



CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
YEAR ENDED JUNE 30, 2016

**CARSON CITY, NEVADA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2016**

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

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INTRODUCTORY SECTION



CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

November 21, 2016

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, 2016, 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, 2016. 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 Visitors' Bureau and Airport Authority are reported as discretely presented component units

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 53,969 as of June 30, 2016. 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 \$3,924,025,294 and an assessed value of \$1,373,408,853.

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 current economic downturn, this number is expected to remain flat at best for the next several years. Carson City's population decreased 1.3% when comparing July 1, 2015 to July 1, 2016. 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 \$279,880, up from \$265,000 (5.6% increase) the prior year. The average price in Carson City hit its peak in 2006 with the average sales price around \$346,000.

Carson City is finally seeing signs of economic recovery. Property tax revenue increased slightly from the prior year (2.4%) due to an increase in assessed valuation for FY 15-16. Taxable sales are now increasing as the economy improves contributing to the \$1.8 million (8.1%) increase in the consolidated tax revenues. We expect the recovery to continue gradually into the foreseeable future as our region still has one of the largest unemployment rates in the country at 6.9%. At the end of the current fiscal year, total fund balance of the general fund exceeded the final budget by \$4,338,515. Of this amount, \$826,738 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 6.7% in FY 15-16 and in FY 16-17 the assessed valuation increased by 5.2%. 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 \$5.05 million in FY 16-17. 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). During FY 16-17 due to a very low percentage increase in the CPI of just 0.1%, no change to the property tax rate, and additional new construction, property tax revenues are budgeted to increase by only 1%.

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. Towards the end of construction, a survey was conducted asking for feedback on the types of new retail and restaurants that residents would like to see downtown. Over 450 responses provided information for citywide recruitment by stakeholders including property owners, the Downtown Business Association, the Chamber of Commerce and others. This information will provide direction for future recruitment activities. Additional movement downtown has included the Ormsby House hotel/casino property being put up for sale, the impending revitalization of the former Horseshoe Club property on Carson Street and community discussions surrounding the future plans of Jack’s Bar, a property on the National Historic Register. Regarding residential activity, plans are moving forward on a variety of parcels including the Andersen Ranch, Lompa Ranch, Mills Landing and Shultz Ranch. All three projects involve residential development while the Andersen and Lompa project are mixed use development (retail and residential).

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 11.4% 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 is entering back into a period of economic growth and development. New residential and commercial development has been extremely strong with the valuation of new construction already exceeding levels of the past seven years in just the first four months of FY 17. Both residential and commercial construction are on track to meet or exceed pre-recession levels.

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 16-17 Capital Improvement Program includes \$4.4 million in capital projects and equipment replacement for Governmental Activities and \$22.9 million for Business-Type Activities for a total of \$27.3 million. Included in this \$27.3 million is \$15 million for the rehabilitation of the Water Resource Recovery Facility and \$2.8 million for sewer line replacement, \$1.6 million for road construction and signals, \$860,000 in building improvements, approximately \$2 million for vehicle and equipment replacement and \$4.5 million for other infrastructure 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. Carson Street and William Street/Highway 50 East Commercial Corridors are still ongoing. Other projects may be identified, if the sales tax will support further bond issuances, as directed by the Board of Supervisors.

Improvements to the Water Resource Recovery Facility are being implemented due to our outdated facility. The City is replacing the secondary treatment and solids mixing systems and upgrading components of the electrical and control systems. The City hired a Construction Manager at Risk and they have begun the Phase 1A improvements. 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 will open the freeway to traffic in 2017. This will extend the freeway from Fairview Drive to Highway 50 / S. Carson St. 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 16-17, the City budgeted an ending fund balance of 7.05% of budgeted expenditures, an increase of 37%t from the amount budgeted in the prior FY (5.15%).

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, 2015. 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-six 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**

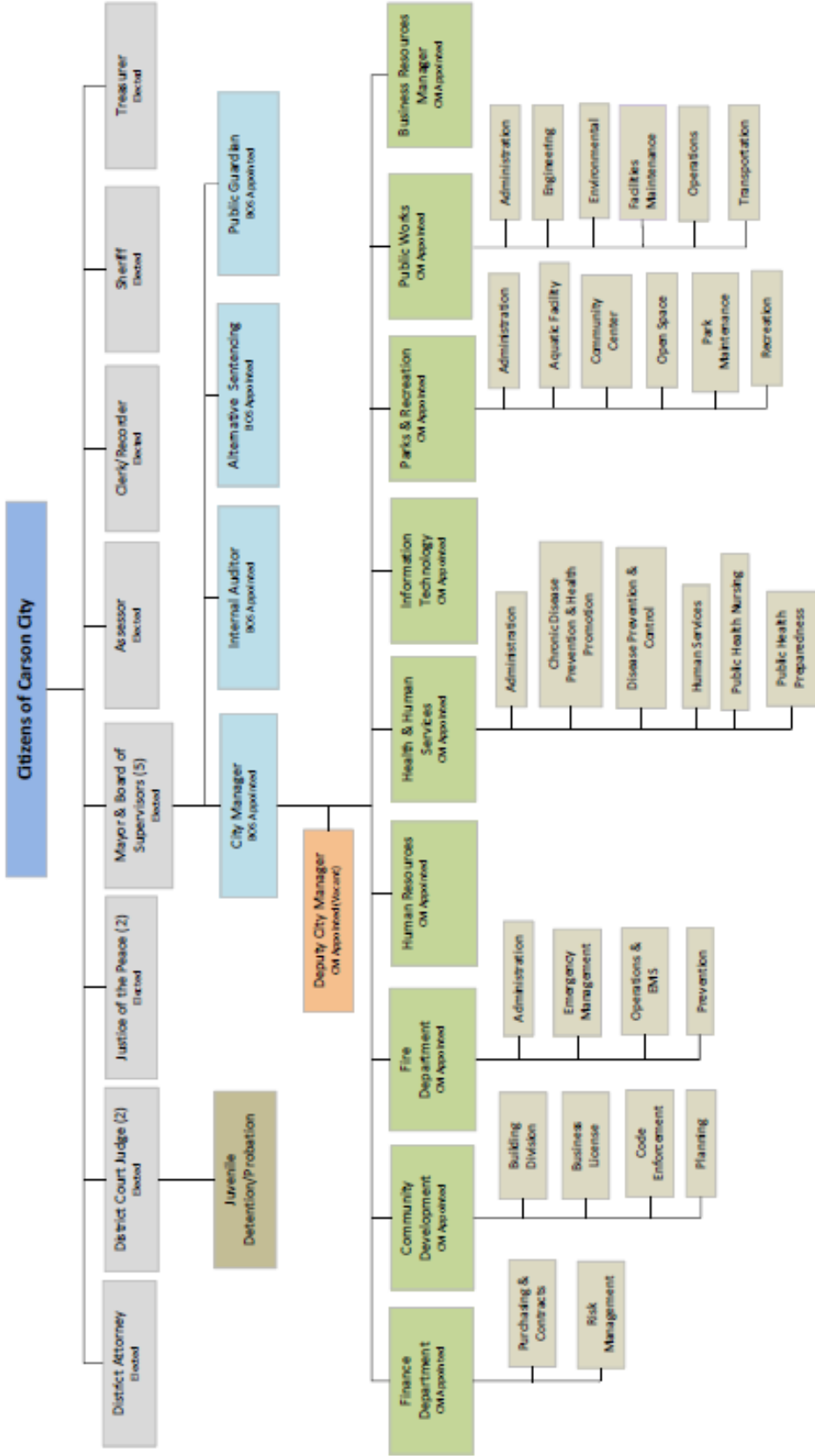
Presented to

**City of Carson City
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



**CARSON CITY
LISTING OF PRINCIPAL OFFICIALS
FY 2016**

TITLE	NAME
Mayor	Robert L. Crowell
Supervisor, Ward 1	Karen Abowd
Supervisor, Ward 2	Brad Bonkowski
Supervisor, Ward 3	Lori Bagwell
Supervisor, Ward 4	Jim Shirk
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	Ben Bianchi
Parks and Recreation Director	Jennifer Budge
Fire Chief	Robert Schreihans
Senior Center Director	Courtney Warner
Human Resources Director	Melanie Bruketta
Public Works Director	Darren Schulz
Engineering Manager	Daniel Rotter
Transportation Program Manager	Patrick Pittenger

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, 2016, 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 audit. We did not audit the financial statements of the Airport Authority of Carson City, Nevada, or the Carson City Convention and Visitors' Bureau, which represents 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 Convention and Visitors' Bureau is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's

internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report 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, 2016, 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 12-21, the schedule of funding progress - other post-employment benefits on page 72, the schedule of the City's proportionate share of the net pension liability on page 73, and the schedule of the City's contributions on Page 74, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules including budgetary comparisons, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) 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 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

We have previously audited, in accordance with accounting standards generally accepted in the United States of America, the basic financial statements of the City, as of and for the year ended June 30, 2015, and have issued our report thereon dated November 24, 2015, which expressed an unmodified opinion on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information.

The nonmajor combining and individual fund financial statements and schedules related to the 2015 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 2015 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2015 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 individual fund financial statements and schedules 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 our report dated November 21, 2016, 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, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Reno, Nevada
November 21, 2016

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, 2016. 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 \$302,987,923 (*net position*).
- The City's total net position increased by \$5,654,440 (1.9%). This increase is attributable to a year over year consolidated tax increase of 8%, while initial budget only included a 4% increase.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$22,896,266, a decrease of \$7,968,133 in comparison to the prior year. Approximately 26.2% of this amount (\$6,005,645) 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 \$7,318,481, or 11.4% of total General Fund expenditures.
- The City's total bonded debt and notes payable increased by \$2,440,136 (1.5%) during the current fiscal year as a result of the Sewer General Obligation Bond Issuance of \$6,000,000, plus \$7,753,915 of Sewer, Water and Stormwater State Revolving Fund debt issuance, reduced by current year principal payments on debt.
- The City's total capital assets increased by \$18,888,948 (3.5%) during the fiscal year as a result of the construction of the downtown streetscape project, the completion of the multi-purpose athletic center, and construction of the water resource recovery facility.

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 visitors' bureau 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 38-71 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 72-74 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 75-165 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 \$302,987,923 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (130%) 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			
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 40,377,560	\$ 47,027,886	\$ 15,310,416	\$ 10,381,756	\$ 55,687,976	\$ 57,409,642
Capital assets	366,329,346	358,380,858	187,302,922	176,362,462	553,632,268	534,743,320
Total assets	406,706,906	405,408,744	202,613,338	186,744,218	609,320,244	592,152,962
Deferred outflows of resources	13,647,688	12,038,387	2,049,524	2,010,648	15,697,212	14,049,035
Total assets and deferred outflows of resources	420,354,594	417,447,131	204,662,862	188,754,866	625,017,456	606,201,997
Long-term liabilities outstanding	190,600,752	184,119,021	101,397,266	91,359,885	291,998,018	275,478,906
Other liabilities	11,970,340	10,435,606	7,257,065	3,698,041	19,227,405	14,133,647
Total liabilities	202,571,092	194,554,627	108,654,331	95,057,926	311,225,423	289,612,553
Deferred inflows of resources	9,519,869	16,994,941	1,284,241	2,261,020	10,804,110	19,255,961
Total liabilities and deferred inflows of resources	212,090,961	211,549,568	109,938,572	97,318,946	322,029,533	308,868,514
Net position:						
Net investment in capital assets	299,558,400	293,236,174	94,521,657	95,262,713	394,080,057	388,498,887
Restricted	13,049,482	8,227,111	-	-	13,049,482	8,227,111
Unrestricted	(104,344,249)	(95,565,722)	202,633	(3,826,793)	(104,141,616)	(99,392,515)
Total net position	\$208,263,633	\$205,897,563	\$94,724,290	\$91,435,920	\$302,987,923	\$297,333,483

Carson City, Nevada
Management's Discussion and Analysis

An additional portion of the City's net position (4.3%) represents resources that are subject to external restrictions on how they may be used. This leaves a negative balance of \$104,141,616 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 \$5,654,440 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	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$12,395,216	\$12,011,345	\$31,360,939	\$28,923,591	\$43,756,155	\$40,934,936
Operating grants and contributions	6,910,090	7,403,908	-	-	6,910,090	7,403,908
Capital grants and contributions	1,767,300	33,950,910	782,391	495,899	2,549,691	34,446,809
General revenues:						
Property taxes	27,166,226	26,661,147	-	-	27,166,226	26,661,147
Other taxes	42,493,326	39,540,261	-	-	42,493,326	39,540,261
Other	602,647	623,570	187,344	85,671	789,991	709,241
Total Revenues	91,334,805	120,191,141	32,330,674	29,505,161	123,665,479	149,696,302
Expenses:						
General government	14,820,254	14,332,092	-	-	14,820,254	14,332,092
Judicial	6,241,597	5,908,078	-	-	6,241,597	5,908,078
Public safety	34,442,723	33,270,317	-	-	34,442,723	33,270,317
Public works	9,052,258	9,903,839	-	-	9,052,258	9,903,839
Sanitation	1,838,049	1,876,842	-	-	1,838,049	1,876,842
Community support	597,679	1,067,743	-	-	597,679	1,067,743
Airport	465,157	344,845	-	-	465,157	344,845
Economic opportunity	119,127	87,026	-	-	119,127	87,026
Welfare	2,038,500	2,013,875	-	-	2,038,500	2,013,875
Health	6,344,506	6,197,262	-	-	6,344,506	6,197,262
Culture and recreation	9,530,025	9,562,092	-	-	9,530,025	9,562,092
Interest and fiscal charges	3,167,238	3,535,870	-	-	3,167,238	3,535,870
Ambulance	-	-	3,505,024	3,270,221	3,505,024	3,270,221
Sewer	-	-	9,596,628	9,307,854	9,596,628	9,307,854
Water	-	-	13,710,079	13,171,346	13,710,079	13,171,346
Cemetery	-	-	233,663	225,667	233,663	225,667
Building Permits	-	-	1,148,900	642,601	1,148,900	642,601
Stormwater Drainage	-	-	1,159,632	1,104,191	1,159,632	1,104,191
Total Expenses	88,657,113	88,099,881	29,353,926	27,721,880	118,011,039	115,821,761

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

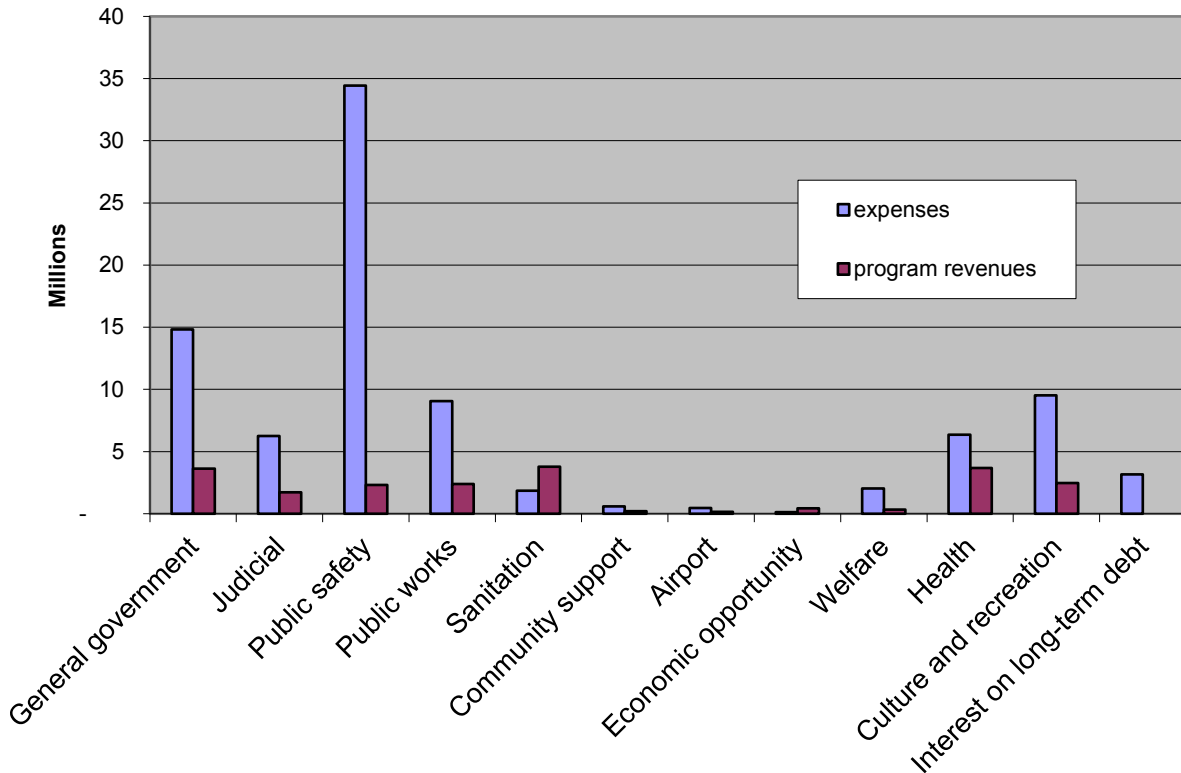
	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Increase (decrease) in net position before transfers	\$2,677,692	\$32,091,260	\$2,976,748	\$1,783,281	\$5,654,440	\$33,874,541
Transfers	(311,622)	(64,733)	311,622	64,733	-	-
Increase (decrease) in Net Position	2,366,070	32,026,527	3,288,370	1,848,014	5,654,440	33,874,541
Net position – July 1	205,897,563	248,087,908	91,435,920	98,948,593	297,333,483	347,036,501
Prior year restatement	-	(74,216,872)	-	(9,360,687)	-	(83,577,559)
Net position - June 30	\$208,263,633	\$205,897,563	\$94,724,290	\$91,435,920	\$302,987,923	\$297,333,483

Governmental activities. Governmental activities increased the City's net position by \$2,366,070. This results in a net change (decrease) of \$29,660,457 when compared to the increase of \$32,026,527 in the prior year. Key elements of the change from prior year are as follows:

- \$30.7 million increase in capital grants and contributions in the prior year, primarily due to the Lands Bill. This was a one-time contribution of land from the Bureau of Lands Management.
- \$2.6 million increase in sales and consolidated taxes.
- \$505,000 increase in property taxes.
- \$1.4 million decrease in Federal Grants for the Airport.

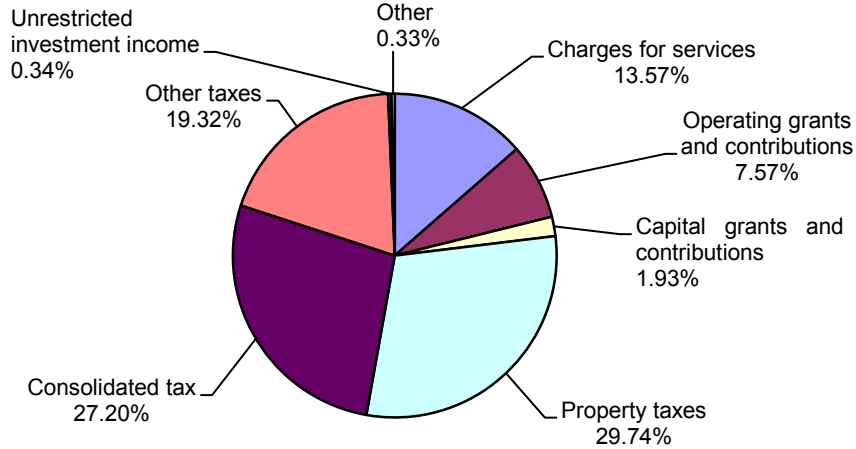
Program revenues for governmental activities provided 24% of the resources necessary to pay the cost of providing program services. The remaining program costs were financed with general revenues. The largest general revenues are property taxes of \$27,166,226 and consolidated taxes of \$24,846,886.

Expenses and Program Revenues - Governmental Activities



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

Revenues by Source - Governmental Activities

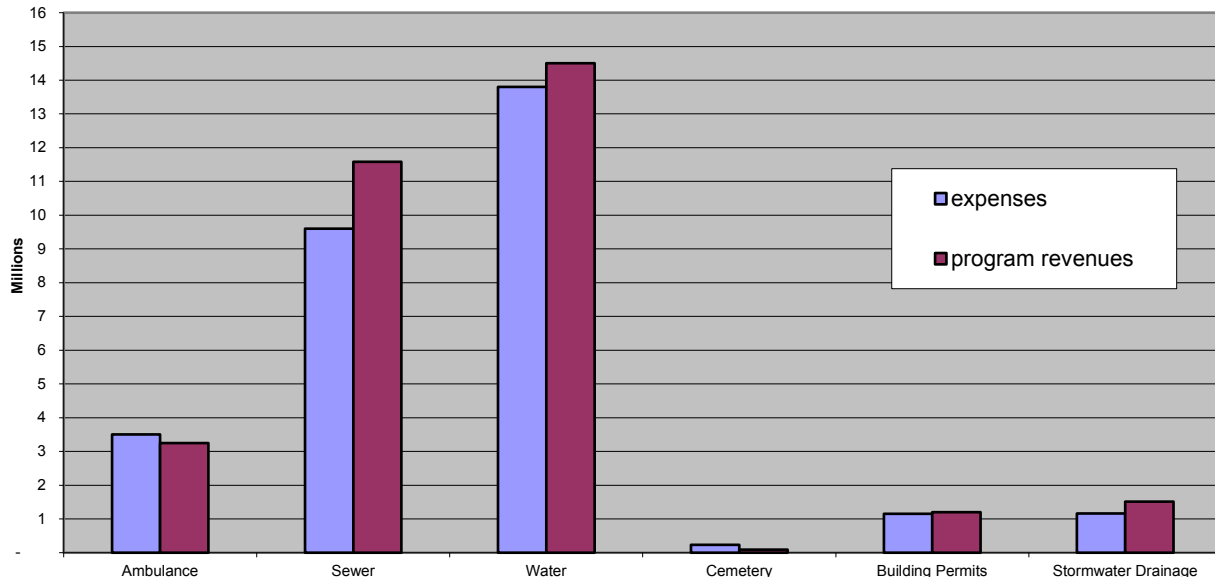


Business-type activities. Business-type activities increased the City's net position by \$3,288,370. This results in a net change (increase) of \$1,440,356 when compared to the increase of \$1,848,014 in the prior year. Key elements of the change from prior year are as follows:

- \$360,000 (2.6%) 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.
- \$288,774 increase in sewer expenses which includes contract adjustments and merit increases for employees.
- \$1.4 million (14.3%) 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.
- \$538,733 increase in expenses for the water fund due to the replacement of water meters, contract adjustments and merit increases for employees.
- \$377,763 increase in the Developer Contributions to the Water, Sewer and Stormwater Funds

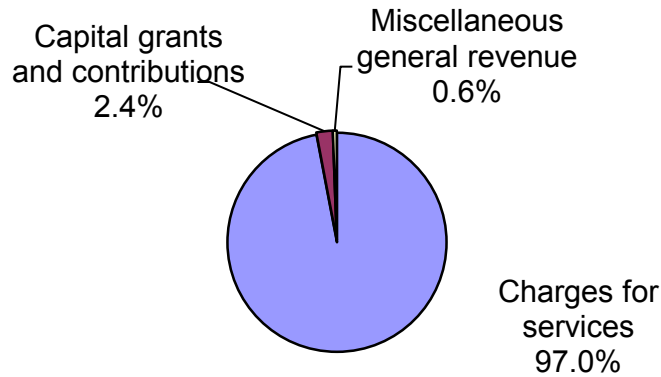
Sewer and water expenses represent 79.4% of total expenses for business-type activities.

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.

At June 30, 2016, the City's governmental funds reported combined ending fund balances of \$22,896,266, a decrease of \$7,968,133 in comparison with the prior year. Approximately 26.2% of this amount (\$6,005,645) 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 (\$117,612), 2) restricted for particular purposes (\$14,481,231), 3) committed for particular purposes (\$6,856), or 4) assigned for particular purposes (\$2,284,922).

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 \$6,005,645, while total fund balance increased to \$8,181,142. 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 9.4% of total general fund expenditures, while total fund balance represents 12.7% of that same amount.

The fund balance of the City's general fund increased by \$552,830 during the current fiscal year. This results in a net change (decrease) of \$623,908 when compared to the increase of \$1,176,738 in the prior year. Key elements of the change from prior year are as follows:

- Consolidated tax revenues increased by \$1,852,911 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 slowly recovers.
- Property tax revenues increased by \$527,701 from the prior year. This is a result of the increase in assessed values.
- Increase in landfill fees of \$146,581.
- General fund expenditures increased by approximately \$2.6 million (or 4.1%). 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. In addition, there was a \$223,000 increase in health expenditures related to pass-down costs from the State for Child Protective Services.

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 \$4,633,585 in the Sewer Fund and \$135,756 in the Water Fund. The Sewer Funds total net position increased by \$2,084,827 and the Water Funds net position increased by \$873,637. 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 \$2,234,268 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 \$1,840,496 allocated to various departments.
- \$393,772 increase in various department appropriations offset by increases in charges for services, intergovernmental revenues, and other miscellaneous revenues.

Of this increase, \$5,347 was funded from charges for services, \$388,425 was funded from refunds, reimbursements, grants and donations, and \$1,840,496 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 \$710,842 more than the final budget due to an increase of \$1,852,911 in consolidated tax revenue and \$324,673 in additional revenue from miscellaneous income such as delinquent taxes, gifts and donations, and refunds and reimbursements. 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, 2016, amounts to \$553,632,268 (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 3.5% (a 2.2% increase for governmental activities and a 6.2% increase for business-type activities).

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

- Multi-Purpose Athletic Center was completed in the current year increasing construction in progress an additional \$5.7 million, the entire project was transferred to Land and Buildings at a total of \$9.1 million.
- East-West Transmission Main Phase II and Water Resource Recovery Facility projects continued during FY16 resulting in an increase in construction in progress in the Sewer and Water Fund of approximately \$10.5 million.
- Downtown Streetscape project began in FY16 resulting in an increase to construction in progress of \$4.7 million.

Carson City, Nevada
Management's Discussion and Analysis

Carson City's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$136,831,268	\$136,064,548	\$ 5,397,807	\$ 5,380,457	\$142,229,075	\$141,445,005
CIP - Infrastructure	5,331,527	1,635,460	-	-	5,331,527	1,635,460
Construction in progress	4,394,566	7,686,058	23,178,003	9,190,967	27,572,569	16,877,025
Buildings	60,612,033	51,263,225	14,712,965	14,979,520	75,324,998	66,242,745
Improvements other than						
Buildings	27,521,519	28,518,840	116,918,170	120,618,596	144,439,689	149,137,436
Machinery and equipment	8,892,729	9,467,069	2,944,601	3,310,910	11,837,330	12,777,979
Infrastructure	122,745,704	123,745,658	-	-	122,745,704	123,745,658
Water capacity	-	-	4,169,896	4,169,896	4,169,896	4,169,896
Water rights	-	-	19,981,480	18,712,116	19,981,480	18,712,116
Total	\$366,329,346	\$358,380,858	\$187,302,922	\$176,362,462	\$553,632,268	\$534,743,320

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 \$164,744,555. Of this amount, \$148,774,055 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	
	2016	2015	2016	2015	2016	2015
General obligation						
Bonds	\$63,375,000	\$67,590,000	\$85,399,055	\$76,721,919	\$148,774,055	\$144,311,919
Revenue bonds	15,970,500	17,159,100	-	-	15,970,500	17,159,100
Notes Payable	3,361,300	3,895,800	1,090,800	1,389,700	4,452,100	5,285,500
Total	\$82,706,800	\$88,644,900	\$86,489,855	\$78,111,619	\$169,196,655	\$166,756,519

Carson City, Nevada Management's Discussion and Analysis

The City's total bonded debt and notes payable increased by \$2,440,136 (1.5%) from the prior year due to the Sewer General Obligation Bond issuance of \$6,000,000 and General Obligation Revenue Bonds - State of Nevada Revolving Loan authorized \$30,750,000 in the prior year and \$7,753,915 was drawn down during the current year. Notes payable decreased by \$833,400 (15.8%) and Revenue Bonds decreased by \$1,188,600 (6.9%) due to current year principal payments, and an advanced refunding of the 2010 Highway Bonds.

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% of its total assessed valuation. The current debt limitation for the City is \$213,697,900, 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.

Economic Factors and Next Year's Budgets and Rates

- The City's unemployment rate was 6.9% at June 30, 2016, which is a decrease from a rate of 7.3% a year ago. The national and state unemployment rates were 4.9% and 6.4%, respectively, at June 30, 2016.
- The City's assessed value increased 6.7% in fiscal year 2015-16 to \$1.373 billion and increased 5.2% in fiscal year 2016-17 to \$1.445 billion.
- Consolidated tax revenue was projected to increase 4% for fiscal year 2016-17. July 2016 shows a 7.8% increase and August 2016 shows a 6.3% increase compared to the same months during fiscal year 2015-16.

All of these factors were considered in preparing the City's budget for the 2017 fiscal year.

During the current fiscal year, unrestricted fund balance in the General Fund increased from \$6,813,213 to \$7,318,481. The City has assigned \$826,738 of this amount for eliminating a 2017 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
STATEMENT OF NET POSITION
JUNE 30, 2016

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS-TYPE	TOTAL
	ACTIVITIES	ACTIVITIES	
ASSETS			
Cash and investments	\$ 27,007,171	\$ 10,728,916	\$ 37,736,087
Receivables (net of allowances for uncollectibles)	2,719,759	4,204,717	6,924,476
Due from other governments	8,644,051	502,261	9,146,312
Due from primary government	-	-	-
Internal balances	537,688	(537,688)	-
Inventories	170,803	363,231	534,034
Prepays	124,360	48,979	173,339
Restricted assets:			
Cash and investments	1,102,338	-	1,102,338
Other assets	70,000	-	70,000
Net OPEB asset	1,390	-	1,390
Capital assets (net of accumulated depreciation):			
Land	136,831,268	5,397,807	142,229,075
Construction in progress - infrastructure	5,331,527	-	5,331,527
Construction in progress	4,394,566	23,178,003	27,572,569
Buildings	60,612,033	14,712,965	75,324,998
Improvements other than buildings	27,521,519	116,918,170	144,439,689
Machinery and equipment	8,892,729	2,944,601	11,837,330
Infrastructure	122,745,704	-	122,745,704
Water capacity	-	4,169,896	4,169,896
Water rights	-	19,981,480	19,981,480
Total Assets	<u>406,706,906</u>	<u>202,613,338</u>	<u>609,320,244</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred retirement contributions	9,892,598	1,227,366	11,119,964
Deferred actuarial adjustment to 2015 contributions	663,898	80,828	744,726
Deferred loss on refundings	3,091,192	741,330	3,832,522
Total Deferred Outflows of Resources	<u>13,647,688</u>	<u>2,049,524</u>	<u>15,697,212</u>
Total Assets and Deferred Outflows of Resources	<u>420,354,594</u>	<u>204,662,862</u>	<u>625,017,456</u>
LIABILITIES			
Accounts payable and accrued expenses	9,475,703	5,421,729	14,897,432
Accrued interest payable	589,305	739,235	1,328,540
Due to other governments	299,654	583,699	883,353
Due to component units	216,154	-	216,154
Unearned revenue	97,925	505,202	603,127
Other liabilities	189,261	7,200	196,461
Current liabilities payable from restricted assets	1,102,338	-	1,102,338
Noncurrent liabilities:			
Due within one year	6,966,259	5,683,282	12,649,541
Due in more than one year	91,194,543	83,613,472	174,808,015
Net OPEB obligation	19,376,370	2,874,052	22,250,422
Net retirement obligations	73,063,580	9,226,460	82,290,040
Total Liabilities	<u>202,571,092</u>	<u>108,654,331</u>	<u>311,225,423</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred earnings on retirement investments	3,975,382	492,148	4,467,530
Deferred difference between expected and actual retirement experience and contributions	5,544,487	688,196	6,232,683
Deferred gain on refundings	-	103,897	103,897
Total Deferred Inflows of Resources	<u>9,519,869</u>	<u>1,284,241</u>	<u>10,804,110</u>
Total Liabilities and Deferred Inflows of Resources	<u>212,090,961</u>	<u>109,938,572</u>	<u>322,029,533</u>
NET POSITION			
Net investment in capital assets	299,558,400	94,521,657	394,080,057
Restricted for:			
General government	473,209	-	473,209
Public safety	556,033	-	556,033
Judicial	367,149	-	367,149
Health	517,167	-	517,167
Welfare	20,971	-	20,971
Culture and recreation	992,362	-	992,362
Debt service	-	-	-
Economic opportunity	203,978	-	203,978
Infrastructure projects	7,048,989	-	7,048,989
Redevelopment	884,453	-	884,453
Claims	1,985,171	-	1,985,171
Unrestricted	(104,344,249)	202,633	(104,141,616)
Total Net Position	<u>\$ 208,263,633</u>	<u>\$ 94,724,290</u>	<u>\$ 302,987,923</u>

See accompanying notes.

COMPONENT UNITS	
AIRPORT AUTHORITY	CONVENTION AND VISITORS' BUREAU
\$ 582,014	\$ 1,126,271
2,854	191,484
-	24,500
216,154	-
-	-
-	8,263
4,573	-
-	-
176,453	-
-	-
146,542	-
-	-
-	-
-	-
-	7,039
91,543	74,278
-	-
-	-
-	-
<u>1,220,133</u>	<u>1,431,835</u>
14,495	68,544
-	3,933
-	-
<u>14,495</u>	<u>72,477</u>
<u>1,234,628</u>	<u>1,504,312</u>
19,617	89,257
-	-
-	17,000
-	-
-	-
11,000	-
-	-
23,648	-
494,665	67,883
-	-
<u>199,322</u>	<u>435,743</u>
<u>748,252</u>	<u>609,883</u>
10,797	23,942
57,280	33,479
-	-
<u>68,077</u>	<u>57,421</u>
<u>816,329</u>	<u>667,304</u>
238,085	81,317
-	-
-	-
-	-
-	-
-	-
-	669,837
-	-
-	-
180,214	85,854
<u>\$ 418,299</u>	<u>\$ 837,008</u>

See accompanying notes.

**CARSON CITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Primary government:				
Governmental Activities:				
General government	\$ 14,820,254	\$ 2,970,058	\$ 649,105	\$ -
Public safety	34,442,723	1,448,762	867,623	-
Judicial	6,241,597	1,648,156	68,962	-
Public works	9,052,258	195,440	1,474,635	713,628
Sanitation	1,838,049	3,787,474	-	-
Health	6,344,506	809,369	2,690,535	171,010
Welfare	2,038,500	-	326,591	-
Culture and recreation	9,530,025	1,535,957	388,744	532,162
Community support	597,679	-	-	190,500
Airport	465,157	-	-	160,000
Economic opportunity	119,127	-	443,895	-
Debt Service:				
Interest and fiscal charges	3,167,238	-	-	-
Total Governmental Activities	<u>88,657,113</u>	<u>12,395,216</u>	<u>6,910,090</u>	<u>1,767,300</u>
Business-Type Activities:				
Sewer	9,596,628	11,449,986	-	129,448
Water	13,710,079	14,060,971	-	440,423
Stormwater Drainage	1,159,632	1,391,102	-	124,186
Ambulance	3,505,024	3,205,144	-	46,451
Cemetery	233,663	94,150	-	-
Building Permits	1,148,900	1,159,586	-	41,883
Total Business-Type Activities	<u>29,353,926</u>	<u>31,360,939</u>	<u>-</u>	<u>782,391</u>
Total Primary Government	<u>\$ 118,011,039</u>	<u>\$ 43,756,155</u>	<u>\$ 6,910,090</u>	<u>\$ 2,549,691</u>
Component units:				
Airport Authority	\$ 539,077	\$ 337,932	\$ 150,000	\$ -
Convention and Visitors' Bureau	1,542,432	33,658	42,280	-
Total Component Units	<u>\$ 2,081,509</u>	<u>\$ 371,590</u>	<u>\$ 192,280</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	CONVENTION AND VISITORS' BUREAU
\$ (11,201,091)	\$ -	\$ (11,201,091)	\$ -	\$ -
(32,126,338)	-	(32,126,338)	-	-
(4,524,479)	-	(4,524,479)	-	-
(6,668,555)	-	(6,668,555)	-	-
1,949,425	-	1,949,425	-	-
(2,673,592)	-	(2,673,592)	-	-
(1,711,909)	-	(1,711,909)	-	-
(7,073,162)	-	(7,073,162)	-	-
(407,179)	-	(407,179)	-	-
(305,157)	-	(305,157)	-	-
324,768	-	324,768	-	-
<u>(3,167,238)</u>	<u>-</u>	<u>(3,167,238)</u>	<u>-</u>	<u>-</u>
<u>(67,584,507)</u>	<u>-</u>	<u>(67,584,507)</u>	<u>-</u>	<u>-</u>
-	1,982,806	1,982,806	-	-
-	791,315	791,315	-	-
-	355,656	355,656	-	-
-	(253,429)	(253,429)	-	-
-	(139,513)	(139,513)	-	-
-	52,569	52,569	-	-
<u>-</u>	<u>2,789,404</u>	<u>2,789,404</u>	<u>-</u>	<u>-</u>
<u>(67,584,507)</u>	<u>2,789,404</u>	<u>(64,795,103)</u>	<u>-</u>	<u>-</u>
-	-	-	(51,145)	-
-	-	-	-	(1,466,494)
-	-	-	(51,145)	(1,466,494)
27,166,226	-	27,166,226	208,879	-
7,084,666	-	7,084,666	-	-
24,846,886	-	24,846,886	-	-
5,244,176	-	5,244,176	-	-
270,240	-	270,240	-	-
-	-	-	-	1,516,898
5,047,358	-	5,047,358	-	-
303,823	105,117	408,940	554	12,008
245,396	-	245,396	-	-
53,428	82,227	135,655	-	-
(311,622)	311,622	-	-	-
<u>69,950,577</u>	<u>498,966</u>	<u>70,449,543</u>	<u>209,433</u>	<u>1,528,906</u>
2,366,070	3,288,370	5,654,440	158,288	62,412
<u>205,897,563</u>	<u>91,435,920</u>	<u>297,333,483</u>	<u>260,011</u>	<u>774,596</u>
<u>\$ 208,263,633</u>	<u>\$ 94,724,290</u>	<u>\$ 302,987,923</u>	<u>\$ 418,299</u>	<u>\$ 837,008</u>

See accompanying notes.

**CARSON CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016**

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and investments	\$ 6,959,071	\$ 15,010,525	\$ 21,969,596
Receivables (net of allowances for uncollectibles):			
Taxes, delinquent	479,330	72,016	551,346
Accounts receivable	1,541,757	42,440	1,584,197
Interest	77,591	-	77,591
Due from other funds	150,000	179,806	329,806
Due from other governments	4,520,238	4,123,813	8,644,051
Due from component units	-	-	-
Inventories	2,753	-	2,753
Prepaid items	65,176	49,683	114,859
Restricted assets:			
Cash and investments	1,050,599	51,739	1,102,338
Total Assets	\$ 14,846,515	\$ 19,530,022	\$ 34,376,537
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 912,157	\$ 3,817,743	\$ 4,729,900
Accrued salaries and benefits	3,889,074	369,762	4,258,836
Due to other funds	-	329,806	329,806
Due to other governments	160,372	110,496	270,868
Due to component units	216,154	-	216,154
Other liabilities	189,261	-	189,261
Unearned revenue	-	97,925	97,925
Payable from restricted assets	1,050,599	51,739	1,102,338
Total Liabilities	6,417,617	4,777,471	11,195,088
Deferred inflows of resources:			
Unavailable revenue - delinquent landfill fees	1,149	-	1,149
Unavailable revenue - delinquent property taxes	246,607	37,427	284,034
Total Deferred Inflows of Resources	247,756	37,427	285,183
Fund balances:			
Nonspendable	67,929	49,683	117,612
Restricted	794,732	13,686,499	14,481,231
Committed	-	6,856	6,856
Assigned	1,312,836	972,086	2,284,922
Unassigned	6,005,645	-	6,005,645
Total Fund Balances	8,181,142	14,715,124	22,896,266
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 14,846,515	\$ 19,530,022	\$ 34,376,537

CARSON CITY, NEVADA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
JUNE 30, 2016

Fund Balances - Governmental Funds (page 26)		\$ 22,896,266
<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	\$ 468,177,836	
Less: Accumulated depreciation	<u>(104,446,755)</u>	
		363,731,081
<p>Net OPEB asset is not a financial resource and, therefore, is not reported in the governmental funds.</p>		
		1,390
<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	(63,375,000)	
Notes payable	(3,361,300)	
Revenue bonds payable	(15,970,500)	
Issuance premium	(4,141,189)	
Less: current year amortization	297,102	
Capital leases payable	(10,181)	
Landfill closure / post closure costs	(3,631,790)	
Net OPEB obligation	(19,074,181)	
Net retirement obligation	(71,361,710)	
Deferred outflows of resources:		
Deferred retirement contributions	9,689,648	
Deferred actuarial adjustment to 2015 contributions	650,585	
Deferred loss on refundings	3,091,192	
Deferred inflows of resources:		
Deferred earnings on retirement investments	(3,894,323)	
Deferred difference between expected and actual retirement experience	(5,431,138)	
Compensated absences	<u>(5,900,509)</u>	
		(182,423,294)
Interest payable		(589,305)
<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>		
		285,183
<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>		
		3,824,624
<p>Internal balances are receivable from business-type activities.</p>		
		<u>537,688</u>
Net Position - Governmental Activities (pages 22-23)		<u>\$ 208,263,633</u>

See accompanying notes.

CARSON CITY
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues:			
Taxes	\$ 22,314,986	\$ 15,571,266	\$ 37,886,252
Licenses and permits	6,729,601	212,164	6,941,765
Intergovernmental revenues	25,516,634	8,595,189	34,111,823
Charges for services	12,213,290	404,934	12,618,224
Fines and forfeits	692,386	33,509	725,895
Miscellaneous	1,837,198	1,051,914	2,889,112
Total Revenues	<u>69,304,095</u>	<u>25,868,976</u>	<u>95,173,071</u>
Expenditures:			
Current:			
General government	14,892,397	901,603	15,794,000
Public safety	30,239,056	1,441,314	31,680,370
Judicial	5,880,439	153,948	6,034,387
Public works	2,188,955	6,500,734	8,689,689
Sanitation	1,604,969	59,196	1,664,165
Health	2,838,047	2,724,351	5,562,398
Welfare	261,787	1,762,845	2,024,632
Culture and recreation	5,800,873	2,091,874	7,892,747
Community support	368,771	287,181	655,952
Economic opportunity	-	160,396	160,396
Capital outlay	126,671	14,397,460	14,524,131
Debt service:			
Principal retirement	-	4,498,100	4,498,100
Interest and fiscal charges	-	3,369,056	3,369,056
Total Expenditures	<u>64,201,965</u>	<u>38,348,058</u>	<u>102,550,023</u>
Excess (Deficiency) of Revenues over Expenditures	<u>5,102,130</u>	<u>(12,479,082)</u>	<u>(7,376,952)</u>
Other Financing Sources (Uses):			
Capital leases	10,300	-	10,300
Refunding debt issued	-	21,580,000	21,580,000
Premium on debt issued	-	1,836,172	1,836,172
Payment to refunded bond escrow agent	-	(23,701,582)	(23,701,582)
Sale of capital assets	-	73,929	73,929
Transfers in	573,608	11,345,456	11,919,064
Transfers out	(5,133,208)	(7,175,856)	(12,309,064)
Total Other Financing Sources (Uses)	<u>(4,549,300)</u>	<u>3,958,119</u>	<u>(591,181)</u>
Net Change in Fund Balances	552,830	(8,520,963)	(7,968,133)
Fund Balances, July 1	<u>7,628,312</u>	<u>23,236,087</u>	<u>30,864,399</u>
Fund Balances, June 30	<u>\$ 8,181,142</u>	<u>\$ 14,715,124</u>	<u>\$ 22,896,266</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, 2016

Net Change in Fund Balances - Governmental Funds (page 28) \$ (7,968,133)

Amounts reported for governmental activities in the statement of activities (pages 24-25) are different because:

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.

Expenditures for capital assets	\$ 14,524,131	
Contributions of capital assets from business-type activities	125,857	
Donated capital assets	518,864	
Sale/disposition of assets	(20,501)	
Less: Current year depreciation	(7,114,329)	
		8,034,022

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Change in unavailable revenue (222,042)

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.

Bonds issued	(21,580,000)	
Capital lease	(10,300)	
Bond premiums	(1,836,172)	
Accrued interest	(589,305)	
Capital lease payments	119	
Interest payments	749,361	
Principal payments	4,498,100	
Payment to escrow agent for refunding	23,701,582	
		4,933,385

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of loss on bond refunding	(255,340)	
Amortization of bond premiums	297,102	
Change in long-term landfill closure / post closure	(133,042)	
Change in net OPEB asset	(40,556)	
Change in net OPEB obligation	(2,714,383)	
Change in net retirement obligation	(6,977,277)	
Change in deferred outflows of resources	1,363,755	
Change in deferred inflows of resources	7,279,056	
Change in long-term compensated absences	(125,852)	
		(1,306,537)

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.

(1,104,625)

Change in Net Assets of Governmental Activities (pages 24-25)

\$ 2,366,070

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**CARSON CITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
	ORIGINAL	FINAL		
Revenues:				
Taxes	\$ 22,351,570	\$ 22,351,570	\$ 22,314,986	\$ (36,584)
Licenses and permits	7,035,641	7,035,641	6,729,601	(306,040)
Intergovernmental revenues	24,758,542	24,805,792	25,516,634	710,842
Charges for services	12,106,955	12,112,302	12,213,290	100,988
Fines and forfeits	788,100	788,100	692,386	(95,714)
Miscellaneous	1,171,350	1,512,525	1,837,198	324,673
Total Revenues	<u>68,212,158</u>	<u>68,605,930</u>	<u>69,304,095</u>	<u>698,165</u>
Expenditures:				
Current:				
General government	15,314,920	15,783,862	14,892,397	891,465
Public safety	29,928,333	30,719,678	30,239,056	480,622
Judicial	5,692,161	6,182,609	5,880,439	302,170
Public works	2,250,195	2,250,195	2,188,955	61,240
Sanitation	1,726,118	1,711,118	1,604,969	106,149
Health	2,653,547	3,266,031	2,838,047	427,984
Welfare	475,168	496,606	261,787	234,819
Culture and recreation	6,008,086	6,318,197	5,800,873	517,324
Community support	467,254	377,254	368,771	8,483
Capital Outlay	53,750	118,816	126,671	(7,855)
Total Expenditures	<u>64,569,532</u>	<u>67,224,366</u>	<u>64,201,965</u>	<u>3,022,401</u>
Excess (Deficiency) of Revenues over Expenditures	<u>3,642,626</u>	<u>1,381,564</u>	<u>5,102,130</u>	<u>3,720,566</u>
Other Financing Sources (Uses):				
Capital leases	-	-	10,300	10,300
Transfers in	92,383	92,383	573,608	481,225
Transfers out	(4,930,198)	(5,259,632)	(5,133,208)	126,424
Contingency	(750,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(5,587,815)</u>	<u>(5,167,249)</u>	<u>(4,549,300)</u>	<u>617,949</u>
Net Change in Fund Balances	(1,945,189)	(3,785,685)	552,830	4,338,515
Fund Balances, July 1	<u>5,269,674</u>	<u>7,628,312</u>	<u>7,628,312</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 3,324,485</u>	<u>\$ 3,842,627</u>	<u>\$ 8,181,142</u>	<u>\$ 4,338,515</u>

CARSON CITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016
(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	\$ 6,694,016	\$ 2,439,682	\$ 1,595,218	\$ 10,728,916	\$ 5,037,575
Receivables:					
Accounts and contracts, net	1,186,516	1,700,597	1,317,604	4,204,717	506,625
Due from other governments	95,765	406,496	-	502,261	-
Inventories	-	347,347	15,884	363,231	168,050
Prepaid items	28,859	17,309	2,811	48,979	9,501
	<u>8,005,156</u>	<u>4,911,431</u>	<u>2,931,517</u>	<u>15,848,104</u>	<u>5,721,751</u>
Total Current Assets					
Noncurrent assets:					
Other assets	-	-	-	-	70,000
Capital assets:					
Land	841,784	2,667,793	1,888,230	5,397,807	-
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	103,242,746	106,710,526	7,884,560	217,837,832	-
Machinery and equipment	4,839,307	4,886,502	1,908,297	11,634,106	1,330,395
Water rights	-	19,981,480	-	19,981,480	-
Construction in progress	15,478,211	7,322,673	377,119	23,178,003	-
	<u>139,696,351</u>	<u>150,447,773</u>	<u>12,648,349</u>	<u>302,792,473</u>	<u>3,150,722</u>
Less: Accumulated depreciation	<u>(65,638,260)</u>	<u>(47,192,672)</u>	<u>(2,658,619)</u>	<u>(115,489,551)</u>	<u>(552,458)</u>
Net Capital Assets	<u>74,058,091</u>	<u>103,255,101</u>	<u>9,989,730</u>	<u>187,302,922</u>	<u>2,598,264</u>
Total Noncurrent Assets	<u>74,058,091</u>	<u>103,255,101</u>	<u>9,989,730</u>	<u>187,302,922</u>	<u>2,668,264</u>
Total Assets	<u>82,063,247</u>	<u>108,166,532</u>	<u>12,921,247</u>	<u>203,151,026</u>	<u>8,390,015</u>
Deferred outflows of resources:					
Deferred retirement contributions	287,719	344,302	595,345	1,227,366	202,950
Deferred actuarial adjustment to 2015 contributions	18,945	22,676	39,207	80,828	13,313
Deferred loss on refundings	159,107	469,598	112,625	741,330	-
	<u>465,771</u>	<u>836,576</u>	<u>747,177</u>	<u>2,049,524</u>	<u>216,263</u>
Total Deferred Outflows of Resources					
Total Assets and Deferred Outflows of Resources	<u>82,529,018</u>	<u>109,003,108</u>	<u>13,668,424</u>	<u>205,200,550</u>	<u>8,606,278</u>

CARSON CITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016
(PAGE 2 OF 2)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SEWER	WATER	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 3,747,667	\$ 1,054,235	\$ 212,762	\$ 5,014,664	\$ 414,579
Accrued salaries and benefits	119,812	130,259	156,994	407,065	72,387
Accrued interest	189,061	534,204	15,970	739,235	-
Due to other governments	173	581,764	1,762	583,699	28,786
Unearned revenue	777	203,920	300,505	505,202	-
Other current liabilities	-	-	-	-	725,879
Current portion:					
Commitments payable	-	7,200	-	7,200	-
Accrued compensated absences	23,512	5,055	63,772	92,339	52,879
General obligation bonds and notes payable	1,827,885	3,304,099	458,959	5,590,943	-
Total Current Liabilities	<u>5,908,887</u>	<u>5,820,736</u>	<u>1,210,724</u>	<u>12,940,347</u>	<u>1,294,510</u>
Noncurrent liabilities:					
Accrued compensated absences	307,050	290,967	356,813	954,830	265,944
Net OPEB obligation	637,052	811,797	1,425,203	2,874,052	302,189
Net retirement obligation	2,036,471	2,577,146	4,612,843	9,226,460	1,701,870
Other liabilities	-	-	-	-	1,022,733
General obligation bonds and notes payable	21,144,082	57,550,736	3,963,824	82,658,642	-
Total Noncurrent Liabilities	<u>24,124,655</u>	<u>61,230,646</u>	<u>10,358,683</u>	<u>95,713,984</u>	<u>3,292,736</u>
Total Liabilities	<u>30,033,542</u>	<u>67,051,382</u>	<u>11,569,407</u>	<u>108,654,331</u>	<u>4,587,246</u>
Deferred inflows of resources:					
Deferred earnings on retirement investments	115,354	138,069	238,725	492,148	81,059
Deferred difference between expected and actual retirement experience and contributions	161,306	193,068	333,822	688,196	113,349
Deferred gain on refundings	35,127	68,770	-	103,897	-
Total Deferred Inflows of Resources	<u>311,787</u>	<u>399,907</u>	<u>572,547</u>	<u>1,284,241</u>	<u>194,408</u>
Total Liabilities and Deferred Inflows of Resources	<u>30,345,329</u>	<u>67,451,289</u>	<u>12,141,954</u>	<u>109,938,572</u>	<u>4,781,654</u>
NET POSITION					
Net investment in capital assets	47,550,104	41,416,063	5,555,490	94,521,657	2,598,264
Restricted Claims	-	-	-	-	1,985,171
Unrestricted	4,633,585	135,756	(4,029,020)	740,321	(758,811)
Total Net Position	<u>\$ 52,183,689</u>	<u>\$ 41,551,819</u>	<u>\$ 1,526,470</u>	<u>95,261,978</u>	<u>\$ 3,824,624</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>(537,688)</u>	
Net position of business - type activities				<u>\$ 94,724,290</u>	

See accompanying notes.

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SEWER	WATER	OTHER ENTERPRISE FUNDS	TOTAL ENTERPRISE FUNDS	
Operating Revenues:					
Charges for services	\$ 11,426,700	\$ 13,829,865	\$ 5,847,045	\$ 31,103,610	\$ 12,668,721
Operating Expenses:					
Salaries and wages	1,527,606	1,591,756	1,895,699	5,015,061	870,742
Employee benefits	647,304	809,054	1,071,772	2,528,130	419,078
Services and supplies	3,255,356	5,873,005	2,466,654	11,595,015	12,532,374
Depreciation	3,311,678	3,319,902	332,851	6,964,431	127,480
Total Operating Expenses	8,741,944	11,593,717	5,766,976	26,102,637	13,949,674
Operating Income (Loss)	2,684,756	2,236,148	80,069	5,000,973	(1,280,953)
Nonoperating Revenues (Expenses):					
Investment income	73,440	18,698	12,979	105,117	43,941
Miscellaneous	21,669	6,385	44,820	72,874	24,710
Interest expense	(627,293)	(2,076,556)	(125,656)	(2,829,505)	-
Federal interest subsidy	1,617	224,721	-	226,338	-
Gain (loss) on sales of capital assets	(19,616)	25,399	(65,987)	(60,204)	(85,661)
Bond issuance costs	(179,194)	(1,581)	(250)	(181,025)	-
Total Nonoperating Revenues (Expenses)	(729,377)	(1,802,934)	(134,094)	(2,666,405)	(17,010)
Income (Loss) Before Contributions and Transfers	1,955,379	433,214	(54,025)	2,334,568	(1,297,963)
Capital Contributions:					
Capital assets	7,885	4,145	21,516	33,546	7,162
Capital grants	-	125,000	46,451	171,451	-
Developers	61,155	265,244	112,140	438,539	-
Connection fees	60,408	46,034	-	106,442	-
Total Capital Contributions	129,448	440,423	180,107	749,978	7,162
Transfers In	-	-	390,000	390,000	31,020
Transfers Out	-	-	(31,020)	(31,020)	-
Total Transfers	-	-	358,980	358,980	31,020
Change in Net Position	2,084,827	873,637	485,062	3,443,526	(1,259,781)
Net Position, July 1	50,098,862	40,678,182	1,041,408		5,084,405
Net Position, June 30	\$ 52,183,689	\$ 41,551,819	\$ 1,526,470		\$ 3,824,624
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				(155,156)	
Change in net position of business - type activities				\$ 3,288,370	

See accompanying notes.

CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(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	\$ 11,359,349	\$ 14,061,625	\$ 5,832,785	\$ 31,253,759	\$ 1,754,928
Cash received from employee contributions	-	-	-	-	1,165,956
Cash received from employer contributions	-	-	-	-	9,672,251
Cash payments for personnel costs	(2,083,334)	(2,317,798)	(2,849,975)	(7,251,107)	(1,268,225)
Cash payments for services and supplies	(2,938,240)	(5,629,106)	(2,359,647)	(10,926,993)	(11,381,443)
Miscellaneous cash received	-	6,385	44,820	51,205	24,710
Net Cash Provided (Used) by Operating Activities	6,337,775	6,121,106	667,983	13,126,864	(31,823)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer to other funds	-	-	(31,020)	(31,020)	-
Transfer from other funds	-	-	390,000	390,000	31,020
Net Cash Provided (Used) by Noncapital Financing Activities	-	-	358,980	358,980	31,020
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from capital debt	10,180,882	3,292,189	280,842	13,753,913	-
Connection fees	60,408	46,034	-	106,442	-
Acquisition of capital assets	(10,175,617)	(4,293,571)	(516,534)	(14,985,722)	(210,918)
Principal paid on capital debt	(1,854,234)	(3,093,545)	(427,900)	(5,375,679)	-
Interest paid on capital debt	(179,593)	(2,113,535)	(108,657)	(2,401,785)	-
Bond issuance costs	(179,194)	(1,581)	(250)	(181,025)	-
Federal interest subsidy	1,617	224,721	-	226,338	-
Subsidy from grant	-	125,000	46,451	171,451	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,145,731)	(5,814,288)	(726,048)	(8,686,067)	(210,918)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	73,440	18,698	12,979	105,117	43,941
Net Increase (Decrease) in Cash and Cash Equivalents	4,265,484	325,516	313,894	4,904,894	(167,780)
Cash and Cash Equivalents, July 1	2,428,532	2,114,166	1,281,324	5,824,022	5,205,355
Cash and Cash Equivalents, June 30	\$ 6,694,016	\$ 2,439,682	\$ 1,595,218	\$ 10,728,916	\$ 5,037,575

See accompanying notes.

CARSON CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 2 OF 2)

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>				<u>GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS</u>
	<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)	\$ 2,684,756	\$ 2,236,148	\$ 80,069	\$ 5,000,973	\$ (1,280,953)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	3,311,678	3,319,902	332,851	6,964,431	127,480
Miscellaneous revenues	21,669	6,385	44,820	72,874	24,710
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(88,680)	25,786	(31,140)	(94,034)	(95,667)
Due from other governments	(16,705)	1,991	-	(14,714)	-
Inventories		(33,090)	7,925	(25,165)	42,813
Prepaid items	(27,986)	(14,712)	(2,311)	(45,009)	1,980
Retirement deferred outflows	(48,688)	(42,848)	(59,248)	(150,784)	(6,102)
Increase (decrease) in:					
Accounts payable	361,634	(104,379)	100,701	357,956	199,079
Accrued salaries and benefits	(10,630)	(17,486)	28,924	808	15,243
Due to other governments	173	394,089	(9)	394,253	28,786
Unearned revenue	(40)	201,275	17,581	218,816	-
Connection deposits	(300)	4,699		4,399	-
Accrued compensated absences	52,695	8,099	27,987	88,781	(21,729)
Net OPEB obligation	109,440	148,764	141,070	399,274	42,207
Net retirement obligation	188,647	254,379	471,934	914,960	187,992
Other liabilities	-	-	-	-	898,354
Retirement deferred outflows	(199,888)	(267,896)	(493,171)	(960,955)	(196,016)
Total Adjustments	<u>3,653,019</u>	<u>3,884,958</u>	<u>587,914</u>	<u>8,125,891</u>	<u>1,249,130</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,337,775</u>	<u>\$ 6,121,106</u>	<u>\$ 667,983</u>	<u>\$ 13,126,864</u>	<u>\$ (31,823)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Purchase of capital assets on account	\$ 3,134,896	\$ 575,882	\$ 6,476	\$ 3,717,254	\$ -
Retainage payable on construction of capital assets	172,348	4,988	-	177,336	-
Refunding amounts paid to escrow	245,000	-	-	245,000	-
Contributed capital assets	69,040	269,389	133,656	472,085	7,162

See accompanying notes.

CARSON CITY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016

	INVESTMENT TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and investments		
Unrestricted	\$ 7,978,333	\$ 580,168
Cash held by Commission	-	85,342
Taxes receivable, delinquent	-	284,678
Due from other governments	-	52,472
	7,978,333	1,002,659
Total Assets		
LIABILITIES		
Accounts payable	-	49,399
Due to other governments	-	923,861
Other liabilities	-	29,399
	-	1,002,659
Total Liabilities		
NET POSITION		
Held in trust for pool participants	\$ 7,978,333	\$ -

CARSON CITY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>INVESTMENT TRUST FUND</u>
ADDITIONS	
Investment income	\$ 91,973
Capital share transactions:	
Shares sold	<u>5,770,132</u>
Total Additions	<u>5,862,105</u>
DEDUCTIONS	
Capital share transactions:	
Shares redeemed	<u>5,392,737</u>
Change in Net Position	469,368
Net Position, July 1	<u>7,508,965</u>
Net Position, June 30	<u><u>\$ 7,978,333</u></u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

Carson City (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 Authority's debt remains with the City. The financial statements of the Authority are reported as special revenue, debt service and capital projects funds.

DISCRETELY PRESENTED COMPONENT UNITS. The Carson City Visitors Bureau is responsible for the promotion of tourism in Carson City. The members of the Bureau's governing board are appointed by the Board of Supervisors. The Bureau 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 Visitors Bureau 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 Authority are appointed by the Board of Supervisors. The 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 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 Visitors Bureau
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, 2016

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. Carson 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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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.

Implementation of GASB Statement No. 72: As of July 1, 2015 the City adopted GASB Statement No. 72, *Fair Value measurements and Application*. The implementation of this standard requires governments to measure investments at fair value. The additional disclosures required by this standard are included in Note 3A.

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
JUNE 30, 2016

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, 2016 is \$175,885 and represents claims outstanding more than 180 days. Total uncollectible ambulance charges written off during the period amounted to \$710,105.

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, Carson 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 Carson 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
JUNE 30, 2016

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
JUNE 30, 2016

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 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 fiscal year 2016 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, 2015.

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, 2016

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.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 made several supplemental budgetary appropriations throughout the year.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Total expenses exceed those budgeted for the year in the Cemetery Fund by \$605, an apparent violation of NRS 354.626.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was \$10,332,934 and the bank balance was \$11,712,610. 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 \$582,014, and the bank balance was \$582,274. 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, 2016, the Carson City Convention and Visitors Bureau is investing in the Carson City Investment Pool, their balance is \$1,126,272.

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, 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.

The City does not have any investments that are measured using Level 3 inputs.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

As of June 30, 2016, 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	\$ 10,306,231	\$ 10,306,231	\$ -
U.S. Agencies	13,701,348	13,701,348	-
Corporate Bonds	11,774,451	11,774,451	-
Money Market Mutual Fund	323,180	323,180	-
State of Nevada:			
Local Government Investment Pool	<u>2,079,447</u>	<u>-</u>	<u>2,079,447</u>
Total	<u>\$ 38,184,657</u>	<u>\$ 36,105,210</u>	<u>\$ 2,079,447</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	\$ 10,306,231	\$ -	\$ 10,306,231	\$ -	\$ -
U.S. Agencies	13,701,348	3,403,688	9,030,747	875,419	391,494
Corporate Bonds	11,774,451	3,101,344	8,673,107	-	-
Money Market Mutual Fund	323,180	323,180	-	-	-
State of Nevada:					
Local Government Investment Pool	<u>2,079,447</u>	<u>2,079,447</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 38,184,657</u>	<u>\$ 8,907,659</u>	<u>\$ 28,010,085</u>	<u>\$ 875,419</u>	<u>\$ 391,494</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
JUNE 30, 2016**

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, 2016, 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	\$1,811,394	\$ 1,300,883	\$2,127,386	\$6,534,788
S&P	2,301,082	1,673,566	1,754,702	6,045,101

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, 2016, the following investments exceeded 5% of the City's total:

Federal Home Loan Mortgage Corporation	\$4,796,916	12.56%
Federal Home Loan Banks	4,027,010	10.55%
Federal National Mortgage Association	2,868,976	7.51%
Federal Farm Credit Banks	2,000,690	5.24%

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

Cash on hand	\$ 7,832
Carrying amount of deposits	10,332,934
Carrying amount of investments	<u>38,184,657</u>
	\$48,525,423
Less: Carrying amount of deposits held for component unit	<u>(1,126,272)</u>
	<u>\$47,399,151</u>
Cash and investments – governmental activities	\$27,007,171
Cash and investments – business-type activities	10,728,916
Cash and investments – investment trust fund	7,978,333
Cash and investments – OPEB trust fund	2,225
Cash and investments – agency funds	580,168
Cash and investments – restricted	<u>1,102,338</u>
	<u>\$47,399,151</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.

Carson City administers an external investment pool combining Carson 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 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, 2016**

Summary of investments held in the external investment pool at June 30, 2016:

<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	\$ 10,306,231	\$ 10,216,000	0.66-1.50%	12/15/2017-10/31/2019
U.S. Agencies	13,701,348	13,587,246	0.0-5.5%	10/21/2016-07/25/2035
Corporate Bonds	11,774,451	10,767,117	0.0-5.65%	02/13/2017-05/17/2021
Money Market Mutual Fund	323,180	323,180	0.0%	07/01/2016
State of Nevada Local Government Investment Pool	<u>2,079,447</u>	2,079,447	Variable	07/01/2016
Total Pooled Investments	<u>\$38,184,657</u>			

External Investment Pool financial statements:

Statement of Net Position, June 30, 2016

Assets:

Investments in securities:

U.S. Treasuries	\$10,306,231
U.S. Agencies	13,701,348
Corporate Bonds	11,774,451
Money Market Mutual Fund	323,180
State of Nevada Local Government Investment Pool	2,079,447
Interest receivable	<u>77,591</u>

Total Assets \$38,262,248

Net position consists of:

Internal participants	\$30,281,690
External participants	<u>7,980,558</u>

Total Net Position Held in Trust for Pool Participants
(Participant units outstanding, \$1.00/par) \$38,262,248

Statement of Changes in Net Position, Year Ended June 30, 2016

Additions:

Capital share transactions	\$ 1,348,691
Investment income	449,537
Realized gains (losses)	(142,124)
Unrealized gains (losses)	<u>257,773</u>

Total Additions 1,913,877

Deductions:

Investment fees	<u>53,536</u>
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Total Deductions 53,536

Net Increase 1,860,341

Net position:

Beginning of Year	<u>36,401,907</u>
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End of Year	<u>\$ 38,262,248</u>
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CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

B. CAPITAL ASSETS

Capital asset activity of the primary government for the year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Increases	Decreases	Transfers	Balance June 30, 2016
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 36,064,548	\$ 391,720	\$ -	\$ 375,000	\$ 136,831,268
Construction in progress - infrastructure	1,635,460	4,348,071	-	(652,004)	5,331,527
Construction in progress	7,686,058	8,229,231	-	(11,520,723)	4,394,566
Total Capital Assets not being Depreciated	145,386,066	12,969,022	-	(11,797,727)	146,557,361
Capital assets, being depreciated:					
Buildings	74,261,119	28,820	-	10,891,484	85,181,423
Improvements other than buildings	46,435,848	283,206	-	251,689	46,970,743
Machinery and equipment	33,615,195	1,444,202	(871,706)	153,173	34,340,864
Infrastructure	157,185,478	438,136	-	654,554	158,278,168
Total Capital Assets being Depreciated	311,497,640	2,194,364	(871,706)	11,950,901	324,771,198
Less accumulated depreciation for:					
Buildings	(22,997,894)	(1,571,496)	-	-	(24,569,390)
Improvements other than buildings	(17,917,008)	(1,532,216)	-	-	(19,449,224)
Machinery and equipment	(24,148,128)	(2,045,452)	851,260	(105,815)	(25,448,135)
Infrastructure	(33,439,820)	(2,092,644)	-	-	(35,532,464)
Total Accumulated Depreciation	(98,502,850)	(7,241,808)	851,260	(105,815)	(104,999,213)
Total Capital Assets being Depreciated, Net	212,994,790	(5,047,444)	(20,446)	11,845,086	219,771,985
Governmental Activities Capital Assets, Net	\$ 358,380,856	\$ 7,921,578	\$ (20,446)	\$ 47,358	\$ 366,329,346

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

	Balance July 1, 2015	Increases	Decreases	Transfers	Balance June 30, 2016
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 5,380,457	\$ -	\$ -	\$ 17,350	\$ 5,397,807
Construction in progress	9,190,967	5,580,865	-	(1,593,829)	23,178,003
Water rights	18,712,116	4,235	-	1,265,129	19,981,480
Water Capacity	4,169,896	-	-	-	4,169,896
Total Capital Assets not being Depreciated	37,453,436	15,585,100	-	(311,350)	52,727,186
Capital assets, being depreciated:					
Buildings	20,442,963	150,386	-	-	20,593,349
Improvements other than buildings	215,817,841	1,708,641	-	311,350	217,837,832
Machinery and equipment	11,436,694	517,281	(166,696)	(153,173)	11,634,106
Total Capital Assets being Depreciated	247,697,498	2,376,308	(166,696)	158,177	250,065,287
Less accumulated depreciation for:					
Buildings	(5,463,443)	(416,941)	-	-	(5,880,384)
Improvements other than buildings	(95,199,245)	(5,720,417)	-	-	(100,919,662)
Machinery and equipment	(8,125,784)	(827,073)	157,537	105,815	(8,689,505)
Total Accumulated Depreciation	(108,788,472)	(6,964,431)	157,537	105,815	(115,489,551)
Total Capital Assets being Depreciated, Net	138,909,026	(4,588,123)	(9,159)	263,992	134,575,736
Business-type activities capital assets, Net	\$ 176,362,462	\$ 10,996,977	\$ (9,159)	\$ (47,358)	\$ 187,302,922

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

Governmental activities:	
General government	\$ 374,681
Judicial	50,467
Public safety	1,334,846
Public works	2,660,326
Airport	465,157
Health	676,647
Culture and recreation	1,552,204
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>127,480</u>
Total Depreciation Expense – Governmental Activities	<u>\$7,241,808</u>
Business-type activities	
Ambulance	\$ 32,390
Sewer	3,331,678
Water	3,319,902
Cemetery	13,402
Storm Drainage	287,059
Building Permits	<u>-</u>
Total Depreciation Expense – Business-Type Activities	<u>\$6,964,431</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Construction commitments

The City was committed to construction projects in various funds, as of June 30, 2016, as follows:

Project Name Contract Number <u>Vendor Name</u>	<u>Bid Award</u>	Value of Work Completed as of <u>June 30, 2016</u>	Remaining Commitment as of <u>June 30, 2016</u>
<u>Sewer Fund:</u>			
CMAR Water Resource Recovery Facility Phase 1A			
#1314-132B KG Walters/Q&D	\$29,991,581	\$14,596,634	\$15,394,947
Corporate Yard Communication Tower			
#1516-102 RADCO	95,462	-	95,462
<u>Water Fund:</u>			
Corporate Yard Communication Tower			
#1516-102 RADCO	103,418	-	103,418
East West Transmission Main Phase 2A-2			
#1516-015 Sierra Nevada Construction, Inc.	1,556,007	1,470,427	85,580
<u>Infrastructure Fund:</u>			
CMAR Downtown Carson Streetscape Project			
#1415-145B Q&D Construction	8,123,683	6,069,833	2,053,850
Animal Shelter Facility			
#1415-143 Shaheen Beauchamp	<u>3,063,000</u>	<u>2,621,204</u>	<u>441,796</u>
Total	<u>\$42,933,151</u>	<u>\$24,758,098</u>	<u>\$18,175,053</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, 2016 the City has contributed \$14,196,189.

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.

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- 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 2017).
- 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, 2016, 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.

Discretely presented component units

Activity for the Airport Authority for the year ended June 30, 2016 was as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2016</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>(592,056)</u>	<u>(22,216)</u>	<u>-</u>	<u>(614,272)</u>
Total Capital Assets being Depreciated, Net	<u>113,759</u>	<u>(22,216)</u>	<u>-</u>	<u>91,543</u>
Airport Authority Capital Assets, Net	<u>\$ 260,301</u>	<u>\$(22,216)</u>	<u>\$ -</u>	<u>\$238,085</u>

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Activity for the Visitors Bureau for the year ended June 30, 2016 was as follows:

	<u>Balance July 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2016</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>40,622</u>	<u>2,173</u>	<u>-</u>	<u>40,622</u>
Total Capital Assets being Depreciated	<u>49,010</u>	<u>2,173</u>	<u>-</u>	<u>51,183</u>
Less accumulated depreciation for:				
Improvements other than buildings	(419)	(930)	-	(1,349)
Machinery and equipment	<u>(4,028)</u>	<u>(5,517)</u>	<u>-</u>	<u>(9,545)</u>
Total Accumulated Depreciation	<u>(4,447)</u>	<u>(6,447)</u>	<u>-</u>	<u>(10,894)</u>
Total Assets Being Depreciated, Net	<u>44,563</u>	<u>(4,274)</u>	<u>-</u>	<u>40,289</u>
Convention and Visitor's Bureau Capital Assets, Net	<u>\$ 85,591</u>	<u>\$ (4,274)</u>	<u>\$ -</u>	<u>\$ 81,317</u>

C. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2016, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental funds	Nonmajor governmental funds	<u>\$329,806</u>

The above interfund balances at June 30, 2016 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>\$ 216,154</u>

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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	\$ -	\$ -	\$390,000	\$4,743,208	\$5,133,208
Nonmajor Governmental Funds	573,608	-	-	6,602,248	7,175,856
Nonmajor Enterprise Funds	-	31,020	-	-	31,020
Total Transfers	\$573,608	\$31,020	\$ 390,000	\$11,345,456	\$12,340,084

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. Governmental-type general obligation bonds issued during the year include \$15,410,000 General Obligation (Limited Tax) Capital Improvement Refunding Bonds, proceeds were used to refund the remaining 2005 series of Capital Improvement Bonds.

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, 2016 amounts drawn and payable are \$67,018. 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. On August 3, 2015 the City issued General Obligation Sewer and Refunding Bonds series 2015B in the amount of \$6,245,000. \$6,000,000 of proceeds are to be used to finance capital improvement projects for the City's public sewer system, and \$245,000 of the proceeds were used to refund the final payment of the 2005B Stormwater Drainage Refunding Bonds. General obligation bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities	3.00-5.00%	\$ 13,600,000
Governmental activities - refunding	2.00-5.00%	49,775,000
Business-type activities	0.0-6.662%	59,158,055
Business-type activities - refunding	2.0-4.500%	26,241,000

Revenue Bonds. The City also issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. On August 3, 2015 the City issued Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds Series 2015 in the amount of \$6,170,000, proceeds were used to refund the 2010 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%	\$ 15,970,500

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Notes Payable. The City issues notes to provide funds for open space, various improvements, and vehicles and to refund Redevelopment debt. Notes payable outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
Governmental activities:		
Capital Projects	1.880%	\$ 226,900
Installment purchase agreement	2.650%	969,400
Landfill capital equipment	2.230%	1,416,000
911 Surcharge capital equipment	2.230%	749,000
Business-type activities:		
Stormwater Drainage	1.880%	361,900
Sewer	1.880%	728,900

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, Medium Term Capital Improvement Bonds series 2012, 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 \$45,921,123 payable through fiscal year 2033. For the current year, principal and interest paid for the bonds totaled \$3,267,436 and pledged revenues totaled \$3,727,030.

The City has pledged future 1/4 cent voter approved (Quality of Life) sales tax revenues to repay \$10,549,300 in Park Bonds Series 2005, Parks Refunding Bonds Series 2010, Parks Medium Term Refunding Bonds Series 2012, 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 27% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$8,900,996. For the current year, principal and interest paid for the bonds totaled \$647,537 and pledged revenues totaled \$2,363,277.

The City has pledged future 1/8 cent sales tax revenues (NRS 377B), to repay \$15,000,000 in V&T Historical Bonds Series 2005 and \$8,400,000 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 89% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$10,427,025. For the current year, principal and interest paid for the bonds totaled \$1,053,850 and pledged revenues totaled \$1,181,643.

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 53% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$22,477,450. For the current year, principal and interest paid for the bonds totaled \$623,845, and pledged revenues totaled \$1,176,414.

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 23% of the pledged revenues. The total principal and interest remaining to be paid on the bonds is \$2,723,005. For the current year, principal and interest paid for the bonds totaled \$348,455 and pledged revenues totaled \$1,516,898.

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, and \$6,170,000 in Refunding Highway Revenue (Motor Vehicle Fuel Tax) Subordinate Lien Improvement Bonds Series 2015. The bonds are secured solely from motor vehicle fuel tax and are payable through

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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 \$20,862,445. For the current year, principal and interest paid for the bonds totaled \$1,585,283 and pledged revenues totaled \$2,796,392.

Business-type activities

The City has pledged future sewer utility customer revenues, connection fees and investment earnings, net of specified operating expenses to repay \$30,439,783 in sewer utility system general obligation revenue bonds issued between fiscal years 1995 and 2015. Sewer State Revolving Fund Bonds issued April 4, 2014 totaled \$22,865,000 are not fully drawn down, as of June 30, 2016 only \$6,902,907 was drawn, in addition Sewer State Revolving Fund Bonds issued July 10, 2015 totaled \$12,000,000 are not fully drawn down, as of June 30, 2016 only \$67,018 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 \$28,303,557. For the current year, principal and interest paid for the bonds totaled \$2,463,658 and net pledged revenues totaled \$5,974,374.

The City has pledged future water utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$68,315,545 in water utility system general obligation revenue bonds issued between fiscal years 1998 and 2014. Water State Revolving Fund Bonds issued April 4, 2014 totaled \$6,000,000 are not fully drawn down, as of June 30, 2016 only \$5,168,545 was drawn. Proceeds from the bonds provided financing for expansion of, and improvements to, the water utility system. 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 \$82,434,730. For the current year, principal and interest paid for the bonds totaled \$5,170,100 and net pledged revenues totaled \$5,757,085.

The City has pledged future storm drainage utility customer revenues and connection fees and investment earnings, net of specified operating expenses to repay \$4,122,883 in storm drainage utility system general obligation revenue bonds issued between fiscal years 2005 and 2014. Stormwater State Revolving Fund Bonds issued April 4, 2014 totaled \$1,885,000 are not fully drawn down, as of June 30, 2016 only \$656,883 was drawn. Proceeds from the bonds provided financing for expansion of, and improvements to, the storm drainage utility system. 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 \$5,156,760. For the current year, principal and interest paid for the bonds totaled \$551,559 and net pledged revenues totaled \$702,409.

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 \$10,181 to be paid in full in 2021.

The assets acquired through capital lease are as follows:

	Governmental Activities
Asset:	
Machinery and equipment	\$ 10,300
Less: Accumulated depreciation	(172)
Total	\$ 10,128

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

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Advanced Refundings. During the year ended June 30, 2016 the City had the following advanced refundings:

On August 3, 2015, the City issued \$6,245,000 of General Obligation (Limited Tax) Sewer Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2015B 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 \$290,000 of Stormwater Bonds. The refunding was undertaken to refund the “General Obligation (Limited Tax) Stormwater Drainage Bonds (Additionally Secured by Pledged Revenue) Series 2005B” maturing on June 1, 2016. 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 \$1,998. 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 current fiscal year of \$5,954. The total amount of the outstanding debt defeased and placed in an irrevocable trust at August 3, 2015 was \$291,998.

On August 3, 2015, the City issued \$15,410,000 of General Obligation (Limited Tax) Capital Improvement Refunding Bonds (Additionally Secured by Pledged Revenues) Series 2015C to provide resources 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 \$16,630,000 of Capital Improvement Bonds. The refunding was undertaken to refund the “General Obligation (Limited Tax) Capital Improvement Bonds (Additionally Secured by Pledged Revenue) Series 2005A” maturing on May 1, 2033. 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 \$383,168, reduced by the unamortized premiums and partially refunded losses on the refunded debt of \$109,432, totals \$273,736. 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 seventeen years of \$1,417,033 and an economic gain of \$1,250,899. The total amount of the outstanding debt defeased and placed in an irrevocable trust at August 3, 2015 was \$17,013,168.

On August 3, 2015, the City issued \$6,170,000 of Highway Revenue (Motor Vehicle Fuel Tax) Refunding Bonds, Series 2015 to provide resources 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 \$6,390,000 of Highway Revenue Bonds. The refunding was undertaken to refund the “Highway Revenue (Motor Vehicle Fuel Tax), Series 2010” maturing on November 1, 2029. 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 \$298,415. 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 thirteen years of \$912,309 and an economic gain of \$731,946. The total amount of the outstanding debt defeased and placed in an irrevocable trust at August 3, 2015 was \$6,688,415.

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, 2016 was \$99,135,000.

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Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation revenue bonds:					
3.0 to 4.4% Parks general obligation revenue bonds series 2005, due 03/01/16 - \$980,000	\$ 50,000	\$ -	\$ (50,000)	\$ -	\$ -
3.0 to 4.625% Parks general obligation revenue bonds series 2005, due 03/01/16 - \$5,835,000	30,000	-	(30,000)	-	-
4.0 to 5.0% Sheriff/Hospital general obligation revenue bonds series 2005A, due 05/01/33 - \$18,000,000	8,640,000	-	(8,640,000)	-	-
4.0 to 5.0% Capital Projects general obligation revenue bonds series 2005A, due 05/01/30 - \$8,000,000	1,680,000	-	(1,680,000)	-	-
4.0 to 5.0% Refunding general obligation revenue bonds series 2005A, due 05/01/22 - \$8,040,000	6,310,000	-	(6,310,000)	-	-
4.0 to 4.50% V&T Historical general obligation revenue bonds series 2005B, due 12/01/15 - \$15,000,000	710,000	-	(710,000)	-	-
2.0 to 3.5% Park refunding general obligation revenue bonds series 2010, due 11/01/18 - \$2,505,000	1,375,000	-	(330,000)	1,045,000	335,000
2.0 to 4.0% Various Purpose refunding general obligation revenue bonds series 2010, due 6/01/21 - \$4,705,000	3,040,000	-	(585,000)	2,455,000	605,000
2.2 to 3.5% Various Purpose refunding general obligation revenue bonds series 2013A, due 5/31/30 - \$16,520,000	14,465,000	-	-	14,465,000	750,000
2.0 to 2.5% Room Tax refunding general obligation revenue bonds series 2013B, due 6/01/23 - \$3,350,000	2,785,000	-	(290,000)	2,495,000	295,000
2.0 to 4.0% Parks refunding general obligation revenue bonds series 2013C, due 3/01/30 - \$6,555,000	6,505,000	-	-	6,505,000	80,000
2.0 to 5.0% V&T refunding general obligation revenue bonds series 2014E, due 12/01/25 - \$8,400,000	8,400,000	-	-	8,400,000	720,000
3.0 to 5.0% Infrastructure Sales Tax general obligation revenue bonds series 2014F, due 9/01/44 - \$13,600,000	13,600,000	-	-	13,600,000	260,000
2.0 to 5.0% Capital improv. refunding general obligation revenue bonds series 2015C, due 5/01/33 - \$15,410,000	-	15,410,000	(1,000,000)	14,410,000	660,000
Subtotal	<u>67,590,000</u>	<u>15,410,000</u>	<u>(19,625,000)</u>	<u>63,375,000</u>	<u>3,705,000</u>
Revenue Bonds:					
4.9% 2008 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/27 - \$9,055,000	7,211,400	-	(299,200)	6,912,200	316,300
5.340% 2010 Highway Revenue motor vehicle fuel tax revenue bonds, due 11/01/29 - \$7,900,000	6,688,800	-	(6,688,800)	-	-
2.370% 2012 Highway Revenue refunding motor vehicle fuel tax revenue bonds, due 11/01/23 - \$3,332,300	3,258,900	-	(330,600)	2,928,300	336,500
3.0 to 5.0% 2015 Highway Revenue refunding motor vehicle fuel tax revenue bonds, due 11/01/29 - \$6,170,000	-	6,170,000	(40,000)	6,130,000	335,000
Subtotal	<u>17,159,100</u>	<u>6,170,000</u>	<u>(7,358,600)</u>	<u>15,970,500</u>	<u>987,800</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	449,600	-	(222,700)	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	1,037,200	-	(67,800)	969,400	69,600

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Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Notes Payable (Continued):					
2.230% Landfill general obligation (limited tax) medium-term note dated 6/24/2014, due 6/1/2024 - \$1,733,000	\$ 1,575,000	\$ -	\$ (159,000)	\$ 1,416,000	\$ 163,000
2.230% 911 Surcharge general obligation (limited tax) medium-term note dated 6/24/14, due 6/1/24 - \$918,000	834,000	-	(85,000)	749,000	87,000
Subtotal	3,895,800	-	(534,500)	3,361,300	546,500
Deferred amounts:					
For issuance premiums	2,491,815	1,836,172	(483,900)	3,844,087	192,968
Total Bonds and Notes Payable	91,136,715	23,416,172	(28,002,000)	86,550,887	5,432,268
Incurred but not Reported Claims Liability:	850,258	2,587,930	(1,689,576)	1,748,612	725,879
Capital Leases:	-	10,300	(119)	10,181	1,540
Landfill Closure/Post closure costs:	3,498,748	133,042	-	3,631,790	126,722
Compensated Absences Payable:	6,115,209	4,026,653	(3,922,530)	6,219,332	679,850
Governmental Activity Long-Term Liabilities	101,600,930	30,174,097	(33,614,225)	98,160,802	6,966,259
Business Type Activities:					
Bonds payable:					
General obligation revenue bonds:					
3.5 to 4.2% Water general obligation revenue bonds series 2005A, due 6/01/16 - \$9,000,000	435,000	-	(435,000)	-	-
3.825% Sewer general obligation revenue bonds, dated 1996 State of Nevada revolving loan, due 07/01/15 - \$2,120,000	78,955	-	(78,955)	-	-
3.23% Sewer general obligation revenue bonds, dated 1998 State of Nevada revolving loan, due 07/01/18 - \$6,096,302	1,486,597	-	(407,869)	1,078,728	421,150
3.0 to 4.25% Drainage general obligation revenue bonds series 2005B, due 06/01/25 - \$6,000,000	290,000	-	(290,000)	-	-
0% Water general obligation revenue bonds series 2009 State of Nevada revolving loan, due 07/01/29 - \$3,400,000	2,664,865	-	(183,784)	2,481,081	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	5,085,000	-	(435,000)	4,650,000	520,000
3.75% Water general obligation revenue bonds series 2010E State of Nevada revolving loan due 7/1/2030 authorized up to - \$21,900,000	20,321,693	-	(1,085,761)	19,235,932	1,113,404
2.0-4.5% Sewer refunding general obligation revenue bonds series 2010D, due 11/1/29 - \$2,690,000	1,260,000	-	(300,000)	960,000	55,000
3.75% Sewer general obligation revenue bonds series 2010F State of Nevada revolving loan due 7/1/2030 - \$2,748,556	2,433,371	-	(131,410)	2,301,961	134,568
4% Water general obligation revenue bonds series 2012, due 11/1/31 - \$3,750,000	3,380,000	-	(145,000)	3,235,000	150,000
4% Water refunding general obligation revenue bonds series 2012, due 11/1/26 - \$11,565,000	10,465,000	-	(600,000)	9,865,000	625,000
3.966% Sewer general obligation revenue bonds series 2012, due 11/1/31 - \$2,250,000	2,015,000	-	(85,000)	1,930,000	90,000
4% Sewer refunding general obligation revenue bonds series 2012, due 11/1/23 - \$3,685,000	2,735,000	-	(480,000)	2,255,000	500,000

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Changes in long-term liabilities. Long-term liability activity of the primary government for the year ended June 30, 2016, was as follows:

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
General obligation revenue bonds (Continued):					
2.79% Sewer general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$22,865,000	\$ 2,789,042	\$ 4,113,865	\$ -	\$ 6,902,907	\$ 153,071
2.79% Water general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$6,000,000	1,876,355	3,292,190	-	5,168,545	115,044
2.79% Stormwater general obligation revenue bonds series 2014 State of Nevada revolving loan due 1/1/2034 - \$1,885,000	376,041	280,842	-	656,883	14,660
2.53% Water refunding general obligation revenue bonds series 2014C, due 6/1/25 - \$5,337,000	5,316,000	-	(209,000)	5,107,000	497,000
2.53% Sewer refunding general obligation revenue bonds series 2014, due 12/1/15 - \$172,000	171,000	-	(171,000)	-	-
2.53% Stormwater refunding general obligation revenue bonds series 2014, due 6/1/25 - \$3,466,000	3,443,000	-	(39,000)	3,404,000	342,000
2.37% Sewer general obligation revenue bonds series 2015 State of Nevada revolving loan due 7/1/2035 - \$12,000,000	-	67,018	-	67,018	-
2 to 5% Sewer improv. and refunding general obligation revenue revenue bonds series 2015, due 11/1/34 - \$6,245,000	-	6,245,000	(245,000)	6,000,000	210,000
Subtotal	<u>76,721,919</u>	<u>13,998,915</u>	<u>(5,321,779)</u>	<u>85,399,055</u>	<u>5,124,681</u>
Notes Payable:					
1.88% Drainage refunding general obligation (limited tax) medium-term bond, due 09/01/19 - \$713,400	460,800	-	(98,900)	361,900	101,000
1.88% Sewer refunding general obligation (limited tax) medium-term bond, due 09/01/19 - \$1,436,500	928,900	-	(200,000)	728,900	204,000
Subtotal	<u>1,389,700</u>	<u>-</u>	<u>(298,900)</u>	<u>1,090,800</u>	<u>305,000</u>
Deferred amounts:					
For issuance premiums	1,512,121	415,387	(159,851)	1,767,657	161,857
For issuance discounts	(8,521)	-	594	(7,927)	(594)
Total bonds payable	<u>79,615,219</u>	<u>14,414,302</u>	<u>(5,779,936)</u>	<u>88,249,585</u>	<u>5,590,944</u>
Compensated Absences Payable:					
Business-Type Activity Long-Term Liabilities	<u>958,388</u>	<u>590,300</u>	<u>(501,519)</u>	<u>1,047,169</u>	<u>92,338</u>
Business-Type Activity Long-Term Liabilities	<u>80,573,607</u>	<u>15,004,602</u>	<u>(6,281,455)</u>	<u>89,296,754</u>	<u>5,683,282</u>
Total debt	<u>\$182,174,537</u>	<u>\$ 45,178,699</u>	<u>\$ (39,895,680)</u>	<u>\$187,457,556</u>	<u>\$ 12,649,541</u>

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, \$318,823 of internal service funds compensated absences and \$1,748,612 of incurred but not reported claims liability are included in the above amounts.

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Discretely presented component units

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

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Airport lease agreement	\$ 182,693	\$ -	\$ (6,240)	\$ 176,453	\$ 6,240
Prepaid lease agreements	357,235	-	(15,375)	341,860	17,408
	<u>\$ 539,928</u>	<u>\$ -</u>	<u>\$ (21,615)</u>	<u>\$ 518,313</u>	<u>\$ 23,648</u>

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

	Balance July 1, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Compensated absences	\$ 54,985	\$ 12,898	\$ -	\$ 67,883	\$ -

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
2017	\$ 3,705,000	\$ 2,297,050	\$ 987,800	\$ 647,112	\$ 546,500	\$ 75,332
2018	3,809,999	2,190,273	1,021,600	614,661	326,500	64,662
2019	4,055,000	2,067,499	1,056,600	579,232	334,300	57,036
2020	4,175,000	1,940,872	1,092,600	540,605	342,300	49,226
2021	4,315,000	1,804,323	1,134,700	498,622	351,300	41,231
2022-2026	18,465,001	6,775,098	6,472,400	1,739,162	1,276,800	89,237
2027-2031	13,335,000	3,571,133	4,204,800	272,551	183,600	6,121
2032-2036	5,660,000	1,568,593	-	-	-	-
2037-2041	2,990,000	880,713	-	-	-	-
2042-2045	2,865,000	234,900	-	-	-	-
Total	<u>\$ 63,375,000</u>	<u>\$ 23,330,454</u>	<u>\$ 15,970,500</u>	<u>\$ 4,891,945</u>	<u>\$ 3,361,300</u>	<u>\$ 382,845</u>

Year Ended June 30	BUSINESS-TYPE ACTIVITIES			
	General Obligation Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2017	\$ 5,124,681	\$ 2,805,191	\$ 305,000	\$ 25,384
2018	5,172,807	2,669,694	310,000	19,594
2019	5,105,619	2,517,725	315,800	13,711
2020	5,030,100	2,367,463	160,000	2,555
2021	5,193,619	2,211,200	-	-
2022-2026	26,853,699	8,566,076	-	-
2027-2031	18,735,879	5,020,140	-	-
2032-2036	9,327,649	2,566,340	-	-
2037-2041	4,855,002	620,121	-	-
2042-2045	-	-	-	-
Total	<u>\$ 85,399,055</u>	<u>\$ 29,343,950</u>	<u>\$ 1,090,800</u>	<u>\$ 61,244</u>

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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	\$1,050,599	\$ 51,739	\$1,102,338

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 \$13,049,482 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 County 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	65,176	49,683	114,859
Total Nonspendable	67,929	49,683	117,612

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

	General Fund	Other Governmental Funds	Total Governmental Funds
Restricted for:			
Recorder technology	\$ 22,407	\$ -	\$ 22,407
Court programs and expansion	348,791	75,048	423,839
Health and human services programs	237,840	354,285	592,125
Parks and recreation programs	48,817	-	48,817
Sheriff's programs	60,676	76,883	137,559
Clerk / Recorder programs	2,603	-	2,603
District Attorney programs	73,598	-	73,598
Infrastructure projects	-	7,403,278	7,403,278
Street maintenance	-	1,231,373	1,231,373
Extraordinary maintenance	-	16,067	16,067
Redevelopment	-	835,661	835,661
Public transportation services	-	352,132	352,132
Roadways	-	973,520	973,520
Parks and open space	-	1,632,903	1,632,903
Fire programs	-	3,306	3,306
Juvenile programs	-	58	58
Senior Center	-	47,575	47,575
Cooperative extension	-	224,979	224,979
Indigent programs	-	20,971	20,971
Library	-	74,899	74,899
Emergency communications	-	363,561	363,561
Total Restricted	794,732	13,686,499	14,481,231
Committed to:			
Traffic control	-	6,856	6,856
Assigned to:			
Assessor technology	103,148	-	103,148
Fire programs	8,304	-	8,304
Sheriff's programs	65,654	22,239	87,893
Juvenile programs	4,412	-	4,412
Other programs	6,458	-	6,458
Health and human services programs	254,470	-	254,470
Parks and recreation programs	43,652	-	43,652
Grant programs	-	400,219	400,219
Subsequent year's budget deficit	826,738	-	826,738
Capital improvement projects	-	393,099	393,099
Debt service	-	156,529	156,529
Total Assigned	1,312,836	972,086	2,284,922
Unassigned	6,005,645	-	6,005,645
	\$ 8,181,142	\$ 14,715,124	\$ 22,896,266

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

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, with an annual aggregate retention of \$500,000. 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 without a deductible.

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 \$1,310,538 at June 30, 2016.

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>2016</u>	<u>2015</u>
Unpaid claims, beginning of fiscal year	\$ 804,086	\$ 46,172	\$ 850,258	\$ 607,241
Claims and changes in estimates	1,611,369	976,561	2,587,930	1,427,140
Claim payments	<u>(1,689,576)</u>	-	<u>(1,689,576)</u>	<u>(1,184,123)</u>
Unpaid claims, end of fiscal year	<u>\$ 725,879</u>	<u>\$1,022,733</u>	<u>\$ 1,748,612</u>	<u>\$ 850,258</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, 2016, \$3,631,790 is reported in governmental activities. It is estimated that the landfill will be used for an additional fifty years and that at June 30, 2016, approximately 40.14% 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, \$9,047,808 has been calculated in 2016 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, 2016

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, 2015, are shown below:

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

Retirees Without Medicare	HMO	POS (In Area)	PPO (Out of Area)
Retiree	\$ 568.01	\$ 628.70	\$ 775.42
Retiree & spouse/both without Medicare	1,122.39	1,246.81	1,547.65
Retiree & spouse 1 without Medicare	1,018.38	1,127.23	1,390.39
Retiree & children without Medicare	1,076.53	1,192.96	1,474.49
Retiree & family/both without Medicare	1,717.80	1,907.97	2,367.75
Retiree & family/1 without Medicare	1,254.52	1,375.28	1,667.28

Retirees With Medicare	HMO	POS (In Area)	PPO (Out of Area)
Retiree	\$ 435.03	\$ 475.80	\$ 574.35
Retiree & spouse/both with Medicare	876.30	963.86	1,175.56
Retiree & spouse 1 with Medicare	1,018.38	1,127.23	1,390.39
Retiree & children with Medicare	1,068.20	1,183.39	1,461.90
Retiree & family/both with Medicare	1,099.75	1,197.34	1,433.26
Retiree & family/1 with Medicare	1,254.52	1,375.28	1,667.28

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 \$0.68 to \$772.11 during the 2016 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, 2015. The City engaged the original actuary to incorporate the July 1, 2014 benefit changes into the fiscal year ended June 30, 2015 OPEB estimate. Demographic data did not significantly change, so a full valuation was not deemed necessary. The number of participants as of June 30, 2015, the effective date of the OPEB valuation, is as follows:

	City Plan	PEBP Plan
Active employees	523	-
Retirees enrolled in City Plan	122	-
Retirees enrolled in PEBP	-	191

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 2015-2016 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	6/30/14	\$ 5,171,110	\$ 574,480	11.11%	\$15,407,540
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
PEBP	6/30/14	\$ 568,504	\$ 475,732	83.68%	\$ (66,511)
PEBP	6/30/15	\$ 449,893	\$ 425,328	94.54%	\$ (41,946)
PEBP	6/30/16	\$ 451,976	\$ 411,420	91.03%	\$ (1,390)
Totals	6/30/14	\$ 5,739,614	\$ 1,050,212	18.30%	\$15,341,029
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

The net OPEB obligation (asset) as of June 30, 2016, was calculated as follows:

	City Plan	PEBP Plan	Totals
Normal Cost (Current Service Cost)	\$ 2,737,830	\$ -	\$ 2,774,548
Amortization of unfunded actuarial accrued liability	2,054,621	450,831	2,468,734
Total Annual Required Contribution (ARC or Annual OPEB cost)	\$ 4,792,451	450,831	5,243,282
Interest on the beginning net OPEB obligation (asset)	763,782	(1,678)	762,104
ARC adjustment	(758,836)	2,823	(756,013)
Annual OPEB cost	4,797,397	451,976	5,249,373
Contributions made	(1,641,533)	(411,420)	(2,052,953)
Increase (decrease) in net OPEB obligation (asset)	3,155,864	40,556	3,196,420
Net OPEB obligation (asset), beginning of year	19,094,558	(41,946)	19,052,612
Net OPEB obligation (asset), end of year	\$ 22,250,422	\$ (1,390)	\$ 22,249,032

Funded Status and Funding Progress. The funded status of the plans as of the latest actuarial valuation date of June 30, 2015, as updated through June 30, 2016, was as follows:

	City Plan	PEBP Plan	Totals
Accrued actuarial liability (a)	\$ 53,768,353	\$ 6,965,844	\$ 59,773,303
Actuarial value of plan assets (b)	-	-	-
Unfunded actuarial accrued Liability (a) - (b)	\$ 53,768,353	\$ 6,965,844	\$ 59,773,303
Funded ratio (b) / (a)	0%	0%	0%
Covered payroll (c)	\$ 33,369,230	N/A	N/A
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) - (b)) / (c)	161.13%	N/A	N/A

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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	6/30/15	6/30/15
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	24 years, closed
Asset valuation method	N / A	N / A
<u>Actuarial assumptions:</u>		
Investment rate of return	4.0%	4.0%
Inflation rate	2.75%	2.75%
Projected salary increases	4.0%	4.0%
Healthcare inflation rate	Medical – 7.5% *	Medical – 7.5% *
* 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. 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. 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
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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. 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, 2015 the Statutory Employer/employee matching rate was 13.25% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 25.75% for Regular and 40.50% for Police/Fire. For the fiscal year ended June 30, 2016 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, 2015 and June 30, 2016 the Statutory Employer-pay contributions (EPC) rate was 15.25% for justices of the peace and other municipal judges.

The City's contributions were \$11,099,260 and \$10,302,384 for the years ended June 30, 2016 and 2015, 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, 2015:

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, 2015, PERS' and JRS' long-term inflation assumption was 3.5%.

**CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

Net Pension Liability. At June 30, 2016, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. 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, 2015. At June 30, 2015, the City's proportion of PERS was 0.72675%, including Carson Convention and Visitors Bureau (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 0.71758%, which is an increase of .00553 from its proportion measured as of June 30, 2014. At June 30, 2015, the City's proportion of JRS was .28381%, which was an increase of 0.0032 from its proportion measured as of June 30, 2014.

Pension Liability Discount Rate Sensitivity. The following presents the net pension liability of the City as of June 30, 2015, 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	\$125,303,304	\$82,230,821	\$46,413,043
JRS Net Pension Liability	97,976	59,219	26,415

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 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, 2015, 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, 2015 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, 2015 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, 2015. 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, 2015, was projected to be available to

CARSON CITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2015.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2016, the City recognized pension expense of \$9,136,853 for PERS and \$11,350 for JRS. At June 30, 2016, 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	\$ -	\$ 6,184,711	\$ -	\$ 4,667
Changes in assumptions or other inputs	-	43,305	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,453,828	-	13,702
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	731,477	-	13,249	-
City contributions subsequent to the measurement date	11,099,260	-	20,704	-
Total	\$ 11,830,737	\$ 10,681,844	\$ 33,953	\$ 18,369

\$11,119,964 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, 2017.

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, 2013 (the beginning of the measurement period ended June 30, 2015) is 6.7 years and JRS is 5 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	PERS	JRS
June 30:		
2017	(\$ 3,180,485)	(\$1,279)
2018	(3,180,485)	(1,279)
2019	(3,180,485)	(1,279)
2020	746,257	(1,283)
2021	(899,303)	-
Thereafter	(255,866)	-

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

**CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016**

Schedule of Funding Progress - Other Post Employment Benefits

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued 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	6/30/15	\$ -	\$ 50,747,594	\$ 50,747,594	\$ -	\$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>\$ -</u>		
City Plan	6/30/13	\$ -	\$ 32,624,566	\$ 32,624,566	\$ -	\$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>\$ -</u>		
City Plan	6/30/11	\$ -	\$ 25,201,161	\$ 25,201,161	\$ -	\$31,833,256	79.17%
PEBP	6/30/11	-	9,426,565	9,426,565	-	N/A	N/A
Total	6/30/11	<u>\$ -</u>	<u>\$ 34,627,726</u>	<u>\$ 34,627,726</u>	<u>\$ -</u>		

Trend Analysis

The principal changes from the June 30, 2011 valuation to the June 30, 2015 valuation are:

- (a) Improvements in the mortality table resulting in longer life expectancies for City Retirees and PEBP retirees (increase);
- (b) updates of employees and premium data (increase);
- (c) an extension of paid dental, vision, and life insurance benefits for Sheriff's department retirees (increase);
- (c) a small increase in the assumed percentage of employees and their dependents who will elect coverage in retirement;
- (d) an update to the trend assumptions for future increases in medical premiums (Increase).
- (e) 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)

CARSON CITY
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

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

Public Employees Retirement System of Nevada

	2015	2014
City's proportion of the net pension liability	0.71758%	0.71205%
City's proportionate share of the net pension liability	\$ 82,230,821	\$ 74,209,811
City's covered-employee payroll	\$ 41,718,744	\$ 40,682,875
City's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	197.11%	182.41%
Plan fiduciary net position as a percentage of the total pension liability	75.10%	76.30%

Judicial Retirement System of Nevada

City's proportion of the net pension liability	0.28381%	0.28061%
City's proportionate share of the net pension liability	\$ 59,219	\$ 46,348
City's covered-employee payroll	\$ 114,925	\$ 105,258
City's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	51.53%	44.03%
Plan fiduciary net position as a percentage of the total pension liability	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
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

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

Public Employees Retirement System of Nevada

	2016	2015
Statutorily required contributions	\$ 11,099,260	\$ 10,302,384
Contributions in relation to the statutorily required contribution	11,099,260	10,302,384
Contribution (deficiency) excess	-	-
Employer's covered-employee payroll	42,798,117	41,718,744
Contributions as a percentage of covered-employee payroll	25.93%	24.69%

Judicial Retirement System of Nevada

Statutorily required contributions	\$ 20,704	\$ 17,469
Contributions in relation to the statutorily required contribution	20,704	17,469
Contribution (deficiency) excess	-	-
Employer's covered-employee payroll	136,630	114,925
Contributions as a percentage of covered-employee payroll	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.

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
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Ad valorem	\$ 22,351,570	\$ 22,314,986	\$ (36,584)	\$ 21,787,285
Licenses and permits:				
Business licenses and permits:				
Business licenses	625,000	672,989	47,989	633,825
Liquor licenses	140,000	168,175	28,175	137,870
City / county gaming licenses	635,000	632,068	(2,932)	570,365
Right of way toll	264,591	234,241	(30,350)	220,238
Franchise fees:				
Gas	1,219,500	1,230,906	11,406	1,242,556
Electric	2,474,500	2,177,457	(297,043)	2,397,439
Telephone	787,000	696,128	(90,872)	719,357
Sanitation	450,000	465,283	15,283	454,120
Cable television	405,000	440,161	35,161	412,770
	<u>7,000,591</u>	<u>6,717,408</u>	<u>(283,183)</u>	<u>6,788,540</u>
Nonbusiness licenses and permits:				
Marriage licenses	15,000	12,138	(2,862)	12,579
Animal licenses	20,000	-	(20,000)	6,182
Mobile home permits	50	55	5	68
	<u>35,050</u>	<u>12,193</u>	<u>(22,857)</u>	<u>18,829</u>
Total Licenses and Permits	<u>7,035,641</u>	<u>6,729,601</u>	<u>(306,040)</u>	<u>6,807,369</u>
Intergovernmental revenues:				
Federal grants:				
USFS Coop Patrol	-	-	-	1,075
HIV/AIDS Surveillance	-	3,400	3,400	-
	<u>-</u>	<u>3,400</u>	<u>3,400</u>	<u>1,075</u>
Federal payments in lieu of taxes	110,000	116,489	6,489	109,381
State shared revenues:				
Consolidated tax revenues	23,534,435	24,846,886	1,312,451	22,993,975
State gaming licenses	145,000	138,096	(6,904)	142,504
Candidate filing fee	-	1,050	1,050	-
Court administrative assessments	157,068	131,543	(25,525)	96,436
	<u>23,836,503</u>	<u>25,117,575</u>	<u>1,281,072</u>	<u>23,232,915</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
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	FINAL BUDGET	ACTUAL	VARIANCE	2015
State grants	\$ -	\$ -	\$ -	\$ 30,000
Other local government grants:				
Interlocal cooperative agreements	793,791	216,228	(577,563)	265,156
Other local government shared revenues:				
Miscellaneous other governments	65,498	62,942	(2,556)	65,611
Total Intergovernmental Revenues	24,805,792	25,516,634	710,842	23,704,138
Charges for services:				
General government:				
Treasurer fees	20,000	18,430	(1,570)	18,262
Clerk fees	139,000	136,213	(2,787)	129,579
Recorder fees	206,500	215,857	9,357	205,404
Technology fees	30,000	28,698	(1,302)	27,036
Assessor commissions	218,000	219,866	1,866	205,732
Building and zoning fees	100,000	132,813	32,813	101,159
Public administrator fees	100,000	113,006	13,006	104,059
Administration fees	4,322,992	4,358,516	35,524	4,089,739
Miscellaneous	8,100	9,043	943	11,659
	5,144,592	5,232,442	87,850	4,892,629
Judicial:				
Drug Court	12,000	10,660	(1,340)	10,130
Court facilities	115,000	83,579	(31,421)	95,126
Justice civil fees	614,500	563,896	(50,604)	517,047
	741,500	658,135	(83,365)	622,303
Public safety:				
Police:				
Sheriff's fees	300,000	309,859	9,859	301,589
Fire	5,000	11,881	6,881	7,161
Protective services	128,200	133,152	4,952	107,341
	433,200	454,892	21,692	416,091
Sanitation:				
Landfill fees	3,774,500	3,746,721	(27,779)	3,600,140

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 3 OF 12)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Health:				
Vaccine	\$ 185,000	\$ 272,212	\$ 87,212	\$ 183,561
Clinic services	130,000	188,360	58,360	205,887
Health inspection fees	223,311	235,080	11,769	230,178
	<u>538,311</u>	<u>695,652</u>	<u>157,341</u>	<u>619,626</u>
Culture and recreation	<u>1,480,199</u>	<u>1,425,448</u>	<u>(54,751)</u>	<u>1,350,243</u>
Total Charges for Services	<u>12,112,302</u>	<u>12,213,290</u>	<u>100,988</u>	<u>11,501,032</u>
Fines and forfeits:				
Court	788,100	686,826	(101,274)	754,279
Sheriff	-	5,560	5,560	55,011
Animal services	-	-	-	9,621
Total Fines and Forfeits	<u>788,100</u>	<u>692,386</u>	<u>(95,714)</u>	<u>818,911</u>
Miscellaneous:				
Investment income	75,000	115,127	40,127	40,183
Rents and royalties	181,560	210,412	28,852	189,168
Other	101,500	81,501	(19,999)	90,483
Gifts and donations	250	127,790	127,540	334,217
Refunds and reimbursements	739,215	811,672	72,457	778,937
Penalties and interest - delinquent taxes	<u>415,000</u>	<u>490,696</u>	<u>75,696</u>	<u>397,472</u>
Total Miscellaneous	<u>1,512,525</u>	<u>1,837,198</u>	<u>324,673</u>	<u>1,830,460</u>
Total Revenues	<u>68,605,930</u>	<u>69,304,095</u>	<u>698,165</u>	<u>66,449,195</u>
Expenditures:				
General Government:				
Legislative:				
Board of Supervisors:				
Salaries and wages	126,649	125,260	1,389	122,116
Employee benefits	99,295	97,242	2,053	89,645
Services and supplies	<u>20,450</u>	<u>17,978</u>	<u>2,472</u>	<u>21,697</u>
Total Legislative	<u>246,394</u>	<u>240,480</u>	<u>5,914</u>	<u>233,458</u>
Executive:				
Clerk:				
Salaries and wages	195,366	196,096	(730)	187,609
Employee benefits	62,904	62,546	358	57,602
Services and supplies	<u>20,178</u>	<u>13,544</u>	<u>6,634</u>	<u>14,167</u>
Total Executive	<u>278,448</u>	<u>272,186</u>	<u>6,262</u>	<u>259,378</u>
Elections:				
Salaries and wages	140,564	124,560	16,004	122,673
Employee benefits	50,754	58,564	(7,810)	44,282
Services and supplies	<u>65,670</u>	<u>55,171</u>	<u>10,499</u>	<u>62,527</u>
Total Elections	<u>256,988</u>	<u>238,295</u>	<u>18,693</u>	<u>229,482</u>

**CARSON CITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
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FOR THE YEAR ENDED JUNE 30, 2016
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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Public Guardian:				
Salaries and wages	\$ 123,689	\$ 117,744	\$ 5,945	\$ 118,462
Employee benefits	46,887	48,964	(2,077)	41,150
Services and supplies	6,750	5,779	971	5,746
	<u>177,326</u>	<u>172,487</u>	<u>4,839</u>	<u>165,358</u>
Treasurer:				
Salaries and wages	312,607	304,328	8,279	287,209
Employee benefits	146,556	149,916	(3,360)	127,388
Services and supplies	39,280	50,129	(10,849)	39,950
	<u>498,443</u>	<u>504,373</u>	<u>(5,930)</u>	<u>454,547</u>
Recorder:				
Salaries and wages	330,277	331,054	(777)	355,459
Employee benefits	152,503	152,485	18	143,592
Services and supplies	54,245	28,675	25,570	62,823
	<u>537,025</u>	<u>512,214</u>	<u>24,811</u>	<u>561,874</u>
Assessor:				
Salaries and wages	463,693	469,073	(5,380)	441,854
Employee benefits	226,427	214,347	12,080	200,160
Services and supplies	182,075	68,169	113,906	42,741
	<u>872,195</u>	<u>751,589</u>	<u>120,606</u>	<u>684,755</u>
District Attorney:				
Salaries and wages	1,693,943	1,572,678	121,265	1,625,476
Employee benefits	764,521	657,822	106,699	652,627
Services and supplies	119,027	103,494	15,533	79,807
	<u>2,577,491</u>	<u>2,333,994</u>	<u>243,497</u>	<u>2,357,910</u>
City Manager:				
Salaries and wages	367,066	363,089	3,977	349,752
Employee benefits	150,777	147,454	3,323	138,503
Services and supplies	159,610	138,930	20,680	302,931
Capital outlay	-	10,300	-	-
	<u>677,453</u>	<u>659,773</u>	<u>17,680</u>	<u>791,186</u>
Central Services:				
Services and supplies	1,940,925	1,872,316	68,609	1,850,170
Total Executive	<u>7,816,294</u>	<u>7,317,227</u>	<u>499,067</u>	<u>7,354,660</u>
Finance:				
Finance:				
Salaries and wages	475,333	483,922	(8,589)	379,570
Employee benefits	214,876	208,361	6,515	162,519
Services and supplies	94,743	96,567	(1,824)	72,079
	<u>784,952</u>	<u>788,850</u>	<u>(3,898)</u>	<u>614,168</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Internal Auditor:				
Services and supplies	\$ 110,200	\$ 100,908	\$ 9,292	\$ 171,841
Purchasing:				
Salaries and wages	95,980	77,366	18,614	89,428
Employee benefits	44,055	29,212	14,843	34,798
Services and supplies	8,885	10,283	(1,398)	7,746
	<u>148,920</u>	<u>116,861</u>	<u>32,059</u>	<u>131,972</u>
Human Resources:				
Salaries and wages	193,481	199,347	(5,866)	198,852
Employee benefits	84,758	84,936	(178)	73,920
Services and supplies	56,040	37,603	18,437	109,765
	<u>334,279</u>	<u>321,886</u>	<u>12,393</u>	<u>382,537</u>
Total Finance	<u>1,378,351</u>	<u>1,328,505</u>	<u>49,846</u>	<u>1,300,518</u>
Other:				
Community Development:				
Planning:				
Salaries and wages	393,500	395,023	(1,523)	364,666
Employee benefits	178,316	171,906	6,410	189,201
Services and supplies	39,217	43,337	(4,120)	42,592
	<u>611,033</u>	<u>610,266</u>	<u>767</u>	<u>596,459</u>
Business License:				
Salaries and wages	66,148	66,648	(500)	83,639
Employee benefits	34,087	33,793	294	39,345
Services and supplies	11,750	8,084	3,666	8,014
	<u>111,985</u>	<u>108,525</u>	<u>3,460</u>	<u>130,998</u>
Total Community Development	<u>723,018</u>	<u>718,791</u>	<u>4,227</u>	<u>727,457</u>
Information Technology:				
Salaries and wages	724,091	734,914	(10,823)	782,436
Employee benefits	349,833	327,847	21,986	288,815
Services and supplies	766,769	659,953	106,816	564,365
Capital outlay	-	15,000	(15,000)	-
	<u>1,840,693</u>	<u>1,737,714</u>	<u>102,979</u>	<u>1,635,616</u>
Geographic Information Systems:				
Services and supplies	271,500	270,305	1,195	269,751
	<u>271,500</u>	<u>270,305</u>	<u>1,195</u>	<u>269,751</u>
Public Defender:				
Services and supplies	1,573,370	1,558,341	15,029	1,478,073
Public Safety Complex / Courthouse:				
Services and supplies	344,725	252,458	92,267	284,178

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	FINAL BUDGET	ACTUAL	VARIANCE	2015
City Hall:				
Services and supplies	\$ 115,760	\$ 76,393	\$ 39,367	\$ 105,468
Northgate:				
Services and supplies	29,500	28,825	675	30,820
Facilities Maintenance:				
Salaries and wages	728,835	704,285	24,550	768,397
Employee benefits	302,276	302,187	89	277,366
Services and supplies	413,146	382,186	30,960	459,509
Capital outlay	-	-	-	-
	<u>1,444,257</u>	<u>1,388,658</u>	<u>55,599</u>	<u>1,505,272</u>
Total Other	<u>6,342,823</u>	<u>6,031,485</u>	<u>311,338</u>	<u>6,036,635</u>
Total General Government	<u>15,783,862</u>	<u>14,917,697</u>	<u>866,165</u>	<u>14,925,271</u>
Public Safety:				
Sheriff:				
Chartered Administration:				
Salaries and wages	700,523	612,654	87,869	652,997
Employee benefits	344,190	314,017	30,173	299,202
	<u>1,044,713</u>	<u>926,671</u>	<u>118,042</u>	<u>952,199</u>
Administrative Services:				
Salaries and wages	236,982	257,223	(20,241)	154,708
Employee benefits	182,061	178,615	3,446	123,424
Services and supplies	642,111	651,856	(9,745)	463,941
Capital outlay	35,000	39,666	(4,666)	-
	<u>1,096,154</u>	<u>1,127,360</u>	<u>(31,206)</u>	<u>742,073</u>
Investigations:				
Salaries and wages	1,252,137	1,297,988	(45,851)	1,190,814
Employee benefits	718,915	702,821	16,094	615,499
Services and supplies	315,401	281,075	34,326	283,908
Capital outlay	-	26,642	(26,642)	-
	<u>2,286,453</u>	<u>2,308,526</u>	<u>(22,073)</u>	<u>2,090,221</u>
Operational Services:				
Salaries and wages	3,595,979	3,627,659	(31,680)	3,481,494
Employee benefits	2,115,630	2,177,055	(61,425)	2,018,516
Services and supplies	552,168	639,595	(87,427)	587,814
Capital outlay	-	1,078	(1,078)	220
	<u>6,263,777</u>	<u>6,445,387</u>	<u>(181,610)</u>	<u>6,088,044</u>

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Detention Facility:				
Salaries and wages	\$ 2,399,091	\$ 2,376,782	\$ 22,309	\$ 2,330,091
Employee benefits	1,487,352	1,420,700	66,652	1,395,371
Services and supplies	304,082	391,968	(87,886)	383,449
	<u>4,190,525</u>	<u>4,189,450</u>	<u>1,075</u>	<u>4,108,911</u>
General Services:				
Salaries and wages	440,015	435,997	4,018	420,324
Employee benefits	216,857	203,572	13,285	190,123
Services and supplies	60,562	65,288	(4,726)	57,372
Capital outlay	-	-	-	3,795
	<u>717,434</u>	<u>704,857</u>	<u>12,577</u>	<u>671,614</u>
Dispatch:				
Salaries and wages	1,232,074	1,282,414	(50,340)	1,237,242
Employee benefits	509,746	473,043	36,703	440,922
Services and supplies	145,046	144,556	490	140,107
	<u>1,886,866</u>	<u>1,900,013</u>	<u>(13,147)</u>	<u>1,818,271</u>
Federal, Tri-Net Grant:				
Salaries and wages	5,579	649	4,930	65,950
Employee benefits	45,292	51,506	(6,214)	86,830
Services and supplies	12,625	16,085	(3,460)	14,396
	<u>63,496</u>	<u>68,240</u>	<u>(4,744)</u>	<u>167,176</u>
Total Sheriff	<u>17,549,418</u>	<u>17,670,504</u>	<u>(121,086)</u>	<u>16,638,509</u>
Fire:				
Administration:				
Salaries and wages	324,996	300,580	24,416	278,610
Employee benefits	179,007	149,754	29,253	96,460
Services and supplies	45,340	48,470	(3,130)	36,720
	<u>549,343</u>	<u>498,804</u>	<u>50,539</u>	<u>411,790</u>
Operations:				
Salaries and wages	4,933,519	4,866,514	67,005	4,932,431
Employee benefits	2,382,307	2,317,661	64,646	2,327,322
Services and supplies	517,279	515,649	1,630	562,803
Capital outlay	-	10,195	(10,195)	-
	<u>7,833,105</u>	<u>7,710,019</u>	<u>123,086</u>	<u>7,822,556</u>
Prevention:				
Salaries and wages	249,621	272,626	(23,005)	240,649
Employee benefits	113,468	121,940	(8,472)	107,495
Services and supplies	46,484	49,493	(3,009)	36,529
	<u>409,573</u>	<u>444,059</u>	<u>(34,486)</u>	<u>384,673</u>
Emergency Management:				
Salaries and wages	110,117	108,693	1,424	160,579
Employee benefits	92,057	96,464	(4,407)	85,823
Services and supplies	28,934	24,453	4,481	40,619
	<u>231,108</u>	<u>229,610</u>	<u>1,498</u>	<u>287,021</u>

See accompanying notes.

**CARSON CITY
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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Training:				
Salaries and wages	\$ 159,973	\$ 111,877	\$ 48,096	\$ 182,745
Employee benefits	82,671	63,674	18,997	86,066
Services and supplies	113,541	99,096	14,445	95,527
	<u>356,185</u>	<u>274,647</u>	<u>81,538</u>	<u>364,338</u>
Wildland Fire Management:				
Salaries and wages	228,772	206,670	22,102	146,608
Employee benefits	5,330	15,608	(10,278)	11,519
Services and supplies	227,175	178,902	48,273	177,070
	<u>461,277</u>	<u>401,180</u>	<u>60,097</u>	<u>335,197</u>
Total Fire	<u>9,840,591</u>	<u>9,558,319</u>	<u>282,272</u>	<u>9,605,575</u>
Corrections:				
Juvenile Probation:				
Salaries and wages	866,263	813,515	52,748	788,211
Employee benefits	515,171	470,757	44,414	451,652
Services and supplies	342,205	258,391	83,814	208,651
Capital Outlay	-	-	-	7,423
	<u>1,723,639</u>	<u>1,542,663</u>	<u>180,976</u>	<u>1,455,937</u>
Juvenile Detention:				
Salaries and wages	1,075,700	1,023,863	51,837	925,633
Employee benefits	451,040	415,272	35,768	385,492
Services and supplies	114,290	106,016	8,274	95,000
	<u>1,641,030</u>	<u>1,545,151</u>	<u>95,879</u>	<u>1,406,125</u>
Total Corrections	<u>3,364,669</u>	<u>3,087,814</u>	<u>276,855</u>	<u>2,862,062</u>
Total Public Safety	<u>30,754,678</u>	<u>30,316,637</u>	<u>438,041</u>	<u>29,106,146</u>
Judicial:				
Juvenile Court:				
Salaries and wages	273,622	272,606	1,016	229,124
Employee benefits	140,867	130,964	9,903	114,484
Services and supplies	142,609	77,916	64,693	109,136
	<u>557,098</u>	<u>481,486</u>	<u>75,612</u>	<u>452,744</u>
Justice Court:				
Salaries and wages	2,262,200	2,306,927	(44,727)	2,139,355
Employee benefits	1,108,665	1,096,646	12,019	1,006,670
Services and supplies	1,114,899	906,845	208,054	779,696
Capital outlay	68,816	21,169	47,647	50,154
	<u>4,554,580</u>	<u>4,331,587</u>	<u>222,993</u>	<u>3,975,875</u>
Alternative Sentencing:				
Salaries and wages	660,251	655,453	4,798	628,899
Employee benefits	300,634	255,630	45,004	265,983
Services and supplies	178,862	177,452	1,410	128,147
	<u>1,139,747</u>	<u>1,088,535</u>	<u>51,212</u>	<u>1,023,029</u>
Total Alternative Sentencing	<u>1,139,747</u>	<u>1,088,535</u>	<u>51,212</u>	<u>1,023,029</u>
Total Judicial	<u>6,251,425</u>	<u>5,901,608</u>	<u>349,817</u>	<u>5,451,648</u>

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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Public Works:				
Engineering / Public Works:				
Public Works:				
Salaries and wages	\$ 1,326,463	\$ 1,294,800	\$ 31,663	\$ 1,051,574
Employee benefits	822,578	798,461	24,117	676,058
Services and supplies	101,154	95,694	5,460	101,886
Total Public Works	<u>2,250,195</u>	<u>2,188,955</u>	<u>61,240</u>	<u>1,829,518</u>
Sanitation:				
Landfill:				
Salaries and wages	584,118	554,006	30,112	507,983
Employee benefits	220,241	238,826	(18,585)	214,775
Services and supplies	906,759	812,137	94,622	784,163
Capital outlay	15,000	-	15,000	-
Total Sanitation	<u>1,726,118</u>	<u>1,604,969</u>	<u>121,149</u>	<u>1,506,921</u>
Health:				
Public Health Administration:				
Salaries and wages	243,648	257,263	(13,615)	249,889
Employee benefits	118,164	120,125	(1,961)	107,753
Services and supplies	775,630	697,095	78,535	526,777
Total Public Health Administration	<u>1,137,442</u>	<u>1,074,483</u>	<u>62,959</u>	<u>884,419</u>
Medical:				
Salaries and wages	69,035	70,458	(1,423)	68,807
Employee benefits	34,313	34,048	265	31,766
Services and supplies	549,821	450,640	99,181	371,486
Total Medical	<u>653,169</u>	<u>555,146</u>	<u>98,023</u>	<u>472,059</u>
Environmental Health:				
Salaries and wages	342,412	344,411	(1,999)	277,294
Employee benefits	139,724	130,137	9,587	99,781
Services and supplies	42,346	28,036	14,310	31,196
Total Environmental Health	<u>524,482</u>	<u>502,584</u>	<u>21,898</u>	<u>408,271</u>
Animal Services:				
Salaries and wages	-	-	-	154,557
Employee benefits	-	-	-	30,538
Services and supplies	950,938	705,834	245,104	597,954
Total Animal Services	<u>950,938</u>	<u>705,834</u>	<u>245,104</u>	<u>783,049</u>
Total Health	<u>3,266,031</u>	<u>2,838,047</u>	<u>427,984</u>	<u>2,547,798</u>
Welfare:				
Administration:				
Salaries and wages	104,271	101,191	3,080	98,952
Employee benefits	55,878	56,919	(1,041)	49,723
Services and supplies	315,019	90,874	224,145	169,888
Total Administration	<u>475,168</u>	<u>248,984</u>	<u>226,184</u>	<u>318,563</u>

See accompanying notes.

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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Sexual Assault Response Team (SART):				
Salaries and wages	\$ 16,000	\$ 3,675	\$ 12,325	\$ -
Employee benefits	480	122	358	-
Services and supplies	4,958	9,006	(4,048)	-
Total SART	21,438	12,803	8,635	-
Total Welfare	496,606	261,787	234,819	318,563
Culture and Recreation:				
Parks:				
Parks and Recreation Administration:				
Salaries and wages	451,892	454,711	(2,819)	409,050
Employee benefits	203,920	188,789	15,131	188,049
Services and supplies	40,482	36,479	4,003	26,123
	696,294	679,979	16,315	623,222
Park Maintenance:				
Salaries and wages	568,244	545,172	23,072	495,092
Employee benefits	240,266	229,023	11,243	215,552
Services and supplies	564,921	559,978	4,943	499,012
	1,373,431	1,334,173	39,258	1,209,656
Grants, Gifts, and Donations:				
Salaries and wages	56,000	48,724	7,276	-
Services and supplies	86,349	34,661	51,688	211,866
Capital outlay	-	2,621	(2,621)	-
	142,349	86,006	56,343	211,866
Youth Sports Association				
Salaries and wages	36,030	35,579	451	-
Services and supplies	51,437	50,809	628	-
	87,467	86,388	1,079	-
Total Parks	2,299,541	2,186,546	112,995	2,044,744
Participant Recreation:				
Community Center:				
Salaries and wages	168,676	145,498	23,178	182,382
Employee benefits	52,380	51,407	973	45,342
Services and supplies	142,721	124,195	18,526	141,093
	363,777	321,100	42,677	368,817
Recreation:				
Salaries and wages	278,465	285,805	(7,340)	278,608
Employee benefits	52,078	51,803	275	49,215
Services and supplies	86,655	58,390	28,265	57,254
	417,198	395,998	21,200	385,077

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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Swimming Pool:				
Salaries and wages	\$ 415,747	\$ 407,117	\$ 8,630	\$ 362,663
Employee benefits	92,909	78,839	14,070	85,322
Services and supplies	228,155	179,633	48,522	217,413
	<u>736,811</u>	<u>665,589</u>	<u>71,222</u>	<u>665,398</u>
Ice Rink:				
Salaries and wages	32,000	30,642	1,358	28,978
Employee benefits	961	1,620	(659)	1,023
Services and supplies	44,039	32,072	11,967	39,108
	<u>77,000</u>	<u>64,334</u>	<u>12,666</u>	<u>69,109</u>
Nevada Fair:				
Salaries and wages	16,000	15,954	46	-
Employee benefits	-	794	(794)	-
Services and supplies	178,486	142,565	35,921	-
	<u>194,486</u>	<u>159,313</u>	<u>35,173</u>	<u>-</u>
Sports:				
Salaries and wages	172,078	171,695	383	144,537
Employee benefits	49,168	49,360	(192)	45,765
Services and supplies	165,535	151,461	14,074	160,717
	<u>386,781</u>	<u>372,516</u>	<u>14,265</u>	<u>351,019</u>
Multi-Purpose Athletic Center				
Salaries and wages	-	518	(518)	-
Employee benefits	-	16	(16)	-
Services and supplies	132,200	39,292	92,908	-
	<u>132,200</u>	<u>39,826</u>	<u>92,374</u>	<u>-</u>
Total Participant Recreation	<u>2,308,253</u>	<u>2,018,676</u>	<u>289,577</u>	<u>1,839,420</u>
Pony Express Pavilion:				
Salaries and wages	-	-	-	5,045
Services and supplies	-	-	-	14,677
	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,722</u>
Library:				
Salaries and wages	940,160	892,472	47,688	831,960
Employee benefits	362,413	321,564	40,849	341,386
Services and supplies	407,830	384,236	23,594	422,280
	<u>1,710,403</u>	<u>1,598,272</u>	<u>112,131</u>	<u>1,595,626</u>
Total Culture and Recreation	<u>6,318,197</u>	<u>5,803,494</u>	<u>514,703</u>	<u>5,499,512</u>

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	FINAL BUDGET	ACTUAL	VARIANCE	2015
Community Support:				
Support Services:				
Services and supplies	\$ 377,254	\$ 368,771	\$ 8,483	\$ 463,770
Total Expenditures	<u>67,224,366</u>	<u>64,201,965</u>	<u>3,022,401</u>	<u>61,649,147</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,381,564</u>	<u>5,102,130</u>	<u>3,720,566</u>	<u>4,800,048</u>
Other Financing Sources (Uses):				
Capital Leases	-	10,300	10,300	-
Transfers in (out):				
Quality of Life Fund	67,383	68,608	1,225	63,968
Senior Citizens Fund	-	-	-	9,000
Residential Construction tax	-	-	-	2,009
Redevelopment Revolving Fund	-	480,000	480,000	480,000
MAC Maintenance	25,000	25,000	-	-
Capital Projects Fund	(775,000)	(775,000)	-	-
Infrastructure Fund	(82,100)	(82,100)	-	-
Senior Citizens Fund	-	-	-	(110,000)
Carson City Debt Service Fund	(2,896,204)	(2,896,204)	-	(3,149,395)
Traffic Transportation Fund	(10,000)	(10,000)	-	(15,000)
Street Maintenance	(370,197)	(370,197)	-	-
Cemetery Fund	(90,000)	(90,000)	-	(75,000)
Carson City Transit Fund	(400,000)	(400,000)	-	(350,000)
Grant Fund	(136,131)	(109,707)	26,424	(78,892)
Ambulance Fund	(400,000)	(300,000)	100,000	(400,000)
Extraordinary Maintenance	(100,000)	(100,000)	-	-
Total Other Financing Sources (Uses)	<u>(5,167,249)</u>	<u>(4,549,300)</u>	<u>617,949</u>	<u>(3,623,310)</u>
Net Change in Fund Balances	<u>(3,785,685)</u>	<u>552,830</u>	<u>4,338,515</u>	<u>1,176,738</u>
Fund Balances, July 1	<u>7,628,312</u>	<u>7,628,312</u>	<u>-</u>	<u>6,451,574</u>
Fund Balances, June 30	<u>\$ 3,842,627</u>	<u>\$ 8,181,142</u>	<u>\$ 4,338,515</u>	<u>\$ 7,628,312</u>

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NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet

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

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016**

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS				
Cash and investments	\$ 4,467,617	\$ 280,259	\$ 10,262,649	\$ 15,010,525
Receivables (net of allowances for uncollectibles):				
Taxes, delinquent	46,686	25,330	-	72,016
Accounts receivable	21,791	20,649	-	42,440
Due from other funds	179,806	-	-	179,806
Due from other governments	3,910,394	-	213,419	4,123,813
Prepaid items	49,683	-	-	49,683
Restricted assets:				
Cash and investments	51,739	-	-	51,739
Total Assets	\$ 8,727,716	\$ 326,238	\$ 10,476,068	\$ 19,530,022
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,227,773	\$ -	\$ 2,589,970	\$ 3,817,743
Accrued salaries and benefits	369,762	-	-	369,762
Due to other funds	329,806	-	-	329,806
Due to other governments	110,496	-	-	110,496
Unearned revenue	97,925	-	-	97,925
Payable from restricted assets	51,739	-	-	51,739
Total Liabilities	2,187,501	-	2,589,970	4,777,471
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	23,682	13,745	-	37,427
Fund balances:				
Nonspendable	49,683	-	-	49,683
Restricted	5,644,437	155,964	7,886,098	13,686,499
Committed	6,856	-	-	6,856
Assigned	815,557	156,529	-	972,086
Total Fund Balances	6,516,533	312,493	7,886,098	14,715,124
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,727,716	\$ 326,238	\$ 10,476,068	\$ 19,530,022

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
Revenues:				
Taxes	\$ 12,506,820	\$ 1,734,336	\$ 1,330,110	\$ 15,571,266
Licenses and permits	212,164	-	-	212,164
Intergovernmental revenues	8,246,734	348,455	-	8,595,189
Charges for services	404,934	-	-	404,934
Fines and forfeits	33,509	-	-	33,509
Miscellaneous	484,212	109,595	458,107	1,051,914
Total Revenues	<u>21,888,373</u>	<u>2,192,386</u>	<u>1,788,217</u>	<u>25,868,976</u>
Expenditures:				
Current:				
General government	817,670	-	83,933	901,603
Public safety	1,441,314	-	-	1,441,314
Judicial	153,948	-	-	153,948
Public works	6,500,734	-	-	6,500,734
Sanitation	59,196	-	-	59,196
Health	2,724,031	-	320	2,724,351
Welfare	1,762,845	-	-	1,762,845
Culture and recreation	2,061,792	-	30,082	2,091,874
Community support	-	-	287,181	287,181
Economic opportunity	160,396	-	-	160,396
Capital outlay	6,280,277	-	8,117,183	14,397,460
Debt service:				
Principal retirement	-	4,498,100	-	4,498,100
Interest and fiscal charges	-	3,369,056	-	3,369,056
Total Expenditures	<u>21,962,203</u>	<u>7,867,156</u>	<u>8,518,699</u>	<u>38,348,058</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(73,830)</u>	<u>(5,674,770)</u>	<u>(6,730,482)</u>	<u>(12,479,082)</u>
Other Financing Sources (Uses):				
Refunding bonds issued	-	21,580,000	-	21,580,000
Premium on refunding bonds	-	1,836,172	-	1,836,172
Payment to refunded bond escrow agent	-	(23,701,582)	-	(23,701,582)
Sale of capital assets	73,929	-	-	73,929
Transfers in	2,534,534	7,395,439	1,415,483	11,345,456
Transfers out	(4,559,737)	(1,512,274)	(1,103,845)	(7,175,856)
Total Other Financing Sources (Uses)	<u>(1,951,274)</u>	<u>5,597,755</u>	<u>311,638</u>	<u>3,958,119</u>
Net Change in Fund Balances	<u>(2,025,104)</u>	<u>(77,015)</u>	<u>(6,418,844)</u>	<u>(8,520,963)</u>
Fund Balances, July 1	<u>8,541,637</u>	<u>389,508</u>	<u>14,304,942</u>	<u>23,236,087</u>
Fund Balances, June 30	<u>\$ 6,516,533</u>	<u>\$ 312,493</u>	<u>\$ 7,886,098</u>	<u>\$ 14,715,124</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
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(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	\$ 68,125	\$ 248,662	\$ 11,803	\$ 33,758
Restricted	-	-	-	-
Taxes receivable, delinquent	10,241	2,616	-	23,575
Accounts receivable	68	-	-	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	37,940
Prepaid items	136	3	-	-
	<u>136</u>	<u>3</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 78,570</u>	<u>\$ 251,281</u>	<u>\$ 11,803</u>	<u>\$ 95,273</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 5,449	\$ 804	\$ 2,209	\$ 20,455
Accrued salaries and benefits	20,214	647	2,738	-
Due to other funds	-	-	-	-
Due to other governments	-	23,523	-	41,888
Due to component units	-	-	-	-
Unearned revenue	-	-	-	-
Payable from restricted assets	-	-	-	-
	<u>25,663</u>	<u>24,974</u>	<u>4,947</u>	<u>62,343</u>
Total Liabilities	<u>25,663</u>	<u>24,974</u>	<u>4,947</u>	<u>62,343</u>
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	5,196	1,325	-	11,959
	<u>5,196</u>	<u>1,325</u>	<u>-</u>	<u>11,959</u>
Fund balances:				
Nonspendable	136	3	-	-
Restricted	47,575	224,979	-	20,971
Committed	-	-	6,856	-
Assigned	-	-	-	-
	<u>47,711</u>	<u>224,982</u>	<u>6,856</u>	<u>20,971</u>
Total Fund Balances	<u>47,711</u>	<u>224,982</u>	<u>6,856</u>	<u>20,971</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 78,570</u>	<u>\$ 251,281</u>	<u>\$ 11,803</u>	<u>\$ 95,273</u>

LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	911 SURCHARGE	CAPITAL PROJECTS
\$ 83,093	\$ 75,899	\$ 344,626	\$ 506,126
-	-	-	-
-	-	-	10,254
-	-	19,740	-
-	-	-	-
-	-	-	-
-	1,620	44,929	-
<u>\$ 83,093</u>	<u>\$ 77,519</u>	<u>\$ 409,295</u>	<u>\$ 516,380</u>
\$ 5,562	\$ 851	\$ 805	\$ 118,079
2,611	-	-	-
-	-	-	-
21	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>8,194</u>	<u>851</u>	<u>805</u>	<u>118,079</u>
-	-	-	5,202
-	1,620	44,929	-
74,899	75,048	363,561	-
-	-	-	-
-	-	-	393,099
<u>74,899</u>	<u>76,668</u>	<u>408,490</u>	<u>393,099</u>
<u>\$ 83,093</u>	<u>\$ 77,519</u>	<u>\$ 409,295</u>	<u>\$ 516,380</u>

**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 2 OF 3)**

	<u>STREET MAINTENANCE</u>	<u>REDEVELOPMENT ADMINISTRATION</u>	<u>CARSON CITY TRANSIT</u>
ASSETS			
Cash and investments:			
Unrestricted	\$ 1,143,185	\$ 77,295	\$ 256,930
Restricted	-	-	-
Taxes receivable, delinquent	-	-	-
Accounts receivable	680	-	959
Due from other funds	-	-	-
Due from other governments	718,999	-	147,263
Prepaid items	212	-	-
	<u>1,863,076</u>	<u>77,295</u>	<u>405,152</u>
Total Assets	<u>\$ 1,863,076</u>	<u>\$ 77,295</u>	<u>\$ 405,152</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 515,473	\$ 2,694	\$ 60,153
Accrued salaries and benefits	116,018	7,188	5,047
Due to other funds	-	-	-
Due to other governments	-	5,200	14,284
Due to component units	-	-	-
Unearned revenue	-	-	-
Payable from restricted assets	-	-	-
	<u>631,491</u>	<u>15,082</u>	<u>79,484</u>
Total Liabilities	<u>631,491</u>	<u>15,082</u>	<u>79,484</u>
Deferred inflows of resources:			
Unavailable revenue - delinquent property taxes	-	-	-
FUND BALANCES			
Nonspendable	212	-	-
Restricted	1,231,373	62,213	325,668
Committed	-	-	-
Assigned	-	-	-
	<u>1,231,585</u>	<u>62,213</u>	<u>325,668</u>
Total Fund Balances	<u>1,231,585</u>	<u>62,213</u>	<u>325,668</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,863,076</u>	<u>\$ 77,295</u>	<u>\$ 405,152</u>

<u>COMMISSARY</u>	<u>V & T SPECIAL INFRASTRUCTURE</u>	<u>CAMPO</u>	<u>AIRPORT</u>
\$ 122,421	\$ 140,072	\$ -	\$ -
51,739	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	214,217	213,289	-
-	-	-	-
<u>\$ 174,160</u>	<u>\$ 354,289</u>	<u>\$ 213,289</u>	<u>\$ -</u>
\$ 41,796	\$ -	\$ 7,019	\$ -
3,742	-	-	-
-	-	179,806	-
-	-	-	-
-	-	-	-
-	-	-	-
51,739	-	-	-
<u>97,277</u>	<u>-</u>	<u>186,825</u>	<u>-</u>
-	-	-	-
-	-	-	-
76,883	354,289	26,464	-
-	-	-	-
-	-	-	-
<u>76,883</u>	<u>354,289</u>	<u>26,464</u>	<u>-</u>
<u>\$ 174,160</u>	<u>\$ 354,289</u>	<u>\$ 213,289</u>	<u>\$ -</u>

See accompanying notes.

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**CARSON CITY
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 3 OF 3)**

	<u>REGIONAL TRANSPORTATION</u>	<u>QUALITY OF LIFE</u>	<u>GRANT</u>	<u>TOTAL</u>
ASSETS				
Cash and investments:				
Unrestricted	\$ 236,131	\$ 1,095,224	\$ 24,267	\$ 4,467,617
Restricted	-	-	-	51,739
Taxes receivable, delinquent	-	-	-	46,686
Accounts receivable	-	-	344	21,791
Due from other funds	179,806	-	-	179,806
Due from other governments	593,569	457,816	1,527,301	3,910,394
Prepaid items	1,480	-	1,303	49,683
	<u>1,010,986</u>	<u>1,553,040</u>	<u>1,553,215</u>	<u>8,727,716</u>
Total Assets	<u>\$ 1,010,986</u>	<u>\$ 1,553,040</u>	<u>\$ 1,553,215</u>	<u>\$ 8,727,716</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 10,980	\$ 91,343	\$ 344,101	\$ 1,227,773
Accrued salaries and benefits	21,256	24,228	166,073	369,762
Due to other funds	-	-	150,000	329,806
Due to other governments	3,750	8,124	13,706	110,496
Due to component units	-	-	-	-
Unearned revenue	-	-	97,925	97,925
Payable from restricted assets	-	-	-	51,739
	<u>35,986</u>	<u>123,695</u>	<u>771,805</u>	<u>2,187,501</u>
Total Liabilities	<u>35,986</u>	<u>123,695</u>	<u>771,805</u>	<u>2,187,501</u>
Deferred inflows of resources:				
Unavailable revenue - delinquent property taxes	-	-	-	23,682
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,682</u>
FUND BALANCES				
Nonspendable	1,480	-	1,303	49,683
Restricted	973,520	1,429,345	357,649	5,644,437
Committed	-	-	-	6,856
Assigned	-	-	422,458	815,557
	<u>975,000</u>	<u>1,429,345</u>	<u>781,410</u>	<u>6,516,533</u>
Total Fund Balances	<u>975,000</u>	<u>1,429,345</u>	<u>781,410</u>	<u>6,516,533</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,010,986</u>	<u>\$ 1,553,040</u>	<u>\$ 1,553,215</u>	<u>\$ 8,727,716</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 1 OF 3)

	SENIOR CITIZENS CENTER	COOPERATIVE EXTENSION	TRAFFIC TRANSPORTATION	SUPPLEMENTAL INDIGENT
Revenues:				
Taxes	\$ 625,158	\$ 160,036	\$ -	\$ 1,437,862
Licenses and permits	-	-	-	-
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	33,509	-
Miscellaneous	1,214	13,315	12,250	3,533
Total Revenues	<u>626,372</u>	<u>173,351</u>	<u>45,759</u>	<u>1,441,395</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	56,629	-
Judicial	-	-	-	-
Public works	-	-	-	-
Sanitation	-	-	-	-
Welfare	-	-	-	1,420,467
Health	-	-	-	-
Culture and recreation	452,542	178,506	-	-
Economic opportunity	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	<u>452,542</u>	<u>178,506</u>	<u>56,629</u>	<u>1,420,467</u>
Excess (Deficiency) of Revenues over Expenditures	<u>173,830</u>	<u>(5,155)</u>	<u>(10,870)</u>	<u>20,928</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	-	-	-
Transfers in	-	-	10,000	-
Transfers out	(152,000)	-	-	-
Total Other Financing Sources (Uses)	<u>(152,000)</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Net Change in Fund Balances	21,830	(5,155)	(870)	20,928
Fund Balances, July 1	<u>25,881</u>	<u>230,137</u>	<u>7,726</u>	<u>43</u>
Fund Balances, June 30	<u>\$ 47,711</u>	<u>\$ 224,982</u>	<u>\$ 6,856</u>	<u>\$ 20,971</u>

See accompanying notes.

LIBRARY GIFT	ADMINISTRATIVE ASSESSMENTS	911 SURCHARGE	CAPITAL PROJECTS
\$ -	\$ -	\$ -	\$ 625,156
-	-	212,164	-
-	58,627	-	-
-	-	-	-
-	-	-	-
89,967	-	3,114	13,027
<u>89,967</u>	<u>58,627</u>	<u>215,278</u>	<u>638,183</u>
-	-	-	471,865
-	-	209,959	79,403
-	43,991	-	-
-	-	-	26,226
-	-	-	59,196
-	-	-	-
-	-	-	-
147,744	-	-	33,917
-	-	-	-
10,943	1,543	271,934	783,461
<u>158,687</u>	<u>45,534</u>	<u>481,893</u>	<u>1,454,068</u>
<u>(68,720)</u>	<u>13,093</u>	<u>(266,615)</u>	<u>(815,885)</u>
-	-	-	30,799
-	-	-	775,000
-	-	(103,130)	(230,111)
<u>-</u>	<u>-</u>	<u>(103,130)</u>	<u>575,688</u>
(68,720)	13,093	(369,745)	(240,197)
<u>143,619</u>	<u>63,575</u>	<u>778,235</u>	<u>633,296</u>
<u>\$ 74,899</u>	<u>\$ 76,668</u>	<u>\$ 408,490</u>	<u>\$ 393,099</u>

See accompanying notes.

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 2 OF 3)

	STREET MAINTENANCE	REDEVELOPMENT ADMINISTRATION	CARSON CITY TRANSIT
Revenues:			
Taxes	\$ 2,740,063	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental revenues	1,380,950	-	958,943
Charges for services	88,192	-	91,244
Fines and forfeits	-	-	-
Miscellaneous	7,080	12,221	18,474
Total Revenues	<u>4,216,285</u>	<u>12,221</u>	<u>1,068,661</u>
Expenditures:			
Current:			
General government	-	315,067	-
Public safety	-	-	-
Judicial	-	-	-
Public works	4,415,255	-	1,273,525
Sanitation	-	-	-
Welfare	-	-	-
Health	-	-	-
Culture and recreation	-	-	-
Economic opportunity	-	-	-
Capital outlay	758,548	-	81,626
Total Expenditures	<u>5,173,803</u>	<u>315,067</u>	<u>1,355,151</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(957,518)</u>	<u>(302,846)</u>	<u>(286,490)</u>
Other Financing Sources (Uses):			
Sale of capital assets	42,560	-	-
Transfers in	944,394	278,891	400,000
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>986,954</u>	<u>278,891</u>	<u>400,000</u>
Net Change in Fund Balances	29,436	(23,955)	113,510
Fund Balances, July 1	<u>1,202,149</u>	<u>86,168</u>	<u>212,158</u>
Fund Balances, June 30	<u>\$ 1,231,585</u>	<u>\$ 62,213</u>	<u>\$ 325,668</u>

<u>COMMISSARY</u>	<u>V & T SPECIAL INFRASTRUCTURE</u>	<u>CAMPO</u>	<u>AIRPORT</u>
\$ -	\$ 1,181,643	\$ -	\$ -
-	-	-	-
-	100,000	401,662	160,000
111,936	-	-	-
-	-	-	-
83,747	894	-	-
<u>195,683</u>	<u>1,282,537</u>	<u>401,662</u>	<u>160,000</u>
-	1,075	-	-
208,496	-	-	-
-	-	-	-
-	-	418,067	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	160,000
<u>208,496</u>	<u>1,075</u>	<u>418,067</u>	<u>160,000</u>
<u>(12,813)</u>	<u>1,281,462</u>	<u>(16,405)</u>	<u>-</u>
-	-	-	-
-	-	16,542	-
-	(1,125,878)	-	-
<u>-</u>	<u>(1,125,878)</u>	<u>16,542</u>	<u>-</u>
(12,813)	155,584	137	-
<u>89,696</u>	<u>198,705</u>	<u>26,327</u>	<u>-</u>
<u>\$ 76,883</u>	<u>\$ 354,289</u>	<u>\$ 26,464</u>	<u>\$ -</u>

See accompanying notes.

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 3 OF 3)

	REGIONAL TRANSPORTATION	QUALITY OF LIFE	GRANT	TOTAL
Revenues:				
Taxes	\$ 3,373,625	\$ 2,363,277	\$ -	\$ 12,506,820
Licenses and permits	-	-	-	212,164
Intergovernmental revenues	456,805	177,199	4,552,548	8,246,734
Charges for services	-	857	112,705	404,934
Fines and forfeits	-	-	-	33,509
Miscellaneous	12,517	6,393	206,466	484,212
	<u>3,842,947</u>	<u>2,547,726</u>	<u>4,871,719</u>	<u>21,888,373</u>
Total Revenues				
Expenditures:				
Current:				
General government	-	-	29,663	817,670
Public safety	-	-	886,827	1,441,314
Judicial	-	-	109,957	153,948
Public works	367,661	-	-	6,500,734
Sanitation	-	-	-	59,196
Welfare	-	-	342,378	1,762,845
Health	-	-	2,724,031	2,724,031
Culture and recreation	-	1,084,083	165,000	2,061,792
Economic opportunity	-	-	160,396	160,396
Capital outlay	795,187	2,863,943	553,092	6,280,277
	<u>1,162,848</u>	<u>3,948,026</u>	<u>4,971,344</u>	<u>21,962,203</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	<u>2,680,099</u>	<u>(1,400,300)</u>	<u>(99,625)</u>	<u>(73,830)</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	570	-	73,929
Transfers in	-	-	109,707	2,534,534
Transfers out	(2,259,473)	(689,145)	-	(4,559,737)
	<u>(2,259,473)</u>	<u>(688,575)</u>	<u>109,707</u>	<u>(1,951,274)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	420,626	(2,088,875)	10,082	(2,025,104)
Fund Balances, July 1	<u>554,374</u>	<u>3,518,220</u>	<u>771,328</u>	<u>8,541,637</u>
Fund Balances, June 30	<u>\$ 975,000</u>	<u>\$ 1,429,345</u>	<u>\$ 781,410</u>	<u>\$ 6,516,533</u>

CARSON CITY
SENIOR CITIZENS CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Ad valorem	\$ 616,724	\$ 625,158	\$ 8,434	\$ 608,451
Miscellaneous:				
Investment income	850	1,214	364	574
Donations and gifts	7,311	-	(7,311)	-
	<u>8,161</u>	<u>1,214</u>	<u>(6,947)</u>	<u>574</u>
Total Revenues	<u>624,885</u>	<u>626,372</u>	<u>1,487</u>	<u>609,025</u>
Expenditures:				
Culture and recreation:				
Participant recreation:				
Salaries and wages	230,148	222,239	7,909	280,073
Employee benefits	114,152	119,935	(5,783)	113,869
Services and supplies	108,916	110,368	(1,452)	231,577
	<u>453,216</u>	<u>452,542</u>	<u>674</u>	<u>625,519</u>
Total Expenditures	<u>453,216</u>	<u>452,542</u>	<u>674</u>	<u>625,519</u>
Excess (Deficiency) of Revenues over Expenditures	<u>171,669</u>	<u>173,830</u>	<u>2,161</u>	<u>(16,494)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	-	-	110,000
General Fund	-	-	-	(9,000)
Carson City Debt Service Fund	(152,000)	(152,000)	-	(156,050)
	<u>(152,000)</u>	<u>(152,000)</u>	<u>-</u>	<u>(55,050)</u>
Total Other Financing Sources (Uses)	<u>(152,000)</u>	<u>(152,000)</u>	<u>-</u>	<u>(55,050)</u>
Net Change in Fund Balances	19,669	21,830	2,161	(71,544)
Fund Balances, July 1	<u>25,881</u>	<u>25,881</u>	<u>-</u>	<u>97,425</u>
Fund Balances, June 30	<u>\$ 45,550</u>	<u>\$ 47,711</u>	<u>\$ 2,161</u>	<u>\$ 25,881</u>

**CARSON CITY
COOPERATIVE EXTENSION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Ad valorem	\$ 157,884	\$ 160,036	\$ 2,152	\$ 155,762
Miscellaneous:				
Refunds and reimbursements	11,500	13,315	1,815	12,094
Total Revenues	<u>169,384</u>	<u>173,351</u>	<u>3,967</u>	<u>167,856</u>
Expenditures:				
Culture and recreation:				
Cooperative extension:				
Salaries and wages	8,708	7,601	1,107	-
Employee benefits	200	228	(28)	-
Services and supplies	306,828	170,677	136,151	185,012
Total Expenditures	<u>315,736</u>	<u>178,506</u>	<u>137,230</u>	<u>185,012</u>
Excess (Deficiency) of Revenues over Expenditures	(146,352)	(5,155)	141,197	(17,156)
Fund Balances, July 1	<u>230,137</u>	<u>230,137</u>	<u>-</u>	<u>247,293</u>
Fund Balances, June 30	<u>\$ 83,785</u>	<u>\$ 224,982</u>	<u>\$ 141,197</u>	<u>\$ 230,137</u>

CARSON CITY
TRAFFIC TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Fines and forfeits:				
Fines:				
Court	\$ 40,000	\$ 33,509	\$ (6,491)	\$ 40,366
Miscellaneous:				
Investment income	100	33	(67)	56
Rents and royalties	16,150	11,940	(4,210)	11,520
Other	-	277	277	4
	<u>16,250</u>	<u>12,250</u>	<u>(4,000)</u>	<u>11,580</u>
Total Revenues	<u>56,250</u>	<u>45,759</u>	<u>(10,491)</u>	<u>51,946</u>
Expenditures:				
Public safety:				
Sheriff - parking enforcement:				
Salaries and wages	31,358	30,161	1,197	50,232
Employee benefits	15,069	15,014	55	14,545
Services and supplies	22,549	11,454	11,095	5,957
	<u>68,976</u>	<u>56,629</u>	<u>12,347</u>	<u>70,734</u>
Total Expenditures	<u>68,976</u>	<u>56,629</u>	<u>12,347</u>	<u>70,734</u>
Excess (Deficiency) of Revenues over Expenditures	(12,726)	(10,870)	1,856	(18,788)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	10,000	10,000	-	15,000
Net Change in Fund Balances	(2,726)	(870)	1,856	(3,788)
Fund Balances, July 1	<u>7,726</u>	<u>7,726</u>	<u>-</u>	<u>11,514</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 6,856</u>	<u>\$ 1,856</u>	<u>\$ 7,726</u>

**CARSON CITY
SUPPLEMENTAL INDIGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2015</u>
Revenues:				
Taxes:				
Ad valorem	<u>\$ 1,418,470</u>	<u>\$ 1,437,862</u>	<u>\$ 19,392</u>	<u>\$ 1,399,434</u>
Miscellaneous:				
Investment income	<u>2,000</u>	<u>3,533</u>	<u>1,533</u>	<u>2,105</u>
Total Revenues	<u>1,420,470</u>	<u>1,441,395</u>	<u>20,925</u>	<u>1,401,539</u>
Expenditures:				
Welfare:				
Institutional care:				
Services and supplies	<u>1,420,470</u>	<u>1,420,467</u>	<u>3</u>	<u>1,401,740</u>
Excess (Deficiency) of Revenues over Expenditures	-	20,928	20,928	(201)
Fund Balances, July 1	<u>43</u>	<u>43</u>	<u>-</u>	<u>244</u>
Fund Balances, June 30	<u><u>\$ 43</u></u>	<u><u>\$ 20,971</u></u>	<u><u>\$ 20,928</u></u>	<u><u>\$ 43</u></u>

**CARSON CITY
LIBRARY GIFT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Miscellaneous:				
Investment income	\$ 1,000	\$ 799	\$ (201)	\$ 942
Donations and gifts	71,000	89,168	18,168	45,081
Total Revenues	<u>72,000</u>	<u>89,967</u>	<u>17,967</u>	<u>46,023</u>
Expenditures:				
Culture and recreation:				
Libraries:				
Salaries and wages	13,600	15,210	(1,610)	532
Employee benefits	710	738	(28)	26
Services and supplies	180,438	131,796	48,642	99,122
Capital outlay	15,871	10,943	4,928	5,533
Total Expenditures	<u>210,619</u>	<u>158,687</u>	<u>51,932</u>	<u>105,213</u>
Excess (Deficiency) of Revenues over Expenditures	(138,619)	(68,720)	69,899	(59,190)
Fund Balances, July 1	<u>143,619</u>	<u>143,619</u>	-	<u>202,809</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 74,899</u>	<u>\$ 69,899</u>	<u>\$ 143,619</u>

CARSON CITY
ADMINISTRATIVE ASSESSMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
State shared revenue:				
Administrative assessments	\$ 80,000	\$ 58,627	\$ (21,373)	\$ 66,897
Expenditures:				
Judicial:				
Salaries and wages	10,000	3,453	6,547	-
Employee benefits	145	49	96	-
Services and supplies	128,430	40,489	87,941	49,022
Capital outlay	-	1,543	(1,543)	13,799
Total Expenditures	138,575	45,534	93,041	62,821
Excess (Deficiency) of Revenues over Expenditures	(58,575)	13,093	71,668	4,076
Fund Balances, July 1	63,575	63,575	-	59,499
Fund Balances, June 30	\$ 5,000	\$ 76,668	\$ 71,668	\$ 63,575

CARSON CITY
911 SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Licenses and permits:				
Franchise fees:				
Telephone	\$ 218,000	\$ 212,164	\$ (5,836)	\$ 216,574
Miscellaneous:				
Investment income	5,000	3,114	(1,886)	4,504
Total Revenues	<u>223,000</u>	<u>215,278</u>	<u>(7,722)</u>	<u>221,078</u>
Expenditures:				
Public Safety:				
Services and supplies	421,842	209,959	211,883	164,055
Capital outlay	426,263	271,934	154,329	653,113
Total Expenditures	<u>848,105</u>	<u>481,893</u>	<u>366,212</u>	<u>817,168</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(625,105)</u>	<u>(266,615)</u>	<u>358,490</u>	<u>(596,090)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	(103,130)	(103,130)	-	(102,695)
Total Other Financing Sources (Uses)	<u>(103,130)</u>	<u>(103,130)</u>	<u>-</u>	<u>(102,695)</u>
Net Change in Fund Balances	(728,235)	(369,745)	358,490	(698,785)
Fund Balances, July 1	<u>778,235</u>	<u>778,235</u>	<u>-</u>	<u>1,477,020</u>
Fund Balances, June 30	<u>\$ 50,000</u>	<u>\$ 408,490</u>	<u>\$ 358,490</u>	<u>\$ 778,235</u>

**CARSON CITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Ad valorem	\$ 616,724	\$ 625,156	\$ 8,432	\$ 608,441
Intergovernmental revenues:				
State grants	76,000	-	(76,000)	-
Miscellaneous:				
Investment income	3,000	3,683	683	6,693
Donations and gifts	9,344	9,344	-	-
	12,344	13,027	683	6,693
Total Revenues	705,068	638,183	(66,885)	615,134
Expenditures:				
General government:				
Services and supplies	380,528	471,865	(91,337)	101,638
Capital Outlay	804,504	432,845	371,659	71,516
	1,185,032	904,710	280,322	173,154
Public safety:				
Services and supplies	89,945	79,403	10,542	1,162
Capital outlay	359,213	289,245	69,968	57,757
	449,158	368,648	80,510	58,919
Landfill:				
Services and supplies	55,623	59,196	(3,573)	170,710
Capital outlay	42,597	42,747	(150)	1,447,394
	98,220	101,943	(3,723)	1,618,104
Public works:				
Services and supplies	100,000	26,226	73,774	-
Culture and recreation:				
Services and supplies	12,000	33,917	(21,917)	2,750
Capital outlay	64,642	18,624	46,018	-
	76,642	52,541	24,101	2,750
Total Expenditures	1,909,052	1,454,068	454,984	1,852,927
Excess (Deficiency) of Revenues over Expenditures	(1,203,984)	(815,885)	388,099	(1,237,793)

**CARSON CITY
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Other Financing Sources (Uses):				
Sale of capital assets	\$ 30,799	\$ 30,799	\$ -	\$ 64,812
Transfers in (out):				
General Fund	775,000	775,000	-	-
Capital Facilities Fund	-	-	-	11,060
Carson City Debt Service Fund	(230,111)	(230,111)	-	(230,139)
	<u>575,688</u>	<u>575,688</u>	<u>-</u>	<u>(154,267)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	(628,296)	(240,197)	388,099	(1,392,060)
Fund Balances, July 1	<u>633,296</u>	<u>633,296</u>	<u>-</u>	<u>2,025,356</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 393,099</u>	<u>\$ 388,099</u>	<u>\$ 633,296</u>

CARSON CITY
STREET MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 345,102	\$ 376,731	\$ 31,629	\$ 345,534
Sales tax, voter approved	2,241,720	2,363,332	121,612	2,190,778
	<u>2,586,822</u>	<u>2,740,063</u>	<u>153,241</u>	<u>2,536,312</u>
Intergovernmental revenues:				
Federal grants	-	5,127	5,127	4,591
State shared revenues:				
Motor vehicle fuel tax	1,220,130	1,297,002	76,872	1,231,191
Other local government grants	54,500	78,821	24,321	83,502
	<u>1,274,630</u>	<u>1,380,950</u>	<u>106,320</u>	<u>1,319,284</u>
Charges for services	65,000	88,192	23,192	57,296
Miscellaneous:				
Investment income	1,000	6,840	5,840	3,651
Refunds and reimbursements	-	240	240	249
	<u>1,000</u>	<u>7,080</u>	<u>6,080</u>	<u>3,900</u>
Total Revenues	<u>3,927,452</u>	<u>4,216,285</u>	<u>288,833</u>	<u>3,916,792</u>
Expenditures:				
Public works:				
Salaries and wages	1,356,107	1,396,615	(40,508)	1,339,308
Employee benefits	551,550	558,890	(7,340)	503,576
Services and supplies	2,992,738	2,459,750	532,988	2,826,768
Capital outlay	1,073,600	758,548	315,052	23,462
	<u>5,973,995</u>	<u>5,173,803</u>	<u>800,192</u>	<u>4,693,114</u>
Total Expenditures	<u>5,973,995</u>	<u>5,173,803</u>	<u>800,192</u>	<u>4,693,114</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,046,543)</u>	<u>(957,518)</u>	<u>1,089,025</u>	<u>(776,322)</u>
Other Financing Sources (Uses):				
Sale of capital assets	-	42,560	42,560	-
Transfers in (out):				
General Fund	370,197	370,197	-	-
Regional Transportation Fund	574,197	574,197	-	1,000,000
Fleet Management Fund	-	-	-	(11,521)
	<u>944,394</u>	<u>986,954</u>	<u>42,560</u>	<u>988,479</u>
Total Other Financing Sources (Uses)	<u>944,394</u>	<u>986,954</u>	<u>42,560</u>	<u>988,479</u>
Net Change in Fund Balances	(1,102,149)	29,436	1,131,585	212,157
Fund Balances, July 1	1,202,149	1,202,149	-	989,992
Fund Balances, June 30	<u>\$ 100,000</u>	<u>\$ 1,231,585</u>	<u>\$ 1,131,585</u>	<u>\$ 1,202,149</u>

See accompanying notes.

CARSON CITY
REDEVELOPMENT ADMINISTRATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Other local government grants	\$ -	\$ -	\$ -	\$ 9,583
Miscellaneous:				
Investment income	400	1,261	861	945
Other	10,000	10,960	960	10,040
	<u>10,400</u>	<u>12,221</u>	<u>1,821</u>	<u>10,985</u>
Total Revenues	<u>10,400</u>	<u>12,221</u>	<u>1,821</u>	<u>20,568</u>
Expenditures:				
General government:				
Salaries and wages	91,604	94,938	(3,334)	179,441
Employee benefits	34,282	25,290	8,992	47,918
Services and supplies	219,573	194,839	24,734	227,954
	<u>345,459</u>	<u>315,067</u>	<u>30,392</u>	<u>455,313</u>
Total Expenditures	<u>345,459</u>	<u>315,067</u>	<u>30,392</u>	<u>455,313</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(335,059)</u>	<u>(302,846)</u>	<u>32,213</u>	<u>(434,745)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	278,891	278,891	-	391,945
	<u>278,891</u>	<u>278,891</u>	<u>-</u>	<u>391,945</u>
Net Change in Fund Balances	(56,168)	(23,955)	32,213	(42,800)
Fund Balances, July 1	<u>86,168</u>	<u>86,168</u>	<u>-</u>	<u>128,968</u>
Fund Balances, June 30	<u>\$ 30,000</u>	<u>\$ 62,213</u>	<u>\$ 32,213</u>	<u>\$ 86,168</u>

**CARSON CITY
CARSON CITY TRANSIT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 1,057,760	\$ 908,943	\$ (148,817)	\$ 852,400
State grants	50,000	50,000	-	50,000
	<u>1,107,760</u>	<u>958,943</u>	<u>(148,817)</u>	<u>902,400</u>
Charges for services:				
Ticket sales	99,159	91,244	(7,915)	102,263
Miscellaneous:				
Investment income	1,000	2,715	1,715	1,901
Rents and royalties	30,000	15,759	(14,241)	35,535
Gifts and donations	-	-	-	191
	<u>31,000</u>	<u>18,474</u>	<u>(12,526)</u>	<u>37,627</u>
Total Revenues	<u>1,237,919</u>	<u>1,068,661</u>	<u>(169,258)</u>	<u>1,042,290</u>
Expenditures:				
Public works:				
Transit system:				
Salaries and wages	24,450	27,574	(3,124)	25,970
Employee benefits	30,204	31,306	(1,102)	28,059
Services and supplies	1,380,045	1,214,645	165,400	1,100,956
Capital outlay	294,000	81,626	212,374	244,232
Total Expenditures	<u>1,728,699</u>	<u>1,355,151</u>	<u>373,548</u>	<u>1,399,217</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(490,780)</u>	<u>(286,490)</u>	<u>204,290</u>	<u>(356,927)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	400,000	400,000	-	350,000
Net Change in Fund Balances	(90,780)	113,510	204,290	(6,927)
Fund Balances, July 1	<u>212,158</u>	<u>212,158</u>	<u>-</u>	<u>219,085</u>
Fund Balances, June 30	<u>\$ 121,378</u>	<u>\$ 325,668</u>	<u>\$ 204,290</u>	<u>\$ 212,158</u>

**CARSON CITY
COMMISSARY FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Charges for Services:				
Public safety:				
Commissary sales	\$ 178,000	\$ 111,936	\$ (66,064)	\$ 133,094
Miscellaneous:				
Investment income	200	956	756	431
Rents and royalties	50,000	81,024	31,024	49,856
Donations and gifts	-	251	251	632
Other	-	1,516	1,516	54,505
	<u>50,200</u>	<u>83,747</u>	<u>33,547</u>	<u>105,424</u>
Total Revenues	<u>228,200</u>	<u>195,683</u>	<u>(32,517)</u>	<u>238,518</u>
Expenditures:				
Public safety:				
Salaries and wages	67,054	69,676	(2,622)	61,440
Employee benefits	21,860	15,114	6,746	20,362
Services and supplies	218,317	123,706	94,611	139,666
Total Expenditures	<u>307,231</u>	<u>208,496</u>	<u>98,735</u>	<u>221,468</u>
Net Change in Fund Balances	(79,031)	(12,813)	66,218	17,050
Fund Balances, July 1	<u>89,696</u>	<u>89,696</u>	<u>-</u>	<u>72,646</u>
Fund Balances, June 30	<u>\$ 10,665</u>	<u>\$ 76,883</u>	<u>\$ 66,218</u>	<u>\$ 89,696</u>

CARSON CITY
V & T SPECIAL INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Sales tax	\$ 1,120,600	\$ 1,181,643	\$ 61,043	\$ 1,095,148
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	100,000	100,000	-	100,000
Miscellaneous:				
Investment income	50	894	844	189
Total Revenues	<u>1,220,650</u>	<u>1,282,537</u>	<u>61,887</u>	<u>1,195,337</u>
Expenditures:				
General government:				
Services and supplies	1,250	1,075	175	250
Excess (Deficiency) of Revenues over Expenditures	<u>1,219,400</u>	<u>1,281,462</u>	<u>62,062</u>	<u>1,195,087</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Carson City Debt Service Fund	(1,125,878)	(1,125,878)	-	(1,173,301)
Net Change in Fund Balances	93,522	155,584	62,062	21,786
Fund Balances, July 1	<u>198,705</u>	<u>198,705</u>	<u>-</u>	<u>176,919</u>
Fund Balances, June 30	<u>\$ 292,227</u>	<u>\$ 354,289</u>	<u>\$ 62,062</u>	<u>\$ 198,705</u>

**CARSON CITY
CAMPO FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 419,497	\$ 393,255	\$ (26,242)	\$ 497,020
Other local government grants:				
Interlocal cooperative agreements	11,000	8,407	(2,593)	11,138
Total Revenues	<u>430,497</u>	<u>401,662</u>	<u>(28,835)</u>	<u>508,158</u>
Expenditures:				
Public works:				
Services and supplies	418,067	418,067	-	524,992
Excess (Deficiency) of Revenues over Expenditures	<u>12,430</u>	<u>(16,405)</u>	<u>(28,835)</u>	<u>(16,834)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Regional Transportation Fund	16,542	16,542	-	21,912
Net Change in Fund Balances	28,972	137	(28,835)	5,078
Fund Balances, July 1	<u>26,327</u>	<u>26,327</u>	<u>-</u>	<u>21,249</u>
Fund Balances, June 30	<u>\$ 55,299</u>	<u>\$ 26,464</u>	<u>\$ (28,835)</u>	<u>\$ 26,327</u>

**CARSON CITY
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Federal grant, FAA	\$ 150,000	\$ 150,000	\$ -	\$ 1,503,686
Other local shared revenues:				
CC Airport Authority	10,000	10,000	-	100,245
Total Revenues	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>1,603,931</u>
Expenditures:				
Airport:				
Capital outlay	160,000	160,000	-	1,603,931
Total Expenditures	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>1,603,931</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
REGIONAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
County option motor vehicle fuel tax	\$ 3,090,073	\$ 3,373,625	\$ 283,552	\$ 3,094,258
Intergovernmental revenues:				
Federal grants	1,370,698	456,805	(913,893)	74,935
State grants	-	-	-	163,089
	<u>1,370,698</u>	<u>456,805</u>	<u>(913,893)</u>	<u>238,024</u>
Miscellaneous:				
Investment income	500	2,305	1,805	1,092
Gifts and donations	-	10,212	10,212	1,985
Miscellaneous other	-	-	-	25
	<u>500</u>	<u>12,517</u>	<u>12,017</u>	<u>3,102</u>
Total Revenues	<u>4,461,271</u>	<u>3,842,947</u>	<u>(618,324)</u>	<u>3,335,384</u>
Expenditures:				
Public works:				
Paved streets:				
Salaries and wages	16,470	-	16,470	-
Employee benefits	114,589	52,885	61,704	30,904
Services and supplies	505,617	314,776	190,841	333,916
Capital outlay	2,019,496	795,187	1,224,309	306,340
	<u>2,656,172</u>	<u>1,162,848</u>	<u>1,493,324</u>	<u>671,160</u>
Total Expenditures	<u>2,656,172</u>	<u>1,162,848</u>	<u>1,493,324</u>	<u>671,160</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,805,099</u>	<u>2,680,099</u>	<u>875,000</u>	<u>2,664,224</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Street Maintenance Fund	(574,197)	(574,197)	-	(1,000,000)
Campo Fund	(16,542)	(16,542)	-	(21,912)
Carson City Debt Service Fund	(1,668,734)	(1,668,734)	-	(1,697,036)
	<u>(2,259,473)</u>	<u>(2,259,473)</u>	<u>-</u>	<u>(2,718,948)</u>
Total Other Financing Sources (Uses)	<u>(2,259,473)</u>	<u>(2,259,473)</u>	<u>-</u>	<u>(2,718,948)</u>
Net Change in Fund Balances	(454,374)	420,626	875,000	(54,724)
Fund Balances, July 1	<u>554,374</u>	<u>554,374</u>	<u>-</u>	<u>609,098</u>
Fund Balances, June 30	<u>\$ 100,000</u>	<u>\$ 975,000</u>	<u>\$ 875,000</u>	<u>\$ 554,374</u>

CARSON CITY
QUALITY OF LIFE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Sales tax, voter approved	\$ 2,241,720	\$ 2,363,277	\$ 121,557	\$ 2,190,782
Intergovernmental revenues:				
Federal grants	294,590	152,199	(142,391)	147,217
Other local government grants:				
Noxious weed abatement	-	15,000	15,000	15,000
Eagle Creek restoration	10,000	10,000	-	12,400
	<u>304,590</u>	<u>177,199</u>	<u>(127,391)</u>	<u>174,617</u>
Charges for services:	-	857	857	-
Miscellaneous:				
Investment income	20,000	6,393	(13,607)	31,787
Other	-	-	-	5,436
	<u>20,000</u>	<u>6,393</u>	<u>(13,607)</u>	<u>37,223</u>
Total Revenues	<u>2,566,310</u>	<u>2,547,726</u>	<u>(18,584)</u>	<u>2,402,622</u>
Expenditures:				
Culture and recreation:				
Park maintenance:				
Salaries and wages	83,803	84,744	(941)	99,647
Employee benefits	24,604	20,173	4,431	19,198
Services and supplies	273,126	280,197	(7,071)	253,446
Capital outlay	33,203	18,203	15,000	12,235
	<u>414,736</u>	<u>403,317</u>	<u>11,419</u>	<u>384,526</u>
Parks capital:				
Salaries and wages	14,827	14,190	637	13,066
Employee benefits	445	-	445	-
Services and supplies	62,505	60,168	2,337	67,457
Capital outlay	3,121,259	2,713,951	407,308	3,563,059
	<u>3,199,036</u>	<u>2,788,309</u>	<u>410,727</u>	<u>3,643,582</u>
Quality of life:				
Salaries and wages	256,316	242,876	13,440	237,410
Employee benefits	99,122	81,086	18,036	63,414
Services and supplies	470,320	300,649	169,671	302,885
Capital outlay	821,036	131,789	689,247	478,027
	<u>1,646,794</u>	<u>756,400</u>	<u>890,394</u>	<u>1,081,736</u>
Total Expenditures	<u>5,260,566</u>	<u>3,948,026</u>	<u>1,312,540</u>	<u>5,109,844</u>

See accompanying notes.

CARSON CITY
QUALITY OF LIFE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Excess (Deficiency) of Revenues over Expenditures	\$ (2,694,256)	\$ (1,400,300)	\$ 1,293,956	\$ (2,707,222)
Other Financing Sources (Uses):				
Sale of capital assets	-	570	570	-
Transfers in (out):				
General Fund	(92,383)	(93,608)	(1,225)	(63,968)
Carson City Debt Service Fund	(595,537)	(595,537)	-	(762,258)
Total Other Financing Sources (Uses)	(687,920)	(688,575)	(655)	(826,226)
Net Change in Fund Balances	(3,382,176)	(2,088,875)	1,293,301	(3,533,448)
Fund Balances, July 1	3,518,220	3,518,220	-	7,051,668
Fund Balances, June 30	\$ 136,044	\$ 1,429,345	\$ 1,293,301	\$ 3,518,220

**CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Federal grants	\$ 4,670,205	\$ 3,778,293	\$ (891,912)	\$ 3,920,937
State grants	433,506	296,929	(136,577)	365,103
Other local government grants:				
Interlocal cooperative agreements	555,010	477,326	(77,684)	379,519
	<u>5,658,721</u>	<u>4,552,548</u>	<u>(1,106,173)</u>	<u>4,665,559</u>
Charges for services	-	112,705	112,705	106,136
Miscellaneous:				
Donations and gifts	-	93,765	93,765	94,967
Other	20	112,701	112,681	146,042
	<u>20</u>	<u>206,466</u>	<u>206,446</u>	<u>241,009</u>
Total Revenues	<u>5,658,741</u>	<u>4,871,719</u>	<u>(787,022)</u>	<u>5,012,704</u>
Expenditures:				
General government:				
Services and supplies	66,284	29,663	36,621	15,500
Public safety:				
Salaries and wages	154,960	157,145	(2,185)	75,623
Employee benefits	147,725	102,049	45,676	48,061
Services and supplies	641,702	627,633	14,069	601,720
Capital outlay	296,104	77,423	218,681	18,378
	<u>1,240,491</u>	<u>964,250</u>	<u>276,241</u>	<u>743,782</u>
Judicial:				
Salaries and wages	56,109	57,251	(1,142)	37,607
Employee benefits	26,178	26,130	48	19,503
Services and supplies	24,164	26,576	(2,412)	83,075
Capital outlay	18,900	13,488	5,412	-
	<u>125,351</u>	<u>123,445</u>	<u>1,906</u>	<u>140,185</u>
Welfare:				
Salaries and wages	102,566	111,409	(8,843)	97,132
Employee benefits	56,470	56,698	(228)	38,036
Services and supplies	186,375	174,271	12,104	154,927
	<u>345,411</u>	<u>342,378</u>	<u>3,033</u>	<u>290,095</u>
Health:				
Salaries and wages	1,972,613	1,578,339	394,274	1,643,132
Employee benefits	688,989	603,426	85,563	551,725
Services and supplies	782,393	542,266	240,127	578,617
Capital outlay	-	-	-	53,997
	<u>3,443,995</u>	<u>2,724,031</u>	<u>719,964</u>	<u>2,827,471</u>

See accompanying notes.

**CARSON CITY
GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Culture and recreation:				
Salaries and wages	\$ 46,750	\$ 43,125	\$ 3,625	\$ 93,753
Employee benefits	1,404	1,337	67	24,438
Services and supplies	135,339	120,538	14,801	68,283
Capital outlay	18,708	18,708	-	122,721
	<u>202,201</u>	<u>183,708</u>	<u>18,493</u>	<u>309,195</u>
Economic opportunity:				
Services and supplies	204,570	160,396	44,174	138,778
Capital outlay	567,589	443,473	124,116	466,718
	<u>772,159</u>	<u>603,869</u>	<u>168,290</u>	<u>605,496</u>
Total Expenditures	<u>6,195,892</u>	<u>4,971,344</u>	<u>1,224,548</u>	<u>4,931,724</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(537,151)</u>	<u>(99,625)</u>	<u>437,526</u>	<u>80,980</u>
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	136,131	109,707	(26,424)	78,892
General Fund	(370,308)	-	370,308	-
	<u>(234,177)</u>	<u>109,707</u>	<u>343,884</u>	<u>78,892</u>
Total Other Financing Sources (Uses)	<u>(234,177)</u>	<u>109,707</u>	<u>343,884</u>	<u>78,892</u>
Net Change in Fund Balances	<u>(771,328)</u>	<u>10,082</u>	<u>781,410</u>	<u>159,872</u>
Fund Balances, July 1	<u>771,328</u>	<u>771,328</u>	<u>-</u>	<u>611,456</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ 781,410</u>	<u>\$ 781,410</u>	<u>\$ 771,328</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
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>CARSON CITY DEBT</u>	<u>REDEVELOPMENT DEBT</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 135,880	\$ 144,379	\$ 280,259
Taxes receivable, delinquent	-	25,330	25,330
Accounts receivable	20,649	-	20,649
	<u>156,529</u>	<u>169,709</u>	<u>326,238</u>
Total Assets	<u>\$ 156,529</u>	<u>\$ 169,709</u>	<u>\$ 326,238</u>
DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Deferred inflows of resources:			
Unavailable revenue - delinquent property taxes	\$ -	\$ 13,745	\$ 13,745
Fund balances:			
Restricted	-	155,964	155,964
Assigned	156,529	-	156,529
	<u>156,529</u>	<u>155,964</u>	<u>312,493</u>
Total Fund Balances	<u>156,529</u>	<u>155,964</u>	<u>312,493</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 156,529</u>	<u>\$ 169,709</u>	<u>\$ 326,238</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>CARSON CITY DEBT</u>	<u>REDEVELOPMENT DEBT</u>	<u>TOTAL</u>
Revenues:			
Taxes	\$ -	\$ 1,734,336	\$ 1,734,336
Intergovernmental revenues	348,455	-	348,455
Miscellaneous	101,846	7,749	109,595
	<u>450,301</u>	<u>1,742,085</u>	<u>2,192,386</u>
Total Revenues			
Expenditures:			
Debt service:			
Principal	4,278,100	220,000	4,498,100
Interest	2,969,906	58,400	3,028,306
Fiscal charges	340,650	100	340,750
	<u>7,588,656</u>	<u>278,500</u>	<u>7,867,156</u>
Total Expenditures			
Excess (Deficiency) of Revenues over Expenditures	<u>(7,138,355)</u>	<u>1,463,585</u>	<u>(5,674,770)</u>
Other Financing Sources (Uses):			
Refunding bonds issued	21,580,000	-	21,580,000
Premium on refunding bonds	1,836,172	-	1,836,172
Payment to refunded bond escrow agent	(23,701,582)	-	(23,701,582)
Transfers in	7,395,439	-	7,395,439
Transfers out	-	(1,512,274)	(1,512,274)
	<u>7,110,029</u>	<u>(1,512,274)</u>	<u>5,597,755</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(28,326)	(48,689)	(77,015)
Fund Balances, July 1	<u>184,855</u>	<u>204,653</u>	<u>389,508</u>
Fund Balances, June 30	<u>\$ 156,529</u>	<u>\$ 155,964</u>	<u>\$ 312,493</u>

**CARSON CITY
CARSON CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Intergovernmental revenues:				
Other local government grants:				
Interlocal cooperative agreements	\$ 348,455	\$ 348,455	\$ -	\$ 349,155
Miscellaneous:				
Investment income	5,000	6,671	1,671	6,327
Rents and royalties	100,000	95,175	(4,825)	102,160
	<u>105,000</u>	<u>101,846</u>	<u>(3,154)</u>	<u>108,487</u>
Total Revenues	<u>453,455</u>	<u>450,301</u>	<u>(3,154)</u>	<u>457,642</u>
Expenditures:				
Debt service:				
General obligation bonds:				
Principal	2,775,000	2,775,000	-	3,175,000
Interest	2,266,401	2,266,401	-	2,046,327
	<u>5,041,401</u>	<u>5,041,401</u>	<u>-</u>	<u>5,221,327</u>
Revenue bonds:				
Principal	968,600	968,600	-	888,800
Interest	616,683	616,683	-	808,236
	<u>1,585,283</u>	<u>1,585,283</u>	<u>-</u>	<u>1,697,036</u>
Notes payable:				
Principal	534,500	534,500	-	695,900
Interest	86,822	86,822	-	95,910
	<u>621,322</u>	<u>621,322</u>	<u>-</u>	<u>791,810</u>
Fiscal charges	<u>340,850</u>	<u>340,650</u>	<u>200</u>	<u>156,495</u>
Total Expenditures	<u>7,588,856</u>	<u>7,588,656</u>	<u>200</u>	<u>7,866,668</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(7,135,401)</u>	<u>(7,138,355)</u>	<u>(2,954)</u>	<u>(7,409,026)</u>

CARSON CITY
CARSON CITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Other Financing Sources (Uses):				
Refunding bonds issued	\$ 21,580,000	\$ 21,580,000	\$ -	\$ 8,400,000
Premium on refunding bonds	1,836,172	1,836,172	-	\$ 1,178,784
Payment to refunded bond escrow agent	(23,701,582)	(23,701,582)	-	(9,418,592)
Transfers in (out):				
General Fund	2,896,204	2,896,204	-	3,149,395
Senior Citizens Center Fund	152,000	152,000	-	156,050
Regional Transportation Fund	1,668,734	1,668,734	-	1,697,036
Capital Projects Fund	230,111	230,111	-	230,139
Infrastructure Tax Fund	623,845	623,845	-	
V & T Special Infrastructure Fund	1,125,878	1,125,878	-	1,173,301
Quality of Life Fund	595,537	595,537	-	762,258
911 Surcharge Fund	103,130	103,130	-	102,695
Total Other Financing Sources (Uses)	<u>7,110,029</u>	<u>7,110,029</u>	<u>-</u>	<u>7,431,066</u>
Net Change in Fund Balances	(25,372)	(28,326)	(2,954)	22,040
Fund Balances, July 1	<u>184,855</u>	<u>184,855</u>	<u>-</u>	<u>162,815</u>
Fund Balances, June 30	<u>\$ 159,483</u>	<u>\$ 156,529</u>	<u>\$ (2,954)</u>	<u>\$ 184,855</u>

CARSON CITY
REDEVELOPMENT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Ad valorem	\$ 1,697,256	\$ 1,734,336	\$ 37,080	\$ 1,798,385
Miscellaneous				
Investment income	1,500	7,749	6,249	3,339
Total Revenues	<u>1,698,756</u>	<u>1,742,085</u>	<u>43,329</u>	<u>1,801,724</u>
Expenditures:				
Debt service:				
Principal	220,000	220,000	-	215,000
Interest	58,400	58,400	-	64,850
Fiscal charges	500	100	400	100
Total Expenditures	<u>278,900</u>	<u>278,500</u>	<u>400</u>	<u>279,950</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,419,856</u>	<u>1,463,585</u>	<u>43,729</u>	<u>1,521,774</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Administration Fund	(278,891)	(278,891)	-	(391,945)
Redevelopment Revolving Fund	(1,233,383)	(1,233,383)	-	(1,016,396)
Total Other Financing Sources (Uses)	<u>(1,512,274)</u>	<u>(1,512,274)</u>	<u>-</u>	<u>(1,408,341)</u>
Net Change in Fund Balances	(92,418)	(48,689)	43,729	113,433
Fund Balances, July 1	<u>204,653</u>	<u>204,653</u>	<u>-</u>	<u>91,220</u>
Fund Balances, June 30	<u>\$ 112,235</u>	<u>\$ 155,964</u>	<u>\$ 43,729</u>	<u>\$ 204,653</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
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>EXTRAORDINARY MAINTENANCE</u>	<u>RESIDENTIAL CONSTRUCTION</u>	<u>INFRASTRUCTURE TAX</u>	<u>REDEVELOPMENT REVOLVING</u>	<u>TOTAL</u>
ASSETS					
Cash and investments:	\$ 16,067	\$ 215,558	\$ 9,404,291	\$ 626,733	\$ 10,262,649
Due from other governments	-	-	213,419	-	213,419
Total Assets	<u>\$ 16,067</u>	<u>\$ 215,558</u>	<u>\$ 9,617,710</u>	<u>\$ 626,733</u>	<u>\$ 10,476,068</u>
LIABILITIES					
Accounts payable	<u>\$ -</u>	<u>\$ 12,000</u>	<u>\$ 2,568,721</u>	<u>\$ 9,249</u>	<u>\$ 2,589,970</u>
FUND BALANCES					
Restricted	<u>16,067</u>	<u>203,558</u>	<u>7,048,989</u>	<u>617,484</u>	<u>7,886,098</u>
Total Liabilities and Fund Balances	<u>\$ 16,067</u>	<u>\$ 215,558</u>	<u>\$ 9,617,710</u>	<u>\$ 626,733</u>	<u>\$ 10,476,068</u>

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>EXTRAORDINARY MAINTENANCE</u>	<u>RESIDENTIAL CONSTRUCTION</u>	<u>INFRASTRUCTURE TAX</u>	<u>REDEVELOPMENT REVOLVING</u>	<u>TOTAL</u>
Revenues:					
Taxes	\$ -	\$ 153,696	\$ 1,176,414	\$ -	\$ 1,330,110
Miscellaneous	-	1,631	328,929	127,547	458,107
Total Revenues	<u>-</u>	<u>155,327</u>	<u>1,505,343</u>	<u>127,547</u>	<u>1,788,217</u>
Expenditures:					
Current:					
General Government	83,933	-	-	-	83,933
Health	-	-	320	-	320
Culture and recreation	-	-	30,082	-	30,082
Community support	-	10,225	949	276,007	287,181
Capital outlay:					
Health	-	-	2,875,552	-	2,875,552
Culture and recreation	-	80,142	2,155,997	-	2,236,139
Community support	-	-	2,645,717	359,775	3,005,492
Total Expenditures	<u>83,933</u>	<u>90,367</u>	<u>7,708,617</u>	<u>635,782</u>	<u>8,518,699</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(83,933)</u>	<u>64,960</u>	<u>(6,203,274)</u>	<u>(508,235)</u>	<u>(6,730,482)</u>
Other Financing Sources (Uses):					
Transfers in	100,000	-	82,100	1,233,383	1,415,483
Transfers out	-	-	(623,845)	(480,000)	(1,103,845)
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>-</u>	<u>(541,745)</u>	<u>753,383</u>	<u>311,638</u>
Net Change in Fund Balances	16,067	64,960	(6,745,019)	245,148	(6,418,844)
Fund Balances, July 1	<u>-</u>	<u>138,598</u>	<u>13,794,008</u>	<u>372,336</u>	<u>14,304,942</u>
Fund Balances, June 30	<u>\$ 16,067</u>	<u>\$ 203,558</u>	<u>\$ 7,048,989</u>	<u>\$ 617,484</u>	<u>\$ 7,886,098</u>

**CARSON CITY
EXTRAORDINARY MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Expenditures:				
General Government:				
Services and supplies	\$ -	\$ 83,933	\$ (83,933)	\$ -
Capital Outlay	95,000	-	95,000	-
Total Expenditures	95,000	83,933	11,067	-
Excess (Deficiency) of Revenues over Expenditures	(95,000)	(83,933)	11,067	-
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	100,000	100,000	-	-
Net Change in Fund Balances	5,000	16,067	11,067	-
Fund Balances, July 1	-	-	-	-
Fund Balances, June 30	\$ 5,000	\$ 16,067	\$ 11,067	\$ -

CARSON CITY
RESIDENTIAL CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Park residential construction tax	\$ 87,896	\$ 153,696	\$ 65,800	\$ 20,800
Miscellaneous:				
Investment income	1,000	1,631	631	1,228
Total Revenues	<u>88,896</u>	<u>155,327</u>	<u>66,431</u>	<u>22,028</u>
Expenditures:				
Culture and recreation:				
Parks:				
Services and supplies	10,225	10,225	-	-
Capital outlay:				
BMX Lighting	-	-	-	37,219
Centennial Park	-	-	-	11,144
Fairground Improvements	-	-	-	30
Silver Oaks	77,896	77,896	-	-
Ross Gold Park	128,148	2,246	125,902	750
Other projects	6,225	-	6,225	-
	<u>212,269</u>	<u>80,142</u>	<u>132,127</u>	<u>49,143</u>
Total Expenditures	<u>222,494</u>	<u>90,367</u>	<u>132,127</u>	<u>49,143</u>
Excess (Deficiency) of Revenues over Expenditures	(133,598)	64,960	198,558	(27,115)
Other Financing Sources (Uses):				
Transfers in (out):				
General Fund	-	-	-	(2,009)
Net Change in Fund Balances	(133,598)	64,960	198,558	(29,124)
Fund Balances, July 1	<u>138,598</u>	<u>138,598</u>	<u>-</u>	<u>167,722</u>
Fund Balances, June 30	<u>\$ 5,000</u>	<u>\$ 203,558</u>	<u>\$ 198,558</u>	<u>\$ 138,598</u>

**CARSON CITY
INFRASTRUCTURE FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Taxes:				
Sales tax	\$ 1,120,600	\$ 1,176,414	\$ 55,814	\$ 821,866
Miscellaneous:				
Investment income	30,000	92,419	62,419	70,084
Donations and gifts	257,210	236,510	(20,700)	-
	<u>287,210</u>	<u>328,929</u>	<u>41,719</u>	<u>70,084</u>
Total Revenues	<u>1,407,810</u>	<u>1,505,343</u>	<u>97,533</u>	<u>891,950</u>
Expenditures:				
Health				
Services & supplies	-	320	(320)	99,966
Capital outlay	3,998,775	2,875,552	1,123,223	270,159
	<u>3,998,775</u>	<u>2,875,872</u>	<u>1,122,903</u>	<u>370,125</u>
Culture & Recreation:				
Services & supplies	41,532	30,082	11,450	54,338
Capital outlay	2,183,468	2,155,997	27,471	-
	<u>2,225,000</u>	<u>2,186,079</u>	<u>38,921</u>	<u>54,338</u>
Community Support:				
Services & supplies	66,450	949	65,501	190,182
Capital outlay	8,319,848	2,645,717	5,674,131	475,736
	<u>8,386,298</u>	<u>2,646,666</u>	<u>5,739,632</u>	<u>665,918</u>
Total Expenditures	<u>14,610,073</u>	<u>7,708,617</u>	<u>6,901,456</u>	<u>1,090,381</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(13,202,263)</u>	<u>(6,203,274)</u>	<u>6,998,989</u>	<u>(198,431)</u>
Other Financing Sources (Uses):				
Debt issued	-	-	-	13,600,000
Premium on debt issued	-	-	-	392,439
Transfers in (out):				
General Fund	82,100	82,100	-	-
Debt Service Fund	(623,845)	(623,845)	-	-
Total Other Financing Sources (Uses)	<u>(541,745)</u>	<u>(541,745)</u>	<u>-</u>	<u>13,992,439</u>
Net Change in Fund Balances	<u>(13,744,008)</u>	<u>(6,745,019)</u>	<u>6,998,989</u>	<u>13,794,008</u>
Fund Balances, July 1	<u>13,794,008</u>	<u>13,794,008</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 50,000</u>	<u>\$ 7,048,989</u>	<u>\$ 6,998,989</u>	<u>\$ 13,794,008</u>

See accompanying notes.

**CARSON CITY
REDEVELOPMENT REVOLVING FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Revenues:				
Miscellaneous:				
Investment income	\$ 500	\$ 2,547	\$ 2,047	\$ 1,564
Gifts and donations	125,000	125,000	-	-
Total Revenues	<u>125,500</u>	<u>127,547</u>	<u>2,047</u>	<u>1,564</u>
Expenditures:				
Community support:				
Redevelopment:				
Services and supplies	940,001	276,007	663,994	243,220
Capital outlay	761,218	359,775	401,443	129,536
Total Expenditures	<u>1,701,219</u>	<u>635,782</u>	<u>1,065,437</u>	<u>372,756</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,575,719)</u>	<u>(508,235)</u>	<u>1,067,484</u>	<u>(371,192)</u>
Other Financing Sources (Uses):				
Transfers in (out):				
Redevelopment Debt Service Fund	1,233,383	1,233,383	-	1,016,396
General Fund	-	(480,000)	(480,000)	(480,000)
Total Other Financing Sources (Uses)	<u>1,233,383</u>	<u>753,383</u>	<u>(480,000)</u>	<u>536,396</u>
Net Change in Fund Balances	(342,336)	245,148	587,484	165,204
Fund Balances, July 1	<u>372,336</u>	<u>372,336</u>	-	<u>207,132</u>
Fund Balances, June 30	<u>\$ 30,000</u>	<u>\$ 617,484</u>	<u>\$ 587,484</u>	<u>\$ 372,336</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
SEWER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 11,278,188	\$ 11,426,700	\$ 148,512	\$ 10,015,582
Operating Expenses:				
Salaries and wages	1,539,775	1,527,606	12,169	1,477,482
Employee benefits	764,003	647,304	116,699	688,567
Services and supplies	3,935,020	3,255,356	679,664	3,338,211
Depreciation	3,500,000	3,311,678	188,322	3,296,397
Total Operating Expenses	9,738,798	8,741,944	996,854	8,800,657
Operating Income (Loss)	1,539,390	2,684,756	1,145,366	1,214,925
Nonoperating Revenues (Expenses):				
Investment income	2,500	73,440	70,940	9,741
Miscellaneous	17,000	21,669	4,669	-
Interest expense	(909,713)	(627,293)	282,420	(399,475)
Federal interest subsidy	1,550	1,617	67	1,700
Gain (loss) on sales of capital assets	-	(19,616)	(19,616)	5,004
Bond issuance costs	(181,000)	(179,194)	1,806	(68,652)
Total Nonoperating Revenues (Expenses)	(1,069,663)	(729,377)	340,286	(451,682)
Income (Loss) Before Transfers and Contributions	469,727	1,955,379	1,485,652	763,243
Capital Contributions:				
Capital assets	-	7,885	7,885	-
Developers	-	61,155	61,155	17,606
Connection fees	40,000	60,408	20,408	40,932
Total Capital Contributions	40,000	129,448	89,448	58,538
Transfers out	-	-	-	(40,308)
Change in Net Position	\$ 509,727	2,084,827	\$ 1,575,100	781,473
Net Position, July 1		50,098,862		49,317,389
Net Position, June 30		\$ 52,183,689		\$ 50,098,862

See accompanying notes.

**CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 11,278,188	\$ 11,359,349	\$ 81,161	\$ 9,907,563
Cash payments for personnel costs	(2,194,338)	(2,083,334)	111,004	(2,015,680)
Cash payments for services and supplies	(3,935,020)	(2,938,240)	996,780	(3,292,404)
Miscellaneous cash received	17,000	-	(17,000)	-
	<u>5,165,830</u>	<u>6,337,775</u>	<u>1,171,945</u>	<u>4,599,479</u>
Net Cash Provided (Used) by Operating Activities				
	<u>5,165,830</u>	<u>6,337,775</u>	<u>1,171,945</u>	<u>4,599,479</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	-	-	-	(40,308)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,308)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	19,359,176	10,180,882	(9,178,294)	2,670,480
Connection fees	40,000	60,408	20,408	40,932
Acquisition of capital assets	(15,777,167)	(10,175,617)	5,601,550	(3,403,450)
Principal paid on capital debt	(1,854,234)	(1,854,234)	-	(1,966,850)
Interest paid on capital debt	(909,713)	(179,593)	730,120	(411,464)
Bond issuance costs	(181,000)	(179,194)	1,806	(68,652)
Federal interest subsidy	1,550	1,617	67	1,700
	<u>678,612</u>	<u>(2,145,731)</u>	<u>(2,824,343)</u>	<u>(3,137,304)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
	<u>678,612</u>	<u>(2,145,731)</u>	<u>(2,824,343)</u>	<u>(3,137,304)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	2,500	73,440	70,940	9,741
	<u>2,500</u>	<u>73,440</u>	<u>70,940</u>	<u>9,741</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
	<u>5,846,942</u>	<u>4,265,484</u>	<u>(1,581,458)</u>	<u>1,431,608</u>
Cash and Cash Equivalents, July 1	2,428,532	2,428,532	-	996,924
	<u>2,428,532</u>	<u>2,428,532</u>	<u>-</u>	<u>996,924</u>
Cash and Cash Equivalents, June 30	<u>\$ 8,275,474</u>	<u>\$ 6,694,016</u>	<u>\$ (1,581,458)</u>	<u>\$ 2,428,532</u>

**CARSON CITY
SEWER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)**

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>	<u>2015</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 1,539,390	\$ 2,684,756	\$ 1,145,366	\$ 1,214,925
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	3,500,000	3,311,678	(188,322)	3,296,397
Nonoperating revenues	17,000	21,669	4,669	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(88,680)	(88,680)	(107,576)
Due from other governments	-	(16,705)	(16,705)	(72,168)
Prepaid items	-	(27,986)	(27,986)	26,530
Retirement deferred outflows	-	(48,688)	(48,688)	(257,976)
Increase (decrease) in:				
Accounts payable	-	361,634	361,634	91,445
Accrued salaries and benefits	-	(10,630)	(10,630)	32,560
Due to other governments	-	173	173	-
Unearned revenue	-	(40)	(40)	(44)
Connection deposits	-	(300)	(300)	(399)
Accrued compensated absences	-	52,695	52,695	(1,482)
Net OPEB obligation	109,440	109,440	-	133,977
Net retirement obligation	-	188,647	188,647	(233,258)
Retirement deferred inflows	-	(199,888)	(199,888)	476,548
Total Adjustments	<u>3,626,440</u>	<u>3,653,019</u>	<u>26,579</u>	<u>3,384,554</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,165,830</u>	<u>\$ 6,337,775</u>	<u>\$ 1,171,945</u>	<u>\$ 4,599,479</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 3,134,896		\$ 874,110
Retainage payable on construction of capital assets		172,348		29,542
Refunding amounts paid to escrow		245,000		171,000
Contributed capital assets		69,040		17,606

**CARSON CITY
WATER FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 14,762,103	\$ 13,506,051	\$ (1,256,052)	\$ 13,231,574
Other charges	306,800	323,814	17,014	228,527
Total Operating Revenues	<u>15,068,903</u>	<u>13,829,865</u>	<u>(1,239,038)</u>	<u>13,460,101</u>
Operating Expenses:				
Salaries and wages	1,690,002	1,591,756	98,246	1,568,557
Employee benefits	929,782	809,054	120,728	861,127
Services and supplies	6,413,731	5,873,005	540,726	5,320,345
Depreciation and amortization	3,500,000	3,319,902	180,098	3,267,904
Total Operating Expenses	<u>12,533,515</u>	<u>11,593,717</u>	<u>939,798</u>	<u>11,017,933</u>
Operating Income (Loss)	<u>2,535,388</u>	<u>2,236,148</u>	<u>(299,240)</u>	<u>2,442,168</u>
Nonoperating Revenues (Expenses):				
Investment income	15,000	18,698	3,698	21,864
Miscellaneous	5,500	6,385	885	16,674
Interest expense	(2,171,331)	(2,076,556)	94,775	(2,047,604)
Federal interest subsidy	241,578	224,721	(16,857)	223,811
Gain (loss) on sales of capital assets	-	25,399	25,399	(19,823)
Bond issuance costs	(2,000)	(1,581)	419	(62,130)
Total Nonoperating Revenues (Expenses)	<u>(1,911,253)</u>	<u>(1,802,934)</u>	<u>108,319</u>	<u>(1,867,208)</u>
Income (Loss) Before Contributions and Transfers	<u>624,135</u>	<u>433,214</u>	<u>(190,921)</u>	<u>574,960</u>
Capital Contributions:				
Capital assets	-	4,145	4,145	-
Capital grants	-	125,000	125,000	267,393
Developers	-	265,244	265,244	37,021
Connection fees	23,168	46,034	22,866	23,598
Total Capital Contributions	<u>23,168</u>	<u>440,423</u>	<u>417,255</u>	<u>328,012</u>
Transfers out	-	-	-	(300,358)
Change in Net Position	<u>\$ 647,303</u>	<u>873,637</u>	<u>\$ 226,334</u>	<u>602,614</u>
Net Position, July 1		<u>40,678,182</u>		<u>40,075,568</u>
Net Position, June 30		<u>\$ 41,551,819</u>		<u>\$ 40,678,182</u>

See accompanying notes.

**CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 15,068,903	\$ 14,061,625	\$ (1,007,278)	\$ 13,423,314
Cash payments for personnel costs	(2,471,020)	(2,317,798)	153,222	(2,225,407)
Cash payments for services and supplies	(6,413,731)	(5,629,106)	784,625	(5,178,515)
Miscellaneous cash received	5,500	6,385	885	16,674
	<u>6,189,652</u>	<u>6,121,106</u>	<u>(68,546)</u>	<u>6,036,066</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>(300,358)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	4,610,471	3,292,189	(1,318,282)	1,820,530
Connection fees	23,168	46,034	22,866	23,598
Acquisition of capital assets	(5,645,275)	(4,293,571)	1,351,704	(4,441,314)
Principal paid on capital debt	(3,028,588)	(3,093,545)	(64,957)	(3,028,588)
Interest paid on capital debt	(2,171,331)	(2,113,535)	57,796	(2,109,513)
Bond issuance costs	(2,000)	(1,581)	419	(62,130)
Federal interest subsidy	241,578	224,721	(16,857)	223,811
Subsidy from grant	<u>-</u>	<u>125,000</u>	<u>125,000</u>	<u>267,393</u>
	<u>(5,971,977)</u>	<u>(5,814,288)</u>	<u>157,689</u>	<u>(7,306,213)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>15,000</u>	<u>18,698</u>	<u>3,698</u>	<u>21,864</u>
	<u>232,675</u>	<u>325,516</u>	<u>92,841</u>	<u>(1,548,641)</u>
Cash and Cash Equivalents, July 1	<u>2,114,166</u>	<u>2,114,166</u>	<u>-</u>	<u>3,662,807</u>
Cash and Cash Equivalents, June 30	<u>\$ 2,346,841</u>	<u>\$ 2,439,682</u>	<u>\$ 92,841</u>	<u>\$ 2,114,166</u>

**CARSON CITY
WATER FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 2,535,388	\$ 2,236,148	\$ (299,240)	\$ 2,442,168
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	3,500,000	3,319,902	(180,098)	3,267,904
Nonoperating revenues	5,500	6,385	885	16,674
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	25,786	25,786	(40,245)
Due from other governments	-	1,991	1,991	176,665
Inventories	-	(33,090)	(33,090)	(12,777)
Prepaid items	-	(14,712)	(14,712)	6,846
Retirement deferred outflows	-	(42,848)	(42,848)	(324,130)
Increase (decrease) in:				
Accounts payable	-	(104,379)	(104,379)	77,214
Accrued salaries and benefits	-	(17,486)	(17,486)	49,325
Due to other governments	-	394,089	394,089	(106,118)
Unearned revenue	-	201,275	201,275	(142)
Connection deposits	-	4,699	4,699	3,600
Accrued compensated absences	-	8,099	8,099	(3,877)
Net OPEB obligation	148,764	148,764	-	177,136
Net retirement obligation	-	254,379	254,379	(293,210)
Retirement deferred inflows	-	(267,896)	(267,896)	599,033
Total Adjustments	<u>3,654,264</u>	<u>3,884,958</u>	<u>230,694</u>	<u>3,593,898</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,189,652</u>	<u>\$ 6,121,106</u>	<u>\$ (68,546)</u>	<u>\$ 6,036,066</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 575,882		\$ 332,893
Purchase of capital assets due to other governments		-		562
Retainage payable on construction of capital assets		4,988		237,814
Refunding amounts paid to escrow		-		5,316,000
Contributed capital assets		269,389		37,021

CARSON CITY
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	STORMWATER			BUILDING	TOTAL
	AMBULANCE	DRAINAGE	CEMETERY	PERMITS	
ASSETS					
Current assets:					
Cash and investments	\$ 870,085	\$ 56,291	\$ 211,958	\$ 456,884	\$ 1,595,218
Receivables:					
Accounts and contracts, net	1,184,069	133,535	-	-	1,317,604
Inventories	-	-	15,884	-	15,884
Prepaid items	727	2,084	-	-	2,811
Total Current Assets	2,054,881	191,910	227,842	456,884	2,931,517
Capital assets:					
Land	-	1,594,781	293,449	-	1,888,230
Buildings	-	235,212	354,931	-	590,143
Improvements other than buildings	-	7,711,349	173,211	-	7,884,560
Machinery and equipment	595,718	1,202,868	90,599	19,112	1,908,297
Construction in progress	-	377,119	-	-	377,119
	595,718	11,121,329	912,190	19,112	12,648,349
Less: Accumulated depreciation	(517,643)	(1,860,402)	(261,462)	(19,112)	(2,658,619)
Net Capital Assets	78,075	9,260,927	650,728	-	9,989,730
Total Noncurrent Assets	78,075	9,260,927	650,728	-	9,989,730
Total Assets	2,132,956	9,452,837	878,570	456,884	12,921,247
Deferred Outflows of Resources					
Deferred retirement contributions	527,000	26,800	23,759	17,786	595,345
Deferred actuarial adjustment to contributions	34,745	1,756	1,536	1,170	39,207
Deferred loss on refundings	-	112,625	-	-	112,625
Total Deferred Outflows of Resources	561,745	141,181	25,295	18,956	747,177
Total Assets and Deferred Outflows of Resources	2,694,701	9,594,018	903,865	475,840	13,668,424
LIABILITIES:					
Current liabilities:					
Accounts payable	105,135	12,758	846	94,023	212,762
Accrued salaries and benefits	131,824	11,032	8,680	5,458	156,994
Accrued interest	-	15,970	-	-	15,970
Due to other governments	-	1,762	-	-	1,762
Unearned revenue	-	16,234	284,271	-	300,505
Current portion:					
Accrued compensated absences	53,417	2,735	198	7,422	63,772
General obligation bonds and notes payable	-	458,959	-	-	458,959
Total Current Liabilities	290,376	519,450	293,995	106,903	1,210,724
Noncurrent liabilities:					
Accrued compensated absences, net of current portion	168,179	95,366	47,943	45,325	356,813
Net OPEB obligation	1,165,260	77,523	82,568	99,852	1,425,203
Net retirement obligation	4,083,244	188,024	172,684	168,891	4,612,843
General obligation bonds and notes payable	-	3,963,824	-	-	3,963,824
Total Noncurrent Liabilities	5,416,683	4,324,737	303,195	314,068	10,358,683
Total Liabilities	5,707,059	4,844,187	597,190	420,971	11,569,407
Deferred inflows of resources:					
Deferred earnings on retirement investments	211,557	10,689	9,353	7,126	238,725
Deferred difference between expected and actual retirement experience and contributions	295,831	14,947	13,079	9,965	333,822
Total Deferred Inflows of Resources	507,388	25,636	22,432	17,091	572,547
Total Liabilities and Deferred Inflows of Resources	6,214,447	4,869,823	619,622	438,062	12,141,954
NET POSITION					
Net investment in capital assets	78,075	4,826,687	650,728	-	5,555,490
Unrestricted	(3,597,821)	(102,492)	(366,485)	37,778	(4,029,020)
Total Net Position	\$ (3,519,746)	\$ 4,724,195	\$ 284,243	\$ 37,778	\$ 1,526,470

See accompanying notes.

CARSON CITY
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>AMBULANCE</u>	<u>STORMWATER DRAINAGE</u>	<u>CEMETERY</u>	<u>BUILDING PERMITS</u>	<u>TOTAL</u>
Operating Revenues:					
Charges for services	\$ 3,205,144	\$ 1,391,102	\$ 91,213	\$ 1,159,586	\$ 5,847,045
Operating Expenses:					
Salaries and wages	1,557,975	138,697	110,323	88,704	1,895,699
Employee benefits	917,245	61,911	55,402	37,214	1,071,772
Services and supplies	897,090	490,632	53,130	1,025,802	2,466,654
Depreciation	32,390	287,059	13,402	-	332,851
Total Operating Expenses	<u>3,404,700</u>	<u>978,299</u>	<u>232,257</u>	<u>1,151,720</u>	<u>5,766,976</u>
Operating Income (Loss)	<u>(199,556)</u>	<u>412,803</u>	<u>(141,044)</u>	<u>7,866</u>	<u>80,069</u>
Nonoperating Revenues (Expenses):					
Investment income	5,087	2,797	1,283	3,812	12,979
Miscellaneous	-	-	2,937	41,883	44,820
Interest expense	-	(125,656)	-	-	(125,656)
Gain (loss) on disposal of capital assets	(9,159)	(56,828)	-	-	(65,987)
Bond issue costs	-	(250)	-	-	(250)
Total Nonoperating Revenues (Expenses)	<u>(4,072)</u>	<u>(179,937)</u>	<u>4,220</u>	<u>45,695</u>	<u>(134,094)</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(203,628)</u>	<u>232,866</u>	<u>(136,824)</u>	<u>53,561</u>	<u>(54,025)</u>
Capital Contributions:					
Capital assets	-	21,516	-	-	21,516
Capital grants	46,451	-	-	-	46,451
Developers	-	112,140	-	-	112,140
Total Capital Contributions	<u>46,451</u>	<u>133,656</u>	<u>-</u>	<u>-</u>	<u>180,107</u>
Transfers:					
Transfers In	300,000	-	90,000	-	390,000
Transfers Out	(31,020)	-	-	-	(31,020)
Total Transfers	<u>268,980</u>	<u>-</u>	<u>90,000</u>	<u>-</u>	<u>358,980</u>
Change in Net Position	111,803	366,522	(46,824)	53,561	485,062
Net Position, July 1	<u>(3,631,549)</u>	<u>4,357,673</u>	<u>331,067</u>	<u>(15,783)</u>	<u>1,041,408</u>
Net Position, June 30	<u>\$ (3,519,746)</u>	<u>\$ 4,724,195</u>	<u>\$ 284,243</u>	<u>\$ 37,778</u>	<u>\$ 1,526,470</u>

See accompanying notes.

CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(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	\$ 3,171,183	\$ 1,410,157	\$ 92,560	\$ 1,158,885	\$ 5,832,785
Cash payments for personnel costs	(2,418,019)	(185,101)	(153,385)	(93,470)	(2,849,975)
Cash payments for services and supplies	(847,709)	(487,318)	(45,110)	(979,510)	(2,359,647)
Miscellaneous cash received	-	-	2,937	41,883	44,820
Net Cash Provided (Used) by Operating Activities	<u>(94,545)</u>	<u>737,738</u>	<u>(102,998)</u>	<u>127,788</u>	<u>667,983</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	300,000	-	90,000	-	390,000
Transfer to other funds	<u>(31,020)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,020)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>268,980</u>	<u>-</u>	<u>90,000</u>	<u>-</u>	<u>358,980</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from capital debt	-	280,842	-	-	280,842
Acquisition of capital assets	-	(516,534)	-	-	(516,534)
Principal paid on capital debt	-	(427,900)	-	-	(427,900)
Interest paid on capital debt	-	(108,657)	-	-	(108,657)
Bond issuance costs	-	(250)	-	-	(250)
Subsidy from grant	<u>46,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,451</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>46,451</u>	<u>(772,499)</u>	<u>-</u>	<u>-</u>	<u>(726,048)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	<u>5,087</u>	<u>2,797</u>	<u>1,283</u>	<u>3,812</u>	<u>12,979</u>
Net Increase (Decrease) in Cash and Cash Equivalents	225,973	(31,964)	(11,715)	131,600	313,894
Cash and Cash Equivalents, July 1	<u>644,112</u>	<u>88,255</u>	<u>223,673</u>	<u>325,284</u>	<u>1,281,324</u>
Cash and Cash Equivalents, June 30	<u>\$ 870,085</u>	<u>\$ 56,291</u>	<u>\$ 211,958</u>	<u>\$ 456,884</u>	<u>\$ 1,595,218</u>

CARSON CITY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(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)	\$ (199,556)	\$ 412,803	\$ (141,044)	\$ 7,866	\$ 80,069
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	32,390	287,059	13,402	-	332,851
Nonoperating revenues	-	-	2,937	41,883	44,820
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(33,961)	2,821	-	-	(31,140)
Inventories	-	-	7,925	-	7,925
Prepaid items	(727)	(1,684)	-	100	(2,311)
Retirement deferred outflows	(50,875)	(4,614)	(3,759)	-	(59,248)
Increase (decrease) in:					
Accounts payable	51,128	3,286	95	46,192	100,701
Accrued salaries and benefits	26,192	2,315	1,357	(940)	28,924
Due to other governments	(1,020)	1,712	-	(701)	(9)
Unearned revenue	-	16,234	1,347	-	17,581
Accrued compensated absences	(5,943)	9,009	79	24,842	27,987
Net OPEB obligation	108,600	9,838	15,578	7,054	141,070
Net retirement obligation	417,278	17,341	16,844	20,471	471,934
Retirement deferred inflows	(438,051)	(18,382)	(17,759)	(18,979)	(493,171)
Total Adjustments	<u>105,011</u>	<u>324,935</u>	<u>38,046</u>	<u>119,922</u>	<u>587,914</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (94,545)</u>	<u>\$ 737,738</u>	<u>\$ (102,998)</u>	<u>\$ 127,788</u>	<u>\$ 667,983</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Purchase of capital assets on account	\$ -	\$ 6,476	\$ -	\$ -	\$ 6,476
Contributed capital assets	-	133,656	-	-	133,656

**CARSON CITY
AMBULANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services	\$ 2,879,820	\$ 3,205,144	\$ 325,324	\$ 3,136,867
Operating Expenses:				
Salaries and wages	1,522,762	1,557,975	(35,213)	1,452,793
Employee benefits	1,050,514	917,245	133,269	910,016
Services and supplies	883,259	897,090	(13,831)	811,325
Depreciation	37,000	32,390	4,610	64,993
Total Operating Expenses	<u>3,493,535</u>	<u>3,404,700</u>	<u>88,835</u>	<u>3,239,127</u>
Operating Income (Loss)	<u>(613,715)</u>	<u>(199,556)</u>	<u>414,159</u>	<u>(102,260)</u>
Nonoperating Revenues (Expenses):				
Investment income	500	5,087	4,587	2,259
Gain (loss) on disposal of capital assets	<u>-</u>	<u>(9,159)</u>	<u>(9,159)</u>	<u>(3,600)</u>
Total Nonoperating Revenues (Expenses)	<u>500</u>	<u>(4,072)</u>	<u>(4,572)</u>	<u>(1,341)</u>
Income (Loss) Before Transfers	<u>(613,215)</u>	<u>(203,628)</u>	<u>409,587</u>	<u>(103,601)</u>
Capital Contributions:				
Capital grants	<u>46,451</u>	<u>46,451</u>	<u>-</u>	<u>-</u>
Tranfers in (out):				
General Fund	400,000	300,000	(100,000)	400,000
Fleet Management Fund	<u>(31,020)</u>	<u>(31,020)</u>	<u>-</u>	<u>(31,020)</u>
Total Transfers	<u>368,980</u>	<u>268,980</u>	<u>(100,000)</u>	<u>368,980</u>
Change in Net Position	<u>\$ (197,784)</u>	111,803	<u>\$ 309,587</u>	265,379
Net Position, July 1		<u>(3,631,549)</u>		<u>(3,896,928)</u>
Net Position, June 30		<u>\$ (3,519,746)</u>		<u>\$ (3,631,549)</u>

**CARSON CITY
AMBULANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 2,879,820	\$ 3,171,183	\$ 291,363	\$ 3,162,069
Cash payments for personnel costs	(2,464,676)	(2,418,019)	46,657	(2,333,475)
Cash payments for services and supplies	(883,259)	(847,709)	35,550	(791,218)
Net Cash Provided (Used) by Operating Activities	<u>(468,115)</u>	<u>(94,545)</u>	<u>373,570</u>	<u>37,376</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	400,000	300,000	(100,000)	400,000
Transfer to other funds	(31,020)	(31,020)	-	(31,020)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>368,980</u>	<u>268,980</u>	<u>(100,000)</u>	<u>368,980</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Subsidy from grant	46,451	46,451	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	500	5,087	4,587	2,259
Net Increase (Decrease) in Cash and Cash Equivalents	(52,184)	225,973	278,157	408,615
Cash and Cash Equivalents, July 1	644,112	644,112	-	235,497
Cash and Cash Equivalents, June 30	<u>\$ 591,928</u>	<u>\$ 870,085</u>	<u>\$ 278,157</u>	<u>\$ 644,112</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (613,715)	\$ (199,556)	\$ 414,159	\$ (102,260)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	37,000	32,390	(4,610)	64,993
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(33,961)	(33,961)	25,202
Prepaid items	-	(727)	(727)	21
Retirement deferred outflows	-	(50,875)	(50,875)	(510,870)
Increase (decrease) in:				
Accounts payable	-	51,128	51,128	19,157
Accrued salaries and benefits	-	26,192	26,192	(13,488)
Due to other governments	-	(1,020)	(1,020)	929
Accrued compensated absences	-	(5,943)	(5,943)	(50,718)
Net OPEB obligation	108,600	108,600	-	121,737
Net retirement obligation	-	417,278	417,278	(462,766)
Retirement deferred inflows	-	(438,051)	(438,051)	945,439
Total Adjustments	<u>145,600</u>	<u>105,011</u>	<u>(40,589)</u>	<u>139,636</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (468,115)</u>	<u>\$ (94,545)</u>	<u>\$ 373,570</u>	<u>\$ 37,376</u>

See accompanying notes.

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
User fees and charges	\$ 1,401,933	\$ 1,391,102	\$ (10,831)	\$ 1,395,114
Operating Expenses:				
Salaries and wages	138,064	138,697	(633)	125,887
Employee benefits	70,439	61,911	8,528	65,552
Services and supplies	540,000	490,632	49,368	434,109
Depreciation	285,000	287,059	(2,059)	312,964
Total Operating Expenses	1,033,503	978,299	55,204	938,512
Operating Income	368,430	412,803	44,373	456,602
Nonoperating Revenues (Expenses):				
Investment income	500	2,797	2,297	1,022
Interest expense	(126,230)	(125,656)	574	(101,673)
Gain (loss) on sales of capital assets	-	(56,828)	(56,828)	(5,111)
Bond issuance costs	(1,000)	(250)	750	(57,184)
Total Nonoperating Revenues (Expenses)	(126,730)	(179,937)	(53,207)	(162,946)
Income (Loss) Before Contributions and Transfers	241,700	232,866	(8,834)	293,656
Capital Contributions:				
Capital assets	-	21,516	21,516	103,200
Developers	-	112,140	112,140	6,149
Total Capital Contributions	-	133,656	133,656	109,349
Transfers in (out):				
Sewer Fund	-	-	-	16,800
Fleet Management Fund	-	-	-	(12,376)
Total Transfers	-	-	-	4,424
Change in Net Position	\$ 241,700	366,522	\$ 124,822	407,429
Net Position, July 1		4,357,673		3,950,244
Net Position, June 30		\$ 4,724,195		\$ 4,357,673

See accompanying notes.

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,401,933	\$ 1,410,157	\$ 8,224	\$ 1,473,516
Cash payments for personnel costs	(198,665)	(185,101)	13,564	(176,494)
Cash payments for services and supplies	(540,000)	(487,318)	52,682	(512,629)
Net Cash Provided (Used) by Operating Activities	<u>663,268</u>	<u>737,738</u>	<u>74,470</u>	<u>784,393</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	-	-	-	16,800
Transfer to other funds	-	-	-	(12,376)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,424</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	905,482	280,842	(624,640)	207,634
Proceeds from sales of capital assets	-	-	-	-
Acquisition of capital assets	(956,848)	(516,534)	440,314	(369,797)
Principal paid on capital debt	(382,900)	(427,900)	(45,000)	(400,500)
Interest paid on capital debt	(126,230)	(108,657)	17,573	(82,406)
Bond issuance costs	(1,000)	(250)	750	(57,184)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(561,496)</u>	<u>(772,499)</u>	<u>(211,003)</u>	<u>(702,253)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	500	2,797	2,297	1,022
Net Increase (Decrease) in Cash and Cash Equivalents	102,272	(31,964)	(134,236)	87,586
Cash and Cash Equivalents, July 1	88,255	88,255	-	669
Cash and Cash Equivalents, June 30	<u>\$ 190,527</u>	<u>\$ 56,291</u>	<u>\$ (134,236)</u>	<u>\$ 88,255</u>

CARSON CITY
STORMWATER DRAINAGE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 368,430	\$ 412,803	\$ 44,373	\$ 456,602
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	285,000	287,059	2,059	312,964
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	2,821	2,821	78,402
Prepaid items	-	(1,684)	(1,684)	3
Retirement deferred outflows	-	(4,614)	(4,614)	(23,942)
Increase (decrease) in:				
Accounts payable	-	3,286	3,286	(1,264)
Accrued salaries and benefits	-	2,315	2,315	380
Due to other governments	-	1,712	1,712	(77,259)
Unearned revenue	-	16,234	16,234	-
Accrued compensated absences	-	9,009	9,009	3,299
Net OPEB obligation	9,838	9,838	-	12,735
Net retirement obligation	-	17,341	17,341	(21,545)
Retirement deferred inflows	-	(18,382)	(18,382)	44,018
Total Adjustments	294,838	324,935	30,097	327,791
Net Cash Provided (Used) by Operating Activities	\$ 663,268	\$ 737,738	\$ 74,470	\$ 784,393
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account		\$ 6,476		\$ 2,404
Refunding amounts paid to escrow		-		3,443,000
Contributed capital assets		133,656		109,349

**CARSON CITY
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services	\$ 79,816	\$ 91,213	\$ 11,397	\$ 96,661
Operating Expenses:				
Salaries and wages	111,141	110,323	818	117,314
Employee benefits	60,706	55,402	5,304	58,577
Services and supplies	46,405	53,130	(6,725)	35,407
Depreciation	13,400	13,402	(2)	14,842
Total Operating Expenses	<u>231,652</u>	<u>232,257</u>	<u>(605)</u>	<u>226,140</u>
Operating Income (Loss)	<u>(151,836)</u>	<u>(141,044)</u>	<u>10,792</u>	<u>(129,479)</u>
Nonoperating Revenues (Expenses):				
Investment income	1,000	1,283	283	862
Miscellaneous	3,213	2,937	(276)	3,025
Total Nonoperating Revenues (Expenses)	<u>4,213</u>	<u>4,220</u>	<u>7</u>	<u>3,887</u>
Income (Loss) Before Transfers	(147,623)	(136,824)	10,799	(125,592)
Transfers in (out) General Fund	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>75,000</u>
Change in Net Position	<u>\$ (57,623)</u>	<u>(46,824)</u>	<u>\$ 10,799</u>	<u>(50,592)</u>
Net Position, July 1		<u>331,067</u>		<u>381,659</u>
Net Position, June 30		<u>\$ 284,243</u>		<u>\$ 331,067</u>

**CARSON CITY
CEMETERY FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 79,816	\$ 92,560	\$ 12,744	\$ 94,987
Cash payments for personnel costs	(156,269)	(153,385)	2,884	(148,579)
Cash payments for services and supplies	(46,405)	(45,110)	1,295	(32,006)
Miscellaneous cash received	3,213	2,937	(276)	3,025
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	(119,645)	(102,998)	16,647	(82,573)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	90,000	90,000	-	75,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,000	1,283	283	862
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Increase (Decrease) in Cash and Cash Equivalents	(28,645)	(11,715)	16,930	(6,711)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and Cash Equivalents, July 1	223,673	223,673	-	230,384
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and Cash Equivalents, June 30	<u>\$ 195,028</u>	<u>\$ 211,958</u>	<u>\$ 16,930</u>	<u>\$ 223,673</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (151,836)	\$ (141,044)	\$ 10,792	\$ (129,479)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	13,400	13,402	2	14,842
Nonoperating revenues	3,213	2,937	(276)	3,025
Changes in assets and liabilities:				
(Increase) decrease in:				
Inventories	-	7,925	7,925	3,046
Prepaid items	-	-	-	1
Retirement deferred outflows	-	(3,759)	(3,759)	(21,536)
Increase (decrease) in:				
Accounts payable	-	95	95	354
Accrued salaries and benefits	-	1,357	1,357	624
Unearned revenue	-	1,347	1,347	(1,674)
Accrued compensated absences	-	79	79	9,960
Net OPEB obligation	15,578	15,578	-	17,746
Net retirement obligation	-	16,844	16,844	(19,673)
Retirement deferred inflows	-	(17,759)	(17,759)	40,191
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Adjustments	32,191	38,046	5,855	46,906
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (119,645)</u>	<u>\$ (102,998)</u>	<u>\$ 16,647</u>	<u>\$ (82,573)</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

See accompanying notes.

**CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services				
User fees and charges	\$ 1,017,322	\$ 1,159,586	\$ 142,264	\$ 574,056
Operating Expenses:				
Salaries and wages	62,759	88,704	(25,945)	156,615
Employee benefits	35,724	37,214	(1,490)	43,786
Services and supplies	1,142,513	1,025,802	116,711	419,159
Depreciation	3,200	-	3,200	-
Total Operating Expenses	<u>1,244,196</u>	<u>1,151,720</u>	<u>92,476</u>	<u>619,560</u>
Operating Income (Loss)	<u>(226,874)</u>	<u>7,866</u>	<u>234,740</u>	<u>(45,504)</u>
Nonoperating Revenues (Expenses):				
Investment income	1,000	3,812	2,812	1,914
Miscellaneous	41,883	41,883	-	-
Gain (loss) on disposal of capital assets	-	-	-	(10,572)
Total Nonoperating Revenues (Expenses)	<u>42,883</u>	<u>45,695</u>	<u>2,812</u>	<u>(8,658)</u>
Change in Net Position	<u>\$ (183,991)</u>	<u>53,561</u>	<u>\$ 237,552</u>	<u>(54,162)</u>
Net Position, July 1		<u>(15,783)</u>		<u>38,379</u>
Net Position, June 30		<u>\$ 37,778</u>		<u>\$ (15,783)</u>

CARSON CITY
BUILDING PERMITS FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,017,322	\$ 1,158,885	\$ 141,563	\$ 570,282
Cash payments for personnel costs	(91,429)	(93,470)	(2,041)	(178,552)
Cash payments for services and supplies	(1,142,513)	(979,510)	163,003	(364,763)
Miscellaneous cash received	41,883	41,883	-	-
	<u>(174,737)</u>	<u>127,788</u>	<u>302,525</u>	<u>26,967</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,000	3,812	2,812	1,914
	<u>(173,737)</u>	<u>131,600</u>	<u>305,337</u>	<u>28,881</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
Cash and Cash Equivalents, July 1	325,284	325,284	-	296,403
Cash and Cash Equivalents, June 30	<u>\$ 151,547</u>	<u>\$ 456,884</u>	<u>\$ 305,337</u>	<u>\$ 325,284</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (226,874)	\$ 7,866	\$ 234,740	\$ (45,504)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization expense	3,200	-	(3,200)	-
Non operating revenues	41,883	41,883	-	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Prepaid items	-	100	100	10,919
Retirement deferred outflows	-	-	-	(21,163)
Increase (decrease) in:				
Accounts payable	-	46,192	46,192	43,477
Accrued salaries and benefits	-	(940)	(940)	(11,615)
Due to other governments	-	(701)	(701)	(3,774)
Accrued compensated absences	-	24,842	24,842	26,285
Net OPEB obligation	7,054	7,054	-	8,800
Net retirement obligation	-	20,471	20,471	(18,735)
Retirement deferred inflows	-	(18,979)	(18,979)	38,277
	<u>52,137</u>	<u>119,922</u>	<u>67,785</u>	<u>72,471</u>
	<u>\$ (174,737)</u>	<u>\$ 127,788</u>	<u>\$ 302,525</u>	<u>\$ 26,967</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
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2016

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
ASSETS					
Current assets:					
Cash and investments	\$ 168,721	\$ 3,217,286	\$ 1,250,132	\$ 401,436	\$ 5,037,575
Receivables:					
Accounts and contracts, net	454,652	43,419	8,554	-	506,625
Inventories	-	-	-	168,050	168,050
Prepaid items	848	7,583	1,070	-	9,501
Total Current Assets	<u>624,221</u>	<u>3,268,288</u>	<u>1,259,756</u>	<u>569,486</u>	<u>5,721,751</u>
Noncurrent assets:					
Other assets	-	30,000	40,000	-	70,000
Capital assets:					
Buildings	-	-	-	1,820,327	1,820,327
Machinery and equipment	-	219,799	186,748	923,848	1,330,395
	-	219,799	186,748	2,744,175	3,150,722
Less: Accumulated depreciation	-	(107,960)	(91,658)	(352,840)	(552,458)
Net Capital Assets	-	111,839	95,090	2,391,335	2,598,264
Total Noncurrent Assets	-	141,839	135,090	2,391,335	2,668,264
Total Assets	<u>624,221</u>	<u>3,410,127</u>	<u>1,394,846</u>	<u>2,960,821</u>	<u>8,390,015</u>
Deferred outflows of resources:					
Deferred retirement contributions	48,098	27,112	22,074	105,666	202,950
Deferred actuarial adjustment to contributions	3,145	1,756	1,463	6,949	13,313
Total Deferred Outflows of Resources	<u>51,243</u>	<u>28,868</u>	<u>23,537</u>	<u>112,615</u>	<u>216,263</u>
Total Assets and Deferred Outflows of Resources	<u>675,464</u>	<u>3,438,995</u>	<u>1,418,383</u>	<u>3,073,436</u>	<u>8,606,278</u>
LIABILITIES					
Current liabilities:					
Accounts payable	200,250	276	50,465	163,588	414,579
Accrued salaries and benefits	16,337	8,299	6,834	40,917	72,387
Due to other governments	-	20,081	8,705	-	28,786
Other current liabilities	-	552,275	173,604	-	725,879
Current portion:					
Accrued compensated absences	4,711	29,492	3,439	15,237	52,879
Total Current Liabilities	<u>221,298</u>	<u>610,423</u>	<u>243,047</u>	<u>219,742</u>	<u>1,294,510</u>
Noncurrent liabilities:					
Accrued compensated absences	69,454	66,222	39,045	91,223	265,944
Net OPEB obligation	65,759	28,693	22,369	185,368	302,189
Net retirement obligation	353,592	421,284	164,462	762,532	1,701,870
Other liabilities	-	976,199	46,534	-	1,022,733
Total Noncurrent Liabilities	<u>488,805</u>	<u>1,492,398</u>	<u>272,410</u>	<u>1,039,123</u>	<u>3,292,736</u>
Total Liabilities	<u>710,103</u>	<u>2,102,821</u>	<u>515,457</u>	<u>1,258,865</u>	<u>4,587,246</u>
Deferred inflows of resources:					
Deferred earnings on retirement investments	19,151	10,689	8,908	42,311	81,059
Deferred difference between expected and actual retirement experience and contributions	26,780	14,947	12,456	59,166	113,349
Total Deferred Inflows of Resources	<u>45,931</u>	<u>25,636</u>	<u>21,364</u>	<u>101,477</u>	<u>194,408</u>
Total Liabilities and Deferred Inflows of Resources	<u>756,034</u>	<u>2,128,457</u>	<u>536,821</u>	<u>1,360,342</u>	<u>4,781,654</u>
NET POSITION					
Net investment in capital assets	-	111,839	95,090	2,391,335	2,598,264
Restricted					
Claims	-	1,198,699	786,472	-	1,985,171
Unrestricted	(80,570)	-	-	(678,241)	(758,811)
Total Net Position	<u>\$ (80,570)</u>	<u>\$ 1,310,538</u>	<u>\$ 881,562</u>	<u>\$ 1,713,094</u>	<u>\$ 3,824,624</u>

See accompanying notes.

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

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
Operating Revenues:					
Charges for services	\$ 8,316,380	\$ 825,530	\$ 1,771,883	\$ 1,754,928	\$ 12,668,721
Operating Expenses:					
Salaries and wages	201,957	98,466	71,896	498,423	870,742
Employee benefits	86,264	67,860	35,944	229,010	419,078
Services and supplies	8,571,368	1,752,898	1,347,912	860,196	12,532,374
Depreciation	-	21,980	16,564	88,936	127,480
Total Operating Expenses	8,859,589	1,941,204	1,472,316	1,676,565	13,949,674
Operating Income (Loss)	(543,209)	(1,115,674)	299,567	78,363	(1,280,953)
Nonoperating Revenues (Expenses):					
Investment income	1,198	27,812	10,108	4,823	43,941
Miscellaneous	476	928	23,306	-	24,710
Gain (loss) on disposal of capital assets	(4,277)	-	(81,384)	-	(85,661)
Total Nonoperating Revenues (Expenses)	(2,603)	28,740	(47,970)	4,823	(17,010)
Income (Loss) Before Transfers	(545,812)	(1,086,934)	251,597	83,186	(1,297,963)
Capital Contributions:					
Capital assets	-	-	-	7,162	7,162
Transfers:					
Transfers In	-	-	-	31,020	31,020
Change in Net Position	(545,812)	(1,086,934)	251,597	121,368	(1,259,781)
Net Position, July 1	465,242	2,397,472	629,965	1,591,726	5,084,405
Net Position, June 30	\$ (80,570)	\$ 1,310,538	\$ 881,562	\$ 1,713,094	\$ 3,824,624

**CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 1 OF 2)**

	GROUP MEDICAL INSURANCE	WORKERS' COMPENSATION	INSURANCE	FLEET MANAGEMENT	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received for services	\$ -	\$ -	\$ -	\$ 1,754,928	\$ 1,754,928
Cash received from customers	1,165,956	-	-	-	1,165,956
Cash received from other funds	7,074,644	834,278	1,763,329	-	9,672,251
Cash payments for personnel costs	(266,432)	(160,274)	(134,911)	(706,608)	(1,268,225)
Cash payments for services and supplies	(8,378,583)	(872,946)	(1,345,562)	(784,352)	(11,381,443)
Miscellaneous cash received	476	928	23,306	-	24,710
Net Cash Provided (Used) by Operating Activities	<u>(403,939)</u>	<u>(198,014)</u>	<u>306,162</u>	<u>263,968</u>	<u>(31,823)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfer from other funds	-	-	-	31,020	31,020
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	-	-	(57,221)	(153,697)	(210,918)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	1,198	27,812	10,108	4,823	43,941
Net Increase (Decrease) in Cash and Cash Equivalents	(402,741)	(170,202)	259,049	146,114	(167,780)
Cash and Cash Equivalents, July 1	571,462	3,387,488	991,083	255,322	5,205,355
Cash and Cash Equivalents, June 30	<u>\$ 168,721</u>	<u>\$ 3,217,286</u>	<u>\$ 1,250,132</u>	<u>\$ 401,436</u>	<u>\$ 5,037,575</u>

CARSON CITY
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2016
(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)	\$ (543,209)	\$ (1,115,674)	\$ 299,567	\$ 78,363	\$ (1,280,953)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization expense	-	21,980	16,564	88,936	127,480
Nonoperating revenues	476	928	23,306	-	24,710
Changes in assets and liabilities:					
(Increase) decrease in:					
Accounts receivable	(75,780)	(11,333)	(8,554)	-	(95,667)
Inventories	-	-	-	42,813	42,813
Prepaid items	(479)	(540)	2,833	166	1,980
Retirement deferred outflows	(6,641)	20,195	(2,865)	(16,791)	(6,102)
Increase (decrease) in:					
Accounts payable	193,264	(21,307)	(5,743)	32,865	199,079
Accrued salaries and benefits	6,358	1,220	872	6,793	15,243
Due to other governments	-	20,081	8,705	-	28,786
Accrued compensated absences	14,640	(19,276)	(27,764)	10,671	(21,729)
Net OPEB obligation	9,306	5,063	3,557	24,281	42,207
Net retirement obligation	34,490	65,078	16,042	72,382	187,992
Other liabilities	-	901,799	(3,445)	-	898,354
Retirement deferred inflows	(36,364)	(66,228)	(16,913)	(76,511)	(196,016)
Total Adjustments	139,270	917,660	6,595	185,605	1,249,130
Net Cash Provided (Used) by Operating Activities	\$ (403,939)	\$ (198,014)	\$ 306,162	\$ 263,968	\$ (31,823)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Contributed capital assets	\$ -	\$ -	\$ -	\$ 7,162	\$ 7,162

CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Employee contributions	\$ 1,243,775	\$ 1,165,956	\$ (77,819)	\$ 1,878,120
Employer contributions	7,163,542	7,150,424	(13,118)	6,853,668
Total Operating Revenues	<u>8,407,317</u>	<u>8,316,380</u>	<u>(90,937)</u>	<u>8,731,788</u>
Operating Expenses:				
Salaries and wages	216,773	201,957	14,816	198,859
Employee benefits	84,971	86,264	(1,293)	83,415
Services and supplies	8,588,285	8,571,368	16,917	8,398,373
Depreciation	611	-	611	611
Total Operating Expenses	<u>8,890,640</u>	<u>8,859,589</u>	<u>31,051</u>	<u>8,681,258</u>
Operating Income (Loss)	<u>(483,323)</u>	<u>(543,209)</u>	<u>(59,886)</u>	<u>50,530</u>
Nonoperating Revenues (Expenses):				
Investment income	1,500	1,198	(302)	3,152
Miscellaneous	-	476	476	-
Gain (loss) on disposal of capital assets	-	(4,277)	(4,277)	-
Total Nonoperating Revenues (Expenses)	<u>1,500</u>	<u>(2,603)</u>	<u>(4,103)</u>	<u>3,152</u>
Income (Loss) Before Transfers	(481,823)	(545,812)	(63,989)	53,682
Transfers in	-	-	-	-
Change in Net Position	<u>\$ (481,823)</u>	<u>(545,812)</u>	<u>\$ (63,989)</u>	<u>53,682</u>
Net Position, July 1		<u>465,242</u>		<u>411,560</u>
Net Position, June 30		<u>\$ (80,570)</u>		<u>\$ 465,242</u>

CARSON CITY
GROUP MEDICAL INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for customers	\$ 1,243,775	\$ 1,165,956	\$ (77,819)	\$ 1,878,120
Cash received from other funds	7,163,542	7,074,644	(88,898)	6,803,597
Cash payments for personnel costs	(291,843)	(266,432)	25,411	(279,154)
Cash payments for services and supplies	(8,588,285)	(8,378,583)	209,702	(8,392,260)
Miscellaneous cash received	-	476	476	-
	<u>(472,811)</u>	<u>(403,939)</u>	<u>68,872</u>	<u>10,303</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,500	1,198	(302)	3,152
	<u>1,500</u>	<u>1,198</u>	<u>(302)</u>	<u>3,152</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(471,311)	(402,741)	68,570	13,455
Cash and Cash Equivalents, July 1	571,462	571,462	-	558,007
Cash and Cash Equivalents, June 30	<u>\$ 100,151</u>	<u>\$ 168,721</u>	<u>\$ 68,570</u>	<u>\$ 571,462</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (483,323)	\$ (543,209)	\$ (59,886)	\$ 50,530
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	611	-	(611)	611
Nonoperating revenues	-	476	476	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(75,780)	(75,780)	(50,071)
Prepaid items	-	(479)	(479)	(366)
Retirement deferred outflows	-	(6,641)	(6,641)	(44,602)
Increase (decrease) in:				
Accounts payable	-	193,264	193,264	6,479
Accrued salaries and benefits	-	6,358	6,358	(2,478)
Accrued compensated absences	-	14,640	14,640	(4,747)
Net OPEB obligation	9,901	9,306	(595)	12,933
Net retirement obligation	-	34,490	34,490	(40,281)
Retirement deferred inflows	-	(36,364)	(36,364)	82,295
Total Adjustments	<u>10,512</u>	<u>139,270</u>	<u>128,758</u>	<u>(40,227)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (472,811)</u>	<u>\$ (403,939)</u>	<u>\$ 68,872</u>	<u>\$ 10,303</u>

See accompanying notes.

**CARSON CITY
WORKERS' COMPENSATION FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
Employer contributions	\$ 785,063	\$ 825,530	\$ 40,467	\$ 815,216
Operating Expenses:				
Salaries and wages	107,013	98,466	8,547	195,704
Employee benefits	49,800	67,860	(18,060)	79,940
Services and supplies	1,771,945	1,752,898	19,047	889,121
Depreciation	21,980	21,980	-	21,980
Total Operating Expenses	1,950,738	1,941,204	9,534	1,186,745
Operating Income (Loss)	(1,165,675)	(1,115,674)	50,001	(371,529)
Nonoperating Revenues (Expenses):				
Investment income	15,000	27,812	12,812	18,410
Miscellaneous	-	928	928	-
Total Nonoperating Revenues (Expenses)	15,000	28,740	13,740	18,410
Change in Net Position	<u>\$ (1,150,675)</u>	(1,086,934)	<u>\$ 63,741</u>	(353,119)
Net Position, July 1		2,397,472		2,750,591
Net Position, June 30		<u>\$ 1,310,538</u>		<u>\$ 2,397,472</u>

CARSON CITY
WORKERS' COMPENSATION FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds	\$ 785,063	\$ 834,278	\$ 49,215	\$ 815,238
Cash payments for personnel costs	(153,052)	(160,274)	(7,222)	(264,998)
Cash payments for services and supplies	(1,771,945)	(872,946)	898,999	(663,184)
Miscellaneous cash received	-	928	928	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	(1,139,934)	(198,014)	941,920	(112,944)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	15,000	27,812	12,812	18,410
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,124,934)	(170,202)	954,732	(94,534)
Cash and Cash Equivalents, July 1	3,387,488	3,387,488	-	3,482,022
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cash and Cash Equivalents, June 30	<u>\$ 2,262,554</u>	<u>\$ 3,217,286</u>	<u>\$ 954,732</u>	<u>\$ 3,387,488</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	<u>\$ (1,165,675)</u>	<u>\$ (1,115,674)</u>	<u>\$ 50,001</u>	<u>\$ (371,529)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	21,980	21,980	-	21,980
Nonoperating revenues	-	928	928	-
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(11,333)	(11,333)	22
Prepaid items	-	(540)	(540)	(1,419)
Retirement deferred outflows	-	20,195	20,195	(49,063)
Increase (decrease) in:				
Accounts payable	-	(21,307)	(21,307)	(7,170)
Accrued salaries and benefits	-	1,220	1,220	(8,967)
Due to other governments	-	20,081	20,081	-
Accrued compensated absences	-	(19,276)	(19,276)	15,240
Other liabilities	-	901,799	901,799	234,526
NET OPEB obligation	3,761	5,063	1,302	6,538
NET retirement obligation	-	65,078	65,078	(44,966)
Retirement deferred inflows	-	(66,228)	(66,228)	91,864
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Adjustments	25,741	917,660	891,919	258,585
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,139,934)</u>	<u>\$ (198,014)</u>	<u>\$ 941,920</u>	<u>\$ (112,944)</u>

See accompanying notes.

**CARSON CITY
INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
Administrative fees	\$ 1,785,000	\$ 1,771,883	\$ (13,117)	\$ 1,670,242
Operating Expenses:				
Salaries and wages	82,898	71,896	11,002	98,373
Employee benefits	39,917	35,944	3,973	37,804
Services and supplies	1,727,988	1,347,912	380,076	1,620,148
Depreciation	16,200	16,564	(364)	16,183
Total Operating Expenses	<u>1,867,003</u>	<u>1,472,316</u>	<u>394,687</u>	<u>1,772,508</u>
Operating Income (Loss)	<u>(82,003)</u>	<u>299,567</u>	<u>381,570</u>	<u>(102,266)</u>
Nonoperating Revenues (Expenses):				
Investment income	3,000	10,108	7,108	4,701
Miscellaneous	10,000	23,306	13,306	57,977
Gain (loss) on disposal of capital assets	<u>-</u>	<u>(81,384)</u>	<u>(81,384)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>13,000</u>	<u>(47,970)</u>	<u>(60,970)</u>	<u>62,678</u>
Change in Net Position	<u>\$ (69,003)</u>	251,597	<u>\$ 320,600</u>	(39,588)
Net Position, July 1		<u>629,965</u>		<u>669,553</u>
Net Position, June 30		<u>\$ 881,562</u>		<u>\$ 629,965</u>

**CARSON CITY
INSURANCE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from other funds	\$ 1,785,000	\$ 1,763,329	\$ (21,671)	\$ 1,721,611
Cash payments for personnel costs	(119,515)	(134,911)	(15,396)	(113,094)
Cash payments for services and supplies	(1,727,988)	(1,345,562)	382,426	(1,631,207)
Miscellaneous cash received	10,000	23,306	13,306	57,977
Net Cash Provided (Used) by Operating Activities	<u>(52,503)</u>	<u>306,162</u>	<u>358,665</u>	<u>35,287</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(57,221)	(57,221)	(3,076)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	3,000	10,108	7,108	4,701
Net Increase (Decrease) in Cash and Cash Equivalents	(49,503)	259,049	308,552	36,912
Cash and Cash Equivalents, July 1	991,083	991,083	-	954,171
Cash and Cash Equivalents, June 30	<u>\$ 941,580</u>	<u>\$ 1,250,132</u>	<u>\$ 308,552</u>	<u>\$ 991,083</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (82,003)	\$ 299,567	\$ 381,570	\$ (102,266)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	16,200	16,564	364	16,183
Nonoperating revenues	10,000	23,306	13,306	57,977
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	(8,554)	(8,554)	51,369
Prepaid items	-	2,833	2,833	3,846
Retirement deferred outflows	-	(2,865)	(2,865)	(20,672)
Increase (decrease) in:				
Accounts payable	-	(5,743)	(5,743)	(12,073)
Accrued salaries and benefits	-	872	872	915
Due to other governments	-	8,705	8,705	(11,323)
Accrued compensated absences	-	(27,764)	(27,764)	18,346
Other liabilities	-	(3,445)	(3,445)	8,491
Net OPEB obligation	3,300	3,557	257	4,952
Net retirement obligation	-	16,042	16,042	(18,735)
Retirement deferred inflows	-	(16,913)	(16,913)	38,277
Total Adjustments	<u>29,500</u>	<u>6,595</u>	<u>(22,905)</u>	<u>137,553</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (52,503)</u>	<u>\$ 306,162</u>	<u>\$ 358,665</u>	<u>\$ 35,287</u>

See accompanying notes.

**CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)**

	FINAL BUDGET	ACTUAL	VARIANCE	2015
Operating Revenues:				
Charges for services:				
Administrative fees	\$ 1,754,689	\$ 1,754,928	\$ 239	\$ 1,647,687
Operating Expenses:				
Salaries and wages	538,558	498,423	40,135	481,361
Employee benefits	262,412	229,010	33,402	226,128
Services and supplies	843,908	860,196	(16,288)	754,832
Depreciation	75,900	88,936	(13,036)	60,082
Total Operating Expenses	1,720,778	1,676,565	44,213	1,522,403
Operating Income (Loss)	33,911	78,363	44,452	125,284
Nonoperating Revenues (Expenses):				
Investment income	4,000	4,823	823	2,923
Miscellaneous	-	-	-	37
Total Nonoperating Revenues (Expenses)	4,000	4,823	823	2,960
Income (Loss) Before Contributions	37,911	83,186	45,275	128,244
Capital Contributions:				
Capital assets	-	7,162	7,162	-
Capital grants	-	-	-	781,856
Total Capital Contributions	-	7,162	7,162	781,856
Transfers in (out):				
Ambulance Fund	31,020	31,020	-	31,020
Sewer	-	-	-	23,508
Street Maintenance	-	-	-	11,521
Water	-	-	-	300,358
Stormwater Drainage Fund	-	-	-	12,376
Total Transfers	31,020	31,020	-	378,783
Change in Net Position	\$ 68,931	121,368	\$ 52,437	1,288,883
Net Position, July 1		1,591,726		302,843
Net Position, June 30		\$ 1,713,094		\$ 1,591,726

CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 1 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received for services	\$ 1,754,689	\$ 1,754,928	\$ 239	\$ 1,647,739
Cash payments for personnel costs	(781,334)	(706,608)	74,726	(692,745)
Cash payments for services and supplies	(843,908)	(784,352)	59,556	(748,531)
Miscellaneous cash received	-	-	-	37
	<u>129,447</u>	<u>263,968</u>	<u>134,521</u>	<u>206,500</u>
Net Cash Provided (Used) by Operating Activities				
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer from other funds	<u>31,020</u>	<u>31,020</u>	<u>-</u>	<u>378,783</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(64,245)	(153,697)	(89,452)	(1,897,795)
Subsidy from grant	-	-	-	781,856
	<u>(64,245)</u>	<u>(153,697)</u>	<u>(89,452)</u>	<u>(1,115,939)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	<u>4,000</u>	<u>4,823</u>	<u>823</u>	<u>2,923</u>
Net Increase (Decrease) in Cash and Cash Equivalents				
	100,222	146,114	45,892	(527,733)
Cash and Cash Equivalents, July 1	<u>255,322</u>	<u>255,322</u>	<u>-</u>	<u>783,055</u>
Cash and Cash Equivalents, June 30	<u>\$ 355,544</u>	<u>\$ 401,436</u>	<u>\$ 45,892</u>	<u>\$ 255,322</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Contributed capital assets		\$ 7,162		\$ -

CARSON CITY
FLEET MANAGEMENT FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2015)
(PAGE 2 OF 2)

	FINAL BUDGET	ACTUAL	VARIANCE	2015
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 33,911	\$ 78,363	\$ 44,452	\$ 125,284
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	75,900	88,936	13,036	60,082
Nonoperating revenues	-	-	-	37
Changes in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	-	-	-	52
Inventories	-	42,813	42,813	(33,915)
Prepaid items	-	166	166	7,475
Retirement deferred outflows	-	(16,791)	(16,791)	(95,824)
Increase (decrease) in:				
Accounts payable	-	32,865	32,865	32,741
Accrued salaries and benefits	-	6,793	6,793	4,783
Accrued compensated absences	-	10,671	10,671	(16,966)
Net OPEB obligation	19,636	24,281	4,645	31,884
Net retirement obligation	-	72,382	72,382	(87,121)
Retirement deferred inflows	-	(76,511)	(76,511)	177,988
Total Adjustments	95,536	185,605	90,069	81,216
Net Cash Provided (Used) by Operating Activities	<u>\$ 129,447</u>	<u>\$ 263,968</u>	<u>\$ 134,521</u>	<u>\$ 206,500</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Purchase of capital assets on account	\$ -	\$ -	\$ -	\$ 90,472
Retainage payable on construction of capital assets	-	-	-	76,324

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.

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 1 OF 3)

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
EAGLE VALLEY WATER DISTRICT FUND				
Assets:				
Cash and investments	\$ 243	\$ 17,758	\$ 17,743	\$ 258
Taxes receivable, delinquent	295	92	92	295
Total Assets	<u>\$ 538</u>	<u>\$ 17,850</u>	<u>\$ 17,835</u>	<u>\$ 553</u>
Liabilities:				
Due to other governments	<u>\$ 538</u>	<u>\$ 18,174</u>	<u>\$ 18,159</u>	<u>\$ 553</u>
SUB-CONSERVANCY DISTRICT FUND				
Assets:				
Cash and investments	\$ 1,802	\$ 852,406	\$ 853,008	\$ 1,200
Taxes receivable, delinquent	6,740	2,963	3,554	6,149
Due from other governments	23,835	29,145	23,835	29,145
Total Assets	<u>\$ 32,377</u>	<u>\$ 884,514</u>	<u>\$ 880,397</u>	<u>\$ 36,494</u>
Liabilities:				
Accounts payable	\$ 6,818	\$ 367,779	\$ 367,782	\$ 6,815
Due to other governments	1,589	370,085	371,394	280
Other liabilities	23,970	29,392	23,963	29,399
Total Liabilities	<u>\$ 32,377</u>	<u>\$ 767,256</u>	<u>\$ 763,139</u>	<u>\$ 36,494</u>
FISH AND GAME FUND				
Assets:				
Cash and investments	<u>\$ 2,965</u>	<u>\$ 1,315</u>	<u>\$ 2,285</u>	<u>\$ 1,995</u>
Liabilities:				
Accounts payable	\$ 526	\$ 2,536	\$ 2,285	\$ 777
Due to other governments	2,439	1,315	2,536	1,218
Total Liabilities	<u>\$ 2,965</u>	<u>\$ 3,851</u>	<u>\$ 4,821</u>	<u>\$ 1,995</u>
CONTROLLER TRUST FUND				
Assets:				
Cash and investments	<u>\$ 12,036</u>	<u>\$ 17,901</u>	<u>\$ 13,128</u>	<u>\$ 16,809</u>
Liabilities:				
Accounts payable	\$ -	\$ 1,397	\$ 1,397	\$ -
Due to other governments	12,036	17,174	12,401	16,809
Total Liabilities	<u>\$ 12,036</u>	<u>\$ 18,571</u>	<u>\$ 13,798</u>	<u>\$ 16,809</u>

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 2 OF 3)

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
STATE OF NEVADA FUND				
Assets:				
Cash and investments	\$ 489,971	\$ 3,902,161	\$ 3,906,905	\$ 485,227
Taxes receivable, delinquent	38,324	16,871	20,187	35,008
Total Assets	<u>\$ 528,295</u>	<u>\$ 3,919,032</u>	<u>\$ 3,927,092</u>	<u>\$ 520,235</u>
Liabilities:				
Accounts payable	\$ 319	\$ 730	\$ 1,029	\$ 20
Due to other governments	527,976	4,394,360	4,402,121	520,215
Total Liabilities	<u>\$ 528,295</u>	<u>\$ 4,395,090</u>	<u>\$ 4,403,150</u>	<u>\$ 520,235</u>
NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V & T RAILWAY FUND				
Assets:				
Cash and investments	\$ 23,319	\$ 507,688	\$ 504,051	\$ 26,956
Cash held by Commission	85,342	-	-	85,342
Due from other governments	38,239	23,328	38,240	23,327
Total Assets	<u>\$ 146,900</u>	<u>\$ 531,016</u>	<u>\$ 542,291</u>	<u>\$ 135,625</u>
Liabilities:				
Accounts payable	\$ 23,177	\$ 474,317	\$ 455,830	\$ 41,664
Due to other governments	123,723	474,000	503,762	93,961
Total Liabilities	<u>\$ 146,900</u>	<u>\$ 948,317</u>	<u>\$ 959,592</u>	<u>\$ 135,625</u>
FORFEITURE ACCOUNT FUND				
Assets:				
Cash and investments	\$ 25,919	\$ 19,088	\$ 16,846	\$ 28,161
Liabilities:				
Accounts payable	\$ -	\$ 12,378	\$ 12,378	\$ -
Due to other governments	25,919	17,346	15,104	28,161
Total Liabilities	<u>\$ 25,919</u>	<u>\$ 29,724</u>	<u>\$ 27,482</u>	<u>\$ 28,161</u>
CARSON CITY SCHOOL DISTRICT DEBT SERVICE FUND				
Assets:				
Taxes receivable, delinquent	\$ 168,166	\$ 43,750	\$ 120,700	\$ 91,216
Liabilities:				
Accounts payable	\$ -	\$ 134	\$ 89	\$ 45
Due to other governments	168,166	5,832,466	5,909,461	91,171
Total Liabilities	<u>\$ 168,166</u>	<u>\$ 5,832,600</u>	<u>\$ 5,909,550</u>	<u>\$ 91,216</u>

See accompanying notes.

CARSON CITY
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 3 OF 3)

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
CARSON CITY SCHOOL DISTRICT				
OPERATING FUND				
Assets:				
Cash and investments	\$ 37,609	\$ 9,639,494	\$ 9,657,541	\$ 19,562
Taxes receivable, delinquent	293,323	74,182	215,496	152,009
Total Assets	<u>\$ 330,932</u>	<u>\$ 9,713,676</u>	<u>\$ 9,873,037</u>	<u>\$ 171,571</u>
Liabilities:				
Accounts payable	\$ -	\$ 234	\$ 156	\$ 78
Due to other governments	330,932	9,605,407	9,764,846	171,493
Total Liabilities	<u>\$ 330,932</u>	<u>\$ 9,605,641</u>	<u>\$ 9,765,002</u>	<u>\$ 171,571</u>
TOTALS - ALL AGENCY FUNDS				
Assets:				
Cash and investments	\$ 593,864	\$ 14,957,811	\$ 14,971,507	\$ 580,168
Cash held by Commission	85,342	-	-	85,342
Taxes receivable, delinquent	506,848	137,858	360,028	284,678
Due from other governments	62,074	52,473	62,075	52,472
Total Assets	<u>\$ 1,248,128</u>	<u>\$ 15,148,143</u>	<u>\$ 15,393,612</u>	<u>\$ 1,002,659</u>
Liabilities:				
Accounts payable	\$ 30,840	\$ 859,505	\$ 840,946	\$ 49,399
Due to other governments	1,193,318	20,730,327	20,999,784	923,861
Other liabilities	23,970	29,392	23,963	29,399
Total Liabilities	<u>\$ 1,248,128</u>	<u>\$ 21,619,224</u>	<u>\$ 21,864,693</u>	<u>\$ 1,002,659</u>

STATISTICAL SECTION

**CARSON CITY
STATISTICAL SECTION
(UNAUDITED)**

This part of the City of Carson 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,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 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	\$ 120,602,072
Restricted	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	29,389,902
Unrestricted	(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	(1,728,608)
Total Governmental Activities	\$ 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	\$ 148,263,366
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 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	\$ 84,123,860
Restricted	-	-	-	-	-	-	-	-	-	2,742,096
Unrestricted	202,633	(3,826,793)	5,348,056	7,849,919	7,832,105	3,476,230	6,235,987	11,002,971	14,666,940	16,169,206
Total Business-Type Activities	\$ 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	\$ 103,035,162
PRIMARY GOVERNMENT										
Net investment in capital assets	\$ 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	\$ 204,725,932
Restricted	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	32,131,998
Unrestricted	(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	14,440,598
Total Primary Government	\$ 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	\$ 251,298,528

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.

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
EXPENSES										
Governmental Activities:										
General government	\$ 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	\$ 13,329,480
Public safety	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	26,333,209
Judicial	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	3,656,007
Public works	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	7,205,824
Sanitation	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	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	2,736,463
Welfare	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	2,074,309
Culture and recreation	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	8,897,085
Community support	597,679	1,067,743	578,988	704,500	3,386,724	1,643,988	3,922,076	2,626,657	991,673	552,307
Airport	465,157	344,845	333,521	388,786	285,645	149,667	257,969	51,505	124,386	348,318
Economic Opportunity	119,127	87,026	179,513	186,695	304,571	326,910	4,705,495	2,255,148	560,255	485,422
Interest on long-term debt	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	3,844,651
Total Governmental Activities Expenses	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	69,463,075
Business-type Activities:										
Landfill	-	-	-	-	-	-	-	-	-	2,057,836
Sewer	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	7,751,960
Water	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	9,143,663
Stormwater Drainage	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	860,866
Ambulance	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	3,314,417
Cemetery	233,663	225,667	225,515	191,888	193,726	185,524	192,330	162,706	206,709	201,439
Building Permits	1,148,900	642,601	555,315	574,273	464,022	439,863	580,576	945,159	1,581,943	1,724,380
Total Business-type Activities Expenses	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	25,054,561
Total Primary Government Expenses	\$ 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	\$ 94,517,636

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

FISCAL YEAR ENDED JUNE 30,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
PROGRAM REVENUES										
Governmental Activities:										
Charges for services:										
General government	\$ 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	\$ 2,927,954
Public safety	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	869,747
Judicial	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	1,532,800
Public works	195,440	195,610	139,078	155,388	287,772	149,922	130,186	135,246	246,581	351,854
Sanitation	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	809,369	742,478	673,249	547,415	440,934	368,863	391,320	388,737	323,538	196,846
Welfare	-	-	-	-	-	-	2,502	-	-	-
Culture and recreation	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	1,315,279
Community support	-	-	-	8,000	-	-	381	-	1,825	-
Operating grants, interest, and contributions	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	6,129,717
Capital grants, interest, and contributions	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	14,492,662
Total Governmental Activities Program Revenues	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	27,816,859
Business-type Activities:										
Charges for services:										
Landfill	-	-	-	-	-	-	-	-	-	3,795,200
Sewer	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	5,084,414
Water	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	7,593,208
Stormwater Drainage	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	1,007,484
Ambulance	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	3,373,632
Cemetery	94,150	99,686	96,045	116,562	130,494	111,624	91,161	85,437	115,220	150,912
Building Permits	1,159,586	574,056	619,648	379,300	590,055	536,824	422,320	800,889	1,273,027	1,487,738
Operating grants, interest, and contributions	-	-	-	-	-	-	200	30	-	-
Capital grants, interest, and contributions	782,391	495,899	707,241	419,206	2,505,810	1,906,273	890,780	2,009,015	4,987,392	6,462,247
Total Business-type Activities Program Revenues	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	28,954,835
Total Primary Government Program Revenues	\$ 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	\$ 56,771,694
NET (EXPENSE) / REVENUE										
Governmental activities	\$ (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)	\$ (41,646,216)
Business-type activities	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	3,900,274
Total Primary Government Net (Expense) / Revenue	\$ (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)	\$ (37,745,942)

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

FISCAL YEAR ENDED JUNE 30,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes:										
Property taxes	\$ 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	\$ 16,538,908
Sales taxes	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	6,097,893
Consolidated tax	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	25,944,779
Franchise taxes	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	4,619,984
Other taxes	270,240	130,249	133,266	124,158	157,269	158,283	136,856	194,508	3,911,193	4,262,092
Motor vehicle fuel tax	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	1,373,902
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	3,312	687
Unrestricted investment income	303,823	206,828	228,425	62,846	275,035	408,911	1,132,477	2,059,082	3,614,317	3,530,584
Gain on sale of capital assets	53,428	164,799	-	-	-	-	-	-	-	-
Miscellaneous revenue	245,396	251,943	227,982	181,733	214,052	235,667	183,639	218,370	305,300	246,304
Transfers	(311,622)	(64,733)	(520,602)	(602,825)	(718,993)	(256,708)	(398,481)	(296,402)	3,000,092	(746,617)
Total Governmental Activities	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	61,868,516
Business-type Activities:										
Unrestricted investment income	105,117	37,662	63,812	22,756	49,489	51,433	240,914	538,761	1,058,683	1,319,813
Gain on sale of capital assets	82,227	48,009	-	-	-	-	-	-	-	-
Transfers	311,622	64,733	520,602	602,825	718,993	256,708	398,481	296,402	(3,000,092)	746,617
Total Business-type Activities	498,966	150,404	584,414	625,581	768,482	308,141	639,395	835,163	(1,941,409)	2,066,430
Total Primary Government Activities	\$ 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	\$ 63,934,946
CHANGE IN NET POSITION										
Governmental activities	\$ 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	\$ 20,222,300
Business-type activities	3,288,370	1,848,014	(185,025)	(449,348)	4,190,222	(561,223)	(3,712,571)	(1,913,660)	(715,319)	5,966,704
Total Primary Government Change in Net Position	\$ 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	\$ 26,189,004

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

FISCAL YEAR ENDED JUNE 30,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
GENERAL FUND										
GASB 54 ^(a)										
Nonspendable	\$ 67,929	\$ 88,563	\$ 287,383	\$ 703,349	\$ 269,317	\$ 234,703	\$ -	\$ -	\$ -	\$ -
Restricted	794,732	726,536	507,733	698,926	854,838	866,931	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,312,836	2,855,740	1,453,798	1,597,932	1,036,620	2,962,474	-	-	-	-
Unassigned	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	793,002
Unreserved:										
Designated	-	-	-	-	-	-	3,294,193	7,979,901	5,143,029	5,385,581
Undesignated	-	-	-	-	-	-	2,024,044	2,628,357	8,383,701	5,496,137
Total General Fund	<u>\$ 8,181,142</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>	<u>\$ 11,674,720</u>

**ALL OTHER GOVERNMENTAL FUNDS
GASB 54 ^(a)**

Nonspendable	\$ 49,683	\$ 64,001	\$ 101,924	\$ 64,913	\$ 82,036	\$ 24,582	\$ -	\$ -	\$ -	\$ -
Restricted	13,686,499	21,885,985	11,835,435	11,130,067	10,871,688	12,212,046	-	-	-	-
Committed	6,856	7,726	11,513	7,606	5,853	2,400,000	-	-	-	-
Assigned	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	12,953
Unreserved:										
Designated in:										
Special Revenue Funds	-	-	-	-	-	-	5,205,792	10,977,085	14,476,430	5,195,162
Debt Service Funds	-	-	-	-	-	-	1,036,661	1,140,238	1,259,329	1,143,535
Capital Projects Funds	-	-	-	-	-	-	51,609	90,054	73,552	100,358
Undesignated in:										
Special Revenue Funds	-	-	-	-	-	-	15,318,046	12,081,931	13,889,408	32,268,590
Debt Service Funds	-	-	-	-	-	-	12,384	196,616	24,354	37,444
Capital Projects Funds	-	-	-	-	-	-	2,729,014	777,393	3,095,754	7,245,512
Total All Other Governmental Funds	<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>	<u>\$ 46,003,554</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,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
REVENUES										
Taxes	\$ 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	\$ 26,649,450
Licenses and permits	6,941,765	7,023,943	7,133,133	6,742,835	6,657,143	6,782,247	7,340,788	7,377,737	7,089,746	6,183,388
Intergovernmental revenues	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	43,287,158
Charges for services	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	8,417,219
Fines and forfeits	725,895	859,277	896,537	944,937	901,394	773,519	802,402	1,046,329	1,023,459	901,404
Miscellaneous	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	4,411,395
Total Revenues	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	89,850,014
EXPENDITURES										
General government	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	15,037,996
Public safety	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	25,956,021
Judicial	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	3,652,245
Public works	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	11,965,730
Sanitation	1,664,165	1,677,631	1,579,314	1,558,251	1,483,325	1,542,371	1,673,677	1,734,716	3,386,664	-
Health	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	2,670,894
Welfare	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	2,073,901
Culture and recreation	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	9,464,358
Community support	655,952	897,172	615,765	757,714	3,098,628	1,296,951	3,573,553	2,617,465	570,916	630,602
Airport	-	-	-	45,765	4,234	47,506	9,144,072	3,107,641	579,295	10,034,403
Economic opportunity	160,396	138,778	179,513	186,695	304,571	326,957	4,742,049	2,275,376	609,176	565,092
Capital outlay	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	9,039,514
Debt service:										
Principal	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	3,056,246
Interest and fiscal charges	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	3,764,874
Total Expenditures	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	97,911,876
Excess (Deficiency) of Revenues Over (Under) Expenditures	(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)	(8,061,862)

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

	FISCAL YEAR ENDED JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
OTHER FINANCING SOURCES (USES)										
Capital asset sales	73,929	64,812	-	13,097	10,545	3,535	-	-	-	-
Capital leases	10,300	-	-	-	-	-	69,433	53,467	11,228	55,770
Bonds issued	-	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	(23,701,582)	(9,418,592)	-	(30,026,827)	-	(7,244,702)	-	-	-	-
Refunding bonds issued	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	11,919,064	10,821,056	10,928,630	9,668,856	9,364,206	8,279,959	15,500,233	11,826,603	12,952,593	7,736,648
Transfers out	(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)	(7,824,848)
Premium on bonds issued	-	-	-	-	-	-	-	-	-	-
Discount on bonds issued	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(591,181)</u>	<u>13,730,922</u>	<u>1,963,439</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>	<u>(32,430)</u>
Net Change in Fund Balances	<u>\$ (7,968,133)</u>	<u>\$ 9,770,685</u>	<u>\$ 2,519,016</u>	<u>\$ 1,499,922</u>	<u>\$ (6,381,385)</u>	<u>\$ (7,400,620)</u>	<u>\$ (5,900,522)</u>	<u>\$ (10,393,765)</u>	<u>\$ (10,527,206)</u>	<u>\$ (8,094,292)</u>
Debt service as a percentage of noncapital expenditures	<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>	<u>9.30%</u>

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

FISCAL YEAR ENDED JUNE 30,	REAL PROPERTY ASSESSED VALUE				PERSONAL PROPERTY ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	TAXABLE ASSESSED VALUE	ESTIMATED ACTUAL VALUE	PERCENTAGE OF TAXABLE VALUE TO		TOTAL DIRECT TAX RATE (1)
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	OTHER					ACTUAL VALUE	ACTUAL VALUE	
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	
2007	1,083,303,781	451,206,734	73,847,370	48,854,565	83,969,393	307,878,233	1,433,303,610	4,095,153,171	35.00%	1.5075	

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,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
CARSON CITY DIRECT RATE										
Operating Rate	1.8525	1.8508	1.8858	1.7040	1.2102	1.2102	1.2102	1.2102	1.2102	1.2101
Voter Approved	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
Legislative Overrides	0.2375	0.2592	0.2442	0.4260	0.4470	0.4464	0.4468	0.4467	0.2405	0.2153
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0321
Total Carson City Direct Rate	2.1400	2.1600	2.1800	2.1800	1.7072	1.7066	1.7070	1.7069	1.5007	1.5075
OVERLAPPING RATES										
Carson City School District	1.1800	1.1800	1.1800	1.1800	1.1800	1.1800	1.2200	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	0.0010	0.0009	0.0009	0.0011	0.0012
Carson Valley Ground Water Basin	0.0000	0.0000	0.0000	0.0000	0.0000	0.0023	0.0020	0.0010	0.0025	0.0029
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	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Total Overlapping Rates	1.3800	1.3800	1.3800	1.4800	1.4800	1.4833	1.5229	1.5219	1.5236	1.5241
Total Carson City Property Tax Rate	3.5200	3.5400	3.5600	3.6600	3.1872	3.1899	3.2299	3.2288	3.0243	3.0316
REDEVELOPMENT AGENCY OF CARSON CITY	3.0745	3.0955	3.1155	3.2155	2.7427	2.8737	2.8895	2.6362	2.8108	2.7913

Source: Nevada Department of Taxation

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

<u>TAXPAYER</u>	<u>2016</u>			<u>2007</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	\$ 8,363,219	1	0.61%	\$ 8,272,544	7	0.58%
ARHC CTCRCNV001, LLC	\$ 6,701,040	2	0.49%			
C&A Investments	\$ 5,831,221	3	0.42%	\$ 10,941,542	4	0.76%
Harley Davidson Credit Corp	\$ 4,797,162	4	0.35%			
Carson Gaming, LLC	\$ 4,304,292	5	0.31%			-
Carson City Parkway, LLC	\$ 4,041,669	6	0.29%			
Adams Carson, LLC	\$ 4,024,375	7	0.29%			
Dophin Bay-Beal, LLC	\$ 4,001,767	8	0.29%			
Wal-Mart Real Est Bus Trust	\$ 3,904,045	9	0.28%			
College Parkway Assoc. LLC	\$ 3,790,895	10	0.28%			
Millard, Dwight				\$ 12,532,553	1	0.87%
Sierra Pacific Power Company				\$ 11,929,276	2	0.83%
Southwest Gas				\$ 11,746,308	3	0.82%
Serpa, John C				\$ 9,748,164	5	0.68%
Garth, Richard				\$ 8,970,864	6	0.63%
SBC Nevada				\$ 7,717,500	8	0.54%
Carson City Hotel, LLC				\$ 7,360,334	9	0.51%
Cubix/Ormsby				\$ 6,396,139	10	0.45%
Total, Ten Largest Taxpayers	49,759,685		3.62%	95,615,224		6.67%
Total, Other Taxpayers	1,323,649,168		96.38%	1,337,688,386		93.33%
Total Assessed Valuations	<u>\$ 1,373,408,853</u>		<u>100.00%</u>	<u>\$ 1,433,303,610</u>		<u>100.00%</u>

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
2007	30,839	30,592	99.20%	247	30,839	100.00%
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%	645	39,959	99.91%
2015	41,063	40,489	98.60%	491	40,980	99.80%
2016	41,696	41,237	98.90%	-	41,237	98.90%

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 (1)	PER CAPITA (2)	OTHER GOVERNMENTAL ACTIVITIES DEBT				BUSINESS TYPE ACTIVITIES			TOTAL PRIMARY GOVERNMENT INCOME(2)	PERCENT OF PERSONAL INCOME(2)	PER CAPITA (2)
	GENERAL OBLIGATION BONDS	GENERAL BONDED DEBT	TOTAL GENERAL BONDED DEBT			REVENUE BONDS	GENERAL OBLIGATION NOTES	CAPITAL LEASES	PROPRIETARY		NOTES				
									BONDS	BONDS					
2016	\$64,127,895	\$64,127,895	\$64,127,895	\$15,970,500	\$ 3,361,300	\$ -	\$86,521,352	\$1,090,800	\$1,090,800	\$171,071,847	7.11%	\$3,169.82			
2015	67,230,067	67,245,540	67,245,540	17,159,100	3,895,800	-	77,492,002	1,389,700	1,389,700	167,182,142	6.95%	3,097.74			
2014	56,356,923	56,356,923	56,356,923	18,047,900	4,591,700	6,081	77,939,578	1,682,100	1,682,100	158,624,282	6.97%	2,861.14			
2013	59,511,054	59,511,054	59,511,054	18,897,000	2,554,800	25,590	79,548,826	1,970,500	1,970,500	162,507,770	7.30%	2,857.58			
2012	62,336,401	62,336,401	62,336,401	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	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	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	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	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	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, 2016
(UNAUDITED)**

NAME OF GOVERNMENT UNIT	GENERAL OBLIGATION DEBT OUTSTANDING	PRESENTLY SELF-SUPPORTING GENERAL OBLIGATION DEBT	PERCENT APPLICABLE (1)	APPLICABLE NET DEBT
Direct:				
City of Carson City:				
Governmental Activity Bonds ⁽²⁾	\$ 64,127,895	\$ 64,127,895	100.00%	-
Revenue Bonds ⁽³⁾	15,970,500	15,970,500		
Notes Payable	<u>3,361,300</u>	<u>3,361,300</u>		
Total Direct Debt	<u>83,459,695</u>	<u>83,459,695</u>		<u>-</u>
Overlapping:				
Carson City School District	<u>46,460,000</u>	<u>-</u>	100.00%	<u>46,460,000</u>
Total General Obligation				
Direct and Overlapping Debt	<u>\$ 129,919,695</u>	<u>\$ 83,459,695</u>		<u>\$ 46,460,000</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)**

<u>Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2016</u>	<u>FISCAL YEAR ENDED JUNE 30,</u>									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Assessed value of taxable property(1)			\$ 1,424,652,666							
Debt limit (15% of assessed value)			<u>213,697,900</u>							
Debt applicable to limit:										
Governmental activities	\$ 63,375,000									
Business-type activities	85,399,055									
Less: Amount available for repayment of general obligation debt	<u>(773,448)</u>									
Total net debt applicable to limitation			<u>148,000,607</u>							
Legal debt margin			<u>\$ 65,697,293</u>							
Debt limit	\$ 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	\$ 219,896,382
Total net debt subject to limitation	<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>	<u>135,893,548</u>
Legal Debt Margin	<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>	<u>\$ 84,002,834</u>
Total net debt subject to limitation as a percentage of debt limit	<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>	<u>61.8%</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)							
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
2007	2,919,391	2,022,026	897,365	220,000	205,500	425,500	2.1
2006	2,911,491	1,698,400	1,213,091	215,000	212,000	427,000	2.8

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)
2016	53,969	147.00	\$ 2,404,851,000	\$ 44,560	6.9%	11,615	541	1272	\$ 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
2007	57,723	147.00	2,423,586,000	43,836	5.0%	13,790	1,223	425	87,262,258

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>2016</u>			<u>2007</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 City School District	1000-1499	1	4.96%	1000-1499	1	3.54%
Carson Tahoe Hospital	1000-1499	2	4.96%	1000-1499	2	3.21%
City of Carson City	700-799	3	2.97%	700-799	3	2.62%
State Department of Transportation	700-799	4	2.97%	600-699	4	2.10%
Western Nevada College	500-599	5	2.18%	500-599	6	1.36%
State Department of Corrections	400-499	6	1.78%	300-399	10	1.10%
State Department of Motor Vehicles	300-399	7	1.39%	400-499	9	1.23%
Legislative Counsel Bureau	300-399	8	1.39%			
Click Bond Inc.	300-399	9	1.39%			
Wal-Mart Supercenter	300-399	10	1.39%			
Casino Fandango				400-499	7	1.34%
Chromalloy Nevada				400-499	8	1.27%
Carson City Nugget				600-699	5	1.53%
Total Carson City Area Covered Employment	<u>25,209</u>			<u>28,100</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,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
FUNCTION:										
General Government	107.50	106.75	102.48	100.55	101.00	104.35	108.10	108.80	123.35	127.05
Public Safety	229.60	228.10	228.00	228.80	227.55	228.25	254.75	256.85	259.45	265.70
Judicial	44.00	44.00	43.00	42.75	44.50	42.50	44.05	45.30	45.00	42.25
Public Works	50.60	46.35	45.45	43.95	45.95	44.90	46.10	53.15	58.25	53.59
Sanitation	9.50	9.50	9.60	9.70	9.60	9.30	10.75	13.35	13.05	10.90
Health	36.15	43.85	37.75	37.25	29.96	30.00	30.00	20.00	23.25	18.75
Welfare	4.95	4.95	4.00	4.00	4.00	4.00	5.00	3.00	2.00	1.00
Culture and Recreation	43.88	44.88	44.88	43.88	43.88	43.88	48.88	48.93	57.82	61.95
Community Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	2.00
Utilities	51.05	51.05	48.45	48.85	52.95	52.80	50.90	48.13	47.50	49.65
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Total	577.23	579.43	563.61	559.73	559.39	559.98	598.53	597.51	631.67	633.84

Source: City of Carson City Finance Department

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

FISCAL YEAR ENDED JUNE 30,

	2015	2015	2014	2013	2012	2011	2010	2009	2008	2007
FUNCTION / PROGRAM:										
General Government										
Business licenses issued (3)	541	531	553	620	788	818	934	967	1,242	1,223
Judicial: (1)										
Municipal Court Cases Filed:										
Criminal Cases:										
Felony death penalty	0	0	0	0	0	0	0	0	0	1
Felony, crimes against persons	132	138	110	126	112	117	112	231	374	407
Felony, crimes against property	182	200	170	194	171	230	196	467	228	227
Gross misdemeanor, crimes against persons	58	47	52	81	54	56	67	43	64	59
Gross misdemeanor, crimes against property	22	12	24	19	11	23	15	45	42	21
Misdemeanor, non-traffic	1,505	1,553	1,386	1,633	1,696	1,473	1,726	2,228	1,492	1,309
Traffic and parking violations	8,634	9,899	10,692	12,414	13,769	11,869	11,012	19,944	16,460	12,516
Civil Cases:										
General	655	748	1,154	1,708	1,952	2,249	2,926	2,474	2,514	2,513
Small claims	379	283	258	350	421	442	472	535	638	686
Landlord/tenant (summary eviction)	959	893	1,281	1,189	1,095	1,126	954	1,165	1,473	1,466
Request for domestic violence protective orders	454	401	431	431	454	460	474	496	484	452
Request for protection orders (non-dom. violence)	292	299	335	271	266	293	269	379	346	322
Public Safety										
Police: (5)										
Number of sworn police personnel and officers	95	92	92	92	91	91	99	99	98	94
Number of physical arrests	2,911	2,865	2,140	2,823	2,784	1,925	2,621	2,797	3,265	2,872
Number of traffic accidents	485	434	427	358	474	250	832	973	1,035	558
Fire: (6)										
Number of firefighters	58	59	59	59	60	58	64	64	64	66
Number of calls answered	9,876	9,465	8,503	8,332	7,838	7,620	7,466	7,515	7,941	7,681
Number of fire prevention inspections	1,478	1,515	1,410	638	1,268	1,170	2,529	2,029	2,090	2,061
Public Works (4)										
Number of street lights	1,713	1,723	1,731	1,717	1,702	1,776	1,771	1,702	1,723	1,525

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

	FISCAL YEAR ENDED JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Culture and Recreation (7)										
Number of participants in recreation sports	2,678	2,526	2,463	3,184	7,688	7,557	14,393	5,302	7,950	6,350
Number of participants in sports tournaments (8)	10,629	17,625	17,293	77,164	56,388	57,291	58,000	56,410	56,410	42,429
Average number of children enrolled in summer programs per day	167	175	172	178	165	607	339	265	262	290
Average number of children enrolled in latch key programs per day	259	287	246	239	239	204	202	289	265	275
Utilities (4)										
Sewer:										
Customer count as of June 30	15,500	15,435	15,514	15,476	15,443	15,041	15,376	15,414	15,379	15,312
Total discharge (in thousands of gallons)	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	1,878,804
Water:										
Customer count as of June 30	17,272	16,962	16,860	16,889	16,862	16,798	16,804	16,828	16,790	16,705
Total consumption (in thousands of gallons)	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	4,165,842
Development Services (2)										
Building permits issued	1,272	934	1,029	788	818	939	276	242	295	425

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.

CARSON CITY
CAPITAL ASSETS STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	FISCAL YEAR ENDED JUNE 30,										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
FUNCTION / PROGRAM:											
General Government											
City owned facilities (1)	105	101	83	81	80	82	82	82	82	82	82
City owned structures (1)	92	85	81	81	81	81	81	81	81	81	81
Number of networked computers (5)	693	717	593	595	595	580	565	550	650	650	517
Public Safety											
Police: (2)											
Marked police vehicles	42	41	41	39	39	40	39	36	37	36	32
Fire: (3)											
Fire stations	4	4	4	4	4	3	3	3	3	3	3
Fire engines	14	14	14	14	14	9	9	9	9	9	9
Public Works (1)											
Paved streets (miles)	273	273	273	273	273	273	257	257	259	259	250
Culture and Recreation (4)											
Parks:											
Acreage of parks - developed	785.1	780.5	780.5	780.5	780.5	780.5	780.5	780.5	780.5	772.5	765.5
Acreage of parks - undeveloped	7,332.0	436.0	436.0	436.0	436.0	436.0	436.0	436.0	436.0	444.0	448.0
Swimming pools - outdoors	1	1	1	1	1	1	1	1	1	1	1
Swimming pools - indoors	3	3	3	3	3	3	3	3	3	3	3
Ball fields - lighted	15	16	16	16	16	16	16	16	16	16	16
Ball fields - unlighted	20	19	19	19	19	19	19	19	19	19	19
Tennis courts - lighted	12	12	12	12	12	12	12	12	12	12	12
Tennis courts - unlighted	4	4	4	4	4	4	4	4	4	3	2
Basketball courts - lighted	0	0	0	0	0	0	0	0	0	0	0
Basketball courts - unlighted	8	8	8	8	8	8	8	8	8	6	4
Community Centers	2	1	1	1	1	1	1	1	1	1	1
Rodeo arenas	1	1	1	1	1	1	1	1	1	1	1
Sand volleyball courts	4	4	4	4	4	4	4	4	4	3	3
Utilities (1)											
Sewer lines (miles)	226.0	228.0	237.2	237.2	237.2	236.0	235.0	216.6	216.6	216.6	213
Storm drains (miles)	93.0	92.0	94.4	94.4	94.4	94.0	93.9	77.0	76.4	76.4	76.4
Water lines (miles)	329.0	323.0	330.0	330.0	330.0	322.0	320.8	297.2	296.0	296.4	235.0

Sources: (1) Carson City Facilities and Public Works Divisions (4) Carson City Parks & Recreation
(2) Carson City Sheriff's Office (5) Carson City Information Technology Department
(3) Carson City Fire Department

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, each major fund, and the aggregate remaining fund information of Carson City, Nevada (the City), as of and for the year ended June 30, 2016, 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 21, 2016. 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 Convention and Visitors' Bureau, as described in our report on Carson City, Nevada'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 Convention and Visitors' Bureau 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.

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. 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.

Our consideration of internal control 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 or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Reno, Nevada
November 21, 2016

**Independent Auditor's Report on Compliance For Each Major Federal Program;
Report on Internal Control Over Compliance Required by Uniform Guidance**

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

Report on Compliance for Each Major Federal 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, 2016. 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 \$150,000 in federal awards which are not included in the City's Schedule of Expenditures of Federal Awards for the year ended June 30, 2016. 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 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 20.505 Highway Planning and Construction as described in finding number 2016-002 for Cash Management requirements. 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, 2016.

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 each of its 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, 2016.

Other Matter

The City's response to the noncompliance finding identified in our audit is described in the accompanying corrective action plan. 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 requirements with the types of 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2016-002 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2016-001 and 2016-003 to be significant deficiencies.

The City's responses to the internal control over compliance findings identified in our audit are described in the accompanying corrective action plans. 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 Sully LLP

Reno, Nevada
November 21, 2016

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 1 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
<u>U.S. Environmental Protection Agency</u>				
Passed through Nevada Department of Conservation & Natural Resources:				
Nonpoint Source Implementation Grants -				
Ash Canyon Erosion Control	66.460	DEP-S 15-020	\$ 10,000	\$ -
Clean Water State Revolving Fund Cluster:				
Capitalization Grants for Clean Water State				
Revolving Funds	66.458	CW1403	378,500	-
Capitalization Grants for Clean Water State				
Revolving Funds	66.458	CW1601	67,018	-
Total Clean Water State Revolving Fund Cluster			445,518	-
Drinking Water State Revolving Fund Cluster:				
Capitalization Grants for Drinking Water State				
Revolving Funds	66.468	DW1405	1,182,611	-
Total U.S. Environmental Protection Agency			1,638,129	-
<u>U. S. Institute of Museum and Library Services:</u>				
Passed through Nevada State Library and Archives:				
Grants to States - Building Habits of Mindcraft				
	45.310	LSTA 2015-02	5,000	-
Grants to States - Nevada Working Capital				
	45.310	LSTA 2015-10	72,910	-
Grants to States - Statewide Reading Program - Diversity in Action				
	45.310	LSTA 2015-20	2,900	-
Statewide Reading Program - Summer Reading Progræ				
	45.310	LSTA 2015-20	2,450	-
Total Nevada State Library and Archives			83,260	-
Passed through Nevada Arts Council:				
National Endowment for the Arts - Circuit Rider Grant				
	45.025	NCR16:0:02	1,600	-
Total U.S. Institute of Museum and Library Services			84,860	-
<u>U.S. Department of Agriculture:</u>				
Direct programs:				
Cooperative Patrol				
	10.Unknown	11-LE-11051360-232	6,750	-
Passed through Nevada Department of Agriculture:				
Forest Health Protection				
	10.680	14-DG-11046000-606	11,100	-
Passed through Nevada Division of Forestry:				
Cooperative Forestry Assistance-Carson City Fuels Reduction				
	10.664	USDA/SFA/14/01	2,512	-
Passed through Nevada Department of Health & Human Services:				
Special Supplemental Nutrition Program for Women, Infants, and Children				
	10.557	7NV700NV7	200,807	-
Passed through Nevada State Controller:				
Forest Service - Schools and Roads Cluster				
Schools and Roads - Grants to States -	10.665	N/A	10,254	10,254
Total U.S. Department of Agriculture			231,423	10,254

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 2 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
<u>U.S. Department of Health and Human Services:</u>				
Direct programs:				
Family Planning_Services	93.217	FPHPA096011-06-00	\$ 234,800	\$ -
Family Planning_Services - Program Income	93.217	N/A	188,360	-
Family Planning_Services - DC	93.217	5FPHPA096077-02-00	75,000	-
Family Planning_Services - Program Income - DC	93.217	N/A	<u>72,939</u>	<u>-</u>
Total Family Planning_Services			<u>571,099</u>	<u>-</u>
Passed through Nevada Department of Health and Human Services:				
Public Health Emergency Preparedness	93.069	5U90TP000534-04	<u>355,259</u>	<u>-</u>
Public Health Preparedness - CDC - Ebola	93.074	3U90TP000534-03S2	<u>48,370</u>	<u>-</u>
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	1401NVPREP 1301 NVPREP	<u>49,088</u>	<u>-</u>
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	5U52PS004681-02 1U52PS004681-01	<u>19,911</u>	<u>-</u>
Affordable Care Act (ACA) Abstinence Education Program	93.235	1501NVAEGP 1401NVAEGP	<u>114,421</u>	<u>-</u>
Immunization Cooperative Agreements - NV Billing Implementation	93.268	1H23IP000943-01 HD-15388	72,168	-
Immunization Cooperative Agreements	93.268	1H23IP000727-02	116,753	-
Immunization Cooperative Agreements - Program Income	93.268	N/A	<u>25,262</u>	<u>-</u>
Total Immunization Cooperative Agreements			<u>214,183</u>	<u>-</u>
National State Based Tobacco Control Programs	93.305	14841 / 1U58DP006009	<u>79,006</u>	<u>-</u>
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	3U50CK000419-02S1	<u>15,663</u>	<u>-</u>
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 1U50CK0004419-01	<u>24,064</u>	<u>-</u>
Child Support Enforcement - Title IV - D	93.563	N/A	<u>22,984</u>	<u>-</u>
Community Services Block Grant	93.569	243.10 / 1164.05	<u>143,988</u>	<u>-</u>
Epidemiology & Laboratory Capacity (ELC) Program - Ebola Supplement	93.815	3U50CK000419.01S2	<u>19,125</u>	<u>-</u>
Public Health Preparedness - Assistant Secretary for Preparedness and Response -Ebola	93.817	1U3REP150510.01-00	<u>29,080</u>	<u>-</u>
National Bioterrorism Hospital Preparedness Program	93.889	5U90TP000534-04	<u>197,861</u>	<u>-</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 3 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
HIV Care Formula Grants - Ryan White Title II	93.917	2X07HA00001-25-00 6X07HA00001-26-1	\$ 84,702	\$ -
HIV Prevention Activities_Health Department Based	93.940	5U62PS003654-05 5U62PS003654-04	46,268	-
HIV/AIDS and Surveillance Program	93.944	5U62PS004024-04	1,700	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	2B08TI010039-14 2B08TI010039-15	63,084	-
Preventive Health Services-Sexually Transmitted Diseases Control Grants-STD Prevention and Control	93.977	1H25PS004376-02 5H25PS004376-03	18,983	-
Maternal and Child Health Services Block Grant to the States	93.994	B04MC26680 B04MC28112	28,967	-
Passed through National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	HITEP150026-01-00	1,998	-
Total U.S. Department of Health and Human Services			<u>2,149,804</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development:</u>				
Direct programs:				
Community Development Block Grants/ Entitlement Grants Cluster	14.218	B-14-MC-32-0006 B-15-MC-32-0006	443,895	443,895
Shelter Plus Care	14.238	N/A	62,590	-
Passed through Nevada Housing Division: Emergency Solutions Grant Program	14.231	E14-DC-32-0001	39,208	-
Total U.S. Department of Housing and Urban Development			<u>545,693</u>	<u>443,895</u>
<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	19,211	-
Southern Nevada Public Land Management	15.235	CR02	131,099	-
BLM Law Enforcement Services	15.Unknown	L13PA00209	820	-
Passed through Nevada Department of Conservation and Natural Resources - State Historic Preservation Office: Historic Preservation Fund Grants-In-Aid - Historic Structures Report NV State Prison	15.904	P15AS00020(1)	24,499	-

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 4 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
Fish and Wildlife Cluster:				
Passed through Nevada Department of Wildlife				
Wildlife Restoration and Basic Hunter Education	15.611	F15AF00340 (W-51-HS-06)	\$ 18,708	\$ -
Total U.S. Department of the Interior			<u>194,337</u>	<u>-</u>
<u>U.S. Department of Justice:</u>				
Direct programs:				
Passed through Nevada Office of the Attorney General				
Sexual Assault Exam Program Support	16.588	2015-VAWA-36	<u>15,787</u>	<u>-</u>
Direct Programs:				
State Criminal Alien Assistance Program	16.606	N/A	<u>14,192</u>	<u>-</u>
School Resource Officer Program	16.710	2015-UM-WX-0049	<u>94,904</u>	<u>-</u>
Criminal & Juvenile Justice & Mental Health Collaboration Program	16.745	2013-MO-BX-0007	<u>68,963</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0262	7,574	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-0688	850	-
Edward Byrne Memorial Justice Assistance Grant Program- Cops and Kids Community Policing and Prevention	16.738	2014-DJ-BX-0053	6,858	-
Passed through Nevada Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	14-JAG-02	40,648	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-JAG-04	135,000	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-JAG-12	3,135	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	13-JAG-39	5,164	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	13-JAG-39i	4,435	-
Edward Byrne Memorial Justice Assistance Grant Program - Drug Investigators Training	16.738	13-JAG-42	4,265	-
Edward Byrne Memorial Justice Assistance Grant Program - Tri-Net	16.738	14-JAG-03	<u>80,633</u>	<u>-</u>
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>288,562</u>	<u>-</u>
Passed through Nevada Department of Health and Human Services:				
Juvenile Justice and Delinquency Prevention _Allocation to States	16.540	N/A	<u>2,137</u>	<u>-</u>
Total U.S. Department of Justice			<u>484,545</u>	<u>-</u>
<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				
Advanced Tank Truck Response Training	20.703	15-HMEP-01-01	9,500	-
Attendance -Hazardous Materials Track - FireShowsWest Conference	20.703	15-HMEP-01-02	<u>585</u>	<u>-</u>
Total Interagency Hazardous Materials Public Sector Training and Planning Grants			<u>10,085</u>	<u>-</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 5 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
Highway Safety Cluster:				
Passed through Nevada Department of Public Safety:				
National Priority Safety Programs:				
Felony DUI Court	20.616	TS-2016-CC-DC-23 JF-2015-CCSO-00035	\$ 55,017	\$ -
National Priority Safety Programs	20.616	JF-2015-CCSO-00026	12,427	-
Electronic Traffic Citation Writing Devices	20.616	JF-2015-CCSO-00041	<u>23,825</u>	<u>-</u>
Total National priority Safety Programs			<u>91,269</u>	<u>-</u>
State and Community Highway Safety				
	20.600	JF-2015-CCSO-00035 JF-2015-CCSO-00026	<u>18,881</u>	<u>-</u>
Total Highway Safety Cluster			<u>110,150</u>	<u>-</u>
Federal Transit Cluster:				
Direct programs:				
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X077-00	479,183	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X075-00	332,662	-
Federal Transit - Formula Grants (Urbanized Area Formula Program)	20.507	NV-90-X071-00	<u>22,637</u>	<u>-</u>
Total Federal Transit - Formula Grants (Urbanized Area Formula Program)			<u>834,482</u>	<u>-</u>
Passed through Nevada Department of Transportation:				
Bus and Bus Facilities Formula Program	20.526	NV-34-0002 PR484-15-802	<u>162,178</u>	<u>-</u>
Total Federal Transit Cluster			<u>996,660</u>	<u>-</u>
Passed through Nevada Department of Transportation:				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research:				
CAMP - FTA 5303 - Metropolitan Planning	20.505	NV-80-0017	<u>11,968</u>	<u>-</u>
Transit Services Programs Cluster:				
Passed through Nevada Department of Transportation:				
Enhanced Mobility for Seniors and Individuals with Disabilities - Jump Around Carson (JAC)	20.513	PR513-14-802 NV-16-X039	40,469	-
Enhanced Mobility for Seniors and Individuals with Disabilities - Low Floor 5 Person Minivan	20.513	PR421-15-802 NV-16-X039	34,089	-
Enhanced Mobility for Seniors and Individuals with Disabilities - Enhance Mobility	20.513	NV-2016-005-00	<u>40,024</u>	<u>-</u>
Total Transit Services Programs Cluster			<u>114,582</u>	<u>-</u>

CARSON CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016
(PAGE 6 OF 6)

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>AWARD NUMBER</u>	<u>FEDERAL EXPENSES/ EXPENDITURES</u>	<u>PAYMENTS TO SUBRECIPIENTS</u>
Highway Planning and Construction Cluster:				
Passed through Nevada Department of Transportation:				
Highway Planning and Construction - Unified Planning Work Program	20.205	PR107-15-804	\$ 381,287	\$ -
Highway Planning and Construction - Safe Routes to School - Health	20.205	P449-12-802	109,017	-
Highway Planning and Construction - Carson City Freeway Multi-Use Path Project	20.205	P402-15-063	38,170	-
Highway Planning and Construction - Federal Highway Safety Improvement Program - Flashing Yellow Arrows Project	20.205	PR569-14-063	81,687	-
Highway Planning and Construction - Federal Transportation Alternatives Program - East Williams Street Shared Use Path Project	20.205	PR164-14-063	230,028	-
Highway Planning and Construction - Federal Transportation Alternatives Program - Western Nevada College Sidewalk Project	20.205	PR165-14-063	6,921	-
Total Highway Planning and Construction Cluster			<u>847,110</u>	<u>-</u>
Total U.S. Department of Transportation			<u>2,090,555</u>	<u>-</u>
<u>U.S. Department of Homeland Security:</u>				
Passed through Nevada Department of Public Safety:				
Pre-Disaster Mitigation	97.047	PDMC-PL-09 -NV-2014-5	73,823	-
Passed through Nevada Division of Emergency Management:				
Emergency Management Performance Grants	97.042	9704215	26,397	-
Emergency Management Performance Grants	97.042	9704216	47,626	-
Total Emergency Management Performance Grants			<u>74,023</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>147,846</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 7,567,192</u>	<u>\$ 454,149</u>

CARSON CITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

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, 2016**

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
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?	Yes
Type of auditor's report issued on compliance for major programs:	Qualified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Highway Planning and Construction Cluster	20.205
Federal Transit Cluster	20.507/20.526
Capitalization Grants for Clean Water State Revolving Funds	66.458
Capitalization Grants for Drinking Water State Revolving Funds	66.468

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as a low-risk auditee?	No

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Section II - Findings Relating to the Financial Statement Audit Reported in Accordance with Generally Accepted Governmental Auditing Standards (GAGAS):

There were no findings reported.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Section III – Federal Award Findings and Questioned Costs

Finding 2016-001: **U.S. Department of Transportation
Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
Bus and Bus Facilities Formula Program, CFDA 20.526**

**Reporting
Significant Deficiency in Internal Control over Compliance**

Criteria: The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency are complete, accurate, and supported by accounting records.

Condition: The Transportation Division of the Carson City Public Works Department submits SF-425 Federal Financial Reports (SF-425) for the Federal Transit – Formula Grants. During our testing of the SF-425 reports, we noted that one of the reports included incorrect amounts for federal cash receipts and federal cash disbursements.

Effect: Inaccurate information was reported to the federal granting agency.

Cause: The Transportation Division of the Carson City Public Works Department did not have adequate procedures in place to ensure that submitted SF-425 reports are complete, accurate and supported by accounting records.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of two reports out of the nine reports submitted to the federal awarding agency during fiscal year 2016 were selected for testing.

*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 SF-425 reports are reviewed in detail prior to submission to ensure that the reports are complete, accurate, and supported by accounting records.

*Views of Responsible
Officials:* The management of the Transportation Division of the Carson City Public Works Department agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Finding 2016-002:

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

**Cash Management
Material Weakness in Internal Control over Compliance and
Material Noncompliance**

Criteria: The OMB Compliance Supplement states that for grants using the reimbursement payment method, the non-federal entity must disburse funds for program purposes before requesting payment from the pass-through entity.

Condition: 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 one instance where payment was requested and received prior to funds being disbursed.

Effect: Grant funds were received in advance of funds being disbursed.

Cause: 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.

Questioned Costs: None reported.

Context/Sampling: A nonstatistical sample of six reimbursement requests representing \$273,063 out of nine reimbursement requests totaling \$336,461 submitted to the pass-through entity during fiscal year 2016 and one for \$51,250 submitted in fiscal year 2015 were selected for testing.

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 reimbursement requests are submitted only after funds are disbursed.

Views of Responsible Officials: The management of the Transportation Division of the Carson City Public Works Department agrees with this finding.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016**

Finding 2016-003: **U.S. Department of Transportation
Nevada Department of Transportation
Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205**

**Other
Significant Deficiency in Internal Control over Compliance**

Criteria: The Uniform Guidance states that auditees must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements that, at a minimum, must provide total federal awards expended for each individual federal program and the CFDA number. For a cluster of programs, provide the cluster name, list individual federal programs within the cluster of programs, and provide the applicable federal agency name.

Condition: The City's Finance Department prepares the schedule of expenditures of federal awards. During our testing of the schedule, we noted one instance where a federal program that was part of the Highway Planning and Construction Cluster was reported with the incorrect CFDA number and not included within the cluster of programs.

Effect: The City's schedule of expenditures of federal awards was not accurate.

Cause: The City's 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.

Questioned Costs: None reported.

Context/Sampling: N/A

*Repeat Finding from
Prior Year:* No

Recommendation: We recommend the City's Finance Department enhance internal controls to ensure that the schedule of expenditures of federal awards accurately report total federal awards expended for each individual federal program and cluster of programs.

*Views of Responsible
Officials:* The management of the City's Finance Department agrees with this finding.



CARSON CITY NEVADA

Consolidated Municipality and State Capital

PUBLIC WORKS

CORRECTIVE ACTION PLAN
November 9, 2016

Dear Grantor Agencies:

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, 2016.

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 2016-001:

Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
Bus and Bus Facilities Formula Program, CFDA 20.526

Criteria:

The *OMB Compliance Supplement* requires that reports submitted to the federal awarding agency are complete, accurate, and supported by accounting records.

Recommendation:

We recommend the Transportation Division of the Carson City Public Works Department enhance internal controls to ensure that SF-425 reports are reviewed in detail prior to submission to ensure that the reports are complete, accurate, and supported by accounting records.

Management's Response:

The Transportation Division of the Carson City Public Works Department has taken corrective action through the enhancement of internal controls to ensure that SF-425 (Federal Financial Report, FFRs) reports are reviewed in detail prior to submission. The City will implement an extra review by another staff member to confirm whether the reports are complete, accurate, and supported by accounting records.

Finding 2016-002:

Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205

Criteria:

The *OMB Compliance Supplement* states that for grants using the reimbursement payment method, the non-federal entity must disburse funds for program purposes before requesting payment from the pass-through entity.

Recommendation:

We recommend the Transportation Division of the Carson City Public Works Department enhance internal controls to ensure that reimbursement requests are submitted only after funds are disbursed.

Management's Response:

The Transportation Division of the Carson City Public Works Department has enacted corrective action through the enhancement of internal controls to ensure that reimbursement requests are submitted only after funds are disbursed. The staff member now reviewing and submitting these requests has been properly trained on the process and how to accurately determine when funds have been disbursed.

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

Implementation

Graham Dollarhide
Transit Coordinator
3505 Butti Way, Carson City, NV 89701
E-mail: gdollarhide@carson.org
775-283-7583

Implementation

Dirk Goering
Senior Transportation Planner
3505 Butti Way, Carson City, NV 89701
E-mail: dgoering@carson.org
775-283-7431

Management Official

Patrick Pittenger
Transportation Manager
3505 Butti Way, Carson City, NV 89701
E-mail: ppittenger@carson.org
775-283-7396

Sincerely,



Darren Schulz
Public Works Director



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

CORRECTIVE ACTION PLAN

November 10, 2016

Dear Grantor Agencies:

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, 2016.

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 2016-003:

Highway Planning and Construction Cluster:
Highway Planning and Construction, CFDA 20.205

Criteria:

The Uniform Guidance states that auditees must prepare a schedule of expenditures of federal awards for the period covered by the auditee's financial statements that, at a minimum, must provide total federal awards expended for each individual federal program and the CFDA number. For a cluster of programs, provide the cluster name, list individual federal programs within the cluster of programs, and provide the applicable federal agency name.

Recommendation:

We recommend the City's Finance Department enhance internal controls to ensure that the schedule of expenditures of federal awards accurately report total federal awards expended for each individual federal program and cluster of programs.

Management's Response:

The Finance Department of Carson City has taken corrective action through the enhancement of internal controls to ensure that the Schedule of Expenditure of Federal Awards (SEFA) is reviewed in detail. The City will also enhance grant training for staff responsible for compiling the SEFA.

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

Implementation

Sheri Russell
Deputy Chief Financial Officer
201 N. Carson Street, Suite #3
E-mail: srussell@carson.org
775-283-7222

Management Official

Nancy Paulson
Chief Financial Officer
201 N. Carson Street, Suite #3
E-mail: npaulson@carson.org
775-283-7142

Sincerely,

Nancy Paulson
Chief Financial Officer

**CARSON CITY, NEVADA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016**

2015-A

**Other Post-Employment Benefits Estimate
Significant Deficiency**

*Initial Fiscal Year
Finding Occurred:*

2015

Finding Summary:

The City's other post-employment health care liability is calculated by an actuary using employee data provided by the City. The City excluded 11 employees from the data provided to the actuary, which resulted in an inaccurate estimate of the other post-employment health care liability.

Status:

Corrected

2015-001

**U.S. Department of Transportation
Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
Bus and Bus Facilities Formula Program, CFDA 20.526**

**Environmental Protection Agency
Passed through Nevada Department of Conservation & Natural
Resources
Capitalization Grants for Drinking Water State Revolving Funds,
CFDA 66.468**

**Davis-Bacon Act
Material Noncompliance and Material Weakness in Internal Control
Over Compliance**

*Initial Fiscal Year
Finding Occurred:*

2015

Finding Summary:

The *OMB Circular A-133 Compliance Supplement* requires that for construction contracts subject to the Wage Rate Requirements (also known as the Davis-Bacon Act), non-Federal entities obtain weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls). Our testing of construction contracts noted several instances where the payrolls were submitted more than one week after the end of the weekly payroll. For the payrolls that were submitted later than one week, there was no documentation available of communication with the contractors to support efforts to ensure future reports would be submitted timely.

Status:

Corrected

CARSON CITY, NEVADA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016

2015-002 **U.S. Department of Health and Human Services**
National Bioterrorism Hospital Preparedness Program, CFDA
93.889

Cost Principles
Material Noncompliance and Material Weakness in Internal Control
Over Compliance

Initial Fiscal Year
Finding Occurred:

2015

Finding Summary:

The *OMB Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments* compliance requirements state that charges for salaries and wages will be supported by periodic certifications. During our testing of payroll amounts charged to the National Bioterrorism Hospital Preparedness Program, it was noted that four of the 18 amounts tested did not have the required certifications.

Status:

Corrected

2015-003 **U.S. Department of Transportation**
Federal Transit Cluster:
Federal Transit – Formula Grants, CFDA 20.507
Bus and Bus Facilities Formula Program, CFDA 20.526

Cost Principles
Material Noncompliance and Material Weakness in Internal Control
Over Compliance

Initial Fiscal Year
Finding Occurred:

2014

Finding Summary:

The *OMB Circular A-87 Cost Principles for State, Local, and Indian Tribal Governments* compliance requirements state that charges for salaries and wages will be supported by periodic certifications. During our testing of payroll amounts charged to the Federal Transit Cluster, it was noted that six of the 15 amounts tested did not have the required certifications.

Status:

Corrected

**CARSON CITY, NEVADA
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2016**

2015-004

**U.S. Department of Health and Human Services
Family Planning_Services, CFDA 93.217**

**Reporting
Significant Deficiency**

*Initial Fiscal Year
Finding Occurred:*

2015

Finding Summary:

The *OMB Circular A-133* requires that non-federal entities receiving federal awards establish and maintain internal controls designed to reasonably ensure compliance with program compliance requirements. During our testing of SF-425 reports submitted for this program during fiscal year 2015, we noted no evidence of internal controls over the preparation and submission of the reports.

Status:

Corrected

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, 2016, 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 District's noncompliance with the requirements of Nevada Revised Statutes cited below, insofar as they relate to accounting matters.

Statute Compliance

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

Progress on Prior Year Statute Compliance

The City reported expenditures exceeding budgetary authority for the year ended June 30, 2015 in two instances. While efforts were made to prevent expenditures exceeding budgetary authority during the current year, the City reported expenditures exceeding budgetary authority in Note 2B to the financial statements in the current year.

Prior Year Recommendations

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

Current Year Recommendations

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



Reno, Nevada
November 21, 2016

CARSON CITY
SCHEDULE OF FEES IMPOSED
SUBJECT TO THE PROVISIONS OF NRS 354.5989
LIMITATION OF FEES FOR BUSINESS LICENSES
FOR THE YEAR ENDED JUNE 30, 2016

Flat Fixed Fees:	
Business license revenue adjusted base at June 30, 2015	<u>\$ 1,194,992</u>
Adjustment to Base:	
Base	
1. Percentage increase (decrease) in population of the local government	-1.3943%
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>0.7565%</u>
	<u>-0.6378%</u>
	<u>(7,622)</u>
Adjusted Base at June 30, 2016	1,187,370
Actual Revenue Fiscal 2015-16	<u>672,989</u>
Amount Over (Under) Allowable Amount	<u><u>\$ (514,381)</u></u>