-	5,951,000
Payment to refunded bond escrow agent	(5,859,759)	-	(5,859,759)
Transfers in	7,468,459	-	7,468,459
Transfers out	-	(1,480,729)	(1,480,729)
Total Other Financing Sources (Uses)	7,559,700	(1,480,729)	6,078,971
Net Change in Fund Balances	(89,559)	(14,907)	(104,466)
Fund Balances, July 1	156,529	155,964	312,493
Fund Balances, June 30	\$ 66,970	\$ 141,057	\$ 208,027

**CARSON CITY, NEVADA
CARSON CITY 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)**

(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Intergovernmental revenues:				
Federal interest subsidy	\$ 43,507	\$ 43,507	\$ -	\$ -
Other local government grants:				
Interlocal cooperative agreements	347,655	347,655	-	348,455
	<u>391,162</u>	<u>391,162</u>	<u>-</u>	<u>348,455</u>
Miscellaneous:				
Investment income	7,954	2,518	(5,436)	6,671
Rents and royalties	100,000	95,127	(4,873)	95,175
	<u>107,954</u>	<u>97,645</u>	<u>(10,309)</u>	<u>101,846</u>
Total Revenues	<u>499,116</u>	<u>488,807</u>	<u>(10,309)</u>	<u>450,301</u>
Expenditures:				
Debt service:				
General obligation bonds:				
Principal	3,475,000	3,475,000	-	2,775,000
Interest	2,247,449	2,247,449	-	2,266,401
	<u>5,722,449</u>	<u>5,722,449</u>	<u>-</u>	<u>5,041,401</u>
Revenue bonds:				
Principal	987,800	987,800	-	968,600
Interest	647,111	647,111	-	616,683
	<u>1,634,911</u>	<u>1,634,911</u>	<u>-</u>	<u>1,585,283</u>
Notes payable:				
Principal	546,500	546,500	-	534,500
Interest	154,561	154,561	-	86,822
	<u>701,061</u>	<u>701,061</u>	<u>-</u>	<u>621,322</u>
Fiscal charges	93,241	79,645	13,596	340,650
Total Expenditures	<u>8,151,662</u>	<u>8,138,066</u>	<u>13,596</u>	<u>7,588,656</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(7,652,546)</u>	<u>(7,649,259)</u>	<u>3,287</u>	<u>(7,138,355)</u>

See accompanying notes.

CARSON CITY, NEVADA
CARSON CITY 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)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Other Financing Sources (Uses):				
Refunding bonds issued	\$ 5,951,000	\$ 5,951,000	\$ -	\$ 21,580,000
Premium on refunding bonds	-	-	-	1,836,172
Payment to refunded bond escrow agent	(5,859,759)	(5,859,759)	-	(23,701,582)
Transfers in (out):				
General Fund	2,937,860	2,937,860	-	2,896,204
Senior Citizens Center Fund	151,600	151,600	-	152,000
Regional Transportation Fund	1,634,911	1,634,911	-	1,668,734
Capital Projects Fund	230,104	230,104	-	230,111
Infrastructure Tax Fund	773,575	773,575	-	623,845
V & T Special Infrastructure Fund	1,042,450	1,042,450	-	1,125,878
Quality of Life Fund	594,736	594,736	-	595,537
911 Surcharge Fund	103,223	103,223	-	103,130
	<u>7,559,700</u>	<u>7,559,700</u>	<u>-</u>	<u>7,110,029</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(92,846)	(89,559)	3,287	(28,326)
Fund Balances, July 1	<u>156,529</u>	<u>156,529</u>	<u>-</u>	<u>184,855</u>
Fund Balances, June 30	<u>\$ 63,683</u>	<u>\$ 66,970</u>	<u>\$ 3,287</u>	<u>\$ 156,529</u>

**CARSON CITY, NEVADA
REDEVELOPMENT 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Ad valorem	\$ 1,717,909	\$ 1,745,597	\$ 27,688	\$ 1,734,336
Miscellaneous				
Investment income	500	(75)	(575)	7,749
Total Revenues	<u>1,718,409</u>	<u>1,745,522</u>	<u>27,113</u>	<u>1,742,085</u>
Expenditures:				
Debt service:				
Principal	230,000	230,000	-	220,000
Interest	49,600	49,600	-	58,400
Fiscal charges	100	100	-	100
Total Expenditures	<u>279,700</u>	<u>279,700</u>	<u>-</u>	<u>278,500</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,438,709</u>	<u>1,465,822</u>	<u>27,113</u>	<u>1,463,585</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Administration Fund	(287,342)	(287,342)	-	(278,891)
Redevelopment Revolving Fund	(1,193,387)	(1,193,387)	-	(1,233,383)
Total Other Financing Sources (Uses)	<u>(1,480,729)</u>	<u>(1,480,729)</u>	<u>-</u>	<u>(1,512,274)</u>
Net Change in Fund Balances	(42,020)	(14,907)	27,113	(48,689)
Fund Balances, July 1	<u>155,964</u>	<u>155,964</u>	<u>-</u>	<u>204,653</u>
Fund Balances, June 30	<u>\$ 113,944</u>	<u>\$ 141,057</u>	<u>\$ 27,113</u>	<u>\$ 155,964</u>

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds.

Nonmajor Funds

Extraordinary Maintenance Fund - This Fund is used to account for expenditures in accordance with NRS 354.6105 for the extraordinary maintenance, repair, or improvement of capital projects or facilities that replace capital projects of the City.

Residential Construction Fund - This Fund is used to account for the one percent tax on the valuation of each building permit issued or \$1,000 per residential dwelling unit, whichever is less, to be used for the purpose of providing neighborhood parks and park facilities in accordance with Nevada Revised Statute 278.4983.

Infrastructure Fund - This Fund accounts for one-eighth of one percent (.125) increase in Sales Taxes pursuant to Nevada Revised Statute 377B. Proceeds from this tax must be spent in accordance with the Plan set forth, which includes payment of principal and interest on notes, bonds or other securities issued to provide money for the cost of the capital projects, facilities, and activities described in the Plan.

Redevelopment Revolving Fund - This Fund is used to account for construction projects of the Redevelopment Agency.

**CARSON CITY, NEVADA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>EXTRAORDINARY MAINTENANCE</u>	<u>RESIDENTIAL CONSTRUCTION</u>	<u>INFRASTRUCTURE TAX</u>	<u>REDEVELOPMENT REVOLVING</u>	<u>TOTAL</u>
ASSETS					
Cash and investments:	\$ 114,595	\$ 321,519	\$ 2,836,766	\$ 680,343	\$ 3,953,223
Due from other governments	-	-	235,651	-	235,651
Total Assets	<u>\$ 114,595</u>	<u>\$ 321,519</u>	<u>\$ 3,072,417</u>	<u>\$ 680,343</u>	<u>\$ 4,188,874</u>
LIABILITIES					
Accounts payable	-	\$ 4,000	\$ 180,843	-	\$ 184,843
FUND BALANCES					
Restricted	<u>114,595</u>	<u>317,519</u>	<u>2,891,574</u>	<u>680,343</u>	<u>4,004,031</u>
Total Liabilities and Fund Balances	<u>\$ 114,595</u>	<u>\$ 321,519</u>	<u>\$ 3,072,417</u>	<u>\$ 680,343</u>	<u>\$ 4,188,874</u>

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

	<u>EXTRAORDINARY MAINTENANCE</u>	<u>RESIDENTIAL CONSTRUCTION</u>	<u>INFRASTRUCTURE TAX</u>	<u>REDEVELOPMENT REVOLVING</u>	<u>TOTAL</u>
Revenues:					
Taxes	\$ -	\$ 172,000	\$ 1,283,794	\$ -	\$ 1,455,794
Miscellaneous	-	1,290	16,162	4,301	21,753
Total Revenues	<u>-</u>	<u>173,290</u>	<u>1,299,956</u>	<u>4,301</u>	<u>1,477,547</u>
Expenditures:					
Current:					
Health	-	-	4,656	-	4,656
Community support	-	-	2,140	400,454	402,594
Capital outlay:					
General Government	1,472	-	-	-	1,472
Health	-	-	699,051	-	699,051
Culture and recreation	-	59,329	-	-	59,329
Community support	-	-	3,994,336	254,375	4,248,711
Total Expenditures	<u>1,472</u>	<u>59,329</u>	<u>4,700,183</u>	<u>654,829</u>	<u>5,415,813</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,472)</u>	<u>113,961</u>	<u>(3,400,227)</u>	<u>(650,528)</u>	<u>(3,938,266)</u>
Other Financing Sources (Uses):					
Transfers in	100,000	-	16,387	1,193,387	1,309,774
Transfers out	-	-	(773,575)	(480,000)	(1,253,575)
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>-</u>	<u>(757,188)</u>	<u>713,387</u>	<u>56,199</u>
Net Change in Fund Balances	98,528	113,961	(4,157,415)	62,859	(3,882,067)
Fund Balances, July 1	<u>16,067</u>	<u>203,558</u>	<u>7,048,989</u>	<u>617,484</u>	<u>7,886,098</u>
Fund Balances, June 30	<u>\$ 114,595</u>	<u>\$ 317,519</u>	<u>\$ 2,891,574</u>	<u>\$ 680,343</u>	<u>\$ 4,004,031</u>

**CARSON CITY, NEVADA
EXTRAORDINARY MAINTENANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Expenditures:				
General Government:				
Services and supplies	\$ 11,067	\$ -	\$ 11,067	\$ 83,933
Capital outlay	100,000	1,472	98,528	-
Total Expenditures	<u>111,067</u>	<u>1,472</u>	<u>109,595</u>	<u>83,933</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(111,067)</u>	<u>(1,472)</u>	<u>109,595</u>	<u>(83,933)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balances	(11,067)	98,528	109,595	16,067
Fund Balances, July 1	<u>16,067</u>	<u>16,067</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u><u>\$ 5,000</u></u>	<u><u>\$ 114,595</u></u>	<u><u>\$ 109,595</u></u>	<u><u>\$ 16,067</u></u>

CARSON CITY, NEVADA
RESIDENTIAL CONSTRUCTION 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Park residential construction tax	\$ 125,000	\$ 172,000	\$ 47,000	\$ 153,696
Miscellaneous:				
Investment income	1,000	1,290	290	1,631
Total Revenues	<u>126,000</u>	<u>173,290</u>	<u>47,290</u>	<u>155,327</u>
Expenditures:				
Culture and recreation:				
Parks:				
Services and supplies	-	-	-	10,225
Capital outlay:				
Schulz Ranch	-	49,000	(49,000)	-
Silver Oaks	-	-	-	77,896
Ross Gold Park	212,545	4,103	208,442	2,246
Other projects	112,013	6,226	105,787	-
Total Expenditures	<u>324,558</u>	<u>59,329</u>	<u>265,229</u>	<u>80,142</u>
Excess (Deficiency) of Revenues over Expenditures	(198,558)	113,961	312,519	64,960
Fund Balances, July 1	<u>203,558</u>	<u>203,558</u>	-	<u>138,598</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 317,519</u>	<u>\$ 312,519</u>	<u>\$ 203,558</u>

**CARSON CITY, NEVADA
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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Taxes:				
Sales tax	\$ 1,230,343	\$ 1,283,794	\$ 53,451	\$ 1,176,414
Miscellaneous:				
Investment income	20,000	3,562	(16,438)	92,419
Donations and gifts	8,400	12,600	4,200	236,510
	<u>28,400</u>	<u>16,162</u>	<u>(12,238)</u>	<u>328,929</u>
Total Revenues	<u>1,258,743</u>	<u>1,299,956</u>	<u>41,213</u>	<u>1,505,343</u>
Expenditures:				
Health				
Services & supplies	-	4,656	(4,656)	320
Capital outlay	833,884	699,051	134,833	2,875,552
	<u>833,884</u>	<u>703,707</u>	<u>130,177</u>	<u>2,875,872</u>
Culture & Recreation:				
Services & supplies	11,450	-	11,450	30,082
Capital outlay	27,471	-	27,471	2,155,997
	<u>38,921</u>	<u>-</u>	<u>38,921</u>	<u>2,186,079</u>
Community Support:				
Services & supplies	90,587	2,140	88,447	949
Capital outlay	6,530,671	3,994,336	2,536,335	2,645,717
	<u>6,621,258</u>	<u>3,996,476</u>	<u>2,624,782</u>	<u>2,646,666</u>
Total Expenditures	<u>7,494,063</u>	<u>4,700,183</u>	<u>2,793,880</u>	<u>7,708,617</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(6,235,320)</u>	<u>(3,400,227)</u>	<u>2,835,093</u>	<u>(6,203,274)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	-	-	82,100
Regional Transportation Fund	16,387	16,387	-	-
Debt Service Fund	(773,575)	(773,575)	-	(623,845)
Total Other Financing Sources (Uses)	<u>(757,188)</u>	<u>(757,188)</u>	<u>-</u>	<u>(541,745)</u>
Net Change in Fund Balances	<u>(6,992,508)</u>	<u>(4,157,415)</u>	<u>2,835,093</u>	<u>(6,745,019)</u>
Fund Balances, July 1	<u>7,048,989</u>	<u>7,048,989</u>	<u>-</u>	<u>13,794,008</u>
Fund Balances, June 30	<u>\$ 56,481</u>	<u>\$ 2,891,574</u>	<u>\$ 2,835,093</u>	<u>\$ 7,048,989</u>

See accompanying notes.

**CARSON CITY, NEVADA
REDEVELOPMENT REVOLVING 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Revenues:				
Miscellaneous:				
Investment income	\$ 800	\$ 3,725	\$ 2,925	\$ 2,547
Gifts and donations	-	-	-	125,000
Miscellaneous other	-	576	576	-
Total Revenues	<u>800</u>	<u>4,301</u>	<u>3,501</u>	<u>127,547</u>
Expenditures:				
Community support:				
Redevelopment:				
Services and supplies	1,101,380	400,454	700,926	276,007
Capital outlay	<u>672,192</u>	<u>254,375</u>	<u>417,817</u>	<u>359,775</u>
Total Expenditures	<u>1,773,572</u>	<u>654,829</u>	<u>1,118,743</u>	<u>635,782</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,772,772)</u>	<u>(650,528)</u>	<u>1,122,244</u>	<u>(508,235)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	1,193,387	1,193,387	-	1,233,383
General Fund	<u>-</u>	<u>(480,000)</u>	<u>(480,000)</u>	<u>(480,000)</u>
Total Other Financing Sources (Uses)	<u>1,193,387</u>	<u>713,387</u>	<u>(480,000)</u>	<u>753,383</u>
Net Change in Fund Balances	(579,385)	62,859	642,244	245,148
Fund Balances, July 1	<u>617,484</u>	<u>617,484</u>	<u>-</u>	<u>372,336</u>
Fund Balances, June 30	<u>\$ 38,099</u>	<u>\$ 680,343</u>	<u>\$ 642,244</u>	<u>\$ 617,484</u>

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ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises—where the intent of the government's board is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's board has decided that periodic determination of net income is appropriate for accountability purposes.

Major Funds

Sewer Fund - This Fund is used to account for the revenues and expenses of sewer services provided to the residents of Carson City.

Water Fund - This Fund is used to account for the revenues and expenses of water services provided to the residents of Carson City.

Nonmajor Funds

Ambulance Fund - This Fund is used to account for the operations of the ambulance service provided by the Carson City Fire Department.

Stormwater Drainage Fund - This Fund is used to account for the revenues and expenses of the stormwater management program.

Cemetery Fund - This Fund is used to account for the costs of providing interment services and perpetual care of the City's cemetery.

Building Permits Fund - This Fund is used to account for the revenues and expenses of the Building Permit Program.

**CARSON CITY, NEVADA
SEWER 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 12,809,680	\$ 12,996,501	\$ 186,821	\$ 11,426,700
Operating Expenses:				
Salaries and wages	1,591,696	1,491,839	99,857	1,527,606
Employee benefits	777,838	782,452	(4,614)	647,304
Services and supplies	3,952,205	3,508,870	443,335	3,255,356
Depreciation	3,500,000	3,385,557	114,443	3,311,678
Total Operating Expenses	9,821,739	9,168,718	653,021	8,741,944
Operating Income (Loss)	2,987,941	3,827,783	839,842	2,684,756
Nonoperating Revenues (Expenses):				
Investment income	2,500	29,684	27,184	73,440
Miscellaneous	17,000	23,138	6,138	21,669
Interest expense	(1,173,505)	(1,002,575)	170,930	(627,293)
Federal interest subsidy	1,550	1,508	(42)	1,617
Gain (loss) on sales of capital assets	-	4,085	4,085	(19,616)
Bond issuance costs	-	(1,402)	(1,402)	(179,194)
Total Nonoperating Revenues (Expenses)	(1,152,455)	(945,562)	206,893	(729,377)
Income (Loss) Before Transfers and Contributions	1,835,486	2,882,221	1,046,735	1,955,379
Capital Contributions:				
Capital assets	-	-	-	7,885
Developers	-	41,974	41,974	61,155
Connection fees	40,000	244,160	204,160	60,408
Total Capital Contributions	40,000	286,134	246,134	129,448
Change in Net Position	\$ 1,875,486	3,168,355	\$ 1,292,869	2,084,827
Net Position, July 1		52,183,689		50,098,862
Net Position, June 30		\$ 55,352,044		\$ 52,183,689

See accompanying notes.

CARSON CITY, NEVADA
SEWER 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)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 12,809,680	\$ 13,008,697	\$ 199,017	\$ 11,359,349
Cash payments for personnel costs	(2,249,150)	(2,314,441)	(65,291)	(2,083,334)
Cash payments for services and supplies	(3,952,205)	(3,202,442)	749,763	(2,938,240)
Miscellaneous cash received	17,000	23,138	6,138	-
	<u>6,625,325</u>	<u>7,514,952</u>	<u>889,627</u>	<u>6,337,775</u>
Net Cash Provided (Used) by Operating Activities				
	<u>6,625,325</u>	<u>7,514,952</u>	<u>889,627</u>	<u>6,337,775</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	27,895,076	25,075,445	(2,819,631)	10,180,882
Connection fees	40,000	244,160	204,160	60,408
Acquisition of capital assets	(37,135,076)	(24,437,754)	12,697,322	(10,175,617)
Principal paid on capital debt	(2,127,152)	(1,614,719)	512,433	(1,854,234)
Interest paid on capital debt	(1,173,505)	(732,338)	441,167	(179,593)
Bond issuance costs	-	(1,402)	(1,402)	(179,194)
Federal interest subsidy	1,550	1,508	(42)	1,617
	<u>12,499,107</u>	<u>(1,465,100)</u>	<u>11,034,007</u>	<u>(2,145,731)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
	<u>(12,499,107)</u>	<u>(1,465,100)</u>	<u>11,034,007</u>	<u>(2,145,731)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	2,500	29,684	27,184	73,440
	<u>2,500</u>	<u>29,684</u>	<u>27,184</u>	<u>73,440</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
	<u>(5,871,282)</u>	<u>6,079,536</u>	<u>11,950,818</u>	<u>4,265,484</u>
Cash and Cash Equivalents, July 1	6,694,016	6,694,016	-	2,428,532
Cash and Cash Equivalents, June 30	<u>\$ 822,734</u>	<u>\$ 12,773,552</u>	<u>\$ 11,950,818</u>	<u>\$ 6,694,016</u>

CARSON CITY, NEVADA
SEWER 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)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 2,987,941	\$ 3,827,783	\$ 839,842	\$ 2,684,756
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	3,500,000	3,385,557	(114,443)	3,311,678
Nonoperating revenues	17,000	23,138	6,138	21,669
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	12,445	12,445	(88,680)
Due from other governments	-	(21,647)	(21,647)	(16,705)
Prepaid items	-	(1,174)	(1,174)	(27,986)
Retirement deferred outflows	-	(258,760)	(258,760)	(48,688)
Increase (decrease) in:				
Accounts payable	-	329,422	329,422	361,634
Accrued salaries and benefits	-	(64,386)	(64,386)	(10,630)
Due to other governments	-	(173)	(173)	173
Unearned revenue	-	(23)	(23)	(40)
Connection deposits	-	(226)	(226)	(300)
Accrued compensated absences	-	(114,249)	(114,249)	52,695
Net OPEB obligation	120,384	132,441	12,057	109,440
Net retirement obligation	-	320,273	320,273	188,647
Retirement deferred inflows	-	(55,469)	(55,469)	(199,888)
Total Adjustments	3,637,384	3,687,169	49,785	3,653,019
Net Cash Provided (Used) by Operating Activities	\$ 6,625,325	\$ 7,514,952	\$ 889,627	\$ 6,337,775
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 151,403		\$ 3,134,896
Retainage payable on construction of capital assets		763,314		172,348
Refunding amounts paid to escrow		-		245,000
Contributed capital assets		41,974		69,040

See accompanying notes.

CARSON CITY, NEVADA
WATER 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 14,205,732	\$ 14,715,096	\$ 509,364	\$ 13,506,051
Other charges	306,800	337,919	31,119	323,814
Total Operating Revenues	<u>14,512,532</u>	<u>15,053,015</u>	<u>540,483</u>	<u>13,829,865</u>
Operating Expenses:				
Salaries and wages	1,755,576	1,559,356	196,220	1,591,756
Employee benefits	955,793	934,593	21,200	809,054
Services and supplies	5,754,157	5,453,566	300,591	5,873,005
Depreciation and amortization	3,500,000	3,331,454	168,546	3,319,902
Total Operating Expenses	<u>11,965,526</u>	<u>11,278,969</u>	<u>686,557</u>	<u>11,593,717</u>
Operating Income (Loss)	<u>2,547,006</u>	<u>3,774,046</u>	<u>1,227,040</u>	<u>2,236,148</u>
Nonoperating Revenues (Expenses):				
Investment income	15,000	17,742	2,742	18,698
Miscellaneous	5,000	1,582	(3,418)	6,385
Interest expense	(2,060,970)	(2,047,931)	13,039	(2,076,556)
Federal interest subsidy	217,420	224,329	6,909	224,721
Gain (loss) on sales of capital assets	-	(98,004)	(98,004)	25,399
Bond issuance costs	(152,000)	(1,331)	150,669	(1,581)
Total Nonoperating Revenues (Expenses)	<u>(1,975,550)</u>	<u>(1,903,613)</u>	<u>71,937</u>	<u>(1,802,934)</u>
Income (Loss) Before Contributions and Transfers	<u>571,456</u>	<u>1,870,433</u>	<u>1,298,977</u>	<u>433,214</u>
Capital Contributions:				
Capital assets	-	4,161	4,161	4,145
Capital grants	-	125,000	125,000	125,000
Developers	-	75,648	75,648	265,244
Connection fees	26,035	185,015	158,980	46,034
Total Capital Contributions	<u>26,035</u>	<u>389,824</u>	<u>363,789</u>	<u>440,423</u>
Change in Net Position	<u>\$ 597,491</u>	<u>2,260,257</u>	<u>\$ 1,662,766</u>	<u>873,637</u>
Net Position, July 1		<u>41,551,819</u>		<u>40,678,182</u>
Net Position, June 30		<u>\$ 43,812,076</u>		<u>\$ 41,551,819</u>

See accompanying notes.

CARSON CITY, NEVADA
WATER 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)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 14,512,532	\$ 14,972,082	\$ 459,550	\$ 14,061,625
Cash payments for personnel costs	(2,547,729)	(2,383,873)	163,856	(2,317,798)
Cash payments for services and supplies	(5,754,157)	(5,824,882)	(70,725)	(5,629,106)
Miscellaneous cash received	5,000	1,582	(3,418)	6,385
	<u>6,215,646</u>	<u>6,764,909</u>	<u>549,263</u>	<u>6,121,106</u>
Net Cash Provided (Used) by Operating Activities				
	<u>6,215,646</u>	<u>6,764,909</u>	<u>549,263</u>	<u>6,121,106</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	5,000,000	831,455	(4,168,545)	3,292,189
Connection fees	26,035	185,015	158,980	46,034
Acquisition of capital assets	(3,587,000)	(1,088,285)	2,498,715	(4,293,571)
Principal paid on capital debt	(3,344,672)	(3,229,806)	114,866	(3,093,545)
Interest paid on capital debt	(2,060,970)	(2,089,288)	(28,318)	(2,113,535)
Bond issuance costs	(152,000)	(1,331)	150,669	(1,581)
Federal interest subsidy	217,420	224,329	6,909	224,721
Subsidy from grant	-	125,000	125,000	125,000
	<u>(3,901,187)</u>	<u>(5,042,911)</u>	<u>(1,141,724)</u>	<u>(5,814,288)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
	<u>(3,901,187)</u>	<u>(5,042,911)</u>	<u>(1,141,724)</u>	<u>(5,814,288)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	15,000	17,742	2,742	18,698
	<u>15,000</u>	<u>17,742</u>	<u>2,742</u>	<u>18,698</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
	<u>2,329,459</u>	<u>1,739,740</u>	<u>(589,719)</u>	<u>325,516</u>
Cash and Cash Equivalents, July 1	<u>2,439,682</u>	<u>2,439,682</u>	<u>-</u>	<u>2,114,166</u>
Cash and Cash Equivalents, June 30	<u>\$ 4,769,141</u>	<u>\$ 4,179,422</u>	<u>\$ (589,719)</u>	<u>\$ 2,439,682</u>

CARSON CITY, NEVADA
WATER 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)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 2,547,006	\$ 3,774,046	\$ 1,227,040	\$ 2,236,148
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	3,500,000	3,331,454	(168,546)	3,319,902
Nonoperating revenues	5,000	1,582	(3,418)	6,385
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	115,892	115,892	25,786
Due from other governments	-	496	496	1,991
Inventories	-	(937)	(937)	(33,090)
Prepaid items	-	12,949	12,949	(14,712)
Retirement deferred outflows	-	(284,269)	(284,269)	(42,848)
Increase (decrease) in:				
Accounts payable	-	(142,132)	(142,132)	(104,379)
Accrued salaries and benefits	-	(64,673)	(64,673)	(17,486)
Due to other governments	-	(241,692)	(241,692)	394,089
Unearned revenue	-	(201,551)	(201,551)	201,275
Connection deposits	-	4,726	4,726	4,699
Accrued compensated absences	-	(8,935)	(8,935)	8,099
Net OPEB obligation	163,640	164,422	782	148,764
Net retirement obligation	-	380,381	380,381	254,379
Retirement deferred inflows	-	(76,850)	(76,850)	(267,896)
Total Adjustments	3,668,640	2,990,863	(677,777)	3,884,958
Net Cash Provided (Used) by Operating Activities	\$ 6,215,646	\$ 6,764,909	\$ 549,263	\$ 6,121,106
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 50,793		\$ 575,882
Retainage payable on construction of capital assets		2,515		4,988
Contributed capital assets		79,809		269,389

CARSON CITY, NEVADA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	AMBULANCE	STORMWATER DRAINAGE	CEMETERY	BUILDING PERMITS	TOTAL
ASSETS					
Current assets:					
Cash and investments	\$ 803,349	\$ 364,430	\$ 203,732	\$ 566,631	\$ 1,938,142
Receivables:					
Accounts and contracts, net	1,313,834	118,759	-	-	1,432,593
Inventories	-	-	13,508	-	13,508
Prepaid items	193	156	-	-	349
Total Current Assets	<u>2,117,376</u>	<u>483,345</u>	<u>217,240</u>	<u>566,631</u>	<u>3,384,592</u>
Capital assets:					
Land	-	1,594,781	293,449	-	1,888,230
Buildings	-	235,212	354,931	-	590,143
Improvements other than buildings	-	8,120,572	173,211	-	8,293,783
Machinery and equipment	764,219	1,395,240	127,649	-	2,287,108
Construction in progress	37,104	198,283	-	-	235,387
	<u>801,323</u>	<u>11,544,088</u>	<u>949,240</u>	<u>-</u>	<u>13,294,651</u>
Less: Accumulated depreciation	(564,074)	(2,258,824)	(311,404)	-	(3,134,302)
Net Capital Assets	<u>237,249</u>	<u>9,285,264</u>	<u>637,836</u>	<u>-</u>	<u>10,160,349</u>
Total Noncurrent Assets	<u>237,249</u>	<u>9,285,264</u>	<u>637,836</u>	<u>-</u>	<u>10,160,349</u>
Total Assets	<u>2,354,625</u>	<u>9,768,609</u>	<u>855,076</u>	<u>566,631</u>	<u>13,544,941</u>
Deferred Outflows of Resources					
Deferred retirement contributions	532,183	23,057	17,012	18,315	590,567
Deferred actuarial adjustment to contributions	28,168	1,196	897	957	31,218
Deferred earnings on retirement investments	413,588	17,562	13,172	14,050	458,372
Deferred loss on refundings	-	98,215	-	-	98,215
Total Deferred Outflows of Resources	<u>973,939</u>	<u>140,030</u>	<u>31,081</u>	<u>33,322</u>	<u>1,178,372</u>
Total Assets and Deferred Outflows of Resources	<u>3,328,564</u>	<u>9,908,639</u>	<u>886,157</u>	<u>599,953</u>	<u>14,723,313</u>
LIABILITIES:					
Current liabilities:					
Accounts payable	56,732	8,284	6,168	99,994	171,178
Accrued salaries and benefits	55,170	5,024	1,738	2,288	64,220
Accrued interest	-	21,533	-	-	21,533
Due to other governments	35	-	-	-	35
Unearned revenue	-	-	260,410	-	260,410
Current portion:					
Accrued compensated absences	49,076	978	7,993	8,060	66,107
General obligation bonds and notes payable	-	497,522	-	-	497,522
Total Current Liabilities	<u>161,013</u>	<u>533,341</u>	<u>276,309</u>	<u>110,342</u>	<u>1,081,005</u>
Noncurrent liabilities:					
Accrued compensated absences, net of current portion	181,936	27,726	-	7,581	217,243
Net OPEB obligation	1,349,909	90,752	96,699	105,714	1,643,074
Net retirement obligation	4,663,424	216,470	197,005	188,466	5,265,365
General obligation bonds and notes payable	-	3,787,716	-	-	3,787,716
Total Noncurrent Liabilities	<u>6,195,269</u>	<u>4,122,664</u>	<u>293,704</u>	<u>301,761</u>	<u>10,913,398</u>
Total Liabilities	<u>6,356,282</u>	<u>4,656,005</u>	<u>570,013</u>	<u>412,103</u>	<u>11,994,403</u>
Deferred inflows of resources:					
Deferred change in retirement experience	297,915	12,650	9,488	10,120	330,173
Deferred change in retirement contributions	82,305	3,495	2,621	2,796	91,217
Total Deferred Inflows of Resources	<u>380,220</u>	<u>16,145</u>	<u>12,109</u>	<u>12,916</u>	<u>421,390</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,736,502</u>	<u>4,672,150</u>	<u>582,122</u>	<u>425,019</u>	<u>12,415,793</u>
NET POSITION					
Net investment in capital assets	237,249	4,994,626	637,836	-	5,869,711
Unrestricted	(3,645,187)	241,863	(333,801)	174,934	(3,562,191)
Total Net Position	<u>\$ (3,407,938)</u>	<u>\$ 5,236,489</u>	<u>\$ 304,035</u>	<u>\$ 174,934</u>	<u>\$ 2,307,520</u>

See accompanying notes.

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

	<u>AMBULANCE</u>	<u>STORMWATER DRAINAGE</u>	<u>CEMETERY</u>	<u>BUILDING PERMITS</u>	<u>TOTAL</u>
Operating Revenues:					
Charges for services	\$ 3,314,887	\$ 1,361,322	\$ 147,138	\$ 1,240,249	\$ 6,063,596
Operating Expenses:					
Salaries and wages	1,537,779	45,118	104,895	28,305	1,716,097
Employee benefits	1,093,582	70,169	59,065	36,358	1,259,174
Services and supplies	847,780	443,349	46,626	1,040,681	2,378,436
Depreciation	46,432	321,472	12,892	-	380,796
Total Operating Expenses	<u>3,525,573</u>	<u>880,108</u>	<u>223,478</u>	<u>1,105,344</u>	<u>5,734,503</u>
Operating Income (Loss)	<u>(210,686)</u>	<u>481,214</u>	<u>(76,340)</u>	<u>134,905</u>	<u>329,093</u>
Nonoperating Revenues (Expenses):					
Investment income	2,689	1,200	755	2,251	6,895
Miscellaneous	825	1,194	5,377	-	7,396
Interest expense	-	(128,528)	-	-	(128,528)
Total Nonoperating Revenues (Expenses)	<u>3,514</u>	<u>(126,134)</u>	<u>6,132</u>	<u>2,251</u>	<u>(114,237)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(207,172)</u>	<u>355,080</u>	<u>(70,208)</u>	<u>137,156</u>	<u>214,856</u>
Capital Contributions:					
Capital assets	-	157,214	-	-	157,214
Transfers:					
Transfers In	350,000	-	90,000	-	440,000
Transfers Out	(31,020)	-	-	-	(31,020)
Total Transfers	<u>318,980</u>	<u>-</u>	<u>90,000</u>	<u>-</u>	<u>408,980</u>
Change in Net Position	111,808	512,294	19,792	137,156	781,050
Net Position, July 1	<u>(3,519,746)</u>	<u>4,724,195</u>	<u>284,243</u>	<u>37,778</u>	<u>1,526,470</u>
Net Position, June 30	<u>\$ (3,407,938)</u>	<u>\$ 5,236,489</u>	<u>\$ 304,035</u>	<u>\$ 174,934</u>	<u>\$ 2,307,520</u>

CARSON CITY, NEVADA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 2)

	<u>AMBULANCE</u>	<u>STORMWATER DRAINAGE</u>	<u>CEMETERY</u>	<u>BUILDING PERMITS</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ 3,185,122	\$ 1,359,864	\$ 123,277	\$ 1,240,249	\$ 5,908,512
Cash payments for personnel costs	(2,473,132)	(171,767)	(188,707)	(98,043)	(2,931,649)
Cash payments for services and supplies	(895,614)	(446,581)	(38,928)	(1,034,710)	(2,415,833)
Miscellaneous cash received	825	1,194	5,377	-	7,396
Net Cash Provided (Used) by Operating Activities	<u>(182,799)</u>	<u>742,710</u>	<u>(98,981)</u>	<u>107,496</u>	<u>568,426</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	350,000	-	90,000	-	440,000
Transfer to other funds	(31,020)	-	-	-	(31,020)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>318,980</u>	<u>-</u>	<u>90,000</u>	<u>-</u>	<u>408,980</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from capital debt	-	305,456	-	-	305,456
Acquisition of capital assets	(205,606)	(189,671)	-	-	(395,277)
Principal paid on capital debt	-	(443,001)	-	-	(443,001)
Interest paid on capital debt	-	(108,555)	-	-	(108,555)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(205,606)</u>	<u>(435,771)</u>	<u>-</u>	<u>-</u>	<u>(641,377)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	2,689	1,200	755	2,251	6,895
Net Increase (Decrease) in Cash and Cash Equivalents	(66,736)	308,139	(8,226)	109,747	342,924
Cash and Cash Equivalents, July 1	<u>870,085</u>	<u>56,291</u>	<u>211,958</u>	<u>456,884</u>	<u>1,595,218</u>
Cash and Cash Equivalents, June 30	<u>\$ 803,349</u>	<u>\$ 364,430</u>	<u>\$ 203,732</u>	<u>\$ 566,631</u>	<u>\$ 1,938,142</u>

See accompanying notes.

CARSON CITY, NEVADA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 2)

	<u>AMBULANCE</u>	<u>STORMWATER DRAINAGE</u>	<u>CEMETERY</u>	<u>BUILDING PERMITS</u>	<u>TOTAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (210,686)	\$ 481,214	\$ (76,340)	\$ 134,905	\$ 329,093
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	46,432	321,472	12,892	-	380,796
Nonoperating revenues	825	1,194	5,377	-	7,396
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(129,765)	14,776	-	-	(114,989)
Inventories	-	-	2,376	-	2,376
Prepaid items	534	1,928	-	-	2,462
Retirement deferred outflows	(412,194)	(13,259)	(5,786)	(14,366)	(445,605)
Increase (decrease) in:					
Accounts payable	(48,403)	(3,398)	5,322	5,971	(40,508)
Accrued salaries and benefits	(76,654)	(6,008)	(6,942)	(3,170)	(92,774)
Due to other governments	35	(1,762)	-	-	(1,727)
Unearned revenue	-	(16,234)	(23,861)	-	(40,095)
Accrued compensated absences	9,416	(69,397)	(40,148)	(37,106)	(137,235)
Net OPEB obligation	184,649	13,229	14,131	5,862	217,871
Net retirement obligation	580,180	28,446	24,321	19,575	652,522
Retirement deferred inflows	(127,168)	(9,491)	(10,323)	(4,175)	(151,157)
Total Adjustments	<u>27,887</u>	<u>261,496</u>	<u>(22,641)</u>	<u>(27,409)</u>	<u>239,333</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (182,799)</u>	<u>\$ 742,710</u>	<u>\$ (98,981)</u>	<u>\$ 107,496</u>	<u>\$ 568,426</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Purchase of capital assets on account	\$ -	\$ 5,400	\$ -	\$ -	\$ 5,400
Contributed capital assets	-	157,214	-	-	157,214

**CARSON CITY, NEVADA
AMBULANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services	\$ 3,029,849	\$ 3,314,887	\$ 285,038	\$ 3,205,144
Operating Expenses:				
Salaries and wages	1,560,507	1,537,779	22,728	1,557,975
Employee benefits	1,082,868	1,093,582	(10,714)	917,245
Services and supplies	943,489	847,780	95,709	897,090
Depreciation	35,000	46,432	(11,432)	32,390
Total Operating Expenses	<u>3,621,864</u>	<u>3,525,573</u>	<u>96,291</u>	<u>3,404,700</u>
Operating Income (Loss)	<u>(592,015)</u>	<u>(210,686)</u>	<u>381,329</u>	<u>(199,556)</u>
Nonoperating Revenues (Expenses):				
Investment income	500	2,689	2,189	5,087
Miscellaneous	-	825	825	-
Gain (loss) on disposal of capital assets	-	-	-	(9,159)
Total Nonoperating Revenues (Expenses)	<u>500</u>	<u>3,514</u>	<u>3,014</u>	<u>(4,072)</u>
Income (Loss) Before Transfers	<u>(591,515)</u>	<u>(207,172)</u>	<u>384,343</u>	<u>(203,628)</u>
Capital Contributions:				
Capital grants	-	-	-	46,451
Transfers in (out):				
General Fund	350,000	350,000	-	300,000
Fleet Management Fund	(31,020)	(31,020)	-	(31,020)
Total Transfers	<u>318,980</u>	<u>318,980</u>	<u>-</u>	<u>268,980</u>
Change in Net Position	<u>\$ (272,535)</u>	<u>111,808</u>	<u>\$ 384,343</u>	<u>111,803</u>
Net Position, July 1		<u>(3,519,746)</u>		<u>(3,631,549)</u>
Net Position, June 30		<u>\$ (3,407,938)</u>		<u>\$ (3,519,746)</u>

CARSON CITY, NEVADA
AMBULANCE 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 3,029,849	\$ 3,185,122	\$ 155,273	\$ 3,171,183
Cash payments for personnel costs	(2,534,775)	(2,473,132)	61,643	(2,418,019)
Cash payments for services and supplies	(943,489)	(895,614)	47,875	(847,709)
Miscellaneous cash received	-	825	825	-
Net Cash Provided (Used) by Operating Activities	<u>(448,415)</u>	<u>(182,799)</u>	<u>265,616</u>	<u>(94,545)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	350,000	350,000	-	300,000
Transfer to other funds	(31,020)	(31,020)	-	(31,020)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>318,980</u>	<u>318,980</u>	<u>-</u>	<u>268,980</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(205,606)	(205,606)	-
Subsidy from grant	-	-	-	46,451
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(205,606)</u>	<u>(205,606)</u>	<u>46,451</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	500	2,689	2,189	5,087
Net Increase (Decrease) in Cash and Cash Equivalents	(128,935)	(66,736)	62,199	225,973
Cash and Cash Equivalents, July 1	<u>870,085</u>	<u>870,085</u>	<u>-</u>	<u>644,112</u>
Cash and Cash Equivalents, June 30	<u>\$ 741,150</u>	<u>\$ 803,349</u>	<u>\$ 62,199</u>	<u>\$ 870,085</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (592,015)</u>	<u>\$ (210,686)</u>	<u>\$ 381,329</u>	<u>\$ (199,556)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	35,000	46,432	11,432	32,390
Nonoperating revenues	-	825	825	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(129,765)	(129,765)	(33,961)
Prepaid items	-	534	534	(727)
Retirement deferred outflows	-	(412,194)	(412,194)	(50,875)
Increase (decrease) in:				
Accounts payable	-	(48,403)	(48,403)	51,128
Accrued salaries and benefits	-	(76,654)	(76,654)	26,192
Due to other governments	-	35	35	(1,020)
Accrued compensated absences	-	9,416	9,416	(5,943)
Net OPEB obligation	108,600	184,649	76,049	108,600
Net retirement obligation	-	580,180	580,180	417,278
Retirement deferred inflows	-	(127,168)	(127,168)	(438,051)
Total Adjustments	<u>143,600</u>	<u>27,887</u>	<u>(115,713)</u>	<u>105,011</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (448,415)</u>	<u>\$ (182,799)</u>	<u>\$ 265,616</u>	<u>\$ (94,545)</u>

See accompanying notes.

**CARSON CITY, NEVADA
STORMWATER DRAINAGE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 1,393,881	\$ 1,361,322	\$ (32,559)	\$ 1,391,102
Operating Expenses:				
Salaries and wages	145,495	45,118	100,377	138,697
Employee benefits	73,562	70,169	3,393	61,911
Services and supplies	461,631	443,349	18,282	490,632
Depreciation	282,000	321,472	(39,472)	287,059
Total Operating Expenses	962,688	880,108	82,580	978,299
Operating Income	431,193	481,214	50,021	412,803
Nonoperating Revenues (Expenses):				
Investment income	500	1,200	700	2,797
Miscellaneous income	-	1,194	1,194	-
Interest expense	(142,389)	(128,528)	13,861	(125,656)
Gain (loss) on sales of capital assets	-	-	-	(56,828)
Bond issuance costs	-	-	-	(250)
Total Nonoperating Revenues (Expenses)	(141,889)	(126,134)	15,755	(179,937)
Income (Loss) Before Contributions and Transfers	289,304	355,080	65,776	232,866
Capital Contributions:				
Capital assets	-	157,214	157,214	21,516
Developers	-	-	-	112,140
Total Capital Contributions	-	157,214	157,214	133,656
Change in Net Position	\$ 289,304	512,294	\$ 222,990	366,522
Net Position, July 1		4,724,195		4,357,673
Net Position, June 30		\$ 5,236,489		\$ 4,724,195

CARSON CITY, NEVADA
STORMWATER DRAINAGE 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)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,393,881	\$ 1,359,864	\$ (34,017)	\$ 1,410,157
Cash payments for personnel costs	(208,235)	(171,767)	36,468	(185,101)
Cash payments for services and supplies	(461,631)	(446,581)	15,050	(487,318)
Miscellaneous cash received	-	1,194	1,194	-
	<u>724,015</u>	<u>742,710</u>	<u>18,695</u>	<u>737,738</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	1,212,377	305,456	(906,921)	280,842
Acquisition of capital assets	(1,191,965)	(189,671)	1,002,294	(516,534)
Principal paid on capital debt	(485,142)	(443,001)	42,141	(427,900)
Interest paid on capital debt	(142,389)	(108,555)	33,834	(108,657)
Bond issuance costs	-	-	-	(250)
Subsidy from grant	-	-	-	-
	<u>(607,119)</u>	<u>(435,771)</u>	<u>171,348</u>	<u>(772,499)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	500	1,200	700	2,797
	<u>117,396</u>	<u>308,139</u>	<u>190,743</u>	<u>(31,964)</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
Cash and Cash Equivalents, July 1	56,291	56,291	-	88,255
Cash and Cash Equivalents, June 30	<u>\$ 173,687</u>	<u>\$ 364,430</u>	<u>\$ 190,743</u>	<u>\$ 56,291</u>

CARSON CITY, NEVADA
STORMWATER DRAINAGE 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)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
RECONCILIATION OF OPERATING INCOME (LOSS) TO				
NET CASH PROVIDED (USED) BY OPERATING				
ACTIVITIES:				
Operating income (loss)	\$ 431,193	\$ 481,214	\$ 50,021	\$ 412,803
Adjustments to reconcile operating income (loss)				
to net cash provided (used) by operating				
activities:				
Depreciation and amortization expense	282,000	321,472	39,472	287,059
Nonoperating revenues	-	1,194	1,194	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	14,776	14,776	2,821
Prepaid items	-	1,928	1,928	(1,684)
Retirement deferred outflows	-	(13,259)	(13,259)	(4,614)
Increase (decrease) in:				
Accounts payable	-	(3,398)	(3,398)	3,286
Accrued salaries and benefits	-	(6,008)	(6,008)	2,315
Due to other governments	-	(1,762)	(1,762)	1,712
Unearned revenue	-	(16,234)	(16,234)	16,234
Accrued compensated absences	-	(69,397)	(69,397)	9,009
Net OPEB obligation	10,822	13,229	2,407	9,838
Net retirement obligation	-	28,446	28,446	17,341
Retirement deferred inflows	-	(9,491)	(9,491)	(18,382)
Total Adjustments	292,822	261,496	(31,326)	324,935
Net Cash Provided (Used) by				
Operating Activities	\$ 724,015	\$ 742,710	\$ 18,695	\$ 737,738
NONCASH INVESTING, CAPITAL AND				
FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 5,400		\$ 6,476
Contributed capital assets		157,214		133,656

**CARSON CITY, NEVADA
CEMETERY 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services	\$ 115,573	\$ 147,138	\$ 31,565	\$ 91,213
Operating Expenses:				
Salaries and wages	118,256	104,895	13,361	110,323
Employee benefits	62,795	59,065	3,730	55,402
Services and supplies	75,087	46,626	28,461	53,130
Depreciation	12,900	12,892	8	13,402
Total Operating Expenses	<u>269,038</u>	<u>223,478</u>	<u>45,560</u>	<u>232,257</u>
Operating Income (Loss)	<u>(153,465)</u>	<u>(76,340)</u>	<u>77,125</u>	<u>(141,044)</u>
Nonoperating Revenues (Expenses):				
Investment income	1,000	755	(245)	1,283
Miscellaneous	3,476	5,377	1,901	2,937
Total Nonoperating Revenues (Expenses)	<u>4,476</u>	<u>6,132</u>	<u>1,656</u>	<u>4,220</u>
Income (Loss) Before Transfers	(148,989)	(70,208)	78,781	(136,824)
Transfers in (out) General Fund	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>90,000</u>
Change in Net Position	<u>\$ (58,989)</u>	19,792	<u>\$ 78,781</u>	(46,824)
Net Position, July 1		<u>284,243</u>		<u>331,067</u>
Net Position, June 30		<u>\$ 304,035</u>		<u>\$ 284,243</u>

**CARSON CITY, NEVADA
CEMETERY 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 115,573	\$ 123,277	\$ 7,704	\$ 92,560
Cash payments for personnel costs	(163,915)	(188,707)	(24,792)	(153,385)
Cash payments for services and supplies	(75,087)	(38,928)	36,159	(45,110)
Miscellaneous cash received	3,476	5,377	1,901	2,937
Net Cash Provided (Used) by Operating Activities	<u>(119,953)</u>	<u>(98,981)</u>	<u>20,972</u>	<u>(102,998)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>90,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>1,000</u>	<u>755</u>	<u>(245)</u>	<u>1,283</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(28,953)	(8,226)	20,727	(11,715)
Cash and Cash Equivalents, July 1	<u>211,958</u>	<u>211,958</u>	<u>-</u>	<u>223,673</u>
Cash and Cash Equivalents, June 30	<u>\$ 183,005</u>	<u>\$ 203,732</u>	<u>\$ 20,727</u>	<u>\$ 211,958</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (153,465)</u>	<u>\$ (76,340)</u>	<u>\$ 77,125</u>	<u>\$ (141,044)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	12,900	12,892	(8)	13,402
Nonoperating revenues	3,476	5,377	1,901	2,937
Changes in assets and liabilities:				
(Increase) decrease in:				
Inventories	-	2,376	2,376	7,925
Retirement deferred outflows	-	(5,786)	(5,786)	(3,759)
Increase (decrease) in:				
Accounts payable	-	5,322	5,322	95
Accrued salaries and benefits	-	(6,942)	(6,942)	1,357
Unearned revenue	-	(23,861)	(23,861)	1,347
Accrued compensated absences	-	(40,148)	(40,148)	79
Net OPEB obligation	17,136	14,131	(3,005)	15,578
Net retirement obligation	-	24,321	24,321	16,844
Retirement deferred inflows	-	(10,323)	(10,323)	(17,759)
Total Adjustments	<u>33,512</u>	<u>(22,641)</u>	<u>(56,153)</u>	<u>38,046</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (119,953)</u>	<u>\$ (98,981)</u>	<u>\$ 20,972</u>	<u>\$ (102,998)</u>

See accompanying notes.

**CARSON CITY, NEVADA
BUILDING PERMITS 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services				
User fees and charges	\$ 1,200,000	\$ 1,240,249	\$ 40,249	\$ 1,159,586
Operating Expenses:				
Salaries and wages	65,782	28,305	37,477	88,704
Employee benefits	36,281	36,358	(77)	37,214
Services and supplies	1,310,939	1,040,681	270,258	1,025,802
Total Operating Expenses	1,413,002	1,105,344	307,658	1,151,720
Operating Income (Loss)	(213,002)	134,905	347,907	7,866
Nonoperating Revenues (Expenses):				
Investment income	1,000	2,251	1,251	3,812
Miscellaneous	-	-	-	41,883
Total Nonoperating Revenues (Expenses)	1,000	2,251	1,251	45,695
Change in Net Position	<u>\$ (212,002)</u>	137,156	<u>\$ 349,158</u>	53,561
Net Position, July 1		37,778		(15,783)
Net Position, June 30		<u>\$ 174,934</u>		<u>\$ 37,778</u>

CARSON CITY, NEVADA
BUILDING PERMITS 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,200,000	\$ 1,240,249	\$ 40,249	\$ 1,158,885
Cash payments for personnel costs	(94,304)	(98,043)	(3,739)	(93,470)
Cash payments for services and supplies	(1,310,939)	(1,034,710)	276,229	(979,510)
Miscellaneous cash received	-	-	-	41,883
Net Cash Provided (Used) by Operating Activities	<u>(205,243)</u>	<u>107,496</u>	<u>312,739</u>	<u>127,788</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>1,000</u>	<u>2,251</u>	<u>1,251</u>	<u>3,812</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(204,243)	109,747	313,990	131,600
Cash and Cash Equivalents, July 1	<u>456,884</u>	<u>456,884</u>	<u>-</u>	<u>325,284</u>
Cash and Cash Equivalents, June 30	<u>\$ 252,641</u>	<u>\$ 566,631</u>	<u>\$ 313,990</u>	<u>\$ 456,884</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (213,002)</u>	<u>\$ 134,905</u>	<u>\$ 347,907</u>	<u>\$ 7,866</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Non operating revenues	-	-	-	41,883
Changes in assets and liabilities:				
(Increase) decrease in:				
Prepaid items	-	-	-	100
Retirement deferred outflows	-	(14,366)	(14,366)	-
Increase (decrease) in:				
Accounts payable	-	5,971	5,971	46,192
Accrued salaries and benefits	-	(3,170)	(3,170)	(940)
Due to other governments	-	-	-	(701)
Accrued compensated absences	-	(37,106)	(37,106)	24,842
Net OPEB obligation	7,759	5,862	(1,897)	7,054
Net retirement obligation	-	19,575	19,575	20,471
Retirement deferred inflows	-	(4,175)	(4,175)	(18,979)
Total Adjustments	<u>7,759</u>	<u>(27,409)</u>	<u>(35,168)</u>	<u>119,922</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (205,243)</u>	<u>\$ 107,496</u>	<u>\$ 312,739</u>	<u>\$ 127,788</u>

See accompanying notes.

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency of a government to other departments or agencies on a cost reimbursement basis. Accounting for Internal Service Funds as a proprietary fund type is designed to accumulate the total cost (including depreciation) of providing a particular service. Costs for services are reimbursed by the departments or agencies to which the services are provided.

Group Medical Insurance Fund - This Fund is used to account for monies collected from City departments and employees to be expended for claims for medical services provided to employees and their dependents.

Workers' Compensation Fund - This Fund is used to account for monies collected for the insurance program from City departments to be expended for payment of claims, as required by law, to employees injured by accident while at work.

Insurance Fund - This Fund is used to account for monies collected from City departments for liability and property insurance.

Fleet Management Fund - This fund is used to account for monies collected from City departments for fleet maintenance operations.

**CARSON CITY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2017**

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
ASSETS					
Current assets:					
Cash and investments	\$ 256,714	\$ 2,956,396	\$ 1,166,571	\$ 454,752	\$ 4,834,433
Receivables:					
Accounts and contracts, net	193,292	18,784	915	-	212,991
Due from other governments	-	5,422	488,750	-	494,172
Inventories	-	-	-	221,983	221,983
Prepaid items	39,805	8,525	762	1,515	50,607
Total Current Assets	<u>489,811</u>	<u>2,989,127</u>	<u>1,656,998</u>	<u>678,250</u>	<u>5,814,186</u>
Noncurrent assets:					
Other assets	-	50,000	40,000	-	90,000
Capital assets:					
Buildings	-	-	-	1,820,327	1,820,327
Machinery and equipment	-	219,799	186,748	831,917	1,238,464
	-	219,799	186,748	2,652,244	3,058,791
Less: Accumulated depreciation	-	(129,940)	(108,603)	(375,260)	(613,803)
Net Capital Assets	-	89,859	78,145	2,276,984	2,444,988
Total Noncurrent Assets	<u>-</u>	<u>139,859</u>	<u>118,145</u>	<u>2,276,984</u>	<u>2,534,988</u>
Total Assets	<u>489,811</u>	<u>3,128,986</u>	<u>1,775,143</u>	<u>2,955,234</u>	<u>8,349,174</u>
Deferred outflows of resources:					
Deferred retirement contributions	50,744	27,523	22,294	114,614	215,175
Deferred actuarial adjustment to contributions	2,691	1,435	1,196	6,100	11,422
Deferred earnings on retirement investments	39,515	21,075	17,562	89,567	167,719
Total Deferred Outflows of Resources	<u>92,950</u>	<u>50,033</u>	<u>41,052</u>	<u>210,281</u>	<u>394,316</u>
Total Assets and Deferred Outflows of Resources	<u>582,761</u>	<u>3,179,019</u>	<u>1,816,195</u>	<u>3,165,515</u>	<u>8,743,490</u>
LIABILITIES					
Current liabilities:					
Accounts payable	200,862	14,995	100,499	102,452	418,808
Accrued salaries and benefits	6,761	3,405	2,780	21,542	34,488
Due to other governments	-	-	6,125	-	6,125
Other current liabilities	-	389,033	-	-	389,033
Current portion:					
Accrued compensated absences	3,587	27,493	3,584	16,274	50,938
Total Current Liabilities	<u>211,210</u>	<u>434,926</u>	<u>112,988</u>	<u>140,268</u>	<u>899,392</u>
Noncurrent liabilities:					
Accrued compensated absences	30,425	-	12,360	41,820	84,605
Net OPEB obligation	79,282	34,644	26,838	227,357	368,121
Net retirement obligation	406,652	450,644	188,929	880,348	1,926,573
Other liabilities	-	1,082,420	131,570	-	1,213,990
Total Noncurrent Liabilities	<u>516,359</u>	<u>1,567,708</u>	<u>359,697</u>	<u>1,149,525</u>	<u>3,593,289</u>
Total Liabilities	<u>727,569</u>	<u>2,002,634</u>	<u>472,685</u>	<u>1,289,793</u>	<u>4,492,681</u>
Deferred inflows of resources:					
Deferred change in retirement experience	28,463	15,180	12,650	64,517	120,810
Deferred change in retirement contributions	7,864	4,194	3,495	17,824	33,377
Total Deferred Inflows of Resources	<u>36,327</u>	<u>19,374</u>	<u>16,145</u>	<u>82,341</u>	<u>154,187</u>
Total Liabilities and Deferred Inflows of Resources	<u>763,896</u>	<u>2,022,008</u>	<u>488,830</u>	<u>1,372,134</u>	<u>4,646,868</u>
NET POSITION					
Net investment in capital assets	-	89,859	78,145	2,276,984	2,444,988
Restricted					
Claims	-	1,067,152	1,249,220	-	2,316,372
Unrestricted	(181,135)	-	-	(483,603)	(664,738)
Total Net Position	<u>\$ (181,135)</u>	<u>\$ 1,157,011</u>	<u>\$ 1,327,365</u>	<u>\$ 1,793,381</u>	<u>\$ 4,096,622</u>

See accompanying notes.

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

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
Operating Revenues:					
Charges for services	\$ 8,412,724	\$ 952,719	\$ 1,792,429	\$ 1,797,883	\$ 12,955,755
Operating Expenses:					
Salaries and wages	166,553	32,667	55,671	493,013	747,904
Employee benefits	105,277	52,712	43,196	280,248	481,433
Services and supplies	8,243,676	1,014,982	2,024,685	810,591	12,093,934
Depreciation	-	21,980	16,946	123,082	162,008
Total Operating Expenses	8,515,506	1,122,341	2,140,498	1,706,934	13,485,279
Operating Income (Loss)	(102,782)	(169,622)	(348,069)	90,949	(529,524)
Nonoperating Revenues (Expenses):					
Investment income	457	9,795	4,070	1,489	15,811
Miscellaneous	1,760	-	72,181	-	73,941
Gain (loss) on disposal of capital assets	-	-	(21,129)	(43,171)	(64,300)
Total Nonoperating Revenues (Expenses)	2,217	9,795	55,122	(41,682)	25,452
Income (Loss) Before Transfers	(100,565)	(159,827)	(292,947)	49,267	(504,072)
Capital Contributions:					
Capital grants	-	6,300	488,750	-	495,050
Total Capital Contributions	-	6,300	488,750	-	495,050
Transfers:					
Transfers In	-	-	250,000	31,020	281,020
Change in Net Position	(100,565)	(153,527)	445,803	80,287	271,998
Net Position, July 1	(80,570)	1,310,538	881,562	1,713,094	3,824,624
Net Position, June 30	\$ (181,135)	\$ 1,157,011	\$ 1,327,365	\$ 1,793,381	\$ 4,096,622

CARSON CITY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 2)

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ -	\$ -	\$ -	\$ 1,797,883	\$ 1,797,883
Cash received from customers	1,152,002	-	-	-	1,152,002
Cash received from other funds	7,522,082	951,851	1,800,068	-	10,274,001
Cash payments for personnel costs	(306,287)	(150,610)	(123,259)	(797,999)	(1,378,155)
Cash payments for services and supplies	(8,282,021)	(1,078,226)	(2,554,241)	(927,175)	(12,841,663)
Miscellaneous cash received	1,760	-	72,181	-	73,941
Net Cash Provided (Used) by Operating Activities	87,536	(276,985)	(805,251)	72,709	(921,991)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	-	-	250,000	31,020	281,020
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sales of assets	-	-	-	3,477	3,477
Acquisition of capital assets	-	-	(21,130)	(55,379)	(76,509)
Subsidy from grant	-	6,300	488,750	-	495,050
Net Cash Provided (Used) by Capital and Related Financing Activities	-	6,300	467,620	(51,902)	422,018
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	457	9,795	4,070	1,489	15,811
Net Increase (Decrease) in Cash and Cash Equivalents	87,993	(260,890)	(83,561)	53,316	(203,142)
Cash and Cash Equivalents, July 1	168,721	3,217,286	1,250,132	401,436	5,037,575
Cash and Cash Equivalents, June 30	\$ 256,714	\$ 2,956,396	\$ 1,166,571	\$ 454,752	\$ 4,834,433

CARSON CITY, NEVADA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 2)

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (102,781)	\$ (169,622)	\$ (348,069)	\$ 90,949	\$ (529,523)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	-	21,980	16,946	123,082	162,008
Nonoperating revenues	1,760	-	72,181	-	73,941
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	261,360	19,213	7,639	-	288,212
Due from other governments	-	-	(488,750)	-	(488,750)
Other assets	-	(20,000)	-	-	(20,000)
Inventories	-	-	-	(53,933)	(53,933)
Prepaid items	(38,957)	(942)	308	(1,515)	(41,106)
Retirement deferred outflows	(41,707)	(21,165)	(17,515)	(97,666)	(178,053)
Increase (decrease) in:					
Accounts payable	611	14,719	50,034	(61,136)	4,228
Accrued salaries and benefits	(9,576)	(4,894)	(4,054)	(19,375)	(37,899)
Due to other governments	-	(20,081)	(2,580)	-	(22,661)
Accrued compensated absences	(40,153)	(68,221)	(26,540)	(48,366)	(183,280)
Net OPEB obligation	13,523	5,951	4,469	41,989	65,932
Net retirement obligation	53,060	29,360	24,467	117,816	224,703
Other liabilities	-	(57,021)	(88,568)	-	(145,589)
Retirement deferred inflows	(9,604)	(6,262)	(5,219)	(19,136)	(40,221)
Total Adjustments	190,317	(107,363)	(457,182)	(18,240)	(392,468)
Net Cash Provided (Used) by Operating Activities	\$ 87,536	\$ (276,985)	\$ (805,251)	\$ 72,709	\$ (921,991)

**CARSON CITY, NEVADA
GROUP MEDICAL INSURANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Employee contributions	\$ 1,256,213	\$ 1,152,002	\$ (104,211)	\$ 1,165,956
Employer contributions	7,470,195	7,260,722	(209,473)	7,150,424
Total Operating Revenues	<u>8,726,408</u>	<u>8,412,724</u>	<u>(313,684)</u>	<u>8,316,380</u>
Operating Expenses:				
Salaries and wages	217,232	166,553	50,679	201,957
Employee benefits	104,546	105,277	(731)	86,264
Services and supplies	8,199,375	8,243,676	(44,301)	8,571,368
Depreciation	611	-	611	-
Total Operating Expenses	<u>8,521,764</u>	<u>8,515,506</u>	<u>6,258</u>	<u>8,859,589</u>
Operating Income (Loss)	<u>204,644</u>	<u>(102,782)</u>	<u>(307,426)</u>	<u>(543,209)</u>
Nonoperating Revenues (Expenses):				
Investment income	1,000	457	(543)	1,198
Miscellaneous	-	1,760	1,760	476
Gain (loss) on disposal of capital assets	-	-	-	(4,277)
Total Nonoperating Revenues (Expenses)	<u>1,000</u>	<u>2,217</u>	<u>1,217</u>	<u>(2,603)</u>
Income (Loss) Before Transfers	205,644	(100,565)	(306,209)	(545,812)
Change in Net Position	<u>\$ 205,644</u>	<u>(100,565)</u>	<u>\$ (306,209)</u>	<u>(545,812)</u>
Net Position, July 1		<u>(80,570)</u>		<u>465,242</u>
Net Position, June 30		<u>\$ (181,135)</u>		<u>\$ (80,570)</u>

**CARSON CITY, NEVADA
GROUP MEDICAL INSURANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,256,213	\$ 1,152,002	\$ (104,211)	\$ 1,165,956
Cash received from other funds	7,470,195	7,522,082	51,887	7,074,644
Cash payments for personnel costs	(311,541)	(306,287)	5,254	(266,432)
Cash payments for services and supplies	(8,199,375)	(8,282,021)	(82,646)	(8,378,583)
Miscellaneous cash received	-	1,760	1,760	476
	<u>215,492</u>	<u>87,536</u>	<u>(127,956)</u>	<u>(403,939)</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,000	457	(543)	1,198
	<u>1,000</u>	<u>457</u>	<u>(543)</u>	<u>1,198</u>
Net Increase (Decrease) in Cash and Cash Equivalents	216,492	87,993	(128,499)	(402,741)
Cash and Cash Equivalents, July 1	168,721	168,721	-	571,462
Cash and Cash Equivalents, June 30	<u>\$ 385,213</u>	<u>\$ 256,714</u>	<u>\$ (128,499)</u>	<u>\$ 168,721</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 204,644	\$ (102,781)	\$ (307,425)	\$ (543,209)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	611	-	(611)	-
Nonoperating revenues	-	1,760	1,760	476
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	261,360	261,360	(75,780)
Prepaid items	-	(38,957)	(38,957)	(479)
Retirement deferred outflows	-	(41,707)	(41,707)	(6,641)
Increase (decrease) in:				
Accounts payable	-	611	611	193,264
Accrued salaries and benefits	-	(9,576)	(9,576)	6,358
Accrued compensated absences	-	(40,153)	(40,153)	14,640
Net OPEB obligation	10,237	13,523	3,286	9,306
Net retirement obligation	-	53,060	53,060	34,490
Retirement deferred inflows	-	(9,604)	(9,604)	(36,364)
Total Adjustments	<u>10,848</u>	<u>190,317</u>	<u>179,469</u>	<u>139,270</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 215,492</u>	<u>\$ 87,536</u>	<u>\$ (127,956)</u>	<u>\$ (403,939)</u>

See accompanying notes.

**CARSON CITY, NEVADA
WORKERS' COMPENSATION 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
Employer contributions	\$ 980,461	\$ 952,719	\$ (27,742)	\$ 825,530
Operating Expenses:				
Salaries and wages	100,913	32,667	68,246	98,466
Employee benefits	49,655	52,712	(3,057)	67,860
Services and supplies	1,215,274	1,014,982	200,292	1,752,898
Depreciation	21,980	21,980	-	21,980
Total Operating Expenses	<u>1,387,822</u>	<u>1,122,341</u>	<u>265,481</u>	<u>1,941,204</u>
Operating Income (Loss)	<u>(407,361)</u>	<u>(169,622)</u>	<u>237,739</u>	<u>(1,115,674)</u>
Nonoperating Revenues (Expenses):				
Investment income	20,000	9,795	(10,205)	27,812
Miscellaneous	-	-	-	928
Total Nonoperating Revenues (Expenses)	<u>20,000</u>	<u>9,795</u>	<u>(10,205)</u>	<u>28,740</u>
Income (Loss) Before Contributi	<u>(387,361)</u>	<u>(159,827)</u>	<u>227,534</u>	<u>(1,086,934)</u>
Capital Contributions:				
Capital grants	-	6,300	6,300	-
Change in Net Position	<u>\$ (387,361)</u>	<u>(153,527)</u>	<u>\$ 233,834</u>	<u>(1,086,934)</u>
Net Position, July 1		<u>1,310,538</u>		<u>2,397,472</u>
Net Position, June 30		<u>\$ 1,157,011</u>		<u>\$ 1,310,538</u>

See accompanying notes.

CARSON CITY, NEVADA
WORKERS' COMPENSATION 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds	\$ 980,461	\$ 951,851	\$ (28,610)	\$ 834,278
Cash payments for personnel costs	(144,999)	(150,610)	(5,611)	(160,274)
Cash payments for services and supplies	(1,215,274)	(1,078,226)	137,048	(872,946)
Miscellaneous cash received	-	-	-	928
Net Cash Provided (Used) by Operating Activities	<u>(379,812)</u>	<u>(276,985)</u>	<u>102,827</u>	<u>(198,014)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Subsidy from grant	-	6,300	6,300	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	20,000	9,795	(10,205)	27,812
Net Increase (Decrease) in Cash and Cash Equivalents	(359,812)	(260,890)	98,922	(170,202)
Cash and Cash Equivalents, July 1	3,217,286	3,217,286	-	3,387,488
Cash and Cash Equivalents, June 30	<u>\$ 2,857,474</u>	<u>\$ 2,956,396</u>	<u>\$ 98,922</u>	<u>\$ 3,217,286</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (407,361)	\$ (169,622)	\$ 237,739	\$ (1,115,674)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	21,980	21,980	-	21,980
Nonoperating revenues	-	-	-	928
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	19,213	19,213	(11,333)
Other assets	-	(20,000)	(20,000)	-
Prepaid items	-	(942)	(942)	(540)
Retirement deferred outflows	-	(21,165)	(21,165)	20,195
Increase (decrease) in:				
Accounts payable	-	14,719	14,719	(21,307)
Accrued salaries and benefits	-	(4,894)	(4,894)	1,220
Due to other governments	-	(20,081)	(20,081)	20,081
Accrued compensated absences	-	(68,221)	(68,221)	(19,276)
Other liabilities	-	(57,021)	(57,021)	901,799
NET OPEB obligation	5,569	5,951	382	5,063
NET retirement obligation	-	29,360	29,360	65,078
Retirement deferred inflows	-	(6,262)	(6,262)	(66,228)
Total Adjustments	<u>27,549</u>	<u>(107,363)</u>	<u>(134,912)</u>	<u>917,660</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (379,812)</u>	<u>\$ (276,985)</u>	<u>\$ 102,827</u>	<u>\$ (198,014)</u>

See accompanying notes.

**CARSON CITY, NEVADA
INSURANCE 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
Administrative fees	\$ 1,785,000	\$ 1,792,429	\$ 7,429	\$ 1,771,883
Operating Expenses:				
Salaries and wages	82,567	55,671	26,896	71,896
Employee benefits	40,298	43,196	(2,898)	35,944
Services and supplies	2,353,017	2,024,685	328,332	1,347,912
Depreciation	16,946	16,946	-	16,564
Total Operating Expenses	2,492,828	2,140,498	352,330	1,472,316
Operating Income (Loss)	(707,828)	(348,069)	359,759	299,567
Nonoperating Revenues (Expenses):				
Investment income	3,000	4,070	1,070	10,108
Miscellaneous	10,000	72,181	62,181	23,306
Gain (loss) on disposal of capital assets	-	(21,129)	(21,129)	(81,384)
Total Nonoperating Revenues (Expenses)	13,000	55,122	42,122	(47,970)
Income (Loss) Before Transfers	(694,828)	(292,947)	401,881	251,597
Capital Contributions:				
Capital grants	-	488,750	488,750	-
Transfers in (out):				
General Fund	250,000	250,000	-	-
Change in Net Position	\$ (444,828)	445,803	\$ 890,631	251,597
Net Position, July 1		881,562		629,965
Net Position, June 30		\$ 1,327,365		\$ 881,562

CARSON CITY, NEVADA
INSURANCE 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)

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds	\$ 1,785,000	\$ 1,800,068	\$ 15,068	\$ 1,763,329
Cash payments for personnel costs	(118,952)	(123,259)	(4,307)	(134,911)
Cash payments for services and supplies	(2,353,017)	(2,554,241)	(201,224)	(1,345,562)
Miscellaneous cash received	10,000	72,181	62,181	23,306
Net Cash Provided (Used) by Operating Activities	<u>(676,969)</u>	<u>(805,251)</u>	<u>(128,282)</u>	<u>306,162</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	250,000	250,000	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(21,130)	(21,130)	(57,221)
Subsidy from grant	-	488,750	488,750	-
Net Cash provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>467,620</u>	<u>467,620</u>	<u>(57,221)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	3,000	4,070	1,070	10,108
Net Increase (Decrease) in Cash and Cash Equivalents	(423,969)	(83,561)	340,408	259,049
Cash and Cash Equivalents, July 1	1,250,132	1,250,132	-	991,083
Cash and Cash Equivalents, June 30	<u>\$ 826,163</u>	<u>\$ 1,166,571</u>	<u>\$ 340,408</u>	<u>\$ 1,250,132</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (707,828)	\$ (348,069)	\$ 359,759	\$ 299,567
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	16,946	16,946	-	16,564
Nonoperating revenues	10,000	72,181	62,181	23,306
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	7,639	7,639	(8,554)
Due from other governments	-	(488,750)	(488,750)	-
Prepaid items	-	308	308	2,833
Retirement deferred outflows	-	(17,515)	(17,515)	(2,865)
Increase (decrease) in:				
Accounts payable	-	50,034	50,034	(5,743)
Accrued salaries and benefits	-	(4,054)	(4,054)	872
Due to other governments	-	(2,580)	(2,580)	8,705
Deferred revenue	-	-	-	-
Accrued compensated absences	-	(26,540)	(26,540)	(27,764)
Other liabilities	-	(88,568)	(88,568)	(3,445)
Net OPEB obligation	3,913	4,469	556	3,557
Net retirement obligation	-	24,467	24,467	16,042
Retirement deferred inflows	-	(5,219)	(5,219)	(16,913)
Total Adjustments	<u>30,859</u>	<u>(457,182)</u>	<u>(488,041)</u>	<u>6,595</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (676,969)</u>	<u>\$ (805,251)</u>	<u>\$ (128,282)</u>	<u>\$ 306,162</u>

See accompanying notes.

**CARSON CITY, NEVADA
FLEET 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)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
Operating Revenues:				
Charges for services:				
Administrative fees	\$ 1,794,989	\$ 1,797,883	\$ 2,894	\$ 1,754,928
Operating Expenses:				
Salaries and wages	554,740	493,013	61,727	498,423
Employee benefits	274,323	280,248	(5,925)	229,010
Services and supplies	938,811	810,591	128,220	860,196
Depreciation	123,000	123,082	(82)	88,936
Total Operating Expenses	<u>1,890,874</u>	<u>1,706,934</u>	<u>183,940</u>	<u>1,676,565</u>
Operating Income (Loss)	<u>(95,885)</u>	<u>90,949</u>	<u>186,834</u>	<u>78,363</u>
Nonoperating Revenues (Expenses):				
Investment income	4,000	1,489	(2,511)	4,823
Gain (loss) on disposal of capital assets	-	(43,171)	(43,171)	-
Total Nonoperating Revenues (Expenses)	<u>4,000</u>	<u>(41,682)</u>	<u>(45,682)</u>	<u>4,823</u>
Income (Loss) Before Contributi	(91,885)	49,267	141,152	83,186
Capital Contributions:				
Capital assets	-	-	-	7,162
Total Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,162</u>
Transfers in (out):				
Ambulance Fund	31,020	31,020	-	31,020
Total Transfers	<u>31,020</u>	<u>31,020</u>	<u>-</u>	<u>31,020</u>
Change in Net Position	<u>\$ (60,865)</u>	80,287	<u>\$ 141,152</u>	121,368
Net Position, July 1		<u>1,713,094</u>		<u>1,591,726</u>
Net Position, June 30		<u>\$ 1,793,381</u>		<u>\$ 1,713,094</u>

**CARSON CITY, NEVADA
FLEET 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)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,794,989	\$ 1,797,883	\$ 2,894	\$ 1,754,928
Cash payments for personnel costs	(802,354)	(797,999)	4,355	(706,608)
Cash payments for services and supplies	(938,811)	(927,175)	11,636	(784,352)
	<u>53,824</u>	<u>72,709</u>	<u>18,885</u>	<u>263,968</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	31,020	31,020	-	31,020
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sales of assets	-	3,477	3,477	-
Acquisition of capital assets	(58,000)	(55,379)	2,621	(153,697)
	<u>(58,000)</u>	<u>(51,902)</u>	<u>6,098</u>	<u>(153,697)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	4,000	1,489	(2,511)	4,823
	<u>4,000</u>	<u>1,489</u>	<u>(2,511)</u>	<u>4,823</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
	30,844	53,316	22,472	146,114
Cash and Cash Equivalents, July 1	401,436	401,436	-	255,322
Cash and Cash Equivalents, June 30	<u>\$ 432,280</u>	<u>\$ 454,752</u>	<u>\$ 22,472</u>	<u>\$ 401,436</u>

**CARSON CITY, NEVADA
FLEET 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)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2016
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (95,885)	\$ 90,949	\$ 186,834	\$ 78,363
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	123,000	123,082	82	88,936
Changes in assets and liabilities:				
(Increase) decrease in:				
Inventories	-	(53,933)	(53,933)	42,813
Prepaid items	-	(1,515)	(1,515)	166
Retirement deferred outflows	-	(97,666)	(97,666)	(16,791)
Increase (decrease) in:				
Accounts payable	-	(61,136)	(61,136)	32,865
Accrued salaries and benefits	-	(19,375)	(19,375)	6,793
Accrued compensated absences	-	(48,366)	(48,366)	10,671
Net OPEB obligation	26,709	41,989	15,280	24,281
Net retirement obligation	-	117,816	117,816	72,382
Retirement deferred inflows	-	(19,136)	(19,136)	(76,511)
Total Adjustments	149,709	(18,240)	(167,949)	185,605
Net Cash Provided (Used) by Operating Activities	<u>\$ 53,824</u>	<u>\$ 72,709</u>	<u>\$ 18,885</u>	<u>\$ 263,968</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributed Capital Assets	\$ -	\$ -	\$ -	\$ 7,162

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the government in a trustee or agency capacity.

Investment Trust Fund - This Fund is used to account for the external investment pool administered by Carson City. The pool has one involuntary participant, the Carson City School District Debt Service Fund. These statements can be found in the City's basic financial statements.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds are merely clearing accounts and have no fund equity. The following information is presented to describe each of the City's Agency Funds:

Eagle Valley Water District Fund - This Fund is used to account for the collection and payment of ad valorem taxes on behalf of the District.

Sub-Conservancy District Fund - This Fund is used to account for the collection and payment of ad valorem taxes on behalf of the District.

Fish and Game Fund - This Fund is used to account for monies withdrawn from the wildlife account within the State General Fund and transferred to the City for disposition by the City's Advisory Board to manage wildlife.

Controller Trust Fund - This Fund is used to account for unclaimed payroll warrants and accounts payable warrants during the required statutory period, which have been returned to the City until claimed or remitted to the State of Nevada Unclaimed Property Division.

State of Nevada Fund - This Fund is used to account for the collection and payment of the State of Nevada's share of ad valorem taxes, District and Justice Court fees, marriage fees, or fees otherwise mandated by statute, and collected by the City.

Nevada Commission for the Reconstruction of the V & T Railway Fund - This Fund is used to account for the collection and distribution of gifts, grants, and donations to reconstruct the Virginia and Truckee Railroad between Virginia City and Carson City.

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FIDUCIARY FUNDS
Continued

Forfeiture Account Fund - This Fund is used to account for currency that is seized by the Sheriff's Office and will remain in the Fund until the court determines if the currency is subject to forfeiture.

Carson City School District Debt Service Fund - This Fund is used to account for ad valorem taxes and interest earned thereon, specifically apportioned and appropriated for the retirement of long-term general obligation principal and interest of the School District.

Carson City School District Operating Fund - This Fund is used to account for the collection of and remittance to the school district of ad valorem taxes.

Neighborhood Improvement District – This Fund is used to account for the collection of special assessment taxes paid by the Downtown Neighborhood Improvement District for the purpose of paying for maintenance of the Downtown Streetscape Enhancement Project.

CARSON CITY, NEVADA
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 3)

	<u>BALANCE</u> <u>JULY 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2017</u>
EAGLE VALLEY WATER DISTRICT FUND				
Assets:				
Cash and investments	\$ 258	\$ 18,186	\$ 18,187	\$ 257
Taxes receivable, delinquent	295	93	139	249
Total Assets	<u>\$ 553</u>	<u>\$ 18,279</u>	<u>\$ 18,326</u>	<u>\$ 506</u>
Liabilities:				
Due to other governments	<u>\$ 553</u>	<u>\$ 18,529</u>	<u>\$ 18,576</u>	<u>\$ 506</u>
SUB-CONSERVANCY DISTRICT FUND				
Assets:				
Cash and investments	\$ 1,200	\$ 908,777	\$ 908,377	\$ 1,600
Taxes receivable, delinquent	6,149	1,939	4,171	3,917
Due from other governments	29,145	-	29,145	-
Total Assets	<u>\$ 36,494</u>	<u>\$ 910,716</u>	<u>\$ 941,693</u>	<u>\$ 5,517</u>
Liabilities:				
Accounts payable	\$ 6,815	\$ 372,659	\$ 372,662	\$ 6,812
Due to other governments	280	372,481	387,173	(14,412)
Other liabilities	29,399	13,110	29,392	13,117
Total Liabilities	<u>\$ 36,494</u>	<u>\$ 758,250</u>	<u>\$ 789,227</u>	<u>\$ 5,517</u>
FISH AND GAME FUND				
Assets:				
Cash and investments	<u>\$ 1,995</u>	<u>\$ 2,540</u>	<u>\$ 2,148</u>	<u>\$ 2,387</u>
Liabilities:				
Accounts payable	\$ 777	\$ 1,479	\$ 2,148	\$ 108
Due to other governments	1,218	2,540	1,479	2,279
Total Liabilities	<u>\$ 1,995</u>	<u>\$ 4,019</u>	<u>\$ 3,627</u>	<u>\$ 2,387</u>
CONTROLLER TRUST FUND				
Assets:				
Cash and investments	<u>\$ 16,809</u>	<u>\$ 36,669</u>	<u>\$ 10,597</u>	<u>\$ 42,881</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,889	\$ 2,889	\$ -
Due to other governments	16,809	34,974	8,902	42,881
Total Liabilities	<u>\$ 16,809</u>	<u>\$ 37,863</u>	<u>\$ 11,791</u>	<u>\$ 42,881</u>

CARSON CITY, NEVADA
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 3)

	BALANCE JULY 1, 2016	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2017
STATE OF NEVADA FUND				
Assets:				
Cash and investments	\$ 485,227	\$ 4,618,085	\$ 4,401,992	\$ 701,320
Taxes receivable, delinquent	35,008	10,985	23,831	22,162
Total Assets	\$ 520,235	\$ 4,629,070	\$ 4,425,823	\$ 723,482
Liabilities:				
Accounts payable	\$ 20	\$ 2,095	\$ 2,111	\$ 4
Due to other governments	520,215	5,300,593	5,097,330	723,478
Total Liabilities	\$ 520,235	\$ 5,302,688	\$ 5,099,441	\$ 723,482
NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V & T RAILWAY FUND				
Assets:				
Cash and investments	\$ 26,956	\$ 466,152	\$ 305,851	\$ 187,257
Cash held by Commission	85,342	-	85,342	-
Due from other governments	23,327	9,169	13,149	19,347
Total Assets	\$ 135,625	\$ 475,321	\$ 404,342	\$ 206,604
Liabilities:				
Accounts payable	\$ 41,664	\$ 274,065	\$ 304,926	\$ 10,803
Due to other governments	93,961	375,905	274,065	195,801
Total Liabilities	\$ 135,625	\$ 649,970	\$ 578,991	\$ 206,604
FORFEITURE ACCOUNT FUND				
Assets:				
Cash and investments	\$ 28,161	\$ 15,950	\$ 23,239	\$ 20,872
Liabilities:				
Accounts payable	\$ -	\$ 12,776	\$ 12,776	\$ -
Due to other governments	28,161	14,322	21,611	20,872
Total Liabilities	\$ 28,161	\$ 27,098	\$ 34,387	\$ 20,872
CARSON CITY SCHOOL DISTRICT DEBT SERVICE FUND				
Assets:				
Taxes receivable, delinquent	\$ 91,216	\$ 27,230	\$ 61,311	\$ 57,135
Liabilities:				
Accounts payable	\$ 45	\$ 59	\$ 104	\$ -
Due to other governments	91,171	5,845,872	5,879,908	57,135
Total Liabilities	\$ 91,216	\$ 5,845,931	\$ 5,880,012	\$ 57,135

See accompanying notes.

CARSON CITY, NEVADA
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 3 OF 3)

	<u>BALANCE</u> <u>JULY 1, 2016</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2017</u>
CARSON CITY SCHOOL DISTRICT				
OPERATING FUND				
Assets:				
Cash and investments	\$ 19,562	\$ 9,707,008	\$ 9,697,957	\$ 28,613
Taxes receivable, delinquent	152,009	48,525	102,948	97,586
Total Assets	<u>\$ 171,571</u>	<u>\$ 9,755,533</u>	<u>\$ 9,800,905</u>	<u>\$ 126,199</u>
Liabilities:				
Accounts payable	\$ 78	\$ 28,718	\$ 19,665	\$ 9,131
Due to other governments	171,493	9,693,946	9,748,371	117,068
Total Liabilities	<u>\$ 171,571</u>	<u>\$ 9,722,664</u>	<u>\$ 9,768,036</u>	<u>\$ 126,199</u>
DOWNTOWN NEIGHBORHOOD				
IMPROVEMENT DISTRICT (NID)				
Assets:				
Cash and investments	\$ -	\$ 82,622	\$ 3,882	\$ 78,740
Liabilities:				
Accounts payable	\$ -	\$ 3,683	\$ 3,683	\$ -
Due to other governments	-	82,423	3,683	78,740
Total Liabilities	<u>\$ -</u>	<u>\$ 86,106</u>	<u>\$ 7,366</u>	<u>\$ 78,740</u>
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and investments	\$ 580,168	\$ 15,855,989	\$ 15,372,230	\$ 1,063,927
Cash held by Commission	85,342	-	85,342	-
Taxes receivable, delinquent	284,677	88,772	192,400	181,049
Due from other governments	52,472	9,169	42,294	19,347
Total Assets	<u>\$ 1,002,659</u>	<u>\$ 15,953,930</u>	<u>\$ 15,692,266</u>	<u>\$ 1,264,323</u>
Liabilities:				
Accounts payable	\$ 49,399	\$ 698,423	\$ 720,964	\$ 26,858
Due to other governments	923,861	21,741,585	21,441,098	1,224,348
Other liabilities	29,399	13,110	29,392	13,117
Total Liabilities	<u>\$ 1,002,659</u>	<u>\$ 22,453,118</u>	<u>\$ 22,191,454</u>	<u>\$ 1,264,323</u>

STATISTICAL SECTION

**CARSON CITY
STATISTICAL SECTION
(UNAUDITED)**

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Section Contents	Schedule #
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1.1 - 1.4
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	2.1 - 2.4
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt, and its ability to issue additional future debt.	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 City's financial activities take place and to help make comparisons over time and with other governments.	4.1 - 4.2
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	5.1 - 5.3

CARSON CITY
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 302,089,834	\$ 299,558,400	\$ 293,236,174	\$ 260,795,570	\$ 260,370,604	\$ 259,709,061	\$ 230,502,492	\$ 172,327,528	\$ 142,099,041	\$ 131,338,112
Restricted	10,081,646	13,049,482	8,227,111	14,907,036	15,013,156	15,165,751	16,058,661	20,115,371	18,759,556	23,302,315
Unrestricted	(98,717,585)	(104,344,249)	(95,565,722)	(27,614,698)	(22,471,320)	(23,227,661)	(16,829,470)	(14,549,896)	(4,678,327)	2,417,112
Total Governmental Activities										
Net Position	\$ 213,453,895	\$ 208,263,633	\$ 205,897,563	\$ 248,087,908	\$ 252,912,440	\$ 251,647,151	\$ 229,731,683	\$ 177,893,003	\$ 156,180,270	\$ 157,057,539
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 93,571,145	\$ 94,521,657	\$ 95,262,713	\$ 93,600,537	\$ 92,023,344	\$ 92,490,506	\$ 92,656,159	\$ 90,457,625	\$ 89,403,212	\$ 87,652,903
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,200,009	202,653	(3,826,793)	5,348,056	7,849,919	7,832,105	3,476,230	6,235,987	11,002,971	14,666,940
Total Business-Type Activities										
Net Position	\$ 100,771,154	\$ 94,724,290	\$ 91,435,920	\$ 98,948,593	\$ 99,873,263	\$ 100,322,611	\$ 96,132,389	\$ 96,693,612	\$ 100,406,183	\$ 102,319,843
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 395,660,979	\$ 394,080,057	\$ 388,498,887	\$ 354,396,107	\$ 352,393,948	\$ 352,199,567	\$ 323,158,651	\$ 262,785,153	\$ 231,502,253	\$ 218,991,015
Restricted	10,081,646	13,049,482	8,227,111	14,907,036	15,013,156	15,165,751	16,058,661	20,115,371	18,759,556	23,302,315
Unrestricted	(91,517,576)	(104,141,616)	(99,392,515)	(22,266,642)	(14,621,401)	(15,395,556)	(13,353,240)	(8,313,909)	6,324,644	17,084,052
Total Primary Government										
Net Position	\$ 314,225,049	\$ 302,987,923	\$ 297,333,483	\$ 347,036,501	\$ 352,785,703	\$ 351,969,762	\$ 325,864,072	\$ 274,586,615	\$ 256,586,453	\$ 259,377,382

Note: Information above is presented on the accrual basis of accounting. Accrual-basis financial information for the city government as a whole is available in the Basic Financial Statements.

CARSON CITY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
EXPENSES										
Governmental Activities:										
General government	\$ 14,887,443	\$ 14,820,254	\$ 14,332,092	\$ 15,080,364	\$ 13,270,490	\$ 12,839,523	\$ 12,710,114	\$ 13,128,842	\$ 13,919,789	\$ 13,042,589
Public safety	34,946,511	34,442,723	33,270,317	32,434,444	31,081,304	30,273,949	28,842,714	30,765,050	28,995,649	27,388,924
Judicial	7,017,989	6,241,597	5,908,078	5,471,384	5,438,232	5,213,231	4,891,274	5,301,887	5,065,113	4,526,334
Public works	9,904,418	9,052,258	9,903,839	9,720,781	8,616,739	9,249,322	8,188,834	9,660,646	8,200,517	10,017,131
Sanitation	2,060,980	1,838,049	1,876,842	1,777,521	1,730,139	1,680,283	1,655,363	1,805,049	1,753,575	1,972,849
Health	5,998,209	6,344,506	6,197,262	6,180,675	5,451,016	4,984,823	4,349,102	4,570,746	3,563,272	2,781,546
Welfare	2,164,908	2,038,500	2,013,875	2,317,891	2,028,677	2,369,073	2,359,998	2,373,611	2,143,404	2,008,154
Culture and recreation	9,595,541	9,530,025	9,562,092	9,345,624	9,084,415	8,981,258	8,719,947	9,686,659	8,995,601	9,056,223
Community support	1,058,025	597,679	1,067,743	578,988	704,500	3,386,724	1,643,988	3,922,076	2,626,657	991,673
Airport	548,672	465,157	344,845	333,521	388,786	285,645	149,667	257,969	51,505	124,386
Economic Opportunity	90,492	119,127	87,026	179,513	186,695	304,571	326,910	4,705,495	2,255,148	560,255
Interest on long-term debt	3,089,777	3,167,238	3,535,870	3,323,887	3,513,966	3,931,487	4,047,091	4,247,956	3,947,951	3,721,332
Total Governmental Activities Expenses	91,362,965	88,657,113	88,099,881	86,744,593	81,494,959	83,499,889	77,885,002	90,425,986	81,518,181	76,191,396
Business-type Activities:										
Sewer	10,249,949	9,596,628	9,307,854	9,135,280	8,965,346	8,389,001	8,486,538	8,568,534	8,827,557	8,196,029
Water	13,464,964	13,710,079	13,171,346	12,833,407	11,847,582	12,190,492	12,448,336	11,345,020	10,423,075	9,996,906
Stormwater Drainage	1,033,393	1,159,632	1,104,191	1,288,357	1,186,768	1,199,990	1,025,278	1,198,016	1,115,129	880,387
Ambulance	3,544,833	3,505,024	3,270,221	3,473,925	3,203,882	4,150,587	4,311,731	4,288,925	4,657,637	3,444,369
Cemetery	227,792	233,663	225,667	225,515	191,888	193,726	185,524	192,330	162,706	206,709
Building Permits	1,103,828	1,148,900	642,601	555,315	574,273	464,022	439,863	580,576	945,159	1,581,943
Total Business-type Activities Expenses	29,624,759	29,353,926	27,721,880	27,511,799	25,969,739	26,587,818	26,897,270	26,173,401	26,131,263	24,306,343
Total Primary Government Expenses	\$ 120,987,724	\$ 118,011,039	\$ 115,821,761	\$ 114,256,392	\$ 107,464,698	\$ 110,087,707	\$ 104,782,272	\$ 116,599,387	\$ 107,649,444	\$ 100,497,739

Note: This information is presented on the accrual basis of accounting.

CARSON CITY
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
PROGRAM REVENUES										
Governmental Activities:										
Charges for services:										
General government	\$ 3,203,733	\$ 2,970,058	\$ 2,747,130	\$ 2,838,317	\$ 2,953,439	\$ 2,627,410	\$ 2,857,504	\$ 2,918,651	\$ 3,351,544	\$ 3,486,025
Public safety	1,403,924	1,448,762	1,587,007	1,649,571	2,359,100	1,228,238	1,155,682	1,188,443	1,076,716	832,339
Judicial	1,732,900	1,648,156	1,634,912	1,734,901	1,849,102	1,790,286	1,670,098	1,856,416	1,906,511	1,811,532
Public works	271,693	195,440	195,610	139,078	155,388	287,772	149,922	130,186	135,246	246,581
Sanitation	4,614,674	3,787,474	3,645,563	3,472,835	2,989,716	3,302,423	2,903,582	2,808,933	3,068,057	4,902,844
Health	665,181	809,369	742,478	673,249	547,415	440,934	368,863	391,320	388,737	323,538
Welfare	-	-	-	-	-	-	-	2,502	-	-
Culture and recreation	1,433,832	1,535,957	1,458,645	1,376,723	1,320,758	1,285,299	1,189,441	1,272,141	1,279,607	1,283,107
Community support	576	-	-	-	8,000	-	-	381	-	1,825
Operating grants, interest, and contributions	6,263,119	6,910,090	7,403,908	6,598,135	6,924,384	7,895,664	8,040,598	13,387,728	6,777,205	5,088,124
Capital grants, interest, and contributions	3,936,604	1,767,300	33,950,910	3,253,933	3,414,668	30,733,429	56,268,193	25,254,636	6,622,668	2,819,030
Total Governmental Activities Program Revenues	23,526,236	21,072,606	53,366,163	21,736,742	22,521,970	49,591,455	74,603,883	49,211,337	24,606,291	20,794,945
Business-type Activities:										
Charges for services:										
Sewer	13,021,147	11,449,986	10,017,282	8,393,907	7,475,566	8,688,226	6,745,687	6,221,191	6,070,923	5,078,660
Water	15,278,926	14,060,971	13,700,586	13,235,852	12,868,228	13,056,457	11,510,051	9,213,231	9,366,534	9,023,248
Stormwater Drainage	1,362,516	1,391,102	1,395,114	1,333,434	1,169,116	1,308,666	1,669,605	1,172,877	1,070,093	1,017,917
Ambulance	3,315,712	3,205,144	3,136,867	2,356,233	2,466,832	3,729,850	3,547,842	3,809,675	3,979,519	4,036,969
Cemetery	152,015	94,150	99,686	96,045	116,562	130,494	111,624	91,161	85,437	115,220
Building Permits	1,240,249	1,159,586	574,056	619,648	379,300	590,055	536,824	422,320	800,889	1,273,027
Operating grants, interest, and contributions	500	-	-	-	-	-	-	200	30	-
Capital grants, interest, and contributions	833,172	782,391	495,899	707,241	419,206	2,505,810	1,906,273	890,780	2,009,015	4,987,392
Total Business-type Activities Program Revenues	35,204,237	32,143,330	29,419,490	26,742,360	24,894,810	30,009,558	26,027,906	21,821,435	23,382,440	25,532,433
Total Primary Government Program Revenues	\$ 58,730,473	\$ 53,215,936	\$ 82,785,653	\$ 48,479,102	\$ 47,416,780	\$ 79,601,013	\$ 100,631,789	\$ 71,032,772	\$ 47,988,731	\$ 46,327,378
NET (EXPENSE) / REVENUE										
Governmental activities	\$ (67,836,729)	\$ (67,584,507)	\$ (34,733,718)	\$ (65,007,851)	\$ (58,972,989)	\$ (33,908,434)	\$ (3,281,119)	\$ (41,214,649)	\$ (56,911,890)	\$ (55,396,451)
Business-type activities	5,579,478	2,789,404	1,697,610	(769,439)	(1,074,929)	3,421,740	(869,364)	(4,351,966)	(2,748,823)	1,226,090
Total Primary Government Net (Expense) / Revenue	\$ (62,257,251)	\$ (64,795,103)	\$ (33,036,108)	\$ (65,777,290)	\$ (60,047,918)	\$ (30,486,694)	\$ (4,150,483)	\$ (45,566,615)	\$ (59,660,713)	\$ (54,170,361)

Note: This information is presented on the accrual basis of accounting.

CARSON CITY
CHANGES IN NET POSITION (Continued)
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes:										
Property taxes	\$ 27,522,923	\$ 27,166,226	\$ 26,661,147	\$ 25,726,135	\$ 26,381,752	\$ 22,773,809	\$ 22,144,119	\$ 20,555,087	\$ 19,362,180	\$ 17,542,259
Sales taxes	7,721,472	7,084,666	6,298,574	4,939,639	4,798,620	4,591,472	4,518,988	4,172,071	4,721,317	5,669,448
Consolidated tax	27,426,295	24,846,886	22,993,975	20,733,724	19,825,135	19,016,195	18,286,154	17,477,368	19,969,586	23,442,872
Franchise taxes	4,970,904	5,244,176	5,446,480	5,418,344	5,003,989	5,019,809	4,977,697	5,531,976	5,623,238	5,371,215
Other taxes	281,063	270,240	130,249	133,266	124,158	157,269	158,283	136,856	194,508	3,911,193
Motor vehicle fuel tax	5,157,033	5,047,358	4,670,983	4,538,990	4,462,870	4,495,254	4,646,688	4,992,322	4,182,742	1,330,616
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	3,312
Unrestricted investment income	81,370	303,823	206,828	228,425	62,846	275,035	408,911	1,132,477	2,059,082	3,614,317
Gain on sale of capital assets	-	53,428	164,799	-	-	-	-	-	-	-
Miscellaneous revenue	272,569	245,396	251,943	227,982	181,733	214,052	235,667	183,639	218,370	305,300
Transfers	(406,638)	(311,622)	(64,733)	(520,602)	(602,825)	(718,993)	(256,708)	(398,481)	(296,402)	3,000,092
Total Governmental Activities	73,026,991	69,950,577	66,760,245	61,425,903	60,238,278	55,823,902	55,119,799	53,783,315	56,034,621	64,190,624
Business-type Activities:										
Unrestricted investment income	54,321	105,117	37,662	63,812	22,756	49,489	51,433	240,914	538,761	1,058,683
Gain on sale of capital assets	6,427	82,227	48,009	-	-	-	-	-	-	-
Transfers	406,638	311,622	64,733	520,602	602,825	718,993	256,708	398,481	296,402	(3,000,092)
Total Business-type Activities	467,386	498,966	150,404	584,414	625,581	768,482	308,141	639,395	835,163	(1,941,409)
Total Primary Government Activities	\$ 73,494,377	\$ 70,449,543	\$ 66,910,649	\$ 62,010,317	\$ 60,863,859	\$ 56,592,384	\$ 55,427,940	\$ 54,422,710	\$ 56,869,784	\$ 62,249,215
CHANGE IN NET POSITION										
Governmental activities	\$ 5,190,262	\$ 2,366,070	\$ 32,026,527	\$ (3,581,948)	\$ 1,265,289	\$ 21,915,468	\$ 51,838,680	\$ 12,568,666	\$ (877,269)	\$ 8,794,173
Business-type activities	6,046,864	3,288,370	1,848,014	(185,025)	(449,348)	4,190,222	(561,223)	(3,712,571)	(1,913,660)	(715,319)
Total Primary Government Change in Net Position	\$ 11,237,126	\$ 5,654,440	\$ 33,874,541	\$ (3,766,973)	\$ 815,941	\$ 26,105,690	\$ 51,277,457	\$ 8,856,095	\$ (2,790,929)	\$ 8,078,854

Note: This information is presented on the accrual basis of accounting.

**CARSON CITY
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GENERAL FUND										
GASB 54^(a)										
Nonspendable	\$ 415,162	\$ 37,929	\$ 88,563	\$ 287,383	\$ 703,349	\$ 269,317	\$ 234,703	\$ -	\$ -	\$ -
Restricted	801,898	794,732	726,536	507,733	698,926	854,838	866,931	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,732,478	1,312,836	2,855,740	1,453,798	1,597,932	1,036,620	2,962,474	-	-	-
Unassigned	6,447,478	6,005,645	3,957,473	4,202,660	3,296,337	2,731,167	2,830,794	-	-	-
Prior to GASB 54^(a)										
Reserved	-	-	-	-	-	-	-	1,164,962	877,986	790,253
Unreserved:										
Designated	-	-	-	-	-	-	-	3,294,193	7,979,901	5,143,029
Undesignated	-	-	-	-	-	-	-	2,024,044	2,628,357	8,383,701
Total General Fund	<u>\$ 9,397,016</u>	<u>\$ 8,151,142</u>	<u>\$ 7,628,312</u>	<u>\$ 6,451,574</u>	<u>\$ 6,296,544</u>	<u>\$ 4,891,942</u>	<u>\$ 6,894,902</u>	<u>\$ 6,483,199</u>	<u>\$ 11,486,244</u>	<u>\$ 14,316,983</u>
ALL OTHER GOVERNMENTAL FUNDS										
GASB 54^(a)										
Nonspendable	\$ 39,975	\$ 49,683	\$ 64,001	\$ 101,924	\$ 64,913	\$ 82,036	\$ 24,582	\$ -	\$ -	\$ -
Restricted	10,233,247	13,686,499	21,885,985	11,835,435	11,130,067	10,871,688	12,212,046	-	-	-
Committed	10,044	6,856	7,726	11,513	7,606	5,853	2,400,000	-	-	-
Assigned	2,586,593	972,086	1,278,375	2,693,268	1,082,317	1,223,257	1,926,574	-	-	-
Unassigned	-	-	-	-	(6,749)	-	(1,943)	-	-	-
Prior to GASB 54^(a)										
Reserved	-	-	-	-	-	-	-	20,076	7,742	15,258
Unreserved:										
Designated in:										
Special Revenue Funds	-	-	-	-	-	-	-	5,205,792	10,977,085	14,476,430
Debt Service Funds	-	-	-	-	-	-	-	1,036,661	1,140,238	1,259,329
Capital Projects Funds	-	-	-	-	-	-	-	51,609	90,054	73,552
Undesignated in:										
Special Revenue Funds	-	-	-	-	-	-	-	15,318,046	12,081,931	13,889,408
Debt Service Funds	-	-	-	-	-	-	-	12,384	196,616	24,354
Capital Projects Funds	-	-	-	-	-	-	-	2,729,014	777,393	3,095,754
Total All Other Governmental Funds	<u>\$ 12,869,859</u>	<u>\$ 14,715,124</u>	<u>\$ 23,236,087</u>	<u>\$ 14,642,140</u>	<u>\$ 12,278,154</u>	<u>\$ 12,182,834</u>	<u>\$ 16,561,259</u>	<u>\$ 24,373,582</u>	<u>\$ 25,271,059</u>	<u>\$ 32,834,085</u>

Note: Fluctuations in the general fund and all other governmental fund balance restricted and unrestricted amounts are explained in the relevant year Management's Discussion and Analysis. This information is presented on the modified accrual basis of accounting.

^(a) Prior to 2011 and the implementation of GASB Statement No. 54, fund balances were classified as Reserved or Unreserved. Under GASB Statement No. 54, fund balances are classified as Nonspendable, Restricted, Committed, Assigned

CARSON CITY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
REVENUES										
Taxes	\$ 38,944,791	\$ 37,886,252	\$ 36,116,924	\$ 33,841,031	\$ 33,842,019	\$ 30,389,857	\$ 29,656,665	\$ 28,093,025	\$ 26,721,962	\$ 26,801,548
Licenses and permits	6,772,108	6,941,765	7,023,943	7,133,133	6,742,835	6,657,143	6,782,247	7,340,788	7,371,737	7,089,746
Intergovernmental revenues	38,489,332	34,111,823	33,641,746	31,402,152	31,361,448	32,832,525	32,902,457	49,672,531	32,332,386	30,876,567
Charges for services	13,190,310	12,618,224	11,899,821	11,582,832	11,049,184	11,885,268	11,153,091	11,467,700	11,215,117	13,322,748
Fines and forfeits	790,940	725,895	859,277	896,537	944,937	901,394	773,519	802,402	1,046,329	1,023,459
Miscellaneous	2,070,235	2,889,112	2,538,244	2,269,062	2,007,642	1,756,085	1,716,374	2,188,920	3,430,504	4,565,944
Total Revenues	100,257,716	95,173,071	92,079,955	87,124,747	85,948,065	84,422,272	82,984,353	99,565,366	82,124,035	83,680,012
EXPENDITURES										
General government	15,440,966	15,794,000	15,497,972	15,043,487	14,240,694	13,952,064	14,231,116	15,005,013	14,680,918	14,514,253
Public safety	31,855,937	31,680,370	30,277,531	28,880,330	28,605,267	27,779,133	27,313,128	28,362,786	26,595,429	25,954,382
Judicial	6,582,605	6,034,387	5,604,500	5,355,803	5,143,470	4,973,383	4,824,457	5,075,739	4,822,651	4,704,943
Public works	9,173,718	8,689,689	8,543,967	8,053,108	7,251,585	8,487,965	7,821,034	19,917,994	20,642,266	17,079,950
Sanitation	1,840,005	1,664,165	1,677,631	1,579,314	1,558,251	1,485,325	1,542,371	1,673,677	1,734,716	3,386,664
Health	5,166,670	5,562,398	5,421,238	5,154,954	4,741,438	4,332,571	3,798,124	3,960,626	3,001,006	2,627,724
Welfare	2,151,042	2,024,632	2,010,398	1,956,932	2,014,083	2,367,038	2,344,154	2,359,467	2,127,710	2,011,350
Culture and recreation	7,510,509	7,892,747	7,715,341	7,347,424	7,354,482	7,365,129	7,296,030	13,381,380	11,217,627	15,594,191
Community support	733,728	655,952	897,172	615,765	757,714	3,098,628	1,296,951	3,573,553	2,617,465	570,916
Airport	74,903	-	-	-	45,765	4,234	47,506	9,144,072	3,107,641	579,295
Economic opportunity	90,492	160,396	138,778	179,513	186,695	304,571	326,957	4,742,049	2,275,376	609,176
Capital outlay	14,803,697	14,524,131	10,109,046	4,538,465	6,144,702	7,757,392	11,231,655	8,028	1,084,955	4,084,369
Debt service:										
Principal	5,239,300	4,498,100	4,974,700	4,793,200	5,694,368	4,095,917	3,924,674	3,604,885	3,549,588	3,038,832
Interest and fiscal charges	3,178,466	3,369,056	3,171,918	3,072,875	4,148,852	3,835,852	4,286,892	3,956,052	3,873,919	3,651,174
Total Expenditures	103,842,038	102,550,023	96,040,192	86,571,170	87,887,366	89,839,202	90,285,049	114,765,321	101,331,267	98,407,219
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,584,322)	(7,376,952)	(3,960,237)	553,577	(1,939,301)	(5,416,930)	(7,300,696)	(15,199,955)	(19,207,232)	(14,727,207)

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

**CARSON CITY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (Continued)
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
OTHER FINANCING SOURCES (USES)										
Capital asset sales	43,552	73,929	64,812	-	13,097	10,545	3,535	-	-	-
Capital leases	84,845	10,300	-	-	-	-	-	69,433	53,467	11,228
Bonds issued	3,425,293	-	13,600,000	-	-	-	7,210,000	7,900,000	9,055,000	-
Notes issued	-	-	-	2,651,000	2,269,500	-	-	-	-	-
Payment to refunded bond escrow agent	(5,859,759)	(23,701,582)	(9,418,592)	-	(30,026,827)	-	(7,244,702)	-	-	-
Refunding bonds issued	5,951,000	21,580,000	8,400,000	-	30,767,200	-	-	-	-	-
Refunding notes issued	-	-	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	1,836,172	1,571,223	-	840,062	-	226,243	-	-	-
Transfers in	11,953,109	11,919,064	10,821,056	10,928,630	9,668,856	9,364,206	8,279,959	15,500,233	11,826,603	12,952,593
Transfers out	(12,643,109)	(12,309,064)	(11,307,577)	(11,614,191)	(10,092,665)	(10,339,206)	(8,574,959)	(14,170,233)	(12,121,603)	(8,763,820)
Premium on bonds issued	-	-	-	-	-	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>2,954,931</u>	<u>(591,181)</u>	<u>13,730,922</u>	<u>1,965,439</u>	<u>3,439,223</u>	<u>(964,455)</u>	<u>(99,924)</u>	<u>9,299,433</u>	<u>8,813,467</u>	<u>4,200,001</u>
Net Change in Fund Balances	\$ (629,391)	\$ (7,968,133)	\$ 9,770,685	\$ 2,519,016	\$ 1,499,922	\$ (6,381,385)	\$ (7,400,620)	\$ (5,900,522)	\$ (10,393,765)	\$ (10,527,206)
Debt service as a percentage of noncapital expenditures	<u>9.45%</u>	<u>8.94%</u>	<u>9.48%</u>	<u>9.59%</u>	<u>12.04%</u>	<u>9.66%</u>	<u>10.39%</u>	<u>8.44%</u>	<u>9.18%</u>	<u>8.74%</u>

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

**CARSON CITY
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	REAL PROPERTY ASSESSED VALUE				OTHER	PERSONAL PROPERTY		LESS: TAX EXEMPT PROPERTY	TAXABLE ASSESSED VALUE	ESTIMATED ACTUAL VALUE	PERCENTAGE OF TAXABLE VALUE TO ACTUAL VALUE		TOTAL DIRECT TAX RATE (1)
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL			ASSESSED VALUE							
2017	\$ 1,143,413,105	\$ 511,051,223	\$ 84,437,524	\$ 83,517,286	\$ 79,293,413	\$ 456,557,778	\$ 1,445,154,773	\$ 4,129,013,637	35.00%	2.1400			
2016	1,106,925,704	495,344,116	75,167,547	36,056,808	70,831,634	410,916,956	1,373,408,853	3,924,025,294	35.00%	2.1400			
2015	988,583,791	514,498,082	70,590,643	33,235,070	69,757,391	389,774,295	1,286,890,682	3,676,830,520	35.00%	2.1600			
2014	935,189,789	495,884,820	70,652,606	26,031,984	69,572,163	358,575,304	1,238,756,058	3,539,303,022	35.00%	2.1800			
2013	1,016,454,814	510,880,941	80,961,017	25,825,504	68,172,306	320,479,554	1,381,815,028	3,948,042,937	35.00%	2.1800			
2012	1,136,664,056	554,083,272	90,326,979	30,174,883	71,820,430	376,697,685	1,506,371,935	4,303,919,814	35.00%	1.7072			
2011	1,296,755,931	627,675,034	105,367,926	34,738,957	79,406,876	455,801,189	1,688,143,535	4,823,267,242	35.00%	1.7066			
2010	1,434,764,128	660,942,065	104,145,754	25,954,361	83,861,120	482,594,796	1,827,072,632	5,220,207,520	35.00%	1.7070			
2009	1,426,052,054	631,533,390	99,424,981	30,383,765	87,038,009	431,185,202	1,843,246,997	5,266,419,991	35.00%	1.7069			
2008	1,206,800,499	547,565,065	81,726,034	48,675,299	86,113,782	358,490,827	1,612,389,852	4,606,828,149	35.00%	1.5007			

Source: Carson City Assessor

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.

(1) Per hundred dollars of assessed valuation.

**CARSON CITY
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(TAX RATE PER \$100 ASSESSED VALUATION)
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
CARSON CITY DIRECT RATE										
Operating Rate	1.8652	1.8525	1.8508	1.8858	1.7040	1.2102	1.2102	1.2102	1.2102	1.2102
Voter Approved	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Legislative Overrides	0.2248	0.2375	0.2592	0.2442	0.4260	0.4470	0.4464	0.4468	0.4467	0.2405
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total Carson City Direct Rate	2.1400	2.1400	2.1600	2.1800	2.1800	1.7072	1.7066	1.7070	1.7069	1.5007
OVERLAPPING RATES										
Carson City School District	1.1800	1.1800	1.1800	1.1800	1.1800	1.1800	1.1800	1.2200	1.2200	1.2200
State of Nevada	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
Eagle Valley Underground Water	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0010	0.0009	0.0009	0.0011
Carson Valley Ground Water Basin	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0023	0.0020	0.0010	0.0025
Sub-Conservancy	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300	0.0300
Sierra Forest Fire	0.0000	0.0000	0.0000	0.0000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Total Overlapping Rates	1.3800	1.3800	1.3800	1.3800	1.4800	1.4800	1.4833	1.5229	1.5219	1.5236
Total Carson City Property Tax Rate	3.5200	3.5200	3.5400	3.5600	3.6600	3.1872	3.1899	3.2299	3.2288	3.0243
REDEVELOPMENT AGENCY OF CARSON CITY	3.0745	3.0745	3.0955	3.1155	3.2155	2.7427	2.8737	2.8895	2.6362	2.8108

Source: Nevada Department of Taxation

CARSON CITY
TEN LARGEST ASSESSED VALUATIONS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

<u>TAXPAYER</u>	<u>2017</u>			<u>2008</u>		
	<u>ASSESSED VALUATION</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>	<u>ASSESSED VALUATION</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Carson-Tahoe Hospital	\$ 8,766,678	1	0.61%	\$ 11,854,006	5	0.74%
ARHC CTCRCNV001, LLC	\$ 7,643,169	2	0.53%			
C&A Investments	\$ 6,126,761	3	0.42%	\$ 9,326,656	6	0.58%
Carson Gaming, LLC	\$ 4,883,338	4	0.34%	\$ 6,546,402	10	0.41%
Harley Davidson Credit Corp	\$ 4,578,781	5	0.32%			
Wal-Mart Real Est Bus Trust	\$ 4,477,514	6	0.31%			
Adams Carson, LLC	\$ 4,256,870	7	0.29%			
Carson City Parkway, LLC	\$ 4,026,846	8	0.28%			
Dophin Bay-Beal, LLC	\$ 4,009,864	9	0.28%			
GA HC Reit II Eagle CC Mob LLC	\$ 3,958,175	10	0.27%			
Millard, Dwight				\$ 13,391,942	1	0.83%
Southwest Gas				\$ 13,092,369	2	0.81%
Serpa, John C				\$ 12,781,158	3	0.79%
Sierra Pacific Power Company				\$ 12,009,811	4	0.74%
Garth, Richard				\$ 7,481,869	7	0.46%
Cubix/Ormsby				\$ 7,446,611	8	0.46%
AT&T Nevada				\$ 7,276,476	9	0.45%
Total, Ten Largest Taxpayers	52,727,996		3.65%	101,207,300		6.27%
Total, Other Taxpayers	1,392,426,777		96.35%	1,511,182,552		93.73%
Total Assessed Valuations	\$ 1,445,154,773		100.00%	\$ 1,612,389,852		100.00%

Source: Carson City Assessor

Note: This list represents the ten largest property assessments based on property-owning taxpayers in the City. It is possible that an owner of several parcels may have an aggregate assessed value that is larger than those listed above.

CARSON CITY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNT EXPRESSED IN THOUSANDS)
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED	CURRENT YEAR			TOTALS TO DATE	
		TAX COLLECTIONS	PERCENT OF TAXES LEVIED	DELINQUENT TAX COLLECTIONS	TAX COLLECTIONS	PERCENT OF TAXES LEVIED
2008	32,946	32,585	98.90%	361	32,946	100.00%
2009	35,529	34,860	98.12%	669	35,529	100.00%
2010	37,735	37,075	98.25%	660	37,735	100.00%
2011	39,448	38,714	98.14%	733	39,447	100.00%
2012	39,450	38,463	97.50%	987	39,450	100.00%
2013	40,823	40,082	98.18%	741	40,823	100.00%
2014	39,994	39,314	98.30%	677	39,991	99.99%
2015	41,063	40,489	98.60%	561	41,050	99.97%
2016	41,696	41,237	98.90%	414	41,651	99.89%
2017	42,164	41,916	99.41%	-	41,916	99.41%

Source: Carson City Treasurer's Office

CARSON CITY
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT			PERCENT OF ACTUAL PROPERTY VALUE		OTHER GOVERNMENTAL ACTIVITIES DEBT			BUSINESS TYPE ACTIVITIES			TOTAL PRIMARY GOVERNMENT	PERCENT OF PERSONAL INCOME(2)	PER CAPITA (2)
	GENERAL OBLIGATION BONDS	GENERAL OBLIGATION	TOTAL GENERAL BONDED DEBT	PER CAPITA (2)	REVENUE BONDS	GENERAL OBLIGATION NOTES	CAPITAL LEASES	BONDS	PROPRIETARY	NOTES				
2017	\$63,209,463	\$63,209,463	\$63,209,463	1.53%	\$15,384,200	\$ 7,073,038	\$ 65,202	\$ 107,398,653	\$ 785,800	\$ 785,800	\$ 193,916,356	8.06%	\$3,593.11	
2016	67,219,087	67,219,087	67,219,087	1.71%	15,970,500	3,361,300	10,181	87,158,785	1,090,801	1,090,801	174,810,654	7.47%	3,197.68	
2015	67,230,067	67,245,540	67,245,540	1.83%	17,159,100	3,895,800	-	78,225,519	1,389,700	1,389,700	167,915,659	6.98%	3,111.34	
2014	56,356,923	56,356,923	56,356,923	1.59%	18,047,900	4,591,700	6,081	78,475,307	1,682,100	1,682,100	159,160,011	6.99%	2,870.80	
2013	59,511,054	59,511,054	59,511,054	1.51%	18,897,000	2,554,800	25,590	80,154,498	1,970,500	1,970,500	163,113,442	7.33%	2,868.23	
2012	62,336,401	62,336,401	62,336,401	1.45%	19,480,700	1,360,367	43,823	77,493,636	2,148,000	2,148,000	162,862,927	7.60%	2,902.82	
2011	64,990,727	64,990,727	64,990,727	1.35%	20,222,100	2,212,558	67,772	61,986,558	2,395,000	2,395,000	151,874,715	7.25%	2,737.07	
2010	67,519,131	67,519,131	67,519,131	1.29%	20,866,000	3,018,928	99,470	48,542,143	2,448,000	2,448,000	142,493,672	6.38%	2,577.95	
2009	70,042,700	70,042,700	70,042,700	1.33%	13,427,600	3,259,644	109,182	50,484,597	-	-	137,323,723	6.16%	2,430.25	
2008	72,462,454	72,462,454	72,462,454	1.57%	4,915,000	3,847,078	100,363	53,797,713	-	-	135,122,608	5.71%	2,345.88	
2007	74,574,351	74,574,351	74,574,351	1.82%	5,140,000	4,399,013	120,447	57,120,185	-	-	141,353,996	5.83%	2,448.83	

Notes:

- (1) See Schedule 2.1 for estimated actual property value.
- (2) See Schedule 4.1 for population and personal income data.

**CARSON CITY
GENERAL OBLIGATION DIRECT
AND OVERLAPPING DEBT
FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)**

NAME OF GOVERNMENT UNIT	<u>GENERAL OBLIGATION DEBT OUTSTANDING</u>	<u>PRESENTLY SELF-SUPPORTING GENERAL OBLIGATION DEBT</u>	<u>PERCENT APPLICABLE (1)</u>	<u>APPLICABLE NET DEBT</u>
Direct:				
City of Carson City:				
Governmental Activity Bonds ⁽²⁾	\$ 63,209,463	\$ 63,209,463	100.00%	-
Revenue Bonds ⁽³⁾	15,384,200	15,970,500		
Notes Payable	<u>7,073,038</u>	<u>7,073,038</u>		
Total Direct Debt	<u>85,666,701</u>	<u>86,253,001</u>		<u>-</u>
Overlapping:				
Carson City School District	<u>59,050,000</u>	<u>-</u>	100.00%	<u>59,050,000</u>
Total General Obligation				
Direct and Overlapping Debt	<u>\$ 144,716,701</u>	<u>\$ 86,253,001</u>		<u>\$ 59,050,000</u>

Source: Carson City Finance Office and Carson City School District

(1) Based on fiscal year 2015-16 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 obligations payable solely from the pledged revenue.

CARSON CITY
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2017										
Assessed value of taxable property(1)			\$ 1,511,939,926							
Debt limit (1.5% of assessed value)			<u>226,790,989</u>							
Debt applicable to limit:										
Governmental activities		\$ 59,670,000								
Business-type activities		105,797,430								
Less: Amount available for repayment of general obligation debt		<u>(821,400)</u>								
Total net debt applicable to limitation			<u>164,646,030</u>							
Legal debt margin			<u>\$ 62,144,959</u>							
Debt limit	\$ 226,790,989	\$ 213,697,900	\$ 200,701,004	\$ 192,949,840	\$ 214,833,139	\$ 235,045,345	\$ 266,225,881	\$ 288,971,603	\$ 289,552,288	\$ 249,494,536
Total net debt subject to limitation	<u>164,646,030</u>	<u>148,000,607</u>	<u>143,734,928</u>	<u>134,576,370</u>	<u>139,259,606</u>	<u>139,630,037</u>	<u>126,777,285</u>	<u>115,861,274</u>	<u>123,586,941</u>	<u>129,907,245</u>
Legal Debt Margin	<u>\$ 62,144,959</u>	<u>\$ 65,697,293</u>	<u>\$ 56,966,076</u>	<u>\$ 58,373,470</u>	<u>\$ 75,573,533</u>	<u>\$ 95,415,308</u>	<u>\$ 139,448,596</u>	<u>\$ 173,110,329</u>	<u>\$ 165,965,347</u>	<u>\$ 119,587,291</u>
Total net debt subject to limitation as a percentage of debt limit	<u>72.6%</u>	<u>69.3%</u>	<u>71.6%</u>	<u>69.7%</u>	<u>64.8%</u>	<u>59.4%</u>	<u>47.6%</u>	<u>40.1%</u>	<u>42.7%</u>	<u>52.1%</u>

Note: The legal debt limit is set forth in NRS 266.600.

(1) Includes Redevelopment Authority amount of \$47,576,211.

CARSON CITY
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,	PLEDGED REVENUE	LESS: OPERATING EXPENSES	NET AVAILABLE REVENUE	DEBT SERVICE REQUIREMENTS			COVERAGE RATIOS
				PRINCIPAL	INTEREST	TOTAL	
HIGHWAY REVENUE(MOTOR VEHICLE FUEL TAX) IMPROVEMENT BONDS (1)							
2017	\$ 2,858,234	\$ 2,289,781	\$ 568,453	\$ 987,800	\$ 647,111	\$ 1,634,911	0.3
2016	2,796,394	2,032,584	763,810	968,600	616,683	1,585,283	0.5
2015	2,606,416	2,498,161	108,255	888,800	808,236	1,697,036	0.1
2014	2,535,983	2,487,780	48,203	849,100	848,009	1,697,109	0.0
2013	2,497,509	1,854,919	642,590	776,000	853,397	1,629,397	0.4
2012	2,571,885	2,585,880	(13,995)	741,400	977,100	1,718,500	0.0
2011	2,589,547	2,150,201	439,346	643,900	1,074,609	1,718,509	0.3
2010	2,754,992	4,072,621	(1,317,629)	461,600	608,961	1,070,561	-1.2
2009	2,370,083	3,020,383	(650,300)	542,400	528,077	1,070,477	-0.6
2008	2,846,668	3,351,447	(504,779)	225,000	199,925	424,925	-1.2

Notes:

(1) Pledged revenues include a tax currently levied at the rate of four cents per gallon by the City, and the City's interest in taxes equal in the aggregate to 5.35 cents per gallon, levied by the State of Nevada on certain motor vehicle fuel sold in the City and the State. Operating expenses include amounts in the Regional Transportation Fund, less NDOT bypass portion and expenses in the Streets Maintenance Fund, less County Option Sales Taxes and the County Option 1 cent fuel tax.

**CARSON CITY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

FISCAL YEAR ENDED JUNE 30,	POPULATION (1)	CITY AREA (SQUARE MILES) (6)	TOTAL PERSONAL INCOME (3)	PER CAPITA PERSONAL INCOME (3)	UNEMPLOYMENT RATE (4)	PUBLIC SCHOOL ENROLLMENT (5)	BUSINESS LICENSES ISSUED (2)	TOTAL CONSTRUCTION PERMITS (6)	TOTAL CONSTRUCTION VALUE (6)
2017	54,273	147.00	\$ 2,445,733,000	\$ 45,064	4.6%	10,438	569	1,355	\$ 96,537,447
2016	53,969	147.00	2,404,851,000	44,560	6.9%	11,615	541	1,272	77,937,428
2015	54,668	147.00	2,339,349,000	42,792	7.3%	11,748	531	934	36,780,188
2014	55,441	147.00	2,275,631,286	41,046	9.0%	11,425	553	1,029	40,284,101
2013	56,869	147.00	2,225,170,232	39,128	10.1%	11,624	620	788	22,908,525
2012	56,105	147.00	2,142,088,900	38,180	11.7%	12,432	766	818	46,358,861
2011	55,488	147.00	2,094,672,000	37,750	12.5%	13,346	1,042	939	42,209,740
2010	55,274	147.00	2,233,741,000	40,409	13.8%	13,582	934	276	16,955,005
2009	56,506	147.00	2,228,378,000	40,233	11.5%	13,532	967	242	64,172,562
2008	57,600	147.00	2,364,850,000	42,570	6.7%	13,493	1,242	295	74,801,157

NR = Not reported

Sources:

- (1) State of Nevada, Demographer's Office estimated, 1986-2009 and 2011-2015; Final Census information available for 2010.
- (2) City of Carson City, Business License Division
- (3) U.S. Department of Commerce, Bureau of Economic Analysis, 2005-2013, for Carson City Metropolitan Area; Estimated for 2014 and 2015 as data was unavailable at time of publication.
- (4) State of Nevada, Department of Employment Training & Rehabilitation for Carson City Metropolitan Area
- (5) Includes elementary, junior high, high school, and community college enrollment. Information obtained from the Carson City School District and Western Nevada College - Carson City campus.
- (6) City of Carson City, Building and Safety Department

**CARSON CITY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>EMPLOYER</u>	<u>2017</u>			<u>2008</u>		
	<u>EMPLOYEES (1)</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY(2) EMPLOYMENT</u>	<u>EMPLOYEES (1)</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
Carson Tahoe Hospital	1000-1499	1	5.05%	1000-1499	1	3.49%
Carson City School District	1000-1499	2	5.05%	1000-1499	2	3.24%
City of Carson City	700-799	3	3.03%	700-799	3	2.42%
State Department of Transportation	700-799	4	3.03%	600-699	4	2.12%
Western Nevada College	500-599	5	2.22%	400-499	7	1.43%
State Department of Corrections	400-499	6	1.82%			
State Department of Motor Vehicles	300-399	7	1.41%	300-399	9	1.22%
Legislative Counsel Bureau	300-399	8	1.41%			
Click Bond Inc.	300-399	9	1.41%			
Casino Fandango	300-399	10	1.41%	400-499	6	1.46%
Wal-Mart Supercenter				300-399	10	1.13%
Chromalloy Nevada				400-499	8	1.36%
Carson City Nugget				600-699	5	2.12%
Total Carson City Area Covered Employment	<u>24,741</u>			<u>29,871</u>		

Source: Each of the two years reflect respective June information as compiled by the Nevada Department of Employment, Training, and Rehabilitation, Division of Labor Marketing.

Notes:

- (1) Nevada Revised Statutes Chapter 612 stipulate that actual employment for individual employers may not be published.
(2) The State of Nevada changed it's reporting requirements in 2008 - each division now reports information separately.

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**CARSON CITY
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
FUNCTION:	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government	109.50	107.50	106.75	102.48	100.55	101.00	104.35	108.10	108.80	123.35
Public Safety	240.70	229.60	228.10	228.00	228.80	227.55	228.25	254.75	256.85	259.45
Judicial	36.00	44.00	44.00	43.00	42.75	44.50	42.50	44.05	45.30	45.00
Public Works	50.60	50.60	46.35	45.45	43.95	45.95	44.90	46.10	53.15	58.25
Sanitation	10.50	9.50	9.50	9.60	9.70	9.60	9.30	10.75	13.35	13.05
Health	36.28	36.15	43.85	37.75	37.25	29.96	30.00	30.00	20.00	23.25
Welfare	5.47	4.95	4.95	4.00	4.00	4.00	4.00	5.00	3.00	2.00
Culture and Recreation	44.88	43.88	44.88	44.88	43.88	43.88	43.88	48.88	48.93	57.82
Community Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Utilities	51.05	51.05	51.05	48.45	48.85	52.95	52.80	50.90	48.13	47.50
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	584.98	577.23	579.43	563.61	559.73	559.39	559.98	598.53	597.51	631.67

Source: City of Carson City Finance Department

CARSON CITY
OPERATING INDICATORS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

FISCAL YEAR ENDED JUNE 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
FUNCTION / PROGRAM:										
General Government										
Business licenses issued (3)	569	541	531	553	620	788	818	934	967	1,242
Judicial: (1)										
Municipal Court Cases Filed:										
Criminal Cases:										
Felony death penalty	0	0	0	0	0	0	0	0	0	0
Felony, crimes against persons	137	132	138	110	126	112	117	112	231	374
Felony, crimes against property	238	182	200	170	194	171	230	196	467	228
Gross misdemeanor, crimes against persons	50	58	47	52	81	54	56	67	43	64
Gross misdemeanor, crimes against property	26	22	12	24	19	11	23	15	45	42
Misdemeanor, non-traffic	1,560	1,505	1,553	1,386	1,633	1,696	1,473	1,726	2,228	1,492
Traffic and parking violations	8,975	8,634	9,899	10,692	12,414	13,769	11,869	11,012	19,944	16,460
Civil Cases:										
General	1,042	655	748	1,154	1,708	1,952	2,249	2,926	2,474	2,514
Small claims	298	379	283	258	350	421	442	472	535	638
Landlord/tenant (summary eviction)	835	959	893	1,281	1,189	1,095	1,126	954	1,165	1,473
Request for domestic violence protective orders	355	454	401	431	431	454	460	474	496	484
Request for protection orders (non-dom. violence)	340	292	299	335	271	266	293	269	379	346
Public Safety										
Police: (5)										
Number of sworn police personnel and officers	95	95	92	92	92	91	91	99	99	98
Number of physical arrests	3,295	2,911	2,865	2,140	2,823	2,784	1,925	2,621	2,797	3,265
Number of traffic accidents	549	485	434	427	358	474	250	832	973	1,035
Fire: (6)										
Number of firefighters	58	58	59	59	59	60	58	64	64	64
Number of calls answered	10,198	9,876	9,465	8,503	8,332	7,838	7,620	7,466	7,515	7,941
Number of fire prevention inspections	1,337	1,478	1,515	1,410	638	1,268	1,170	2,529	2,029	2,090
Public Works (4)										
Number of street lights	1,713	1,713	1,723	1,731	1,717	1,702	1,776	1,771	1,702	1,723

**CARSON CITY
OPERATING INDICATORS BY FUNCTION / PROGRAM (Continued)
LAST TEN FISCAL YEARS
(UNAUDITED)**

	FISCAL YEAR ENDED JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Culture and Recreation (7)										
Number of participants in recreation sports	2,924	2,678	2,526	2,463	3,184	7,688	7,557	14,393	5,302	7,950
Number of participants in sports tournaments (8)	15,715	10,629	17,625	17,293	77,164	56,388	57,291	58,000	56,410	56,410
Average number of children enrolled in summer programs per day	145	167	175	172	178	165	607	339	265	262
Average number of children enrolled in latch key programs per day	212	259	287	246	239	239	204	202	289	265
Utilities (4)										
Sewer:										
Customer count as of June 30	15,600	15,500	15,435	15,514	15,476	15,443	15,041	15,376	15,414	15,379
Total discharge (in thousands of gallons)	1,874,714	1,584,700	1,543,299	1,450,900	1,586,030	1,590,547	1,787,778	1,741,894	1,825,000	1,869,403
Water:										
Customer count as of June 30	17,676	17,272	16,962	16,860	16,889	16,862	16,798	16,804	16,828	16,790
Total consumption (in thousands of gallons)	3,219,786	3,245,845	3,418,789	3,589,085	3,656,071	3,525,553	3,619,591	3,557,248	4,561,914	4,077,837
Development Services (2)										
Building permits issued	1,355	1,272	934	1,029	788	818	939	276	242	295
NR = Not reported										

Sources:

- (1) Carson City Municipal Court
- (2) Carson City Community Development Department
- (3) Carson City Treasurer's Office
- (4) Carson City Public Works
- (5) Carson City Sheriff's Office
- (6) Carson City Fire Department
- (7) Carson City Parks & Recreation
- (8) "Participants" as of fiscal year ended 2014 means players and coaches. In previous years this figure also included estimates for spectators.

COMPLIANCE SECTION



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 Mayor and Members of the Board of Supervisors
Carson City, Nevada

We have audited, 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, 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 Carson City, Nevada (the City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 30, 2017. Our report includes a reference to other auditors who audited the financial statements of the Airport Authority of Carson City, Nevada and the Carson City Culture and Tourism Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters for the Airport Authority of Carson City, Nevada or the Carson City Culture and Tourism Authority that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 certain deficiencies in internal control that we consider to be material weaknesses.

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 considered the deficiencies described in the accompanying schedule of findings and questioned costs as finding 2017-A and Finding 2017-B that we considered to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*.

Carson City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City'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 result 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.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Reno, Nevada
November 30, 2017



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Honorable Mayor and Members of the Board of Supervisors
Carson City, Nevada

Report on Compliance for Each Major Program

We have audited Carson City, Nevada's, (the City), compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

The City's basic financial statements include the operations of the Airport Authority of Carson City, a discretely presented component unit, which received \$2,386,190 in federal awards which are not included in the City's Schedule of Expenditures of Federal Awards for the year ended June 30, 2017. Our audit, as described below, did not include the operations of the Airport Authority of Carson City because the Airport Authority of Carson City engaged other auditors to perform an audit in accordance with 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).

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 the City'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 Uniform Guidance. Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Basis for Qualified Opinion on Highway Planning and Construction Cluster

As described in the accompanying schedule of Findings and Questioned Costs, the City did not comply with requirements regarding CFDA 20.205 Highway Planning and Construction as described in finding number 2017-001 for Allowable Activities, Allowable Costs, Cash Management, Matching, Period of Performance, and Procurement requirements and finding number 2017-002 for Procurement, Suspension, and Debarment and Special Tests and Provisions. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Qualified Opinion on Highway Planning and Construction Cluster

In our opinion, except for the noncompliance described in the Basis of Qualified Opinion paragraph, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Highway Planning and Construction Cluster for the year ended June 30, 2017.

Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the other major federal programs identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs for the year ended June 30, 2017.

Other Matter

The City's response to the noncompliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the City 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 the City's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 2017-001 and 2017-002 that we consider to be material weaknesses.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 Bailly LLP

Reno, Nevada
November 30, 2017



Auditor's Comments

To the Honorable Mayor and Members of the Board of Supervisors
Carson City, 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 Carson City, Nevada (the City) 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 City 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 City's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

Statue Compliance

The required disclosure on compliance with Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2B to the financial statements.

Progress on Prior Year Statute Compliance

The City monitored all significant constraints during the year ended June 30, 2017.

Prior Year Recommendations

The status of the prior year audit findings is included in the Summary Schedule of Prior Audit Findings under separate cover.

Current Year Recommendations

The current year findings are included in the accompanying Schedule of Findings and Questioned Costs.

Reno, Nevada
November 30, 2017

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 1 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Environmental Protection Agency</u>				
Passed through Nevada Department of Conservation & Natural Resources:				
Nonpoint Source Implementation Grants:				
Ash Canyon Erosion Control & Sediment	66.460	DEP-S 17-023	\$ 8,653	\$ -
Ash Canyon Erosion Control	66.460	DEP-S 16-028	10,000	-
Total Nonpoint Source Implementation Grants			18,653	-
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State Revolving Funds				
	66.458	CW1403	10,605,857	-
Capitalization Grants for Clean Water State Revolving Funds				
	66.458	CW1601	1,294,740	-
Total Clean Water State Revolving Fund Cluster			11,900,597	-
Drinking Water State Revolving Fund Cluster:				
Capitalization Grants for Drinking Water State Revolving Funds				
	66.468	DW1405	552,742	-
Total U.S. Environmental Protection Agency			12,471,992	-
<u>U. S. Institute of Museum and Library Services:</u>				
Passed through Nevada State Library and Archives:				
Grants to States - Bully Free Zone				
	45.310	LSTA 2016-01	4,600	-
Grants to States - Mobile Makerspace				
	45.310	LSTA 2016-05	27,759	-
Grants to States - Statewide Reading Program - Diversity in Action				
	45.310	LSTA 2016-20 DIA	2,100	-
Statewide Reading Program - Summer Reading Progra	45.310	LSTA 2016-20	2,800	-
Total U.S. Institute of Museum and Library Services			37,259	-
<u>U.S. Department of Agriculture:</u>				
Direct programs:				
Cooperative Patrol				
	10.Unknown	11-LE-11051360-232	5,613	-
Passed through Nevada Department of Health & Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children				
	10.557	7NV700NV7	199,366	-
Passed through Nevada State Controller:				
Forest Service - Schools and Roads Cluster				
Schools and Roads - Grants to States	10.665	N/A	1,296	648
Total U.S. Department of Agriculture			206,275	648

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 2 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Health and Human Services:</u>				
Direct programs:				
Family Planning_Services	93.217	FPHPA096239-01-02	\$ 397,299	\$ -
Family Planning_Services - Program Income	93.217	N/A	177,504	-
Total Family Planning_Services			574,803	-
Passed through Nevada Department of Health and Human Services:				
Public Health Emergency Preparedness	93.069	5U90TP000534-05	320,178	-
Public Health Preparedness - CDC - Ebola	93.074	3U90TP000534-03S2	22,113	-
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	1401/1501 NVPREP	57,966	-
Food and Drug Administration Research				
Trained Regulatory Staff Utilizing Behavior Change in Food Safety Education	93.103	G-T-1611-03734	2,110	-
Open and Transparent Government-Online Food Establishment Inspections	93.103	G-MP-1611-03733	225	-
Total Food and Drug Administration Research			2,335	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5U52PS004681-02 5NU52PS004681-03-00	8,440	-
Affordable Care Act (ACA) Abstinence Education Program	93.235	1601 NVAEGP	80,072	-
Immunization Cooperative Agreements - NV Billing Implementation	93.268	1H23IP000943-01	31,828	-
Immunization Cooperative Agreements	93.268	NH23IP000727-05-00	79,795	-
Immunization Cooperative Agreements - Program Income	93.268	N/A	22,300	-
Total Immunization Cooperative Agreements			133,923	-
National State Based Tobacco Control Programs	93.305	1U58DP006009	71,355	-
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	5NU50CK000419.03-00 3U50CK000419-02S1	34,185	-
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	93.521	5U50CK000419.02 6NU50CK000419-03-01	17,470	-
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds	93.539	NH23IP000727-05-00	28,585	-
Child Support Enforcement - Title IV - D	93.563	N/A	22,978	-
Community Services Block Grant	93.569	243.11 / 1164.06	136,678	-
Preventative Health and Health Services Block Grant	93.758	B01OT009040	8,627	-
Epidemiology & Laboratory Capacity (ELC) Program - Ebola Supplement	93.815	3U50CK000419.01S2	28,612	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 3 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
Public Health Preparedness - Assistant Secretary for Preparedness and Response -Ebola	93.817	1U3REP150510.01-00	\$ 30,124	\$ -
National Bioterrorism Hospital Preparedness Program	93.889	5U90TP000534-04	161,336	-
HIV Care Formula Grants - Ryan White Title II	93.917	X007HA00001-27 X07HA00001-26	85,575	-
HIV Prevention Activities_Health Department Based	93.940	5U62PS003654-05	18,139	-
HIV/AIDS and Surveillance Program	93.944	5NU62PS004024-05-00	3,400	-
Block Grants for Prevention and Treatment of Substance Abuse		2B08TI010039-15		
Tobacco	93.959	2B08TI010039-16	41,031	-
Tobacco and Opioids	93.959	2B08TI010039-16	5,728	-
Total Block Grants for Prevention and Treatment of Substance Abuse			46,759	-
Preventive Health Services-Sexually Transmitted Diseases Control Grants-STD Prevention and Control	93.977	5H25PS004376-03 5NH25PS004376-04 B04MC28112	16,348	-
Maternal and Child Health Services Block Grant to the States	93.994	B04MC29352	51,836	-
Total U.S. Department of Health and Human Services			1,961,837	-
<u>U.S. Department of Housing and Urban Development:</u>				
Direct programs:				
Community Development Block Grants/ Entitlement Grants Cluster	14.218	B-16-MC-32-0006 B-15-MC-32-0006	131,372	55,277
Shelter Plus Care	14.238	N/A	42,832	-
Passed through Nevada Housing Division:				
Emergency Solutions Grant Program	14.231	E16-DC-32-0001	60,964	-
Total U.S. Department of Housing and Urban Development			235,168	55,277
<u>U.S. Department of the Interior:</u>				
Direct programs:				
National Fire Plan - Wildland Urban Interface Community Fire Assistance - "You Call - We Haul" program	15.228	L12AC20470	10,789	-
Southern Nevada Public Land Management	15.235	2710 (NVS00550)	34,347	-
Southern Nevada Public Land Management	15.235	CR02	58	-
Total Southern Nevada Public Land Management Grants			34,405	-
BLM Law Enforcement Services	15.Unknown	L13PA00209	5,000	-
Passed through Nevada Department of Conservation and Natural Resources - State Historic Preservation Office:				
Historic Preservation Fund Grants-In-Aid -				
NAPC Forum Conference	15.904	32-16-141290(1)	8,477	-
NAPC Camp Training Program	15.904	32-16-141290(1)	10,000	-
Historic Structures Report NV State Prison	15.904	P15AS00020(1)	12,201	-
Total Historic Preservation Fund Grants-In-Aid			30,678	-

See accompanying notes to the Schedule of Expenditures of Federal Awards

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 4 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
Fish and Wildlife Cluster: Passed through Nevada Department of Wildlife Wildlife Restoration and Basic Hunter Education	15.611	F15AF00340 (W-51-HS-06)	\$ 7,831	\$ -
Total U.S. Department of the Interior			88,703	-
<u>U.S. Department of Justice:</u>				
Passed through Nevada Office of the Attorney General: Sexual Assault Exam Program Support	16.588	2016-VAWA-37	37,295	-
Direct Programs:				
State Criminal Alien Assistance Program	16.606	N/A	6,624	-
Safe Streets Program	16.Unknown	281D-LV-C37135	8,164	-
School Resource Officer Program	16.710	2015-UM-WX-0049	123,269	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0262	3,235	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0458	10,084	-
Edward Byrne Memorial Justice Assistance Grant Program- Cops and Kids Community Policing and Prevention	16.738	2014-DJ-BX-0053	382	-
Passed through Nevada Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-03	117,000	-
Edward Byrne Memorial Justice Assistance Grant Program - High In Plain Sight	16.738	14-JAG-36	3,850	-
Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net	16.738	16-JAG-02	57,390	-
Total Edward Byrne Memorial Justice Assistance Grant Program			191,941	-
Passed through Nevada Department of Health and Human Services: Juvenile Justice and Delinquency Prevention _Allocation to States	16.540	N/A	2,051	-
Total U.S. Department of Justice			369,344	-
<u>U.S. Department of Transportation:</u>				
Passed through Nevada State Emergency Response Commission: Interagency Hazardous Materials Public Sector Training and Planning Grants - HMEP Training Attendance -Hazardous Materials Track - FireShowsWest Conference	20.703	17-HMEP-01-01-16	390	-
Highway Safety Cluster:				
Passed through Nevada Department of Public Safety:				
National Priority Safety Programs:				
Felony DUI Court	20.616	TS-2017-CC-DC-48 JF-2015-CCSO-00035	43,533	-
National Priority Safety Programs	20.616	JF-2015-CCSO-00026	9,600	-
Lidar Units and Citation Writing Devices	20.616	LFD-2017-CCSO-00003	13,368	-
Total National Priority Safety Programs			66,501	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 5 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
Highway Safety Cluster (Continued):				
Passed through Nevada Department of Public Safety:				
State and Community Highway Safety- Joining Forces	20.600	JF-2016-CCSO-00035	\$ 10,702	\$ -
State and Community Highway Safety	20.600	LFD-2017-CCSO-00003	6,107	-
Total State and Community Highway Safety Grants			<u>16,809</u>	<u>-</u>
Total Highway Safety Cluster			<u>83,310</u>	<u>-</u>
Federal Transit Cluster:				
Direct programs:				
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X077-00	325,232	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X075-00	5,811	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-2016-007-00	685,670	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-2017-002-00	61,784	-
Total Federal Transit Cluster			<u>1,078,497</u>	<u>-</u>
Transit Services Programs Cluster:				
Passed through Nevada Department of Transportation:				
Enhanced Mobility for Seniors and Individuals with Disabilities - Enhance Mobility	20.513	NV-2016-005-00	68,272	-
Enhanced Mobility for Seniors and Individuals with Disabilities - Enhance Mobility	20.513	NV-2017-001-00	106,957	-
Total Transit Services Programs Cluster			<u>175,229</u>	<u>-</u>
Highway Planning and Construction Cluster:				
Passed through Nevada Department of Transportation:				
Highway Planning and Construction - Unified Planning Work Program	20.205	PR107-16-804	360,968	-
Highway Planning and Construction - Safe Routes to School - Health	20.205	P449-12-802	97,356	-
Highway Planning and Construction - Carson City Freeway Multi-Use Path Project	20.205	P402-15-063	23,866	-
Highway Planning and Construction - Airport Road Improvements	20.205	P402-15-063	2,843	-
Highway Planning and Construction - Federal Highway Safety Improvement Program - Flashing Yellow Arrows Project	20.205	PR569-14-063	382,275	-
Highway Planning and Construction - Federal Transportation Alternatives Program - Western Nevada College Sidewalk Project	20.205	PR165-14-063	51	-
Highway Planning and Construction - Silver Sage Drive Reconstruction Project	20.205	P191-17-063	2,546	-
Total Highway Planning and Construction			<u>869,905</u>	<u>-</u>
Recreational Trails Program - Ash Canyon Bridge	20.219	2014-06	3,843	-
Total Highway Planning and Construction Cluster			<u>873,748</u>	<u>-</u>
Total U.S. Department of Transportation			<u>2,211,174</u>	<u>-</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017
(PAGE 6 OF 6)

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD NUMBER	FEDERAL EXPENSES/ EXPENDITURES	PAYMENTS TO SUBRECIPIENTS
<u>U.S. Department of Homeland Security:</u>				
Direct program:				
ICE Gang Surge	21.Unknown	N/A	\$ 1,345	\$ -
Passed through Nevada Department of Public Safety:				
Pre-Disaster Mitigation	97.047	PDMC-PL-09-NV-2014-5	7,992	-
Passed through Nevada Division of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
2017 Nevada Flood	97.036	FEMA-4303-DR	224,854	-
Emergency Management Performance Grants	97.042	9704216	22,127	-
Homeland Security Grant Program	97.067	97067HL4	1,411	-
Homeland Security Grant Program - Mass Care Shelter	97.067	97067HL5	170,486	-
Total Homeland Security Grant Programs			171,897	-
Total U.S. Department of Homeland Security			428,215	-
Total Expenditures of Federal Awards			\$ 18,009,967	\$ 55,925

CARSON CITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Carson City, Nevada and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 – De Minimis Cost Rate

The City has not elected to use the 10% de minimis cost rate.

**CARSON CITY, 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 not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	Yes
Significant deficiencies identified not considered to be material weaknesses?	No

Type of auditor's report issued on compliance for major programs:
 Unmodified for the major federal programs, Capitalization Grants for Clean Water State Revolving Funds and Disaster Grants - Public Assistance (Presidentially Declared Disasters)
 Qualified for the major federal program, Highway Planning and Construction Cluster

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes
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Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Highway Planning and Construction Cluster	20.205
Capitalization Grants for Clean Water State Revolving Funds	66.458
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
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Auditee qualified as a low-risk auditee?	No
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**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Section II - Financial Statement Findings

**2017-A Cash
 Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. An important component of an effective system of internal control over financial reporting includes ensuring cash is adequately evaluated, disclosed, and recognized, if applicable, in accordance with accepted accounting principles generally accepted in the United States of America (GAAP).

Condition: An adjustment of \$558,662 was required to properly record cash and a corresponding liability (i.e. funds held in trust) that was not previously disclosed or recognized in accordance with GAAP.

Cause: The City did not have adequate internal controls to ensure cash was evaluated, disclosed, and recognized appropriately.

Effect: Prior to adjustment, the City's assets and liabilities were both overstated \$558,662.

Recommendation: We recommend the City enhance internal controls to ensure cash is evaluated, disclosed, and recognized appropriately.

Views of Responsible Officials: Management agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

**2017-B Funded Status and Funding Progress
 Material Weakness**

Criteria: Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. An important component of an effective system of internal control over financial reporting includes ensuring disclosure of the funded status and funding progress notes and the schedule of funding progress – other post employment benefits (RSI) are adequately evaluated, disclosed, and recognized, if applicable, in accordance with accepted accounting principles generally accepted in the United States of America (GAAP).

Condition: An adjustment of \$1,211,219 was required to properly disclose the funded status and funding progress notes and the schedule of funding progress – other post employment benefits (RSI).

Cause: The City did not have adequate internal controls to ensure the disclosure of the funded status and funding progress notes and the schedule of Funding progress – other post employment benefits (RSI) was evaluated, disclosed, and recognized appropriately, if applicable.

Effect: Prior to adjustment, the City’s disclosure of the funded status and funding progress notes and the schedule of funding progress – other post employment benefits (RSI) were understated \$1,211,219.

Recommendation: We recommend the City enhance internal controls to ensure the disclosure of the funded status and funding progress notes and the schedule of funding progress – other post employment benefits (RSI) are evaluated, disclosed, and recognized appropriately, if applicable.

*Views of Responsible
Officials:* Management agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Section III – Federal Award Findings and Questioned Costs

Finding 2017-001:	U.S. Department of Transportation Passed through Nevada Department of Transportation Highway Planning and Construction Cluster: Highway Planning and Construction, CFDA 20.205
	Activities Allowed or Unallowed, Allowable Costs, Cash Management, Matching, Period of Performance, and Procurement Material Weakness in Internal Control over Compliance and Material Noncompliance
<i>Grant Award Number:</i>	Affects the grant awards included under CFDA 20.205
<i>Criteria:</i>	The OMB Compliance Supplement requires that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.
<i>Condition:</i>	The Transportation Division of the Carson City Public Works Department submits reimbursement requests to the pass-through entity, the Nevada Department of Transportation. During our testing of the reimbursement requests, we noted instances where payment was requested and received for expenses that had been previously submitted and reimbursed. In addition we noted instances where evidence of review and approval was not present for certain expenses submitted for reimbursement.
<i>Cause:</i>	The Transportation Division of the Carson City Public Works Department did not have adequate procedures in place to ensure that reimbursement requests were submitted for proper charges and internal controls that require review and approval of expenses submitted for reimbursement.
<i>Effect:</i>	Inaccurate reimbursement requested may be submitted and incorrect funds may be received.
<i>Questioned Costs:</i>	\$6,919 projected to the population.
<i>Context/Sampling:</i>	A nonstatistical sample of 11 out of 70 transactions included in reimbursement requests were selected for testing. Three of the transactions lacked evidence of the required review and approval. In addition two of the transactions had been previously submitted for reimbursement.
<i>Repeat Finding from Prior Year:</i>	No
<i>Recommendation:</i>	We recommend the Transportation Division of the Carson City Public Works Department enhance internal controls to ensure that reimbursement requests are submitted only for appropriate expenditures and that internal controls requiring review and approval are followed.
<i>Views of Responsible Officials:</i>	Management of the Transportation Division agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Finding 2017-002: **U.S. Department of Transportation
Nevada Department of Transportation
Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205**

**Procurement, Suspension, and Debarment and Special Tests and Provisions
Material Weakness in Internal Control over Compliance and Material Noncompliance**

Grant Award Number: Affects the grant awards included under CFDA 20.205

Criteria: The *OMB Compliance Supplement* requires competitive bidding when awarding construction contracts. In addition the City is required to have written policies and procedures for each method of procurement used to procure engineering and design services, accept indirect cost rates for consultants, and obtain a “Certificate of Final Indirect Costs” from consultants.

Condition: During our testing of the schedule, we noted instances where there was no competitive bid process used for awarding contracts. In addition, written policies and procedures for procurement of engineering and design services and “Certificates of Final Indirect Costs” were not available.

Cause: The City’s Finance Department did not have adequate procedures in place to ensure that all contracts entered into were in compliance with the applicable provisions.

Effect: The contractors were not subject to the provisions described in the *OMB Compliance Supplement*.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of 2 of the 4 contracts entered into were selected for testing. Neither of the contacts followed the applicable provisions.

Repeat Finding from Prior Year: No

Recommendation: We recommend the Transportation Division of the Carson City Public Works Department enhance internal controls to ensure that all contracts under Federal awards follow the applicable provisions.

Views of Responsible Officials: Management of the Transportation Division agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FEES IMPOSED
SUBJECT TO THE PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE YEAR ENDED JUNE 30, 2017**

Flat Fixed Fees:	
Business license revenue adjusted base at June 30, 2016	<u>\$ 1,187,370</u>
Adjustment to Base:	
Base	
1. Percentage increase (decrease) in population of the local government	-0.0128%
2. Percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated	<u>0.7295%</u>
	<u>0.7167%</u>
	<u>8,510</u>
Adjusted Base at June 30, 2017	1,195,880
Actual Revenue Fiscal 2016-17	<u>796,531</u>
Amount Over (Under) Allowable Amount	<u><u>\$ (399,349)</u></u>

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Management's Response to Auditor's Findings:
Summary Schedule of Prior Audit Findings and
Corrective Action Plan
June 30, 2017

Prepared by Management of
Carson City, Nevada

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CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

Management's Response to Auditor's Findings: Summary Schedule of Prior Audit Findings and Corrective Action Plan June 30, 2017

Prepared by Management of: **Carson City, Nevada**

The following is a discussion of our corrective action plan in response to the findings noted by Eide Bailly LLP in the Schedule of Findings and Questioned Costs for the year ended June 30, 2017.

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2017-A:

Finding Summary: Eide Bailly LLP proposed a material adjustment to the City's annual 2017 financial statements that was identified as a material weakness in the City's internal controls system.

Responsible Individuals: Jason Link, Chief Financial Officer

Corrective Action Plan: During the close of the 2017 fiscal year end there was a change in leadership of the finance department. Due to the staffing change, internal control procedures regarding preparation of the City's financial statements were not followed. In subsequent years, we will ensure existing internal control procedures are followed.

Anticipated Completion Date: November 1, 2017

Finding 2017-B:

Finding Summary: Eide Bailly LLP proposed a change to the Notes and the Required Supplementary Information of the City's annual 2017 financial statements that was identified as a material weakness in the City's internal control system.

Responsible Individuals: Jason Link, Chief Financial Officer

Corrective Action Plan: The City has spoken with the actuary regarding the preparation of their report related to the unfunded actuarial accrued liability for other post-employment benefits. This discussion has resulted in a better understanding of the actuary's report. The City will be implementing GASB Statement No. 75 in fiscal year 2018, which will change reporting requirements for other post-employment benefits. The City will ensure existing internal control procedures are followed.

Anticipated Completion Date: June 30, 2018

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS – CURRENT YEAR

Finding 2017-001:

Federal Agency Name: U.S. Department of Transportation, passed through Nevada Department of Transportation

Program Name: Highway Planning and Construction Cluster
CFDA #: 20.205

Finding Summary: Eide Bailly, LLP discovered a weakness in internal controls related to instances where inaccurate reimbursement requests were submitted and funds were received resulting in an overpayment of \$6,919 during the grant period.

Responsible Individual: Lucia Maloney, Transportation Manager

Corrective Action Plan: At the conclusion of the fiscal year 2016 audit, approximately December 2016, the Transportation Department streamlined and clarified their internal control procedures. One staff member maintained responsibility for drafting the reimbursement requests (Transportation Planner), and a second staff member maintained responsibility for reviewing/approving the reimbursement requests (Senior Transportation Planner). Additionally, the new process includes a review of the previous quarter's invoices submitted to double-check that invoices will not be submitted twice.

Completion Date: January 1, 2017

Finding 2017-002:

Federal Agency Name: U.S. Department of Transportation, passed through Nevada Department of Transportation

Program Name: Highway Planning and Construction Cluster
CFDA #: 20.205

Finding Summary: Eide Bailly, LLP discovered a material weakness in internal controls related to awarded construction contracts not subject to the provisions of the competitive bid process required by the OMB Compliance Supplement. This weakness in internal control procedures could result in an over-expenditure of necessary resources.

Responsible Individual: Lucia Maloney, Transportation Manager

Corrective Action Plan: Carson City now understands that Professional Services contracts may not be executed using its On-Call Professional Services ("SOQ") List when projects are utilizing federally awarded dollars. Staff has improved internal processes for federally funded projects by drafting clarifying language within internal forms to be followed by all future projects from inception through contract execution. These internal forms will contain clear staff roles and responsibilities and will ensure federally funded projects requiring professional services are (1) quoted competitively, and (2) incorporate Certification from selected contractors of their compliance with FAR rates (providing "Certificates of Final Indirect Costs") prior to contract execution.

Completion Date: February 1, 2018

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS – PRIOR YEAR

Finding 2016-001:

Federal Agency Name: U.S. Department of Transportation
Program Name: Federal Transit Cluster
CFDA #: 20.507

Initial Fiscal Year Finding Occurred: 2016

Finding Summary: Eide Bailly, LLP discovered that no review was done at the department level prior to submittal for reimbursement, which had the potential of reporting inaccurate information to the federal Granting Agency.

Status: Not corrected. Employees at the Transportation Division have implemented the procedure; however, were unaware that evidence of the review was necessary. Our Corrective Action Plan and procedure has been updated to ensure that the reviewer initial and date a print out of the final form submitted.

Finding 2016-002:

Federal Agency Name: U.S. Department of Transportation, passed through Nevada Department of Transportation
Program Name: Highway Planning and Construction Cluster
CFDA #: 20.205

Initial Fiscal Year Finding Occurred: 2016

Finding Summary: Eide Bailly, LLP discovered that the Transportation division of the Carson City Public Works Department did not have adequate procedures in place to ensure that reimbursement requests were submitted only after funds were disbursed.

Status: Corrected

Finding 2016-003:

Federal Agency Name: U.S. Department of Transportation, passed through Nevada Department of Transportation
Program Name: Highway Planning and Construction Cluster
CFDA #: 20.205

Initial Fiscal Year Finding Occurred: 2016

Finding Summary: Eide Bailly, LLP discovered that the Finance Department did not have adequate procedures in place to ensure that the schedule of expenditures of federal awards accurately reports total federal awards expended for each individual federal program and cluster of programs.

Status: Corrected