

FISCAL YEAR ENDED
JUNE 30, 2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF NORTH LAS VEGAS, NEVADA



**CITY OF
NORTH LAS VEGAS**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2019**

STATE OF NEVADA

**CITY OF
NORTH LAS VEGAS
STATE OF NEVADA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE YEAR ENDED
JUNE 30, 2019**

**PREPARED BY
DEPARTMENT OF FINANCE
DARREN ADAIR
CHIEF FINANCIAL OFFICER**

CITY OF NORTH LAS VEGAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT TABLE OF CONTENTS FOR THE YEAR ENDED JUNE 30, 2019

	<u>Page</u>
Introductory Section	
Letter of Transmittal	1
Certificate of Achievement	6
Organization Chart	7
City Officials	8
Financial Section	
Independent Auditors' Report on Financial Statements and Supplementary Information	9
Management's Discussion and Analysis	11
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	27
Statement of Activities	29
Fund Financial Statements	
Balance Sheet - Governmental Funds	31
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Governmental Activities	32
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities - Governmental Activities	35
Statement of Net Position - Proprietary Funds	36
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	38
Statement of Cash Flows - Proprietary Funds	39
Statement of Net Position - Fiduciary Funds	41
Notes to Basic Financial Statements	45
Required Supplementary Information	
Postemployment Benefits Other Than Pensions - Schedule of Changes in Total OPEB Liability	75
Proportionate Share of the Collective Net Pension Liability Information	76
Proportionate Share of Statutorily Required Contribution Information	77
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual - General Fund	79
Major Special Revenue Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual - Public Safety Tax Fund	83
Notes to Required Supplementary Information	84
Other Supplementary Information	
Non-major Governmental Funds	
Combining Balance Sheet - Non-major Governmental Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Governmental Funds	86
Special Revenue Funds	
Combining Balance Sheet - Non-major Special Revenue Funds	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Special Revenue Funds	89
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual - Parks and Recreation Support Fund	91
Redevelopment Agency Fund	92
Library District Fund	93
Special Purpose Revenue Fund	94
More Cops Sales Tax Fund	96
Park Construction Tax Fund	97
Public Safety Support Fund	98
Municipal Court Support Fund	99
Community Development Fund	100
Debt Service Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual -	

(Continued)

CITY OF NORTH LAS VEGAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT TABLE OF CONTENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Page</u>
Debt Service Fund	103
Capital Projects Funds	
Combining Balance Sheet - Non-major Capital Projects Funds	105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Non-major Capital Projects Funds	107
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual -	
General Government Improvements Fund	109
Municipal Buildings Facilities Fund	110
Civic Center Facilities Fund	112
Parks and Recreation Projects Fund	113
Public Safety Projects Fund	115
Capital Projects Street Improvements Fund	117
Valley Vista Development Fund	119
Northern Beltway Commercial Area Fund	120
Proprietary Funds	
Major Enterprise Funds	
Schedule of Revenues, Expenses and Changes in Net Position - Budget to Actual -	
Wastewater Utility	121
Water Utility Fund	122
Non-major Enterprise Funds	
Schedule of Revenues, Expenses and Changes in Net Position - Budget to Actual -	
Municipal Golf Courses Fund	123
Internal Service Funds	
Combining Statement of Net Position - Internal Service Funds	125
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	126
Combining Statement of Cash Flows - Internal Service Funds	124
Schedule of Revenues, Expenses and Changes in Net Position - Budget to Actual -	
Motor Equipment Fund	128
Self-insurance Reserve Fund	129
Fiduciary Funds	
Agency Funds	
Combining Statement of Fiduciary Assets and Liabilities	131
Combining Statement of Changes in Fiduciary Assets and Liabilities	133
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	137
Statistical Section	
Net Position by Component	139
Changes in Net Position	140
Fund Balances, Governmental Funds	142
Changes in Fund Balances, Governmental Funds	143
Assessed and Estimated Actual Value of Taxable Property	145
Property Tax Rates - Direct and Overlapping Governments	146
Principal Property Taxpayers	147
Property Tax Levies and Collections	148
Ratios of Outstanding Debt by Type	149
Ratios of General Bonded Debt Outstanding	150
Direct and Overlapping Governmental Activities Debt	151
Legal Debt Margin Information	152
Demographic and Economic Statistics	153
Principal Employers	154
Full-time Equivalent City Government Employees by Function/Program	155
Operating Indicators by Function/Program	156
Capital Asset Statistics by Function/Program	158

(Continued)

CITY OF NORTH LAS VEGAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT TABLE OF CONTENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Page</u>
Business License Fees	
Schedule of Business License Fees	159
Single Audit Information	
Independent Auditors' Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	161
Schedule of Expenditures of Federal Awards	165
Notes to Schedule of Expenditures of Federal Awards	169
Schedule of Findings and Questioned Costs	170
Schedule of Prior Findings and Questioned Costs	179

Mayor
John J. Lee

City Manager
Ryann Juden

Council Members
Isaac E. Barron
Pamela A. Goynes-Brown
Scott Black
Richard J. Cherchio



Finance Department
2250 Las Vegas Boulevard North, Suite 710 - North Las Vegas, Nevada 89030-5875
Telephone: (702) 633-1460 - Fax: (702) 649-5077 - TDD: (702)326-6868
www.cityofnorthlasvegas.com

December 13, 2019

To the Honorable Mayor, Members of City Council and Citizens of the City of North Las Vegas:

The Comprehensive Annual Financial Report (CAFR) for the City of North Las Vegas (the "City") for the fiscal year ended June 30, 2019, is hereby submitted in accordance with State statute. Nevada Revised Statute (NRS) 354.624 requires that a local government present to its governing body annual financial statements prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a certified public accountant.

This report consists of management's representations concerning the finances of the City. Responsibility for both the accuracy and the completeness of all information presented in the report and the fairness of the presentation, including all disclosures, rests with the management of the City. As such, City management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. As the cost of internal controls should not exceed anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The firm of Piercy Bowler Taylor & Kern, Certified Public Accountants and Business Advisors ("PBTk") was selected to perform the fiscal year 2019 audit of the City's financial statements. The objective of an independent audit is to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended June 30, 2019, are free of material misstatement. An independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. PBTk concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report on the basic financial statements is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the City was part of a broader, federally-mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the City's compliance with certain provision of laws, regulations, contracts, grant agreements and internal controls over both financial

reporting and compliance.

GAAP also requires 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. The City's MD&A can be found immediately following the report of the independent auditors on the basic financial statements.

Profile of the City of North Las Vegas

The City of North Las Vegas is located in Clark County, Nevada. The City's certified population as of July 1, 2018, was 248,701 and ranks as the fourth largest city in the State of Nevada. The City was incorporated May 16, 1946, and currently occupies 101,069 square miles of which approximately only 43% is built-out, with a large quantity of land remaining undeveloped. The City is empowered by State Statutes to extend its corporate limits by annexation, which it has done from time to time. The City boasts a cosmopolitan cultural diversity, living up to its motto of being "Your Community of Choice."

The City is empowered by Nevada Revised Statutes to levy a property tax on both real and personal property located within its boundaries. The City's property tax rate is \$1.1637 per \$100 in assessed valuation.

The City operates under a Council-Manager form of government, with elected offices consisting of the Mayor, four City Council members and one municipal judge. The Mayor and municipal judge are elected at-large, while Council members must live within and are elected by the constituents of their respective ward; all are elected on a non-partisan basis. Terms of office for the Mayor and City Council are four years and are staggered so that City-wide elections are held every two years for two or three of the five offices; term of office for the municipal judge is six years. The five-member Council is the policy-making body of the City and appoints the City Manager to serve as the Chief Executive Officer to oversee daily municipal operations.

The City provides a full range of services, including a municipal court, public safety (police, fire, and building safety), water and wastewater, highways and streets, planning and zoning, parks and recreational facilities, community development and general administrative services. In addition to general governmental activities, the City Council exercises oversight responsibility for the North Las Vegas Library District and the North Las Vegas Redevelopment Agency; consequently, these activities have been included in this financial report as blended component units.

The annual budget serves as the foundation for the City's financial planning and control. Pursuant to Nevada Revised Statute 354.596, the City Manager and City Finance Director must submit, prior to April 15, a tentative budget for the ensuing fiscal year to the City Council, the Nevada Department of Taxation and the citizens of the City through a public hearing. A public hearing must be held not sooner than the third Monday in May and not later than the last day in May at which time interested persons are given an opportunity to be heard and where all adjustments to the tentative budget are indicated. The City Council adopts the budget prior to June 1 and submits it to the Nevada Department of Taxation for final approval.

Activities of the general fund, special revenue funds, debt service fund, capital projects funds, enterprise funds and internal service funds are included in the annual budget. The level of budgetary control is statutorily required to be exercised at the function level and encumbered amounts lapse at year-end.

Local Economy

The tourism industry, which is based on legalized gambling and related forms of entertainment, and conventions continues to be the largest component of Southern Nevada's economic base. However, construction, manufacturing, and other service related industries help to diversify the economy. The Valley has many other non-gaming attractions including Hoover Dam, Lake Mead Recreation Area, Red Rock Canyon National Conservation Area, Valley of Fire State Park, Mount Charleston, and is home to several marathons and ½ marathons for the outside enthusiast. Additionally, in 2017, the area became home to the expansion hockey team, the Golden Knights, and will host the NFL Raiders beginning in 2020.

The employment picture continues to show robust recovery since the Great Recession. Southern Nevada continues to be one of the fastest growing job markets in the nation. With a declining unemployment report, employees continue to experience increased wages while companies are realizing continuing opportunities for local expansion. In 2018, Southern

Nevada experienced wage growth of 6.5%, in comparison to a national growth rate of 5.4%. By June 2019, Nevada's unemployment rate was reported at 4%, which is a significant improvement from the Great Recession high of fourteen percent. Strong job growth can be seen in a variety of industries including construction, government, education and health services, and other business services with the region showing 3.4% overall job increases during calendar year 2018. In total, Southern Nevada added 33,900 jobs (3.4%), nearly doubling the national average.

Nevada has a friendly business and tax climate for industries wanting to relocate from surrounding states with high tax climates since it does not collect inventory, special tangible, inheritance, estate, personal income tax, or gift taxes. The City of North Las Vegas continues to attract companies to the city by leveraging a strong workforce, innovative solutions and progressive permitting. Recent companies include; Amazon's fourth fulfillment center, Sephora, Oatey Plumbing, National Indoor RV, Air Liquide, Fresenius Kabi, and Nourison Industries, just to name a few.

The Las Vegas area housing market continues to outpace other markets with prices growing the fastest amongst the top 20 national markets for nine straight months as of February 2019. The median price of a single family home was \$300,000 during April 2019, a 4% year-over-year increase. Single-family home listings have almost doubled from a year ago, yet it still represents less than a three-month supply of homes. A significant increase in single-family home construction, as a result of the economic recovery, continues to allow more home buying power. Permit issuance for single-family homes went up from 916 homes in 2017 to 1,543 homes in 2018.

Long-Term Financial Planning

In 2006, for budgetary and financial planning purposes, the City Council mandated that an 18% ratio of fund balance, compared to operating expenditures after transfers out, be maintained in the General Fund. For several reasons, the most prominent being declining revenues, the City Council modified the aforementioned fund balance policy by enacting Resolution No. 2471, which requires the City produce a budget which would result in a General Fund ending fund balance of no less than 8%. The fund balance ratio in the General Fund balance increased to 18.6% at fiscal year-end 2019, compared to 10.2% at fiscal year-end 2018. The long-term goal of the City Council is to continue to rebuild the general fund balance over time to a minimum threshold of 18%.

Since 2007, the City has been implementing cost-saving actions in order to continue its prudent fiscal management. Such actions have included across-the-board budget reductions, the elimination of non-critical and vacant positions, major reductions in discretionary spending, implementation of efficiency savings in all departments, the investigation of shared services with other local jurisdictions and the implementation of private sector partnership solutions and best practices. In addition, a number of capital improvement projects have been delayed, reprioritized, cancelled, or were reduced in scope. As revenue growth continues to improve, the City plans to budget for additional staffing levels in strategic areas. During fiscal year 2019, the City was able to budget for the addition of 29 new positions.

The City again saw improved ratings from the multiple rating agencies. Moody's Investors Service improved from "Baa1" to "A2," and S&P Global Ratings improved from "BBB" to "A." The ratings uptick provided the City with the opportunity to refinance several series of bonds, including the Series 2003 and 2007A Judicial/Public Safety Bonds and the Series 2006 Building Bonds and issue the Series 2018 Building Refunding Bonds, thereby providing for \$40 million in interest savings over the next 18 years. Additionally, through the State of Nevada Drinking Water Revolving Loan Fund Program, the City issued a \$23.7 million Bond to fund the replacement of outdated water meters with an advanced remote meter reading and data collection system at a very favorable interest rate. The City's revised ratings are based on a number of key items as cited by the rating agencies including the City's continued economic expansion through residential and commercial activity translating into strong assessed value growth, the economic expansion of Clark County as a whole benefiting the City through increased consolidated tax collections, adequate budgetary performance and budget flexibility, and the City's continued progress toward long-term financial sustainability. The City's largest source of revenues are consolidated taxes, which accounts for slightly more than 37% of general fund revenues and primarily consists of sales taxes. For fiscal year 2020, consolidated taxes are expected to be \$63.8 million.

Maintaining adequate levels of service and related staffing continues to remain a challenge to be addressed as the City's population continues to grow in this expanding economic environment, while balancing the needs of the community with available financial resources. The City maintains a five-year financial forecast, which serves as the cornerstone for the financial action plan and operating budget strategies. The forecast provides an understanding of how the total financial program will be affected by certain economic factors and assumptions, and enables the City to estimate the resources that will be necessary to meet the requirements of existing programs and to make adjustments accordingly.

Looking to the future, the City has taken action to balance the fiscal year 2020 budget and projects an ending fund balance ratio of approximately 15%. Most notably, the City is striving to accomplish this through encouraged business growth, licensing revenues and professional service partnerships, where increased services and reduced costs can reasonably be achieved. Mutually beneficial agreements with the City's labor organizations and representatives have helped to stabilize personnel and benefit costs.

The Capital Improvement Plan (CIP) is a multi-year planning document that is updated and adopted on an annual basis. The CIP prioritizes major capital projects and identifies revenue sources available to finance the improvements. The City Council adopted a fiscal year 2020-2024 CIP in excess of \$587 million, although the financial condition of the City is continually evaluated in order to ensure that the timing and scope of all projects are fiscally prudent.

Major Initiatives

The City of North Las Vegas continues to earn the reputation of being one of the most exciting municipalities in the country for commercial and industrial development. The City's business friendly culture, the attitude of "getting to yes," the availability of real estate, along with land and infrastructure improvements, have been critical to the success and growth of the City in its ability to provide large warehouses, logistics buildings, e-commerce centers, and supply-chain logistics. Boasting a prime location close to the main transportation corridors, railways, and airports, North Las Vegas businesses have easy access to large and growing markets in the western states, including Utah, Arizona, and California.

North Las Vegas prides itself in nurturing existing companies, while working with regional partners on incentives for new companies. The City has several industrial parks, ranging in size from 50 to 10,000 acres. The Apex Industrial Park is one of the most important areas with the largest parcels of contiguous land available and is situated in a mountain pass approximately 15 miles northeast of City Hall primarily on the west side of Interstate 15, near Union Pacific Railroad tracks, both connecting Southern California to Northern Utah. Apex offers access to municipal ground water, high pressure gas, and an abundance of power supplied by five power generation stations.

Attracting the likes of Fortune 500 companies, the NorthGate Industrial Park offers 3.2 million square-feet of industrial space with 32' minimum clear height and rear loading configurations. The Golden Triangle Industrial Park offers existing warehouse and distribution facilities, including office space, docks and easy access to transportation corridors. The Speedway Industrial Park, near the CC215 Northern Beltway and Tropical Parkway is a new area of development opening up approximately 900 acres with great Interstate access.

The City focused resources on several large projects throughout the fiscal year, including the North East Sewer Interceptor (Interceptor), Hollywood Storm Drain System (Hollywood), Tropical Parkway Hollywood Boulevard to I-15 (Tropical), Apex water-line oversizing (Apex), and the AMI water meter replacement program (AMI). The Interceptor multi-year project was completed and placed in service in December 2018 at an approximate total cost of \$27.7 million, of which \$8.7 million was incurred in the current fiscal year. The Hollywood and the Tropical projects, both still in progress, incurred \$9.7 million and \$6.6 million, respectively during the fiscal year. The City expended \$4.8 million on Phase I of the Apex project and \$8.7 million was expended on the AMI project. The City also dedicated \$4.8 million on large and small vehicle equipment, including four mechanical street sweepers at a cost of \$1.3 million, a Utilities Vector Sewer Cleaner costing \$456,000, and public safety equipment including a fire pumper truck and several other fire operations apparatus totaling \$934,000. Additionally, several strategic redevelopment land purchases totaling \$1.16 million were incurred in support of the downtown corridor revitalization and the Educational and Experiential Campus, which will include the future new downtown library.

Flood Control Projects to support the City's growth over the next five years amounted to \$138.2 million and are funded through the Clark County Flood Control District. Construction of storm drains, detention basins and spillways, include; Gowan Outfall, Vandenberg North Detention Basin, Beltway Detention Basin and Channel, Hollywood Storm Drain System Phase II, The Las Vegas Boulevard Drain, Beltway Collection System - Pecos, Hollywood System - Centennial Parkway to Speedway #2 Detention Basin, and the Speedway North Detention Basin and Outfall, just to name a few.

Transportation projects funded by the Nevada Department of Transportation, Regional Transportation Commission Fuel Revenue Funds and Motor Vehicle Funds in support of the City's commercial and industrial growth and downtown areas include; the Downtown Complete Streets & Pedestrian Improvements, Las Vegas Boulevard Improvements, Lamb Boulevard - Centennial Parkway to CC-215, and N. 5th Street/Cheyenne Ave Intersection Improvements include new

construction, replacing failing pavement and making other related road improvements to continue to keep the City transportation corridors safe and accessible.

North Las Vegas offers several master-planned communities, including Eldorado, Aliante, Sedona Ranch, Villages at Tule Springs and Valley Vista. These communities provide a variety of quality homes and amenities that allow people to live comfortably and conveniently near work, parks, schools and other services.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2018. This was the 38th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR that satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and as such, will be submitted to GFOA to determine its eligibility for recognition.

Preparation of this report would not have been possible without the dedicated services of the Finance Department and our independent auditors, PBTk. We would like to express our appreciation to all who assisted and contributed to the preparation of this report. Credit is also given to the Mayor and members of the City Council for their interest and support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully submitted,



Ryann Juden, City Manager



Darren Adair, Chief Financial Officer



Government Finance Officers Association

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

Presented to

**City of North Las Vegas
Nevada**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

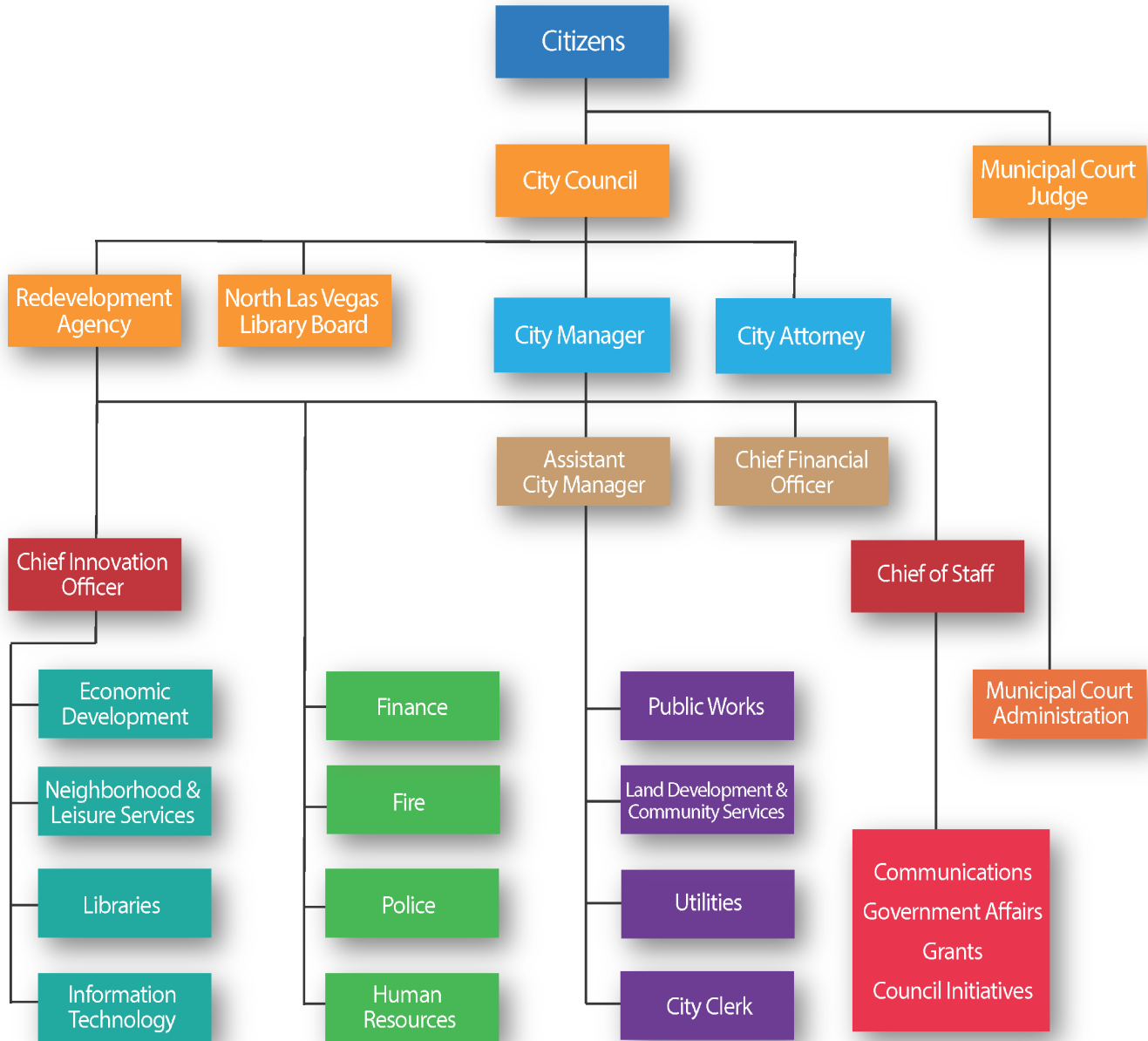
Christopher P. Morill

Executive Director/CEO

CITY OF NORTH LAS VEGAS

ORGANIZATION CHART

FOR THE YEAR ENDED JUNE 30, 2019



CITY OF NORTH LAS VEGAS

CITY OFFICIALS

FOR THE YEAR ENDED JUNE 30, 2019

Elected Officials

Mayor	John J. Lee
Mayor Pro Tempore	Scott Black
Council Member	Isaac E. Barron
Council Member	Pamela A. Goynes-Brown
Council Member	Richard J. Chericho
Municipal Judge	Sean Hoeffgen

Appointed Officials

City Manager	Ryann Juden
City Attorney	Micaela Rustia Moore
Assistant City Manager	Alfredo Melesio Jr.
Chief Financial Officer	Darren J. Adair
Fire Chief	Joseph Calhoun
Police Chief	Pamela Ojeda
Director of Land Development and Community Services	Marc T. Jordan
Director of Utilities	Randall E. De Vault
Director of Communications	Delen Goldberg
Director of Library Services	Forrest Lewis
Director of Public Works	Dale Daffern
Human Resources Director	Nichole Washington
City Clerk	Catherine A. Raynor
Court Administrator	Cindy S. Marshall
Finance Director	William Harty
Parks and Recreation Director	Cass Palmer

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Members of the City Council
City of North Las Vegas, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Las Vegas (the City) as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility. Our responsibility is to express an opinion on the basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

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

Opinion. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters. Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, postemployment benefits other than pensions, schedule of funding progress, proportionate share of the collective net pension liability information, proportionate share of statutorily

required pension contribution information and budgetary comparison information on pages 11-26 and 75-84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information. Our audit was conducted for the purpose of forming our opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other supplementary information, as listed in the table of contents, statistical section and schedule of business license fees are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, statistical section and schedule of business license fees have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*. In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, 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.

A handwritten signature in blue ink that reads "Percy Bowler Jaylor & Kern". The signature is written in a cursive, flowing style.

Las Vegas, Nevada
December 13, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2019

As management of the City of North Las Vegas (the "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. 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 beginning on page 1 of this report.

Financial Highlights

The following summarizes selected comparative information related to the City's current and prior year net positions.

Summary of Selected Statement of Net Position Information

	Total Primary Government			
	2019	2018	Change	
Cash, cash equivalents and investments, unrestricted	\$ 425,917,518	\$ 346,945,643	\$ 78,971,875	22.76 %
Cash, cash equivalents and investments, restricted	10,187,349	8,907,876	1,279,473	14.36 %
Due from other governments	34,623,095	21,898,949	12,724,146	58.10 %
Capital assets, net	1,732,417,590	1,730,977,368	1,440,222	0.08 %
Deferred outflows of resources	44,945,175	40,927,740	4,017,435	9.82 %
Bonds and notes payable, net of unamortized premiums and discounts	397,078,779	402,565,870	(5,487,091)	(1.36)%
Postemployment benefits other than pensions	41,003,614	36,470,539	4,533,075	12.43 %
Net pension liability	211,887,054	210,035,744	1,851,310	0.88 %
Deferred inflows of resources	39,088,307	46,297,617	(7,209,310)	(15.57)%
Total net position	1,526,436,050	1,422,561,815	103,874,235	7.30 %

The City's overall financial position has improved. Total net position for the governmental activities increased by \$68 million, while the business-type activities total net position increased by \$36 million.

The increase in cash, cash equivalents and investments is related to changes in net position of the various funds (approximately \$103.9 million) and the timing of the collection of receivables and the payment of obligations incurred.

The increase in due from other governments primarily resulted from business-type expenditures that were incurred at fiscal year-end by the City pertaining to three revolving loans with the State of Nevada for Clean Water and Drinking Water Projects that are on a reimbursement basis.

The slight increase in net capital assets, net of depreciation expense, was an approximate \$6 million increase in business-type activities, offset by a decline in governmental activities.

The City's business-type activities incurred new debt during the current fiscal year and there was a refunding in governmental activities (See Note 3 to the Basic Financial Statements included elsewhere herein).

Selected details related to changes of debt include drawdowns totaling \$8.6 million pertaining to the above State of Nevada revolving loans for Clean Water and Drinking Water Projects, as well as the reduction in bonds payable through annual principal payments totaling \$13.9 million.

The increase in the liability for postemployment benefits other than pensions is based on recent actuarial reports.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Summary of Selected Statement of Activities Information

	Total Primary Government			
	2019	2018	Change	
Charges for services	\$ 249,035,964	\$ 213,071,650	\$ 35,964,314	16.88 %
Property taxes	62,687,423	55,810,424	6,876,999	12.32 %
Intergovernmental consolidated taxes	61,192,352	56,239,648	4,952,704	8.81 %
Total expenses	394,558,761	361,457,085	33,101,676	9.16 %
Change in net position	103,874,235	97,603,075	6,271,160	6.43 %

Increases in the above revenues primarily occurred in the governmental activities. The increase in charges for services are primarily in the general government and public safety functions with increases of \$12.2 million and \$10.7 million, respectively, as well as an increase of \$10.4 million in license and permits revenue.

The Nevada Legislature passed a law to provide property tax relief to all citizens. As such, existing residential, commercial and industrial construction are subject to an annual 3% cap for owner-occupied residential property and an annual 8% cap is applied to all other properties. The rate limitations are not applicable to all new construction. As such, property taxes have continued to increase slightly year-over-year.

Intergovernmental consolidated taxes increased for the eighth consecutive year. This revenue source primarily consists of sales tax, and as such, reflects increases in consumer spending.

Unrestricted investment interest income increased \$7.7 million of which \$7 million was in the governmental activities due to increased City cash balances and an investment program change with the City investing more funds with the State of Nevada's investment pool.

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 include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains 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 information on all of the City's assets and liabilities, as well as deferred inflows and outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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 and sick leave benefits).

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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 a municipal court, public safety (police and fire), highways and streets, planning and zoning, parks and recreational facilities, libraries, community development and general government. The business-type activities include a water delivery system, a wastewater collection operation and municipal golf courses.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate redevelopment agency and a legally separate library district for which the City is financially accountable. Financial information for these component units is blended with the financial information presented for the primary government itself.

The government-wide financial statements can be found immediately following the Management's Discussion and Analysis in this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. 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.

The 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 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 government funds and governmental activities.

The City maintains 18 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 and the public safety tax fund, which are considered to be major funds. Data from the remaining 16 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules and individual fund schedules beginning on page 83.

The City adopts annual appropriations budgets for its general and public safety tax funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the adopted budgets.

The governmental fund financial statements immediately following the government-wide financial statements in this report.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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 supply and distribution system, wastewater collection and treatment operations and two golf courses. 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 fleet of vehicles and for its self-insurance program, which is also where the City accounts for postemployment benefits other than pensions (OPEB). 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 fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The City maintains five individual proprietary funds. The proprietary fund financial statements provide separate information for the water system and the wastewater operation, both of which are considered to be major funds of the City. The City also presents a non-major proprietary fund for the operations of its two golf courses. Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements immediately following the governmental fund financial statements in this report.

The 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 statements because the resources of those funds are not available to support the City's own operations and programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements immediately following the proprietary fund financial statements in this report.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the basic financial statements immediately following the fiduciary fund financial statements in this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. A schedule of funding progress for the City's postemployment benefit plans is presented as required supplementary information, and information concerning the City's business license fees is presented as other supplementary information.

The required and other supplementary information immediately following the notes to the basic financial statements in this report.

Government-wide Financial Analysis

The following summarized comparative statements of net position, changes thereto, and discussion of selected matters are presented to help the reader better understand the City's financial position.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Assets						
Current, restricted and other	\$ 335,255,609	\$ 269,556,398	\$ 198,927,627	\$ 171,647,201	\$ 534,183,236	\$ 441,203,599
Capital	<u>1,272,988,087</u>	<u>1,277,998,324</u>	<u>459,429,503</u>	<u>452,979,044</u>	<u>1,732,417,590</u>	<u>1,730,977,368</u>
Total assets	<u>1,608,243,696</u>	<u>1,547,554,722</u>	<u>658,357,130</u>	<u>624,626,245</u>	<u>2,266,600,826</u>	<u>2,172,180,967</u>
Deferred outflows of resources	<u>42,839,241</u>	<u>39,214,256</u>	<u>2,105,934</u>	<u>1,713,484</u>	<u>44,945,175</u>	<u>40,927,740</u>
Liabilities						
Current	39,827,088	38,009,172	15,605,145	18,599,557	55,432,233	56,608,729
Long-term	<u>405,020,890</u>	<u>403,661,910</u>	<u>285,568,521</u>	<u>283,978,636</u>	<u>690,589,411</u>	<u>687,640,546</u>
Total liabilities	<u>444,847,978</u>	<u>441,671,082</u>	<u>301,173,666</u>	<u>302,578,193</u>	<u>746,021,644</u>	<u>744,249,275</u>
Deferred inflows of resources	<u>35,569,338</u>	<u>42,185,795</u>	<u>3,518,969</u>	<u>4,111,822</u>	<u>39,088,307</u>	<u>46,297,617</u>
Net position						
Net investment in capital assets	1,149,284,201	1,148,254,354	197,087,776	191,491,015	1,346,371,977	1,339,745,369
Restricted	137,072,577	120,065,652	6,682,246	5,469,486	143,754,823	125,535,138
Unrestricted	<u>(115,691,157)</u>	<u>(165,407,905)</u>	<u>152,000,407</u>	<u>122,689,213</u>	<u>36,309,250</u>	<u>(42,718,692)</u>
Total net position	<u>\$ 1,170,665,621</u>	<u>\$ 1,102,912,101</u>	<u>\$ 355,770,429</u>	<u>\$ 319,649,714</u>	<u>\$ 1,526,436,050</u>	<u>\$ 1,422,561,815</u>

Summary Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	Change		Change		Change	
Assets						
Current, restricted and other	\$ 65,699,211	24.37 %	\$ 27,280,426	15.89 %	\$ 92,979,637	21.07 %
Capital	<u>(5,010,237)</u>	<u>(0.39)%</u>	<u>6,450,459</u>	<u>1.42 %</u>	<u>1,440,222</u>	<u>0.08 %</u>
Total assets	<u>60,688,974</u>	<u>3.92 %</u>	<u>33,730,885</u>	<u>5.40 %</u>	<u>94,419,859</u>	<u>4.35 %</u>
Deferred outflows of resources	<u>3,624,985</u>	<u>9.24 %</u>	<u>392,450</u>	<u>22.90 %</u>	<u>4,017,435</u>	<u>9.82 %</u>
Liabilities						
Current	1,817,916	4.78 %	(2,994,412)	(16.10)%	(1,176,496)	(2.08)%
Long-term	<u>1,358,980</u>	<u>0.34 %</u>	<u>1,589,885</u>	<u>0.56 %</u>	<u>2,948,865</u>	<u>0.43 %</u>
Total liabilities	<u>3,176,896</u>	<u>0.72 %</u>	<u>(1,404,527)</u>	<u>(0.46)%</u>	<u>1,772,369</u>	<u>0.24 %</u>
Deferred inflows of resources	<u>(6,616,457)</u>	<u>(15.68)%</u>	<u>(592,853)</u>	<u>(14.42)%</u>	<u>(7,209,310)</u>	<u>(15.57)%</u>
Net position						
Net investment in capital assets	1,029,847	0.09 %	5,596,761	2.92 %	6,626,608	0.49 %
Restricted	17,006,925	14.16 %	1,212,760	22.17 %	18,219,685	14.51 %
Unrestricted	<u>49,716,748</u>	<u>(30.06)%</u>	<u>29,311,194</u>	<u>23.89 %</u>	<u>79,027,942</u>	<u>(185.00)%</u>
Total net position	<u>\$ 67,753,520</u>	<u>6.14 %</u>	<u>\$ 36,120,715</u>	<u>11.30 %</u>	<u>\$ 103,874,235</u>	<u>7.30 %</u>

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Governmental Activities

Total current assets increased in cash, cash equivalents and investments related to changes in net position of the various funds and the timing of collections of receivables and the payments of obligations incurred. Net capital assets decreased due to a \$31 million prior years' construction in progress that was retroactively placed into service and depreciated accordingly, which resulted in a significant increase in accumulated depreciation. The current long term portion of liabilities rose primarily due to an increase in accounts payable and the year-end payroll accrual increased by two days, compared to the prior fiscal year. Restrictions of net position increased by nearly \$19 million mostly due to a \$12 million increase for public safety projects, a \$2.4 million increase for street improvement projects and a \$2.3 million increase for parks, cultural and other recreational programs.

Business-type Activities

Total current assets increased in cash, cash equivalents and investments related to changes in net position of the various funds and the timing of collections of receivables and the payments of obligations incurred. Net capital assets decreased significantly, as previously discussed. The long-term portion of liabilities increased with the issuance of additional debt for capital expenditures. The current portion of liabilities fell primarily due to a decrease in due to other governments, specifically due to timing in the payments to the City's wholesale water purveyor.

To enhance the above analysis and evaluate the City's comparative operating activities and changes thereto, the following details and selected discussion of certain matters is presented.

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues						
Charges for services	\$ 124,412,948	\$ 92,884,827	\$ 124,623,016	\$ 120,186,823	\$ 249,035,964	\$ 213,071,650
Operating grants and contributions	31,124,407	34,070,629	5,501,164	3,036,285	36,625,571	37,106,914
Capital grants and contributions	44,023,123	43,986,761	7,198,730	7,276,858	51,221,853	51,263,619
General revenues						
Property taxes	62,687,423	55,810,424			62,687,423	55,810,424
Residential construction taxes	1,457,097	823,626			1,457,097	823,626
Room taxes	869,167	524,519			869,167	524,519
Franchise fees, based on gross receipts	22,657,205	21,958,914			22,657,205	21,958,914
Intergovernmental consolidated taxes	61,192,352	56,239,648			61,192,352	56,239,648
Other local government shared revenues	2,108,197	2,113,074			2,108,197	2,113,074
Unrestricted investment income	9,484,635	2,516,501	715,300	24,477	10,199,935	2,540,978
Gain on disposal of capital assets	154,632	413,349	27,085	69,435	181,717	482,784
Miscellaneous	35,200	16,841,906	161,315	282,104	196,515	17,124,010
Total revenues	360,206,386	328,184,178	138,226,610	130,875,982	498,432,996	459,060,160

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Expenses						
General government	\$ 80,894,173	\$ 53,582,057	\$	\$	\$ 80,894,173	\$ 53,582,057
Judicial	5,224,663	4,140,676			5,224,663	4,140,676
Public safety	163,552,341	159,864,745			163,552,341	159,864,745
Public works	22,472,618	19,676,284			22,472,618	19,676,284
Culture and recreation	16,599,119	16,461,106			16,599,119	16,461,106
Community support	5,692,609	7,569,516			5,692,609	7,569,516
Interest expense and fiscal charges	5,411,734	7,431,219			5,411,734	7,431,219
Wastewater			46,403,207	46,731,932	46,403,207	46,731,932
Water			45,971,854	43,592,042	45,971,854	43,592,042
Municipal golf courses			2,336,443	2,407,508	2,336,443	2,407,508
Total expenses	299,847,257	268,725,603	94,711,504	92,731,482	394,558,761	361,457,085
Change in net position before transfers	60,359,129	59,458,575	43,515,106	38,144,500	103,874,235	97,603,075
Transfers	7,394,391	4,513,712	(7,394,391)	(4,513,712)		
Change in net position	67,753,520	63,972,287	36,120,715	33,630,788	103,874,235	97,603,075
Net position, beginning of year	1,102,912,101	1,084,154,151	319,649,714	287,602,874	1,422,561,815	1,371,757,025
Net position, end of year	\$ 1,170,665,621	\$ 1,102,912,101	\$ 355,770,429	\$ 319,649,714	\$ 1,526,436,050	\$ 1,422,561,815

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	Change		Change		Change	
Revenues						
Program revenues						
Charges for services	\$ 31,528,121	33.94 %	\$ 4,436,193	3.69 %	\$ 35,964,314	16.88 %
Operating grants and contributions	(2,946,222)	(8.65)%	2,464,879	81.18 %	(481,343)	(1.30)%
Capital grants and contributions	36,362	0.08 %	(78,128)	(1.07)%	(41,766)	(0.08)%
General revenues						
Property taxes	6,876,999	12.32 %			6,876,999	12.32 %
Residential construction taxes	633,471	76.91 %			633,471	76.91 %
Room taxes	344,648	65.71 %			344,648	65.71 %
Franchise fees, based on gross receipts	698,291	3.18 %			698,291	3.18 %
Intergovernmental consolidated taxes	4,952,704	8.81 %			4,952,704	8.81 %
Other local government shared revenues	(4,877)	(0.23)%			(4,877)	(0.23)%
Unrestricted investment income	6,968,134	276.90 %	690,823	2,822.34 %	7,658,957	301.42 %
Gain on disposal of capital assets	(258,717)	(62.59)%	(42,350)	(60.99)%	(301,067)	(62.36)%
Miscellaneous	(16,806,706)	(99.79)%	(120,789)	(42.82)%	(16,927,495)	(98.85)%
Total revenues	32,022,208	9.76 %	7,350,628	5.62 %	39,372,836	8.58 %

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	Change		Change		Change	
Expenses						
General government	\$ 27,312,116	50.97 %	\$	%	27,312,116	50.97 %
Judicial	1,083,987	26.18 %	1,083,987	26.18 %	1,083,987	26.18 %
Public safety	3,687,596	2.31 %	3,687,596	2.31 %	3,687,596	2.31 %
Public works	2,796,334	14.21 %	2,796,334	14.21 %	2,796,334	14.21 %
Culture and recreation	138,013	0.84 %	138,013	0.84 %	138,013	0.84 %
Community support	(1,876,907)	(24.80)%	(1,876,907)	(24.80)%	(1,876,907)	(24.80)%
Interest expense and fiscal charges	(2,019,485)	(27.18)%	(2,019,485)	(27.18)%	(2,019,485)	(27.18)%
Wastewater			(328,725)	(0.70)%	(328,725)	(0.70)%
Water			2,379,812	5.46 %	2,379,812	5.46 %
Municipal golf courses			(71,065)	(2.95)%	(71,065)	(2.95)%
Total expenses	31,121,654	11.58 %	1,980,022	2.14 %	33,101,676	9.16 %
Change in net position before transfers	900,554	1.51 %	5,370,606	14.08 %	6,271,160	6.43 %
Transfers	2,880,679	63.82 %	(2,880,679)	63.82 %		%
Change in net position	3,781,233	5.91 %	2,489,927	7.40 %	6,271,160	6.43 %
Net position, beginning of year	18,757,950	1.73 %	32,046,840	11.14 %	50,804,790	3.70 %
Net position, end of year	<u>\$ 67,753,520</u>	<u>6.14 %</u>	<u>\$ 36,120,715</u>	<u>11.30 %</u>	<u>\$ 103,874,235</u>	<u>7.30 %</u>

Governmental Activities

Capital grants and contributions are largely dependent upon the timing of construction projects. Construction projects can be delayed or cancelled altogether, thus reducing grant funding. Capital grants and contributions increased primarily due to this circumstance.

Details related to revenue changes and other significant events include a large increase in investment interest earnings as the City's cash increased, as well as a change in the investment program whereby the City is investing more funds with the State of Nevada's investment pool. Additionally, all development-related fees and revenues have increased due to the City's growth in commercial and industrial development.

Business-type Activities

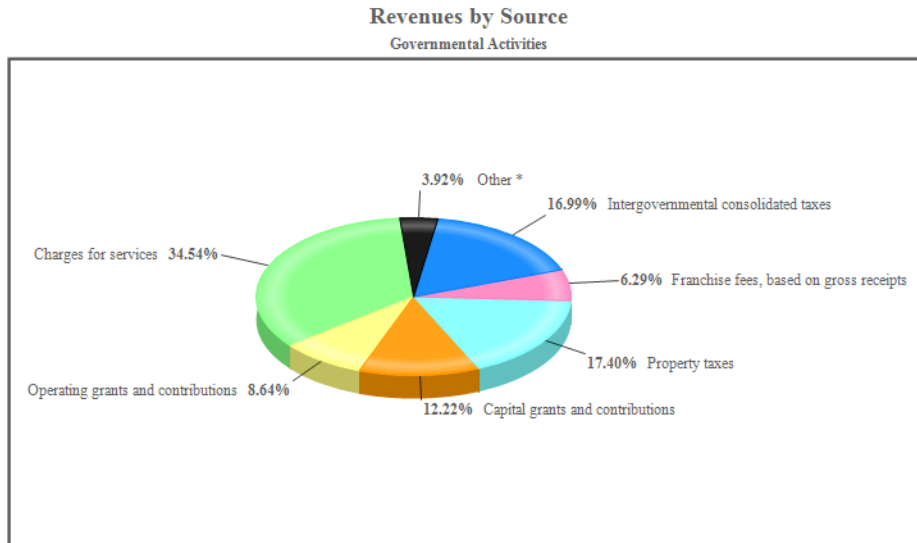
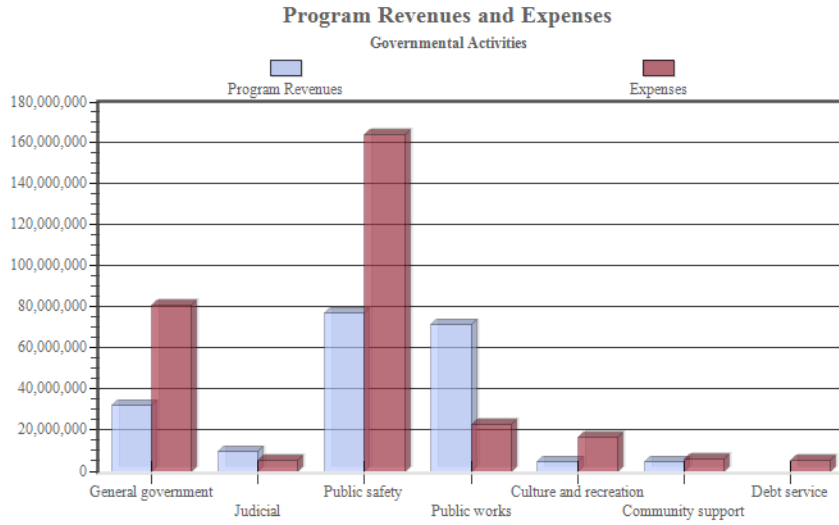
The change in revenues is primarily due to an annual 3% increase in both water and wastewater fees, as well as a one-time grant totaling \$1.9 million from the U.S. Department of Economic Development for the construction of infrastructure in one of the City's industrial parks to further grow the local economy.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019



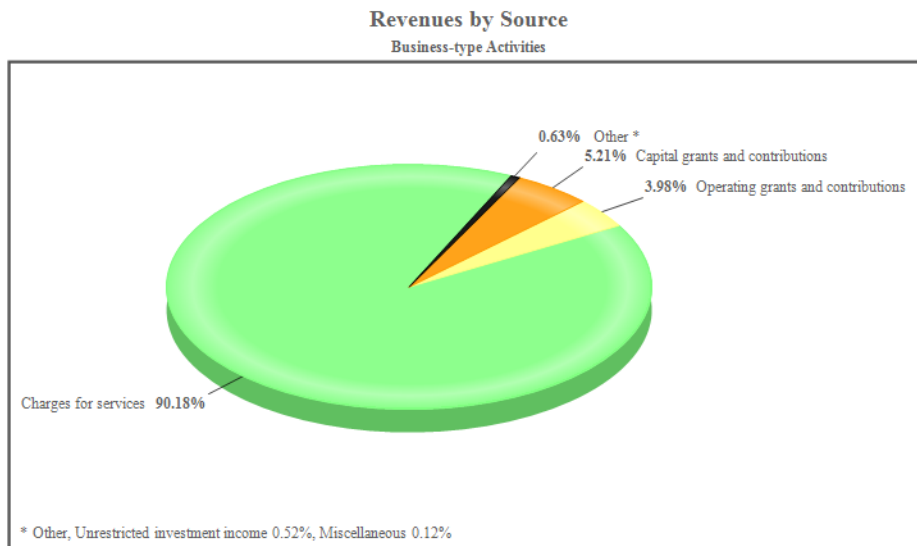
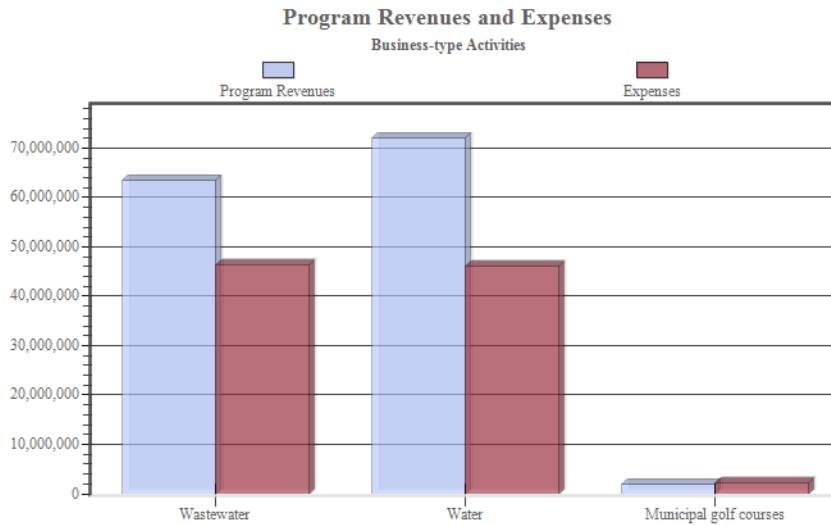
(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The following graphs provide expense and program revenue information with regard to the various functions of the City's business type activities and revenues sources:



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.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Governmental Funds

The following tables summarize selected information about the City's governmental funds and changes during the year:

Total Assets - Governmental Funds				
	2019	2018	Change	
General Fund	\$ 39,275,405	\$ 30,536,913	\$ 8,738,492	28.62 %
Public Safety Tax Special Revenue Fund	19,033,096	17,100,758	1,932,338	11.30 %
Aggregate Other Governmental Funds	137,713,020	119,889,975	17,823,045	14.87 %
Total Liabilities - Governmental Funds				
	2019	2018	Change	
General Fund	\$ 7,087,029	\$ 7,501,921	\$ (414,892)	(5.53)%
Public Safety Tax Special Revenue Fund	1,496,181	734,141	762,040	103.80 %
Aggregate Other Governmental Funds	7,552,399	6,011,768	1,540,631	25.63 %
Total Fund Balance - Governmental Funds				
	2019	2018	Change	
General Fund	\$ 29,063,303	\$ 20,089,740	\$ 8,973,563	44.67 %
Public Safety Tax Special Revenue Fund	17,366,968	16,196,669	1,170,299	7.23 %
Aggregate Other Governmental Funds	130,063,670	113,781,256	16,282,414	14.31 %
Total Revenues - Governmental Funds				
	2019	2018	Change	
General Fund	\$ 157,169,864	\$ 133,559,266	\$ 23,610,598	17.68 %
Public Safety Tax Special Revenue Fund	35,468,056	33,079,331	2,388,725	7.22 %
Aggregate Other Governmental Funds	90,576,780	110,271,841	(19,695,061)	(17.86)%
Total Expenditures - Governmental Funds				
	2019	2018	Change	
General Fund	\$ 144,104,006	\$ 122,839,887	\$ 21,264,119	17.31 %
Public Safety Tax Special Revenue Fund	33,355,937	30,345,081	3,010,856	9.92 %
Aggregate Other Governmental Funds	192,023,894	106,103,049	85,920,845	80.98 %
Total Other Financing Sources (Uses) - Governmental Funds				
	2019	2018	Change	
General Fund	\$ (4,092,295)	\$ (5,009,553)	\$ 917,258	(18.31)%
Public Safety Tax Special Revenue Fund	(941,820)	(949,693)	7,873	(0.83)%
Aggregate Other Governmental Funds	117,729,528	10,886,307	106,843,221	981.45 %

Of the above fund balances, \$337,341 is categorized as nonspendable, \$136,264,294,776,73 as restricted, \$8,300,980 as committed, \$2,834,781,283,478,1 as assigned and \$28,756,362 is unassigned.

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, net of the minimum operating requirements, may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The City reports both major and non-major funds, and as such, major funds are reported in a separate column in the entity-wide statements, while non-major funds are reported in a single aggregated column. By definition, the general fund is always considered a major fund. Funds must be reported as major funds if they meet both of the following criteria:

An individual fund reports at least 10% of any of the following: a) total assets, b) total liabilities, c) total revenues, or d) total expenditures/expenses.

An individual fund reports at least five percent of the aggregated total for both governmental funds and enterprise funds of any one of the items for which it met the 10 percent criterion.

General Fund. The general fund is the chief operating fund of the City. Fund balance increased year over year by \$8.9 million as management continued to monitor expenditures and implement cost saving strategies while revenues grew as the economy continued to expand while revenues grew as the economy expanded which resulted in a \$2.3 million excess of revenues over expenditures. Revenues increased nearly \$ 23.6 million, including a nearly \$5.0 million increase in consolidated taxes, \$6.1 million increase in investment income and \$10.4 million increase in license and permits. Expenditures increased by \$21.3 primarily due to million including increases in general governmental expenses of \$12.7 million and public safety of \$5.4 million.

Public Safety Tax Special Revenue Fund. This fund accounts for voter approved property tax overrides to be used exclusively for public safety programs. Total assets increased primarily as a result of increased cash, cash equivalents and investments of approximately \$1.9 million.

Aggregate Other Governmental Funds. The assets increased primarily as a result of increased cash, cash equivalents and investments of approximately \$ 17.6 million. Revenues decreased in the current fiscal year by \$19.7 million primarily due to the \$17 million bond issuance for the SID 65 Northern Beltway local improvement bonds during the prior fiscal year. Expenditures increased \$86.3 million primarily due to the repayment of debt of \$107.6 million as part of the refinancing of several series of bonds including Series 2003 and 2007A Public Safety Bonds and the Series 2006 Building Bonds and the issue of the Series 2018 Building Bonds. This is offset by a \$13.7 million decrease in capital outlay in public works and parks.

Proprietary Funds

The following tables summarize selected information about the City's Proprietary Funds and changes during the year:

Total Assets - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ 440,648,188	\$ 433,134,755	\$ 7,513,433	1.73 %
Water Utility Enterprise Fund	221,218,800	193,903,555	27,315,245	14.09 %
Non-Major Enterprise Fund	5,045,455	5,201,326	(155,871)	(3.00)%
Internal Service	134,305,339	99,053,180	35,252,159	35.59 %
Total Liabilities - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ 267,550,178	\$ 270,904,242	\$ (3,354,064)	(1.24)%
Water Utility Enterprise Fund	33,347,953	32,605,691	742,262	2.28 %
Non-Major Enterprise Fund	275,535	340,726	(65,191)	(19.13)%
Internal Service	67,328,072	62,057,213	5,270,859	8.49 %

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Total Net Position - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ 172,016,205	\$ 160,765,051	\$ 11,251,154	7.00 %
Water Utility Enterprise Fund	187,539,617	160,364,988	27,174,629	16.95 %
Non-Major Enterprise Fund	4,769,920	4,860,600	(90,680)	(1.87)%
Internal Service	68,561,927	37,537,079	31,024,848	82.65 %
Total Operating Revenues - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ 52,743,923	\$ 50,394,761	\$ 2,349,162	4.66 %
Water Utility Enterprise Fund	70,143,662	68,488,701	1,654,961	2.42 %
Non-Major Enterprise Fund	1,907,801	1,585,465	322,336	20.33 %
Internal Service	60,073,098	42,888,509	17,184,589	40.07 %
Total Operating Expenses - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ 32,512,494	\$ 32,293,472	\$ 219,022	0.68 %
Water Utility Enterprise Fund	44,527,064	42,975,622	1,551,442	3.61 %
Non-Major Enterprise Fund	2,328,481	2,405,092	(76,611)	(3.19)%
Internal Service	28,905,685	31,870,446	(2,964,761)	(9.30)%
Total Nonoperating Revenues (Expenses), Capital Contributions and Transfers - Proprietary Funds				
	2019	2018	Change	
Wastewater Utility Enterprise Fund	\$ (8,980,275)	\$ (10,430,400)	\$ 1,450,125	(13.90)%
Water Utility Enterprise Fund	1,558,031	1,382,046	175,985	12.73 %
Non-Major Enterprise Fund	330,000	590,000	(260,000)	(44.07)%
Internal Service	(142,565)	34,094	(176,659)	(518.15)%

The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. Selected information related to the City's proprietary funds follows:

Wastewater Utility Fund. Total assets of the wastewater utility fund increased due to increases in cash, cash equivalents and investments offset by the net result of increase of new capital purchases and the offset of depreciation of the assets resulting in a decrease in net capital assets of \$2.7 million. Total liabilities decreased due to scheduled payments of outstanding bonds.

Water Utility Fund. Total assets increased due to expenditures in additional infrastructure and assets. Please see capital asset discussion for specific project details.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Budgetary Highlights for General Fund

The following table summarizes selected budgetary information about the City's General Fund:

Summary of Selected General Fund Budget to Actual Information

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total Revenues	\$ 125,706,628	\$ 143,684,551	\$ 157,169,864	\$ 13,485,313
Total Expenditures	129,510,357	144,595,927	144,104,006	491,921
Total Fund Balance	16,439,736	16,967,330	29,063,303	12,095,973

Intergovernmental consolidated taxes, licenses and permits, charges for services, fines and forfeitures, and investments, and miscellaneous income exceeded the final budget by \$1.2 million, \$4.0 million, \$0.5 million, \$1.8 million, \$4.9 million and \$1.1 million, respectively. The increases in licenses and permits is attributed to the overall strength of the local economy reflected through increases in both residential and commercial building permits. The increase in investment earnings reflects both an increase of total investments and higher than budgeted market returns.

Capital Asset and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business type activities as previously summarized includes land, buildings, infrastructure, improvements, machinery and equipment, park facilities, roads, highways and bridges.

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

The North East Sewer Interceptor project consists of design and construction of approximately 26,000 linear feet of mainline sanitary sewer improvements and 4,560 linear feet of branch sewer improvements to serve the Northern Beltway Commercial Area SID 65. The interceptor is designated to collect sewage and convey it to the City's Waste Water Reclamation Facility at Betty Lane and Carey Avenue and was done in three phases. Expenditures during FY 18-19 totaled \$8.7 million and related to 9,025 linear feet of new sewer lines of varying size. The multi-year project was completed and placed in service in December 2018 at an approximate total cost of \$27.7 million.

The Hollywood Storm Drain System, Dunes South Detention Basin to Centennial Parkway-Phase I, includes construction of storm drain facilities comprised of reinforced concrete box, reinforced concrete pipe laterals, drop inlets, manholes, and confluence structures. Additionally, improvements include relocation of water and sewer lines, removal and reconstruction of water and sanitary sewer lines, removal and reconstruction of bituminous pavement, curb and gutter, valley gutters, sidewalks, pavement markings and other appurtenances associated with urban flood control facility construction. The project is on-going with expenditures in FY 18-19 totaling \$9.7 million funded through the Clark County Regional Flood Control District.

The Tropical Parkway Hollywood Boulevard to I-15 project consists of design, right-of-way acquisition, environmental mitigation and the construction of four-lane arterial roadway improvements including widening along Tropical Parkway between Nico Way and Hollywood Boulevard and along Hollywood Boulevard from Tropical Parkway to Speedway Boulevard and completion of Hollywood Boulevard to I-15. Additional improvements include a reinforced box culvert storm drain system, sewer and water improvements, utility relocations, medians, pedestrian crossings, and pavement markings and signage. These improvements will assist in the development of the area between I-15 and Las Vegas Boulevard by providing direct access to the I-15 freeway. Expenditures for this project totaled \$6.6 million in FY 18-19.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The Apex oversized water line (Apex) project is a surface waterline connecting to an existing 24 inch waterline near the Manheim Auto Auction facility and terminating at the Apex Industrial Park. The project consists of design and construction of approximately 12 miles of water line and several pump stations and storage reservoirs and is being performed in conjunction with an oversizing agreement with Solo Investment, LLC in which the City, in accordance with North Las Vegas Municipal Code, will reimburse the developer for the cost of construction of the larger diameter water line and related improvements and appurtenances above the cost of the much smaller water line the developer needed. This project will be the catalyst to generate economic development in the APEX area and allow for additional capacity for future development. Expenditures incurred for Phase I of the project during FY 18-19 totaled \$4.8 million out of \$42 million estimated for this project.

Finally, the AMI water meter replacement program consists of replacing approximately 88,000 outdated meters and migrating to a single fully automated remote reading and data collection system to replace the outdated existing system that was implemented in 2003. The project will improve service to water customers by providing tools to allow customers to monitor water usage, better manage consumption, thereby promoting water conservation and detecting leaks sooner. The project will provide efficiencies by allowing initial and final reads to be performed by the computer network rather than by a service specialist in the field and will allow staff to discuss and resolve complaints over the phone with customers. Expenditures totaling \$8.7 million were incurred during fiscal year 18-19 funded through the issuance of \$23.7 million in General Obligation Water Bonds through the State of Nevada Drinking Water Revolving Loan Fund Program.

Additional information on the City's capital assets can be found in Notes 1 and 3 to the basic financial statements.

Long-term Debt

Pursuant to Nevada Revised Statutes, the State limits the amount of general obligation debt a government entity may issue to 20% of its total assessed valuation. The current statutory debt limitation for the City is \$1.293 billion, which is significantly in excess of the City's actual outstanding applicable net general obligation debt of \$397 million.

Additional information on the City's long-term debt can be found in Notes 1 and 3 to the basic financial statements.

Known Economic Factors and Next Year's Budget

In looking to the future, the City has budgeted general fund revenues to be \$140.0 million for fiscal year 2020, up \$14.3 million from the prior year budget. Intergovernmental consolidated taxes, (primarily consisting of sales tax) is expected to increase to approximately \$63.8 million, up by \$6.1 million from the prior year budget, while increases for license and permits and miscellaneous revenues are expected to be \$5.0 million and \$1.9 million, respectively. Miscellaneous budgeted revenue increases are mostly due to Interest Earnings increases of \$1.5 million.

The City has budgeted general fund appropriations to be \$137.7 million, up 7.0 million from the prior fiscal year primarily due to the City's "invest and re-invest" strategy relating to staffing. Budgeted salaries and benefits increased \$7.8 million. This includes approximately \$2.9 million for an additional 32 general fund positions budgeted for fiscal year 2020 to address staffing shortages in order to meet needed service levels. The remaining \$4.9 million to address market pressures to retain and promote staff. As a result, for the fiscal year 2019-2020, the general fund revenues, (including transfers) are expected to exceed expenditures by \$7.3 million.

The City's adopted operating and capital improvement budgets that total \$398.4 and \$215.6 million, respectively.

(Continued)

CITY OF NORTH LAS VEGAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Property tax revenue accounts for approximately 6.3% of general fund revenues. During fiscal year 2005, the State of Nevada enacted legislation that provided for property tax rate caps going forward. The rate level caps are based on the type and use of the property, but generally, if the property is a primary residence, then the cap is the amount of taxes that exceeded the prior year's tax bill plus a maximum of 3%. Non-residential property tax increases are capped at a maximum of 8% year-over-year, or less depending on the related formula. Taxable assessed property value change rates exceeded the rate caps for the last three years.

Pursuant to Nevada Revised Statutes, diseases of the lungs and heart are considered occupational diseases for firefighters and police officers. Specifically, the statutes provide, with limited exceptions, that a disease of the lung and/or heart is conclusively presumed to have arisen out of and in the course of employment and as such, are compensable with regard to workers' compensation benefits. Further, the statutes permit claims to be reopened at any time during the life of the claimant for further examination and treatment should circumstances change, which would warrant an increase or rearrangement of compensation.

At issue is the cost of workers' compensation benefits and settlement costs that the City will presumably incur beginning over the next ten years as the age and gross number of the City's covered police and fire safety workforce increases. It could be further assumed that a large portion of the police and fire safety workforce will develop some form of lung and/or heart disease as part of the natural process of aging, yet the City would be financially accountable for all the disability benefits as it would be conclusively determined that the disease arose out of and/or in connection with employment with the City. As a result, the cost to the City for disability and death benefits to claimants under these statutes could very well cause a significant financial hardship over a short period of time and/or result in a reduction of related safety services.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of North Las Vegas, 2250 Las Vegas Boulevard North, Suite 710, North Las Vegas, Nevada, 89030-5875.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

CITY OF NORTH LAS VEGAS

STATEMENT OF NET POSITION

JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents and investments, unrestricted	\$ 273,498,390	\$ 152,419,128	\$ 425,917,518
Cash, cash equivalents and investments, restricted	3,505,101	6,682,248	10,187,349
Accounts receivable, net	3,266,809	15,587,331	18,854,140
Grants receivable	14,033,061		14,033,061
Property taxes receivable	1,169,776		1,169,776
Due from other governments	24,162,661	10,460,434	34,623,095
Inventories	227,461	2,533,762	2,761,223
Prepaid land lease, net of amortization		19,125,000	19,125,000
Other prepaid items	410,057	675,037	1,085,094
Property held for resale	6,426,980		6,426,980
Internal balances	8,555,313	(8,555,313)	
Capital assets, net of accumulated depreciation and amortization			
Construction in progress	34,042,586	20,492,673	54,535,259
Land	201,024,705	3,527,756	204,552,461
Buildings and building improvements	152,132,000	73,863,474	225,995,474
Improvements other than buildings	73,104,379	35,362,137	108,466,516
Infrastructure	794,987,759	319,294,555	1,114,282,314
Machinery, equipment and software	17,696,658	6,888,908	24,585,566
Total assets	1,608,243,696	658,357,130	2,266,600,826
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized deferred refunding charges	11,024,881	(876,801)	10,148,080
Unamortized amounts related to pensions	30,005,097	1,977,584	31,982,681
Unamortized amounts related to postemployment benefits other than pensions	1,809,263	1,005,151	2,814,414
Total deferred outflows of resources	42,839,241	2,105,934	44,945,175
LIABILITIES			
Accounts payable and other accrued expenses	9,591,492	3,364,201	12,955,693
Accrued salaries and benefits	26,241,991	288,955	26,530,946
Due to other governments	2,682,398	5,005,771	7,688,169
Customer deposits	105,258	4,792,201	4,897,459
Unearned revenue	637,196	129,914	767,110
Interest payable	568,753	2,024,103	2,592,856
Long-term liabilities, due within one year			
Bonds and notes payable	5,725,000	8,943,156	14,668,156
Compensated absences	3,058,140	347,376	3,405,516
Long-term liabilities, due in more than one year			
Bonds and notes payable, net of unamortized premiums and discounts	129,003,767	253,406,856	382,410,623
Compensated absences	33,418,680	3,795,768	37,214,448
Postemployment benefits other than pensions	41,003,614		41,003,614
Net pension liability	192,811,689	19,075,365	211,887,054
Total liabilities	444,847,978	301,173,666	746,021,644
DEFERRED INFLOWS OF RESOURCES			
Unamortized amounts related to pensions	35,569,338	3,518,969	39,088,307
Total deferred inflows of resources	35,569,338	3,518,969	39,088,307

(Continued)

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	1,149,284,201	197,087,776	1,346,371,977
Restricted for			
Debt service	6,574,808	6,682,246	13,257,054
Street improvements projects	13,139,987		13,139,987
Other capital projects	25,705,120		25,705,120
Police, fire and other public safety programs	54,083,341		54,083,341
Parks, cultural and other recreational programs	10,447,161		10,447,161
Library district operations	502,502		502,502
Courts and other judicial programs	1,868,692		1,868,692
Community assistance and support programs	23,923,763		23,923,763
Claims and judgments	808,100		808,100
Other	19,103		19,103
Unrestricted	<u>(115,691,157)</u>	<u>152,000,407</u>	<u>36,309,250</u>
Total net position	<u>\$ 1,170,665,621</u>	<u>\$ 355,770,429</u>	<u>\$ 1,526,436,050</u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019

FUNCTION/PROGRAM	Program Revenues				Net (Expenses) Revenues and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 80,894,173	\$ 32,241,000	\$ 46,787	\$	\$ (48,606,386)		\$ (48,606,386)
Judicial	5,224,663	9,636,014			4,411,351		4,411,351
Public safety	163,552,341	55,691,618	21,322,177		(86,538,546)		(86,538,546)
Public works	22,472,618	20,536,132	6,683,561	44,021,551	48,768,626		48,768,626
Culture and recreation	16,599,119	4,506,725	294,666	1,572	(11,796,156)		(11,796,156)
Community support	5,692,609	1,801,459	2,777,216		(1,113,934)		(1,113,934)
Debt service							
Interest expense and fiscal charges	5,411,734				(5,411,734)		(5,411,734)
Total governmental activities	<u>299,847,257</u>	<u>124,412,948</u>	<u>31,124,407</u>	<u>44,023,123</u>	<u>(100,286,779)</u>		<u>(100,286,779)</u>
Business-type activities							
Wastewater	46,403,207	52,614,477	5,498,387	5,405,255		17,114,912	17,114,912
Water	45,971,854	70,140,856	2,777	1,793,475		25,965,254	25,965,254
Municipal golf courses	2,336,443	1,867,683				(468,760)	(468,760)
Total business-type activities	<u>94,711,504</u>	<u>124,623,016</u>	<u>5,501,164</u>	<u>7,198,730</u>		<u>42,611,406</u>	<u>42,611,406</u>
Total function/program	<u>\$ 394,558,761</u>	<u>\$ 249,035,964</u>	<u>\$ 36,625,571</u>	<u>\$ 51,221,853</u>	<u>(100,286,779)</u>	<u>42,611,406</u>	<u>(57,675,373)</u>

(Continued)

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

STATEMENT OF ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

	Program Revenues			Net (Expenses) Revenues and Change in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
GENERAL REVENUES							
Property taxes					62,687,423		62,687,423
Residential construction taxes					1,457,097		1,457,097
Room taxes					869,167		869,167
Franchise fees, based on gross receipts					22,657,205		22,657,205
Intergovernmental consolidated taxes					61,192,352		61,192,352
Other local government shared revenues					2,108,197		2,108,197
Unrestricted investment income					9,484,635	715,300	10,199,935
Gain on disposal of capital assets					154,632	27,085	181,717
Miscellaneous					35,200	161,315	196,515
Total general revenues					<u>160,645,908</u>	<u>903,700</u>	<u>161,549,608</u>
Transfers					<u>7,394,391</u>	<u>(7,394,391)</u>	
CHANGE IN NET POSITION					67,753,520	36,120,715	103,874,235
NET POSITION, BEGINNING OF YEAR					<u>1,102,912,101</u>	<u>319,649,714</u>	<u>1,422,561,815</u>
NET POSITION, END OF YEAR					<u>\$ 1,170,665,621</u>	<u>\$ 355,770,429</u>	<u>\$ 1,526,436,050</u>

See notes to basic financial statements.

FUND FINANCIAL STATEMENTS

CITY OF NORTH LAS VEGAS

GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2019

	Special Revenue Fund			Total Governmental Funds
	General Fund	Public Safety Tax	Aggregate Other Governmental Funds	
ASSETS				
Cash, cash equivalents and investments	\$ 17,764,599	\$ 18,691,362	\$ 110,208,343	\$ 146,664,304
Accounts receivable, net	3,364,145	38,042	(174,789)	3,227,398
Grants receivable	12,347		14,020,714	14,033,061
Property taxes receivable	336,810	302,284	530,682	1,169,776
Prepaid items	264,216	1,408	71,717	337,341
Due from other governments	17,533,288		6,629,373	24,162,661
Property held for resale			6,426,980	6,426,980
Total assets	<u>\$ 39,275,405</u>	<u>\$ 19,033,096</u>	<u>\$ 137,713,020</u>	<u>\$ 196,021,521</u>
LIABILITIES				
Accounts payable and other accrued liabilities	\$ 1,445,174	\$ 53,425	\$ 6,195,796	\$ 7,694,395
Accrued salaries and benefits	4,140,782	508,270	370,398	5,019,450
Due to other governments	1,407,759	934,486	337,065	2,679,310
Customer deposits	93,314		11,944	105,258
Unearned revenue			637,196	637,196
Total liabilities	<u>7,087,029</u>	<u>1,496,181</u>	<u>7,552,399</u>	<u>16,135,609</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>3,125,073</u>	<u>169,947</u>	<u>96,951</u>	<u>3,391,971</u>
Total liabilities and deferred inflows of resources	<u>10,212,102</u>	<u>1,666,128</u>	<u>7,649,350</u>	<u>19,527,580</u>
FUND BALANCES				
Nonspendable				
Prepaid items	264,216	1,408	71,717	337,341
Restricted for				
Debt service			6,574,808	6,574,808
Street improvements projects			13,139,987	13,139,987
Other capital projects			25,705,120	25,705,120
Police, fire and other public safety programs	42,725	17,365,560	36,675,056	54,083,341
Parks, cultural and other recreational programs			10,447,161	10,447,161
Library district operations			502,502	502,502
Courts and other judicial programs			1,868,692	1,868,692
Community assistance and support programs			23,923,763	23,923,763
Other			19,103	19,103
Committed to				
Other capital projects			5,655,352	5,655,352
Police, fire and other public safety programs			1,199,945	1,199,945
Community assistance and support programs			1,445,683	1,445,683
Assigned to				
Parks, cultural and other recreational programs			2,834,781	2,834,781
Unassigned	<u>28,756,362</u>			<u>28,756,362</u>
Total fund balances	<u>29,063,303</u>	<u>17,366,968</u>	<u>130,063,670</u>	<u>176,493,941</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,275,405</u>	<u>\$ 19,033,096</u>	<u>\$ 137,713,020</u>	<u>\$ 196,021,521</u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES JUNE 30, 2019

FUND BALANCES, GOVERNMENTAL FUNDS		\$ 176,493,941
Amounts reported in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources; and therefore, are not reported in governmental funds:		
Capital assets	\$ 1,974,418,722	
Less accumulated depreciation	<u>(705,057,199)</u>	1,269,361,523
Long-term liabilities, including bonds payable are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Bonds payable	(129,805,000)	
Unamortized premiums and discounts	(4,923,767)	
Unamortized deferred refunding charges	11,024,881	
Compensated absences payable	(36,140,387)	
Net pension liability	(189,946,390)	
Deferred outflows related to pensions	29,701,118	
Deferred inflows related to pensions	<u>(35,040,756)</u>	(355,130,301)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Interest payable	<u>(568,753)</u>	(568,753)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds:		
Unavailable revenue	<u>3,391,971</u>	3,391,971
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund assets and liabilities included in governmental activities in the statement of net position	68,561,927	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	6,340,925	
Internal service fund balance receivable from business-type activities from current year activity	<u>2,214,374</u>	<u>77,117,226</u>
NET POSITION, GOVERNMENTAL ACTIVITIES		<u><u>\$ 1,170,665,607</u></u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue Fund		Aggregate Other Governmental Funds	Total Governmental Funds
	General Fund	Public Safety Tax		
REVENUES				
Property taxes	\$ 9,423,676	\$ 35,451,678	\$ 17,812,069	\$ 62,687,423
Residential construction taxes			1,457,097	1,457,097
Room taxes			869,167	869,167
Franchise fees	22,657,205			22,657,205
Licenses and permits	31,583,299			31,583,299
Charges for services	11,639,615		4,739,646	16,379,261
Intergovernmental consolidated taxes	61,192,352			61,192,352
Intergovernmental	4,111,414		58,809,627	62,921,041
Fines and forfeitures	5,360,539		470,984	5,831,523
Contributions	20,500		36,006	56,506
Rents and royalties	834,465		103,637	938,102
Investment income	8,532,466	12,136	868,465	9,413,067
Miscellaneous	1,814,333	4,242	5,410,082	7,228,657
Total revenues	<u>157,169,864</u>	<u>35,468,056</u>	<u>90,576,780</u>	<u>283,214,700</u>
EXPENDITURES				
Current				
General government	33,719,659	53,068	1,433,927	35,206,654
Judicial	4,668,419		179,800	4,848,219
Public safety	90,717,928	32,793,152	22,337,899	145,848,979
Public works	3,499,373		5,944,181	9,443,554
Culture and recreation	8,982,463		4,735,598	13,718,061
Community support	1,912,077		3,905,998	5,818,075
Total current	<u>143,499,919</u>	<u>32,846,220</u>	<u>38,537,403</u>	<u>214,883,542</u>
Capital outlay				
General government	153,175	550	1,910,376	2,064,101
Public safety	343,573	509,167	1,231,845	2,084,585
Public works	48,217		32,098,469	32,146,686
Culture and recreation	59,122		849,217	908,339
Community support			1,482,547	1,482,547
Total capital outlay	<u>604,087</u>	<u>509,717</u>	<u>37,572,454</u>	<u>38,686,258</u>
Debt service				
Principal payments			109,140,000	109,140,000
Interest and fiscal charges			6,774,037	6,774,037
Total debt service			<u>115,914,037</u>	<u>115,914,037</u>
Total expenditures	<u>144,104,006</u>	<u>33,355,937</u>	<u>192,023,894</u>	<u>369,483,837</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>13,065,858</u>	<u>2,112,119</u>	<u>(101,447,114)</u>	<u>(86,269,137)</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance proceeds			99,655,000	99,655,000
Debt issuance premiums			5,275,608	5,275,608
Proceeds from capital asset disposal	90,200	54,098	6,116	150,414
Transfers in	7,752,930		24,625,425	32,378,355
Transfers out	(11,935,425)	(995,918)	(11,832,621)	(24,763,964)
Total other financing sources (uses)	<u>(4,092,295)</u>	<u>(941,820)</u>	<u>117,729,528</u>	<u>112,695,413</u>

(Continued)

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>General Fund</u>	Special Revenue Fund <u>Public Safety Tax</u>	<u>Aggregate Other Governmental Funds</u>	<u>Total Governmental Funds</u>
CHANGE IN FUND BALANCE	8,973,563	1,170,299	16,282,414	26,426,276
FUND BALANCE, BEGINNING OF YEAR	<u>20,089,740</u>	<u>16,196,669</u>	<u>113,781,256</u>	<u>150,067,665</u>
FUND BALANCE, END OF YEAR	<u>\$ 29,063,303</u>	<u>\$ 17,366,968</u>	<u>\$ 130,063,670</u>	<u>\$ 176,493,941</u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS		\$ 26,426,276
Amounts reported in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is capitalized and depreciated over their estimated useful lives:		
Expenditures for capital assets	\$ 38,686,258	
Less current year depreciation, net of gain (loss) on disposal of capital assets	<u>(58,486,704)</u>	(19,800,446)
Revenues in the statement of activities, which do not provide current financial resources are not reported as revenues in governmental funds:		
Capital asset contributions	14,298,180	
Change in unavailable revenue	<u>179,820</u>	14,478,000
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces liabilities in the statement of net position. This is the amount by which repayments exceeded debt issued:		
Debt issuance proceeds	(99,655,000)	
Debt premiums (discounts), net	(5,275,608)	
Deferred refunding charges	(290,560)	
Debt principal repayments	<u>109,140,000</u>	3,918,832
Some expenses reported in the statement of activities do not require the use of current financial resources; and therefore, are not reported as expenditures in governmental funds:		
Change in compensated absences payable	(1,762,707)	
Change in net pension liability and related deferred outflows and inflows of resources	8,538,797	
Amortization of debt premiums and discounts	2,184,065	
Amortization of deferred refunding charges	(62,813)	
Change in accrued interest	<u>594,280</u>	9,491,622
Internal service funds are used by management to charge the costs of certain activities to individual funds:		
Internal service fund change in net position included in governmental activities in the statement of activities	31,024,848	
The internal service funds change in net position related to business-type activities	<u>2,214,374</u>	<u>33,239,222</u>
CHANGE IN NET POSITION, GOVERNMENTAL ACTIVITIES		\$ <u><u>67,753,506</u></u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

PROPRIETARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2019

	Business-type Activities				Governmental Activities
	Wastewater Utility	Water Utility	Non-Major Enterprise Fund	Total Enterprise Funds	Internal Service
ASSETS					
Current assets					
Cash, cash equivalents and investments	\$ 60,170,004	\$ 91,936,017	\$ 313,107	\$ 152,419,128	\$ 126,834,086
Accounts receivable, net	7,064,643	8,521,430	1,258	15,587,331	39,411
Prepaid items	552,511	122,526		675,037	72,716
Due from other governments	4,304,832	5,947,602	208,000	10,460,434	
Inventories	315,233	2,169,750	48,779	2,533,762	227,461
Restricted assets					
Cash, cash equivalents and investments	<u>5,178,321</u>	<u>1,503,927</u>		<u>6,682,248</u>	<u>3,505,101</u>
Total current assets	<u>77,585,544</u>	<u>110,201,252</u>	<u>571,144</u>	<u>188,357,940</u>	<u>130,678,775</u>
Noncurrent assets					
Capital assets, net of accumulated depreciation and amortization					
Construction in progress	7,418,040	13,074,633		20,492,673	
Land	527,920	2,434,299	565,537	3,527,756	
Buildings and building improvements	69,712,924	2,807,616	1,342,934	73,863,474	171,569
Improvements other than buildings	21,781,648	11,014,649	2,565,840	35,362,137	177,655
Infrastructure	242,061,536	77,233,019		319,294,555	
Machinery, equipment and software	<u>2,435,576</u>	<u>4,453,332</u>		<u>6,888,908</u>	<u>3,277,340</u>
Total capital assets, net of accumulated depreciation and amortization	<u>343,937,644</u>	<u>111,017,548</u>	<u>4,474,311</u>	<u>459,429,503</u>	<u>3,626,564</u>
Other assets					
Prepaid land lease, net of current portion and amortization	<u>19,125,000</u>			<u>19,125,000</u>	
Total other assets	<u>19,125,000</u>			<u>19,125,000</u>	
Total noncurrent assets	<u>363,062,644</u>	<u>111,017,548</u>	<u>4,474,311</u>	<u>478,554,503</u>	<u>3,626,564</u>
Total assets	<u>440,648,188</u>	<u>221,218,800</u>	<u>5,045,455</u>	<u>666,912,443</u>	<u>134,305,339</u>
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized deferred refunding charges	(876,801)			(876,801)	
Unamortized amounts related to pensions	756,037	1,221,547		1,977,584	303,979
Unamortized amounts related to other postemployment benefits other than pensions	<u>384,273</u>	<u>620,878</u>		<u>1,005,151</u>	<u>1,809,263</u>
Total deferred outflows of resources	<u>263,509</u>	<u>1,842,425</u>		<u>2,105,934</u>	<u>2,113,242</u>
LIABILITIES					
Current liabilities					
Accounts payable and other accrued liabilities	1,717,706	1,437,116	209,379	3,364,201	1,887,270
Accrued salaries and benefits	117,639	168,229	3,087	288,955	21,232,368
Due to other governments	102,281	4,897,435	6,055	5,005,771	3,088
Customer deposits	715,540	4,068,961	7,700	4,792,201	
Unearned revenue	80,600		49,314	129,914	
Compensated absences	119,374	228,002		347,376	27,999
Interest payable	1,994,961	29,142		2,024,103	
Bonds and notes payable	<u>7,157,500</u>	<u>1,785,656</u>		<u>8,943,156</u>	
Total current liabilities	<u>12,005,601</u>	<u>12,614,541</u>	<u>275,535</u>	<u>24,895,677</u>	<u>23,150,725</u>

(Continued)

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

PROPRIETARY FUNDS STATEMENT OF NET POSITION (CONTINUED) JUNE 30, 2019

	Business-type Activities			Governmental Activities	
	Wastewater Utility	Water Utility	Non-Major Enterprise Fund	Total Enterprise Funds	Internal Service
Noncurrent liabilities					
Compensated absences	1,304,397	2,491,371		3,795,768	308,434
Postemployment benefits other than pensions					41,003,614
Bonds and notes payable, net of unamortized premiums and discounts	246,947,602	6,459,254		253,406,856	
Net pension liability	<u>7,292,578</u>	<u>11,782,787</u>		<u>19,075,365</u>	<u>2,865,299</u>
Total noncurrent liabilities	<u>255,544,577</u>	<u>20,733,412</u>		<u>276,277,989</u>	<u>44,177,347</u>
Total liabilities	<u>267,550,178</u>	<u>33,347,953</u>	<u>275,535</u>	<u>301,173,666</u>	<u>67,328,072</u>
DEFERRED INFLOWS OF RESOURCES					
Unamortized amounts related to pensions	<u>1,345,314</u>	<u>2,173,655</u>		<u>3,518,969</u>	<u>528,582</u>
NET POSITION					
Net investment in capital assets	89,840,827	102,772,638	4,474,311	197,087,776	3,626,564
Restricted for					
Debt service	5,178,319	1,503,927		6,682,246	
Claims and judgments					808,100
Unrestricted	<u>76,997,059</u>	<u>83,263,052</u>	<u>295,609</u>	<u>160,555,720</u>	<u>64,127,263</u>
Total net position	<u>\$ 172,016,205</u>	<u>\$ 187,539,617</u>	<u>\$ 4,769,920</u>	364,325,742	<u>\$ 68,561,927</u>
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time				<u>(8,555,299)</u>	
Net position of business-type activities				<u>\$ 355,770,443</u>	

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities			Governmental Activities	
	Wastewater	Non-Major		Total Enterprise	Internal Service
	Utility	Water Utility	Enterprise Fund	Funds	
OPERATING REVENUES					
Utility fees	\$ 46,027,706	\$ 59,520,826	\$	\$ 105,548,532	\$
Construction fees	244,041	1,884,362		2,128,403	
User fees			1,658,481	1,658,481	
Connection fees	4,827,445	3,004,739		7,832,184	
Other charges for services	233,862	2,197,971		2,431,833	60,073,098
Fines and forfeitures	941,857	2,467,315		3,409,172	
Miscellaneous	469,012	1,068,449	249,320	1,786,781	
Total operating revenues	<u>52,743,923</u>	<u>70,143,662</u>	<u>1,907,801</u>	<u>124,795,386</u>	<u>60,073,098</u>
OPERATING EXPENSES					
Salaries and wages	4,175,916	6,301,538	111,157	10,588,611	4,638,570
Employee benefits	2,314,525	2,728,264	21,844	5,064,633	4,847,702
Services and supplies	11,428,028	29,313,613	1,969,124	42,710,765	18,570,647
Depreciation and amortization	14,594,025	6,183,649	226,356	21,004,030	848,766
Total operating expenses	<u>32,512,494</u>	<u>44,527,064</u>	<u>2,328,481</u>	<u>79,368,039</u>	<u>28,905,685</u>
Operating income (loss)	<u>20,231,429</u>	<u>25,616,598</u>	<u>(420,680)</u>	<u>45,427,347</u>	<u>31,167,413</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	36,932	678,368		715,300	71,568
Gain (loss) on capital asset disposition	9,314	17,771		27,085	5,867
Interest and fiscal charges	(13,062,981)	(77,151)		(13,140,132)	
Intergovernmental	9,616,036	2,777		9,618,813	
Total nonoperating revenues (expenses)	<u>(3,400,699)</u>	<u>621,765</u>		<u>(2,778,934)</u>	<u>77,435</u>
Income (loss) before capital contributions and transfers	<u>16,830,730</u>	<u>26,238,363</u>	<u>(420,680)</u>	<u>42,648,413</u>	<u>31,244,848</u>
CAPITAL CONTRIBUTIONS					
Capital contributions	<u>1,287,606</u>	<u>1,793,475</u>		<u>3,081,081</u>	
TRANSFERS					
Transfers in	1,430,660	13,150,875	330,000	14,911,535	
Transfers out	(8,297,842)	(14,008,084)		(22,305,926)	(220,000)
Total transfers	<u>(6,867,182)</u>	<u>(857,209)</u>	<u>330,000</u>	<u>(7,394,391)</u>	<u>(220,000)</u>
CHANGE IN NET POSITION	11,251,154	27,174,629	(90,680)	38,335,103	31,024,848
NET POSITION, BEGINNING OF YEAR	<u>160,765,051</u>	<u>160,364,988</u>	<u>4,860,600</u>		<u>37,537,079</u>
NET POSITION, END OF YEAR	<u>\$ 172,016,205</u>	<u>\$ 187,539,617</u>	<u>\$ 4,769,920</u>		<u>\$ 68,561,927</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds				<u>(2,214,374)</u>	
CHANGES IN NET POSITION, BUSINESS-TYPE ACTIVITIES				<u>\$ 36,120,729</u>	

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities				Governmental
	Wastewater	Non-Major		Total Enterprise	Activities
	Utility	Water Utility	Enterprise Fund	Funds	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 53,004,714	\$ 70,007,369	\$ 1,469,295	\$ 124,481,378	\$ 60,068,337
Cash received from other sources		1,068,449	249,320	1,317,769	
Cash payments for goods and services	(10,509,181)	(32,779,215)	(2,048,994)	(45,337,390)	(22,352,552)
Cash payments for employee services	(6,166,047)	(9,579,592)	(132,056)	(15,877,695)	(1,532,812)
Cash payments for interfund services	(11,403)	(1,260,824)	(239)	(1,272,466)	(2,808)
Net cash provided by (used in) operating activities	<u>36,318,083</u>	<u>27,456,187</u>	<u>(462,674)</u>	<u>63,311,596</u>	<u>36,180,165</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	1,430,660	13,150,875	330,000	14,911,535	
Transfers out	(8,297,842)	(14,008,084)		(22,305,926)	(220,000)
Advances to other funds					262,570
Due from other funds	1,240,714			1,240,714	
Net cash provided by (used in) noncapital financing activities	<u>(5,626,468)</u>	<u>(857,209)</u>	<u>330,000</u>	<u>(6,153,677)</u>	<u>42,570</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(6,572,256)	(19,328,266)		(25,900,522)	(1,334,928)
Proceeds received from disposal of capital assets		17,771		17,771	
Proceeds from debt issuance	3,183,266	6,990,693		10,173,959	
Principal payments on debt	(8,045,697)	(1,150,000)		(9,195,697)	
Interest payments on debt	(13,125,307)	(87,092)		(13,212,399)	
Other	9,314	2,777		12,091	
Cash received from capital grants	2,359,819			2,359,819	
Net cash used in capital financing activities	<u>(22,190,861)</u>	<u>(13,554,117)</u>		<u>(35,744,978)</u>	<u>(1,334,928)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	36,932	678,358		715,290	71,568
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	8,537,686	13,723,219	(132,674)	22,128,231	34,959,375
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR					
	<u>57,236,700</u>	<u>79,716,725</u>	<u>445,781</u>	<u>137,399,206</u>	<u>95,379,812</u>
CASH AND CASH EQUIVALENTS, END OF YEAR					
	<u>\$ 65,774,386</u>	<u>\$ 93,439,944</u>	<u>\$ 313,107</u>	<u>\$ 159,527,437</u>	<u>\$ 130,339,187</u>

(Continued)

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Business-type Activities			Governmental Activities	
	Wastewater Utility	Water Utility	Non-Major Enterprise Fund	Total Enterprise Funds	Internal Service
	RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 20,231,429	\$ 25,616,598	\$ (420,680)	\$ 45,427,347	\$ 31,167,413
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	14,594,025	6,183,649	226,356	21,004,030	848,766
(Increase) decrease in operating assets					
Accounts receivable	(801)	1,320,233	(208,480)	1,110,952	(4,759)
Due from other governments	(493,122)			(493,122)	
Inventories	164,074	96,869	(464)	260,479	2,390
Prepaid items	519,375	(78,195)		441,180	(60,956)
Increase (decrease) in operating liabilities					
Accounts payable	262,815	926,909	(85,190)	1,104,534	314,767
Accrued salaries and benefits	23,371	1,692	945	26,008	(17,342)
Due to other funds	(11,403)	(1,260,824)	(239)	(1,272,466)	(4,343)
Due to other governments	(3,303)	(4,411,186)		(4,414,489)	517
Customer deposits	650,000	(388,076)	17,072	278,996	
Unearned revenues	80,600		2,221	82,821	
Compensated absences	158,435	103,587		262,022	26,842
Postemployment benefits other than pensions	(384,273)	(620,878)		(1,005,151)	4,441,776
Net pension liability	526,861	(34,191)		492,670	(534,906)
Total adjustments	<u>16,086,654</u>	<u>1,839,589</u>	<u>(41,994)</u>	<u>17,884,249</u>	<u>5,012,752</u>
Net cash provided by (used in) operating activities	<u>\$ 36,318,083</u>	<u>\$ 27,456,187</u>	<u>\$ (462,674)</u>	<u>\$ 63,311,596</u>	<u>\$ 36,180,165</u>

See notes to basic financial statements.

CITY OF NORTH LAS VEGAS

FIDUCIARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2019

	<u>Agency Funds</u>
ASSETS	
Cash, cash equivalents and investments	\$ 51,757,735
Accounts receivable, net	3,526,341
Interest receivable	2,190
Special assessments receivable	<u>9,799</u>
Total assets	<u>55,296,065</u>
LIABILITIES	
Due to developers, other governments and others	<u>55,296,065</u>
Total liabilities	<u>55,296,065</u>
NET POSITION	<u>\$ <u> </u></u>

See notes to basic financial statements.

**NOTES TO BASIC
FINANCIAL STATEMENTS**

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2019

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The City of North Las Vegas (the City), was incorporated in 1946 and is governed by an elected Mayor and City Council comprised of four members. The City is a full-service city located at the northern tip of the Las Vegas Valley. Services provided by the City include a municipal court, public safety (police and fire), water and wastewater, highways and streets, planning and zoning, parks and recreational facilities, libraries, community development and general administrative services.

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

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

The City has examined its position relative to other entities and has determined that there are no requirements that would cause the basic financial statements of the City to be included in any other entities' financial reports. The North Las Vegas Redevelopment Agency (the Agency) and the North Las Vegas Library District (the Library District) are legally separate entities for budget reporting purposes as required by the State of Nevada (the State or Nevada), Department of Taxation. However, they both have substantially the same governing body as the City and the City provides a majority of services required by the Agency and the Library District, such as financial administration, human resources administration, and redevelopment planning. Based on these factors, the Agency and Library District are considered to be blended component units and are reported as special revenue funds of the City. No other entities were determined to be component units of the City.

Basic Financial Statements

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

Included in the statement of net position are capital assets and long-term liabilities, including general payment obligations, revenue bonds and compensated absences. Net position is classified as 1) net investment in capital assets, 2) restricted net position, or 3) unrestricted net position.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental Fund Financial Statements

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of fiscal year end.

The primary revenue sources, which have been treated as susceptible to accrual by the City are property taxes, intergovernmental consolidated taxes (sales, cigarette, motor vehicle privilege and liquor taxes), gaming taxes, gasoline taxes, grants, franchise fees and interest. All other revenue items are considered to be measurable and available only when the City receives payment.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, compensated absences and postemployment benefits other than pensions are recorded only when payment is due.

The City reports the following major governmental funds:

General Fund - Accounts for all financial resources not required to be accounted for in some other fund.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Public Safety Tax Special Revenue Fund - Accounts for voter-approved property tax overrides to be used exclusively for public safety programs.

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

Special Revenue Funds - Accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

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

Proprietary Fund Financial Statements

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

The City reports the following major proprietary funds:

Wastewater Utility Fund - Accounts for the collection from the residents of the City and the transmission of sewage through the system infrastructure for treatment and release into Lake Mead.

Water Utility Fund - Accounts for the delivery of water services through the system infrastructure to the residents of the City and other service areas.

The City reports the following non-major proprietary fund:

Municipal Golf Courses Fund - Accounts for the operations of a nine-hole par-3 golf course and an 18-hole par-72 championship course.

The City reports the following non-major proprietary fund type:

Internal Service Funds - Accounts for goods or services (motor equipment and self-insurance reserves) provided by one department or agency to other departments or agencies of the government and to other governmental units, on a cost reimbursement basis.

Fiduciary Fund Financial Statements

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

The City reports the following fiduciary fund type:

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Agency Funds - Accounts for assets (related to deposits, rewards, retention, taxes and billing and collections) held by the City as an agent for individuals, private organizations, other governments or other funds.

Assets and Liabilities

Cash, Cash Equivalents and Investments

The City's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City invests by individual fund in two instances, but primarily pools cash resources of all other funds in order to facilitate the management of cash and investments. With this approach, the City is able to invest the monies at higher interest rates and with longer maturities. With the exception of those funds that are legally required to retain interest earnings, all interest earnings are reported in the general fund.

The proprietary funds participate in the City's internal investment management pool. This pool has the general characteristics of a demand deposit account in that the proprietary funds may effectively withdraw amounts from the pool at any time without prior notice or penalty. Accordingly, amounts invested in this pool by proprietary funds are considered to be cash equivalents. Monies that are not required for immediate obligations are invested.

Investments are reported at fair value, regardless of the length of time remaining to maturity.

Receivables, Payables and Unavailable or Unearned Revenues

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. The resulting payables and receivables, which are outstanding at year end, are referred to as due to or from other funds in the fund financial statements. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Upon the certification of tax rates by the State Tax Commission, the Clark County (the County) Commission levies the tax rate for the fiscal period beginning with the succeeding July 1. Effective upon the tax levy on July 1 each year, a perpetual lien is recorded against the property assessed until the tax and any penalty charges and interest, which may accrue thereon, are paid. The County Assessor assesses all real and personal property and the County Treasurer bills and collects the City's share of property taxes. Real property taxes are due on the third Monday in August of each year and may be paid in quarterly installments on or before the third Monday in August and first Mondays in October, January and March. In the event of nonpayment, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties and costs, together with interest from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer obtains a deed to the property free of all encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. The County Treasurer remits on a monthly basis current and delinquent property tax collections to the City.

Property taxes receivable that are not expected to be collected within 90 days of year end are classified as unavailable revenue in the fund financial statements rather than current revenue since the asset is not available to satisfy current obligations.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Unearned revenues arise when the City receives resources before it has a legal claim to them as when property taxes levied for the following tax year are received before year end.

Inventories and Prepaid Items

The City's inventories are valued at cost using the first-in/first-out (FIFO) method, with the exception of inventory held for resale, which is valued at market. In the governmental fund financial statements, inventories are recorded as expenditures when purchased rather than when consumed.

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

Restricted Assets

Cash, cash equivalents and investments related to customer deposits, unspent bond proceeds and bond retirement (amounts accumulated to pay debt service payments over the next 12 months) are classified and reported as restricted assets.

Capital Assets

Capital assets are reported in proprietary fund financial statements and in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as those assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year. All purchased capital assets are valued at cost or estimated historical cost. Donated assets are recorded at their acquisition value on the date donated.

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

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

	<u>Years</u>
Buildings and building improvements	40
Improvements other than buildings	15-40
Infrastructure	15-100
Machinery, equipment and software	5-10

Long-term Liabilities

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

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

Compensated Absences

It is the City's policy to permit employees to accumulate earned vacation, holiday and sick leave benefits that would be paid to them upon separation from City service if not previously taken. A liability for these obligations is reported in the government-wide and proprietary fund financial statements as incurred. A liability for compensated absences is reported in the governmental fund financial statements only to the extent it is due and payable at year end. Expenditures for compensated absences are recognized by the applicable fund when paid.

Deferred Compensation Plans

In addition to the retirement plan disclosed in Note 4, the City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The City is not required to and does not contribute to the deferred compensation plans. The assets of these plans are held in trust outside the control of the City. Since the assets of these plans are not considered assets of the City and are not subject to the claims of the City's general creditors, these plans are not reported in the government-wide or fund financial statements.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the City's OPEB liability, deferred outflows and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plans and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the City's OPEB Plans. For this purpose, the City recognizes benefit payments when due and payable in accordance with the benefit terms and investments are reported at estimated fair value.

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

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

Deferred Outflows and Inflows of Resources

Deferred outflows of resources, represents a consumption of net position or fund balance that applies to future periods; and, therefore, will not be recognized as an outflow of resources (expense/ expenditure) until then. The government-wide and proprietary funds statement of net position reports deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt), which will be amortized over the life of the related debt and amounts related to pensions, including 1) the changes in proportion and differences between actual contributions and proportionate share of contributions related to pensions, which will be amortized over the average expected remaining service life of all employees that are provided with pension benefits, and 2) contributions made subsequent to the measurement date, which will be recognized in the subsequent year.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds balance sheet reports unavailable property tax revenues, which will be recognized as revenue in the period that the amounts become available. The government-wide and proprietary funds statement of net position reports amounts related to pensions, including 1) the differences between expected and actual experience and changes of assumptions, which will be amortized over the average expected remaining service life of all employees that are provided with pension benefits, and 2) the net difference between projected and actual earnings on investments, which will be amortized over five years.

Net Position

In the government-wide and proprietary fund financial statements, net position is reported as 1) net investment in capital assets, 2) restricted, or 3) unrestricted. Net position is reported as restricted when constraints placed on it are either 1) imposed by external parties (such as creditors, grantors, contributors or other governments), or 2) imposed by law through a constitutional provision or enabling legislation.

Fund Balance

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

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

Restricted fund balances have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a resolution or ordinance (both are considered equally binding) of the City Council, which is the City's highest level of decision-making authority. These constraints remain binding unless removed or changed in the same manner used to create the constraints.

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

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

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Prioritization and Use of Available Resources

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

Interfund Activity

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The resulting payables and receivables, which are outstanding at year end, are referred to as due to or from other funds in the fund financial statements. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are reported as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Use of Estimates

Timely preparation of financial statements in conformity with GAAP requires management to make estimates that affect reported amounts. Significant estimates that may change materially in the next year include net pension liabilities, postemployment benefits other than pensions, and related deferred outflows / inflows or resources. The useful lives of capital assets is also a significant estimate that may require revision in future periods.

Note 2. Stewardship and Accountability

Budgets and Budgetary Accounting

The City adopts annual budgets, in accordance with Nevada Revised Statutes (NRS), in which annual budgets are legally adopted by the City Council for all funds except agency funds. Budgeted revenues and appropriations for all fund types are consistent with accounting principles generally accepted in the United States.

On or before April 15, the Finance Director submits a tentative budget for the ensuing fiscal year to the City Council, the Nevada Department of Taxation and the citizens through public hearings. The Nevada Department of Taxation notifies the City Council of whether or not the budget is in compliance with the law and appropriate regulations. Public hearings, at which all changes made to the tentative budget are indicated, are conducted on the third Tuesday in May. The City Council adopts the budget prior to June 1 and submits it to the Nevada Department of Taxation for final approval.

Formal budgetary integration is employed as a management control tool during the fiscal year for all funds. Appropriations and encumbered appropriations lapse at year end.

In accordance with the NRS, actual expenditures may not exceed budgeted appropriations of the various governmental functions, excluding the debt service function, of the general, special revenue, and capital projects funds. Pursuant to NRS 354.626, expenditures in excess of budgeted appropriations are allowed for bond repayments, medium-term obligation repayments, and other long-term contracts expressly authorized by law. The sum of operating and nonoperating expenses in proprietary funds also may not exceed total appropriations.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Per the NRS, the City Manager is authorized to transfer budgeted amounts between functions if the City Council is notified at the next regular meeting and the action is noted in the official minutes. Amendments, which affect the total fund appropriations or transfers between funds, are accomplished through formal City Council approval. Amendments to the adopted budget are made a matter of public record by actions of the City Council. The budgets reflected in the accompanying financial statements have been amended in accordance with the NRS.

Excess of Expenditures over Appropriations

The NRS require that governmental fund budgetary controls be exercised at the function level and that proprietary fund operating and nonoperating expenses not exceed the combined operating and nonoperating expenses budget when the respective fund has a deficit net position.

For the year ended June 30, 2019, depreciation expense exceeded budget causing total expenditures to exceed appropriations for the following funds and/or functions, which are potential violations of the NRS:

Motor Equipment Internal Service Fund	\$ 280,932
---------------------------------------	------------

Tax Abatements

All tax abatement agreements/programs, entered into by the State of Nevada, have been summarized, by type of agreement/program and the gross, accrual basis reduction of the City's taxes for the year ended June 30, 2019 aggregated as follows:

Agreement/program description – Nevada Revised Statutes 360.753 - Partial abatement of certain taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft
Amount abated during the year ended June 30, 2019 – \$17,395
Specific tax being abated – Consolidated tax (sales and use tax)

Agreement/program description – NRS 360.754 - Partial abatement of certain taxes imposed on new or expanded data center
Amount abated during the year ended June 30, 2019 – \$189,366
Specific tax being abated – Consolidated tax (sales and use tax)

Agreement/program description – NRS 701A - Energy-related tax incentives (NRS 701A.110 Partial abatement of certain property taxes for buildings or structures that meet certain standards under Green Building Rating System, NRS 701A.200 Exemption from certain property taxes for qualified energy systems, NRS 701A.210 Partial abatement of certain property taxes for businesses and facilities using recycled material)
Amount abated during the year ended June 30, 2019 – \$156,298
Specific tax being abated – Consolidated tax (sales and use tax)

Agreement/program description – NRS 374.357 - Abatement for eligible machinery or equipment used by certain new or expanded businesses
Amount abated during the year ended June 30, 2019 – \$167,977
Specific tax being abated – Consolidated tax (sales and use tax)

New Accounting Pronouncements (not yet adopted)

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities, effective for periods beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Management has not yet completed its assessment of this statement.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The City manages its investment portfolio in compliance with the NRS and its adopted Cash and Investment Financial Policy. Pursuant to NRS 355.170, permitted investments include obligations of the U.S. Treasury and agencies, not to exceed 10 years to maturity; negotiable certificates of deposit issued by insured financial institutions, notes or short-term negotiable bonds issued by other Nevada local governments; bankers' acceptances eligible for rediscount with the Federal Reserve Bank that do not exceed 180 days in maturity and 20% of total investments; commercial paper having an A-1 rating or equivalent, not to exceed 270 days to maturity and 20% of total investment; and money market mutual funds invested only in federal government agency securities with an AAA rating or equivalent or in repurchase agreements fully collateralized by such securities. Additionally, the City is permitted to purchase for investment the following securities, with certain limitations: notes, bonds and obligations issued by corporations, collateralized mortgage obligations and asset-backed securities.

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

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

Level 2. Inputs are other observable inputs.

Level 3. Inputs are unobservable.

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

The estimated fair values of the City's U.S. Treasury obligations, U.S. government-sponsored securities (excluding U.S. Agency securities), money market mutual funds and certificates of deposit are based on quoted market prices provided by recognized broker dealers (Level 1 inputs). The estimated fair value of its U.S. Agency securities is based on a matrix pricing model that maximizes the use of observable inputs for similar securities as provided by recognized broker dealers (Level 2 inputs). The estimated fair value of the City's Local Government Investment Pool investment is based on the City's proportionate share of the value of the pooled investments (Level 3 inputs).

Interest Rate Risk

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

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

At June 30, 2019, the City had the following investment types and maturities:

	Reported Amount (Fair Value)	Investment Maturities (In Years)	
		Less Than One	One to Four
U.S. Treasury securities	\$ 80,693,516	\$ 38,429,223	\$ 42,264,293
U.S. government-sponsored securities	20,920,331	8,431,454	12,488,877
Money market mutual funds	54,968,864	54,968,864	
Local government investment pool	249,230,370	249,230,370	
Certificates of deposit	1,300,000	1,300,000	
Total investments	\$ 407,113,081	\$ 352,359,911	\$ 54,753,170

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. One of the ways that the City manages its credit risk is by purchasing investment securities that are rated AAA.

At June 30, 2019, the credit rating for each investment type was as follows:

	Reported Amount (Fair Value)	AAA or AA+	Not Required to be Rated	Unrated
U.S. Treasury securities	\$ 80,693,516	\$	\$ 80,693,516	\$
U.S. government-sponsored securities	20,920,331	20,920,331		
Money market mutual funds	54,968,864	54,968,864		
Local government investment pool	249,230,370			249,230,370
Certificates of deposit	1,300,000			1,300,000
Total investments	\$ 407,113,081	\$ 75,889,195	\$ 80,693,516	\$ 250,530,370

Custodial Credit Risk

For deposits, this is the risk that in the event of a bank failure, the entity's deposits may not be returned to it. Pursuant to NRS 356.005, local governments may deposit public money in any insured state or national bank, in any insured credit union or in any insured savings and loan association; however, the NRS does not specifically require collateral for demand deposits. The City's demand deposits were covered at year end by the Federal Depository Insurance Corporation (FDIC) up to \$250,000 for each financial institution with which the City has demand deposit accounts.

At June 30, 2019, the City's cash deposits in financial institutions was \$13,891,391 and the carrying value was \$8,798,882. The City participates in a collateral pool for public deposits program administered by the State Treasurer. The program serves as an alternative method to allow financial institutions and local government agencies within the State to participate in a pooled collateralization of their deposits in an efficient and cost effective manner. The program provides for centralized reporting, processing and management of all pledged collateral through the State Treasurer's Office. The State Treasurer requires that acceptable securities pledged as collateral be maintained at 102% of those entities' deposits participating in the pool and that the pledged securities be held by a third party for the benefit of the State Treasurer. As such, at year end the FDIC covered \$250,000 and the remaining \$12,026,764 was secured by the State Treasurer's pooled collateral program at 102%.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

For investments, this is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party.

At June 30, 2019, the City's individual investments in U.S. Treasuries, U.S. government-sponsored securities and federal agencies were held in the City's name either by the City's contracted external investment manager or the counterparty to the transaction's trust department.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities.

Investments in any one investment type that represent 5% or more of total investments at June 30, 2019, were as follows:

	Percentage of Portfolio
U.S. Treasury securities	19.82 %
U.S. government-sponsored securities	5.14 %
Money market mutual funds	13.50 %
Local government investment pool	61.22 %
Certificates of deposit	0.32 %

Capital Assets

For the year ended June 30, 2019, capital asset activity was as follows:

	Balance July 1, 2018	Increases and transfers *	Decreases and transfers *	Transfers	Balance June 30, 2019
Governmental activities					
Capital assets not being depreciated or amortized					
Construction in progress	\$ 62,562,077	\$ 32,772,878	\$ (1,649)	\$ (61,290,720)	\$ 34,042,586
Land	199,868,348	1,156,358			201,024,705
Total capital assets not being depreciated or amortized	262,430,425	33,929,236	(1,649)	(61,290,720)	235,067,291
Capital assets being depreciated or amortized					
Buildings and building improvements	218,997,648				218,997,648
Improvements other than buildings	114,261,422	19,522		5,150,120	119,431,064
Infrastructure	1,248,529,777	14,485,383	(426,061)	55,743,316	1,318,332,415
Machinery, equipment and software	92,164,963	6,322,038	(1,230,495)	397,284	97,653,790
Total capital assets being depreciated or amortized	1,673,953,810	20,826,943	(1,656,556)	61,290,720	1,754,414,917

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Increases and transfers *	Decreases and transfers *	Transfers	Balance June 30, 2019
Accumulated depreciation and amortization					
Buildings and building improvements	\$ (61,589,096)	\$ (5,276,552)	\$	\$	\$ (66,865,648)
Improvements other than buildings	(41,671,875)	(4,654,811)			(46,326,685)
Infrastructure	(477,383,643)	(45,961,013)			(523,344,656)
Machinery, equipment and software	(77,741,297)	(3,446,330)	1,230,495		(79,957,132)
Total accumulated depreciation and amortization	<u>(658,385,911)</u>	<u>(59,338,706)</u>	<u>1,230,495</u>		<u>(716,494,121)</u>
Total capital assets being depreciated or amortized, net	<u>1,015,567,899</u>	<u>(38,511,763)</u>	<u>(426,061)</u>	61,290,720	<u>1,037,920,796</u>
Total governmental activities	<u>\$ 1,277,998,324</u>	<u>\$ (4,582,527)</u>	<u>\$ (427,710)</u>	<u>\$</u>	<u>\$ 1,272,988,087</u>

* Includes transfers from and to proprietary funds, if any.

	Balance July 1, 2018	Increases and transfers *	Decreases and transfers *	Transfers	Balance June 30, 2019
Business-type activities					
Capital assets not being depreciated or amortized					
Construction in progress	\$ 15,307,898	\$ 21,624,710	\$	\$ (16,439,935)	\$ 20,492,673
Land	<u>3,527,756</u>				<u>3,527,756</u>
Total capital assets not being depreciated or amortized	<u>18,835,654</u>	<u>21,624,710</u>		<u>(16,439,935)</u>	<u>24,020,429</u>
Capital assets being depreciated or amortized					
Buildings and building improvements	95,489,888				95,489,888
Improvements other than buildings	67,131,276				67,131,276
Infrastructure	505,630,391	3,507,142		13,737,542	522,875,075
Machinery, equipment and software	<u>12,003,531</u>	<u>1,822,638</u>	<u>(91,668)</u>	<u>2,702,393</u>	<u>16,436,894</u>
Total capital assets being depreciated or amortized	<u>680,255,086</u>	<u>5,329,780</u>	<u>(91,668)</u>	<u>16,439,935</u>	<u>701,933,133</u>
Accumulated depreciation and amortization					
Buildings and building improvements	(19,117,748)	(2,508,666)			(21,626,414)
Improvements other than buildings	(30,034,032)	(1,735,107)			(31,769,139)
Infrastructure	(188,445,501)	(15,135,019)			(203,580,520)
Machinery, equipment and software	<u>(8,514,415)</u>	<u>(1,125,239)</u>	<u>91,668</u>		<u>(9,547,986)</u>
Total accumulated depreciation and amortization	<u>(246,111,696)</u>	<u>(20,504,031)</u>	<u>91,668</u>		<u>(266,524,059)</u>
Total capital assets being depreciated or amortized, net	<u>434,143,390</u>	<u>(15,174,251)</u>		<u>16,439,935</u>	<u>435,409,074</u>
Total business-type activities	<u>\$ 452,979,044</u>	<u>\$ 6,450,459</u>	<u>\$</u>	<u>\$</u>	<u>\$ 459,429,503</u>

* Includes transfers from and to governmental funds, if any.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

For the year ended June 30, 2019, charges, by function, for depreciation expense were as follows:

Governmental activities		
General government	\$	44,355,819
Judicial		76,690
Public safety		2,787,348
Public works		9,768,283
Culture and recreation		2,337,695
Community support		<u>12,871</u>
Total depreciation expense, governmental activities	\$	<u><u>59,338,706</u></u>
Business-type activities		
Wastewater	\$	14,094,025
Water		6,183,649
Municipal golf courses		<u>226,357</u>
Total depreciation expense, business-type activities	\$	<u><u>20,504,031</u></u>

Interfund Transfers

Transfers of unrestricted revenues collected in various funds are used to finance various programs and expenditures accounted for in other funds in accordance with budgetary authorization. For the year ended June 30, 2019, interfund transfers were as follows:

Transfer In Fund	Transfer Out Fund	Amount
General Fund	Wastewater Utility Enterprise Fund	\$ 6,867,182
	Water Utility Enterprise Fund	857,209
	Aggregate Other Governmental Funds	28,539
Aggregate Other Governmental Funds	General Fund	11,605,425
	Public Safety Tax Special Revenue Fund	285,900
	Aggregate Other Governmental Funds	12,514,100
	Internal Service	220,000
Non-Major Enterprise Fund	General Fund	<u>330,000</u>
		<u><u>\$ 32,708,355</u></u>

During fiscal year 2013, the City transferred approximately \$24.0 million from the wastewater and water utility enterprise funds to the general fund as payment in lieu of taxes, franchise fees and general overhead charges. During the 76th legislative session in 2011, Nevada Assembly Bill 471, amending NRS 354.613, was passed. This law requires municipalities making such transfers to eliminate any amounts in excess of actual costs by 2021.

Depending on the timing and amounts of these reductions in transfers required to support general fund operations, the City may fall below the statutory minimum operating fund balance of 4% and be required to enter into supervised fiscal receivership by the Nevada Department of Taxation under NRS 354.685.

Long-term Liabilities

Internal service funds predominantly serve the governmental funds; accordingly, long-term liabilities for these funds are included in the following table as part of governmental activities.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Long-term liabilities activity for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Due Within One Year
Governmental activities					
General obligation bonds					
\$32,500,000 2003 Judicial/Public Safety Facilities bonds due in annual installments through March 2023; interest varies between 3% and 5%	\$ 4,885,000		\$ (4,885,000)		\$
\$105,000,000 2006 Civic Center Facilities bonds due in annual installments through May 2036; interest varies between 4.25% and 5%	92,905,000		(92,905,000)		
\$7,630,000 2007A Judicial/Public Safety Facilities refunding bonds due in annual installments beginning May 2017 through May 2023; interest is at 4.15%	7,480,000		(7,480,000)		
\$3,145,000 2010 Library District medium-term refunding bonds due in annual installments through April 2020; interest is at 4.38%	890,000		(435,000)	455,000	455,000
\$17,090,000 2010 Building Projects medium-term refunding bonds due in annual installments beginning July 2013 through July 2020; interest is at 4.18%	7,475,000		(2,390,000)	5,085,000	2,490,000
\$27,070,000 2011 Building Projects refunding bonds due in annual installments beginning June 2016 through June 2036; interest varies between 3% and 5%	25,655,000		(1,045,000)	24,610,000	1,080,000
\$99,655,000 2018 Building Refunding bonds due in annual installments beginning June 2020 through June 2041; interest varies between 4% and 5%		99,655,000		99,655,000	1,700,000
Total general obligation bonds	<u>139,290,000</u>	<u>99,655,000</u>	<u>(109,140,000)</u>	<u>129,805,000</u>	<u>5,725,000</u>
Unamortized bond premiums	<u>2,029,544</u>	<u>5,275,608</u>	<u>(2,203,465)</u>	<u>5,101,687</u>	
Unamortized bond discounts	<u>(197,320)</u>		<u>19,400</u>	<u>(177,920)</u>	
Compensated absences	<u>34,687,272</u>	<u>14,935,478</u>	<u>(13,145,930)</u>	<u>36,476,820</u>	<u>3,058,140</u>
Postemployment benefits other than pensions	<u>36,470,539</u>	<u>4,533,075</u>		<u>41,003,614</u>	

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Due Within One Year
Net pension liability	\$ 191,381,876	\$ 5,968,418	\$ (4,538,605)	\$ 192,811,689	\$
Total governmental activities	<u>403,661,911</u>	<u>130,367,579</u>	<u>(129,008,600)</u>	<u>405,020,890</u>	<u>8,783,140</u>
Business-type activities					
General obligation/pledged revenue bonds					
\$10,030,000 2005B Water/Wastewater general obligation refunding revenue bonds due in annual installments through August 2019; interest varies between 3.25% and 4%	2,345,000		(1,150,000)	1,195,000	1,195,000
\$140,000,000 2006 General obligation Wastewater reclamation system bonds due in annual installments through October 2036; interest varies between 4% and 5%	62,665,000		(1,925,000)	60,740,000	1,960,000
\$145,000,000 2010A Water/Wastewater improvement bonds (Build America Bonds) due in annual installments beginning June 2015 through June 2040; interest varies between 4.13% and 6.572%	143,485,000		(2,275,000)	141,210,000	2,375,000
\$49,997,958 2017A General obligation Wastewater Reclamation System Refunding bond due in semi-annual installments through July 2036; interest is at 2.21%	49,997,958		(2,214,525)	47,783,433	2,263,736
Maximum \$10,000,000 2018B General obligation (Limited Tax) Wastewater Reclamation System bonds due in semi-annual installments through June 2039; interest is at 2.13%	55,500	614,395		669,895	408,764
Maximum \$11,560,000 2018C General obligation (Limited Tax) Water bond due in semi-annual installments through June 2039; interest is at 2.13%	58,620	996,660		1,055,280	240,656
Maximum \$23,700,000 2018D General obligation (Limited Tax) Water/Wastewater bonds due in semi- annual installments through July 2039; interest is at 2.59%		<u>8,562,904</u>		<u>8,562,904</u>	<u>500,000</u>
Total general obligation/pledged revenue bonds	<u>258,607,078</u>	<u>10,173,959</u>	<u>(7,564,525)</u>	<u>261,216,512</u>	<u>8,943,156</u>

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Due Within One Year
Notes payable					
\$7,000,000 medium-term financing due in quarterly installments through July 2022; interest is at 2% beginning April 2015	\$ <u>1,631,172</u>	\$ _____	\$ <u>(1,631,172)</u>	\$ _____	\$ _____
Unamortized bond premiums	<u>1,205,396</u>	_____	<u>(71,896)</u>	<u>1,133,500</u>	_____
Compensated absences	<u>3,881,122</u>	<u>1,391,520</u>	<u>(1,129,497)</u>	<u>4,143,145</u>	<u>347,376</u>
Net pension liability	<u>18,653,868</u>	<u>581,738</u>	<u>(160,241)</u>	<u>19,075,365</u>	_____
Total business-type activities	<u>283,978,636</u>	<u>12,147,217</u>	<u>(10,557,331)</u>	<u>285,568,522</u>	<u>9,290,532</u>
Total long-term liabilities	<u>\$ 687,640,547</u>	<u>\$ 142,514,796</u>	<u>\$ (139,565,931)</u>	<u>\$ 690,589,412</u>	<u>\$ 18,073,672</u>

Postemployment benefits other than pensions are liquidated through the self-insurance reserve internal service fund, which is funded by assessing a flat percentage to each fund based on the fund's gross salaries, plus a flat fee for each employee for health insurance. Compensated absences and net pension liabilities are liquidated by the specific fund incurring the related payroll costs.

At June 30, 2019, annual debt service requirements to maturity were as follows:

For the Year Ended June 30,	Principal	Interest
Governmental activities		
General obligation bonds		
2020	\$ 5,725,000	\$ 5,670,366
2021	5,815,000	5,418,661
2022	3,565,000	5,214,625
2023	3,885,000	5,048,025
2024	4,070,000	4,865,875
2025 - 2029	23,465,000	21,203,425
2030 - 2034	29,710,000	14,955,050
2035 - 2039	36,720,000	7,953,950
2040 - 2044	<u>16,850,000</u>	<u>1,017,600</u>
Total general obligation bonds	<u>129,805,000</u>	<u>71,347,577</u>
Total governmental activities	<u>\$ 129,805,000</u>	<u>\$ 71,347,577</u>

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

For the Year Ended June 30,	Principal	Interest
Business-type activities		
General obligation/pledged revenue bonds		
2020	\$ 8,943,156	\$ 13,055,941
2021	9,742,183	12,857,189
2022	9,638,235	12,456,131
2023	9,645,024	12,046,387
2024	9,994,226	11,619,054
2025 - 2029	54,690,847	50,802,173
2030 - 2034	63,436,742	36,941,969
2035 - 2039	77,466,100	19,718,867
2040 - 2044	17,660,000	1,160,615
Total general obligation/pledged revenue bonds	261,216,513	170,658,326
Total business-type activities	\$ 261,216,513	\$ 170,658,326

New Debt Obligations

On September 11, 2018, the City issued \$99,655,000 in current refunding bonds at interest rates ranging from 4% to 5%. The current refunded bonds totaled \$105,270,000 and consisted of judicial/public safety bonds, series 2003, building bonds, series 2006 and judicial/public safety refunding bonds, series 2007A, all of which had interest rates ranging between 4.15% and 5%. As a result, the City realized an economic gain (present value savings) of approximately \$9.2 million.

On October 2, 2018, the City issued General Obligation Water bonds, Series 2018D in the maximum principal amount of \$23,700,000. The bond was issued as collateral for funding received through the State's Revolving Loan Fund to be used to finance water projects. As of June 30, 2019, the City has drawn \$8,562,904 on the loan.

Component Unit Debt

In 2008, the City and the Library District entered into a cooperative agreement under which the City would design, construct and equip a library facility and the Library District would reimburse the City \$9,500,000, plus interest at 5%, for its costs by making annual interfund transfers through January 2019. Since actual costs to design, construct and equip the library were completed under budget by \$2,500,000, the total to be reimbursed by the Library District to the City is \$7,000,000.

Defeased Debt

The City has defeased debt obligations by placing the proceeds of new debt in irrevocable trust accounts to provide for all future debt service payments on the defeased debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the City's financial statements. At year end, no defeased debt remained outstanding.

Debt Covenants and Legal Debt Margin

Certain long-term liabilities are subject to restrictive debt covenants and the amount of long-term general obligation debt that can be incurred by the City is limited to \$957,768,700 (20% of total assessed property values) by the NRS. Management believes the City to be in compliance with all applicable limitations and restrictions.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Arbitrage Rebate Requirement

The Federal Tax Reform Act of 1986 imposes a rebate requirement with respect to certain long-term debt obligations. Under this Act, an arbitrage amount may be required to be rebated to the United States Treasury for interest on the bonds to qualify for exclusion from gross income for federal income tax purposes. Rebatable arbitrage is computed as of each installment computation date. The arbitrage rebate calculation as of the most recent such date indicates that no amount is due. Future calculations might result in adjustments to this determination.

Special Assessment Debt

The City has issued various special assessments bonds, the proceeds of which have been used to fund specific infrastructure improvements. These bonds do not constitute debt of the City within the meaning of any constitutional or statutory provision or limitation, are not considered a general obligation of the City, and are considered special obligations payable solely from assessments levied in the special assessment districts. Furthermore, the City is not secondarily liable in the case of payment deficiencies. The City uses a fiduciary (agency) fund to account for special assessment revenue collections and repayment of the related debt.

The amount of the refunding and the outstanding balance at June 30, 2019, that is accounted for in a fiduciary (agency) fund follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2019</u>
2016 Special Assessment District 60 (Aliante Development)	June 1, 2016 - December 1, 2022	2.0% to 2.25%	\$ 14,015,000	\$ 7,820,000
2017 Special Assessment District 65 (Northern Beltway Commercial Area)	December 1, 2018 - 2047	2.5% to 3.25%	<u>17,180,000</u>	<u>16,310,000</u>
			<u>\$ 31,195,000</u>	<u>\$ 24,130,000</u>

Segment Information

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

Note 4. Other Information

Construction and Other Commitments

The City has active construction projects as of June 30, 2019. These projects include public safety projects associated with the installation of or upgrade to traffic signals in developing areas; the design, acquisition, construction and improvements of and to various streets and roadways within the City limits; capital improvements associated with parks and recreation buildings and facilities; flood control projects and improvements and general government capital improvement projects.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

At June 30, 2019 the City's construction and other significant commitments were as follows:

	<u>Remaining Commitment</u>
Public Safety Projects	\$ 2,172,545
Capital Projects Street Improvements	2,664,881
Water Utility	1,541,605
Wastewater facilities	1,826,673
Motor equipment	<u>487,762</u>
	<u>\$ 8,693,466</u>

Litigation

In the ordinary course of its operations, claims are filed against the City including, but not limited to those arising from alleged improper actions by employees, police actions and negligence. City management intends to vigorously defend each claim and, although, total damages claimed are substantial, believes that most of these claims will settle for substantially less than the claimed amount, may be partially offset by payments from the City's liability insurance policies, as discussed below under "Risk Management," and will not result in any material adverse future effect on the City's financial position, results of operation, or cash flows.

The City does not accrue for estimated future legal and defense costs, if any, to be incurred in connection with outstanding or threatened litigation and other disputed matters but, rather, records such as period costs when the services are rendered.

Risk Management

The City's operating activities are concentrated in the Las Vegas, Nevada metropolitan area; and, therefore, realization of the City's receivables and its future operations could be affected by an adverse change in the economic conditions in the area.

The City's cash and cash equivalents on deposit with financial institutions are often in excess of federally-insured limits, and the risk of losses related to such concentrations may increase as a result of the economic conditions discussed in the preceding paragraph. The extent of a future loss to be sustained as a result of uninsured deposits in the event of a future failure of a financial institution, if any, however, is not subject to estimation at this time.

The City is exposed to various risks of losses related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these and other risks, the City established the self-insurance internal service fund and purchases commercial insurance coverage for claims in excess of the coverage provided by the self-insurance internal service fund and for other insurable risks of loss. Settled claims have not exceeded this commercial insurance coverage in any of the past three years.

Self-insurance Internal Service Fund

The City reports activity related to liability insurance, workers' compensation and postemployment benefits other than pensions in the self-insurance internal service fund.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Liability insurance - The City maintains its self-insurance fund to cover all liability and property damage claims made or occurring prior to securing its excess liability policy. NRS 41.035 caps the City's tort liability at \$100,000 per claim for causes of action that occurred on or after October 1, 2011. These caps do not apply to civil rights claims against the City in either State or Federal courts.

Workers' compensation - The City maintains a self-insurance fund related to workers' compensation claims. Self-insurance is in effect up to an individual self insured retention (SIR) amount of \$2,500,000 per claim for all employees. The City maintains coverage from private insurers for losses in excess of the stop-loss amount up to \$1,000,000 per accident.

Postemployment benefits other than pensions - Includes all activity for unemployment compensation, postemployment benefits other than pensions and employee separation leave benefits. The City reimburses the State for the actual costs of unemployment compensation claims on a quarterly basis. Earned but unused leave benefits are distributed to employees at separation from City employment. Postemployment benefits other than pensions liabilities and payments are based on an actuarial valuation (see additional detailed information in the Postemployment Benefits Other Than Pensions (OPEB) section below).

For the fiscal years ended June 30, 2017, 2018 and 2019, changes in claims liability amounts were as follows:

	Claims Liability, Beginning Balance	Claims Incurred and Changes in Estimate	Claims Paid	Claims Liability, Ending Balance
For the year ended June 30, 2017				
Liability insurance	\$ 2,616,789	\$ 2,610,539	\$ (3,057,957)	\$ 2,169,371
Worker's compensation	10,882,873	265,072	3,890,552	15,038,497
Postemployment benefits other than pensions	15,305,563	18,436,609		33,742,172
Unemployment compensation and employee separation leave benefits		4,314,010	(4,314,010)	
	\$ 28,805,225	\$ 25,626,230	\$ (3,481,415)	\$ 50,950,040
For the year ended June 30, 2018				
Liability insurance	\$ 2,169,371	\$ (658,980)	\$ (981,623)	\$ 528,768
Worker's compensation	15,038,497	3,991,060	2,180,156	21,209,713
Postemployment benefits other than pensions	33,742,172	2,728,367		36,470,539
Unemployment compensation and employee separation leave benefits		3,923,854	(3,923,854)	
Note: Benefits increased \$16,330,033 due to implementation of GASB 75				
	\$ 50,950,040	\$ 9,984,301	\$ (2,725,321)	\$ 58,209,020
For the year ended June 30, 2019				
Liability insurance	\$ 528,768	\$ 1,441,112	\$ (1,119,349)	\$ 850,531
Worker's compensation	21,209,713	(2,355,150)	2,327,266	21,181,829
Postemployment benefits other than pensions	36,470,539	4,533,075		41,003,614
Unemployment compensation and employee separation leave benefits		(3,271,854)	3,271,854	
	\$ 58,209,020	\$ 347,183	\$ 4,479,771	\$ 63,035,974

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Multiple-Employer Cost-Sharing Defined Benefit Pension Plan

The City's employees are covered by the Public Employees' Retirement System of Nevada (PERS), which was established by the Nevada Legislature in 1947, effective July 1, 1948, and is governed by the Public Employees Retirement Board (the PERS Board) whose seven members are appointed by the governor. The City does not exercise any control over PERS. In addition, NRS 286.110 states, "Respective participating public employers are not liable for any obligation of the system." Yet, in accordance with GASB, the City records its proportionate share of PERS' unfunded liabilities.

PERS is a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. PERS is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the system on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, there is a 2.5% multiplier for all years of service. Regular members entering PERS on or after July 1, 2015, have a 2.25% multiplier. PERS offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

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

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

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

For members entering the system on or after January 1, 2010, and before July 1, 2015, the post-retirement increases are the same as above, except that the increases do not exceed 4% per year. For members with an effective date of membership on or after July 1, 2015, the post-retirement increases are 2% per year following the third anniversary of the commencement of benefits, 2.5% per year following the sixth anniversary, the lesser of 3% or the CPI for the preceding calendar year following the ninth anniversary.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 62 with ten years of service, at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

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

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

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

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

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

For the fiscal year ended June 30, 2017, the required employer/employee matching rate was 14.50% for regular and 20.75% for police/fire members. The EPC rate was 28.00% for regular and 40.50% for police/fire members.

PERS issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplemental information. This report is available on the PERS website, www.nvpers.org under publications.

PERS collective net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. For this purpose, certain actuarial valuation assumptions are stipulated by GASB and may vary from those used to determine the prospective funding contribution rates.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The total PERS pension liability was determined using the following actuarial assumptions (based on the results of an experience review completed in 2017), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2018
Inflation rate	2.75%
Payroll growth	5%, including inflation
Investment rate of return	7.50%
Discount rate	7.50%
Productivity pay increase	0.50%
Consumer price index	2.75%
Actuarial cost method	Entry age normal and level percentage of payroll
Projected salary increases	Regular: 4.25% to 9.15% based on years of service Police/Fire: 4.55% to 13.90%, depending on service Rates include inflation and productivity increases

At June 30, 2018, assumed mortality rates and projected life expectancies for selected ages were as follows:

<u>Age</u>	<u>Mortality Rates</u>		<u>Expected Years of Life Remaining</u>	
	<u>Males</u>	<u>Females</u>	<u>Males</u>	<u>Females</u>
40	0.20 %	0.14 %	40.4	43.6
50	0.49 %	0.38 %	31.4	34.5
60	0.90 %	0.59 %	23.2	25.9
70	1.81 %	1.26 %	15.6	17.7
80	4.55 %	3.42 %	9.1	10.5

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

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

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

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

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

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

PERS's policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of PERS. The following target asset allocation policy was adopted as of June 30, 2018:

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

* These geometric return rates are combined to produce the long-term expected rate of return by adding the long-term expected inflation rate of 2.75%.

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified by NRS. Based on that assumption, PERS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments (7.5%) was applied to all periods of projected benefit payments to determine the total pension liability.

The City's proportionate share of the net pension liability at the actuarial valuation date using the selected discount rate of 7.5%, and the estimated liability if the rate varied by 1% follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Net pension liability	\$ 323,119,181	\$ 119,459,634	\$ 211,887,053

The City's proportionate share of the collective net pension liability of PERS at the actuarial valuation date was 1.55368%. The City's relative contributions for the related fiscal year was used to determine its proportionate share. Detailed information about PERS fiduciary net position is available in the PERS Comprehensive Annual Financial Report, available on the PERS website, www.nvpers.org under publications. PERS fiduciary net position and additions to/deductions from it have been determined on the same basis used in the PERS Comprehensive Annual Financial Report. PERS financial statements are prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental accounting for fiduciary funds. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the period ending on the actuarial valuation date, the City's pension expense was \$8,746,328 and its reported deferred outflows and inflows of resources related to pensions as of June 30, 2019, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,637,828	\$ 9,835,197
Changes of assumptions	11,165,107	
Net difference between projected and actual earnings on investments		1,008,789
Changes in proportion and differences between actual contributions and proportionate share of contributions		28,244,319
Contributions made subsequent to the measurement date	15,328,953	

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

At the actuarial valuation date, the average expected remaining service life was 6.22 years.

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$15,328,953 will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>For the Year Ended June 30,</u>	
2020	\$ (14,834,324)
2021	(3,950,921)
2022	10,169,922
2023	(5,503,912)
2024	(6,310,446)
Thereafter	(855,688)

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

Net pension liability, beginning of year	\$ 210,035,744
Pension expense	6,550,155
Employer contributions	(14,413,495)
Net new deferred inflows and outflows of resources	<u>9,714,650</u>
Net pension liability, end of year	\$ <u><u>211,887,054</u></u>

Accrued salaries and benefits as of June 30, 2019 includes \$3,030,474 payable to PERS for required contributions relating to the last month of that fiscal year.

Teamsters Security Fund for Southern Nevada

The City participates in the Teamsters Security Fund for Southern Nevada, a cost-sharing multiple-employer defined benefit plan that covers the City's International Brotherhood of Teamsters employees (the Teamsters Plan).

The Teamsters Plan is available to active and retired employees represented by the International Brotherhood of Teamsters and is a preferred provider organization (PPO) and administered by Zenith Administrators, Inc. The Teamsters Plan is a welfare benefit plan that provides hospital, medical, prescription, dental, vision, life and accidental death and dismemberment insurance. Financial statements for the Teamsters Plan can be obtained by writing Zenith Administrators, Inc., 101 Convention Center Drive, Suite 600, Las Vegas, Nevada, 89109 or Teamsters Local Union 14, Teamsters Security Fund for Southern Nevada, 1250 S. Burnham Avenue, Las Vegas, Nevada, 89104.

The Teamsters Plan is financed by employer contributions pursuant to collective bargaining agreements, interest earned on the investment of reserve funds and through voluntary contributions of participants to retain eligibility. For the year ended June 30, 2019, the City contributed \$900 per month for each active employee represented by the International Brotherhood of Teamsters.

No contributing employer has liability, directly or indirectly, to provide the benefits established under the Teamsters Plan beyond the obligation to make contributions as stipulated in the respective collective bargaining agreement. The Teamsters Plan clearly states that benefits are not guaranteed to always be available and that events may occur that force the trustees of the Teamsters Plan to change, reduce and/or eliminate the Teamsters Plan altogether.

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

The number of eligible employees, annual covered payroll and amounts contributed were as follows:

For the Year Ended June 30,	Number of Eligible Employees	Annual Covered Payroll	Required Contribution and Amount Contributed
2017	483	\$ 34,541,474	\$ 4,325,754
2018	470	36,128,944	4,781,724
2019	485	37,926,799	5,182,338

International Associations of Fire Fighters

Effective August 1, 2012, the City's fire department employees began participating in a benefit plan administered by the North Las Vegas Fire Fighters Union Health and Welfare Trust (the "Fire Fighters Trust"). The City has no liability, directly or indirectly, to fund future benefits to participants in the plan beyond the obligation to make contributions as stipulated in the respective bargaining agreements. However, the defined contribution plan is treated like a defined benefit plan for accounting purposes because costs are not shared among multiple employers and contributions received by the Fire Fighters Trust are not assigned solely to, and for the benefit of, active employees.

Plan benefits include medical, prescription, dental and vision coverage for its participants. Financial statements for the plan can be obtained by writing North Las Vegas Fire Fighters Union Health and Welfare Trust, 11700 West Charleston Boulevard, Suite 170-182, Las Vegas, NV 89135.

For the year ended June 30, 2019, the City contributed \$1,100 per month for each active employee represented by the Fire Fighters Trust.

The number of eligible employees, annual covered payroll and amounts contributed were as follows:

For the Year Ended June 30,	Number of Eligible Employees	Annual Covered Payroll	Required Contribution and Amount Contributed
2017	175	\$ 18,171,799	\$ 2,075,350
2018	166	19,997,185	2,181,575
2019	168	20,192,120	2,250,600

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Postemployment Benefits Other Than Pensions (OPEB)

Aggregate Balances

At June 30, 2019, the City's aggregate OPEB plan balances were as follows:

	<u>Public Employee Benefit Program</u>	<u>City of North Las Vegas Health Care Plan</u>	<u>City of North Las Vegas IAFF Plan</u>	<u>Aggregate Total</u>
Net OPEB assets administered through a qualifying trust	None	None	None	None
Net unamortized deferred outflows of resources related to OPEB	\$ 9,156,741	\$ 1,665,207	\$ 8,368,077	\$ 1,665,207
Total OPEB liability	9,156,741	23,478,796	8,368,077	41,003,614
Net unamortized deferred inflows of resources related to OPEB				
OPEB expense	1,829,434	1,912,420	849,770	4,591,624

Plan Information

In accordance with NRS, the City provides other postemployment benefits to eligible retirees through the following plans:

The City of North Las Vegas Plan (Healthcare Plan), which offers two plan options, a fully-insured health maintenance organization (HMO) plan or UnitedHealthcare, which is a self-insured tiered preferred provider organization (PPO).

The Nevada Public Employee Benefit Program (PEBP), a multiple-employer cost sharing plan, administered by a ten member governing board appointed by the Governor, including an Executive Officer who directs the program and serves at the pleasure of the Board.

Both plans provide healthcare, prescription, dental, vision and life insurance benefits. Eligible pre-Medicare retirees that are not eligible for PEBP, can receive coverage through the Healthcare Plan. Eligibility and contribution requirements for the Healthcare Plan and the Life Insurance are established by and may be amended by the City Council. Only employees covered under the PEBP receive subsidy from the City. Premiums for City offered life and health insurance, except PEBP are paid by retirees. The City is responsible for health claims for retired unrepresented and police employees based on the retiree's choice of plan.

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

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

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

City of North Las Vegas
Finance Department
2250 North Las Vegas Boulevard
North Las Vegas, NV 89030
(702) 633-1000

PEBP eligibility and subsidy requirements are governed by the NRS and can only be amended through legislation. In 2008, the NRS were amended and as a result of this amendment, the number of retirees for whom the City is obligated to provide postemployment benefits is limited to eligible employees who retired from City service prior to December 1, 2008. No future retirees are eligible for this benefit.

The City is required to provide a subsidy, based on years of service for a closed group of its retirees that have enrolled in PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. In fiscal year 2018, the maximum subsidy paid per participant was \$756 per month.

Benefit provisions for the City Plan are established pursuant to NRS 287 and amended by the City's eight member Insurance Committee, which includes representation from the various participating employee groups. Eligible retirees are able to participate in the plan at the same rates as active employees. Effective January 1, 2014, eligible retirees participating in the City Plan receive a graduated benefit of lower monthly premiums based on years of full service with the City, with a maximum monthly benefit of \$500. This benefit will be reduced by 50% for Medicare eligible retirees, who can no longer participate in the City's Plan.

The City's Insurance Committee reviews and determines the plan contribution requirements and the plan options. Contribution amounts differ depending on the selected plan and range from \$1,134 to \$1,323 per month. Retiree loss experience is pooled with active employee loss experience for the purpose of setting rates and the difference between the true claims cost and the blended rate creates an implicit rate subsidy from the City.

At June 30, 2019, employees covered by OPEB benefit terms consisted of:

Active members
Inactive employees currently receiving benefit payments
Inactive employees entitled to, but not yet receiving benefit payments

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

Assumptions and Other Inputs

The total OPEB liability was determined using the following actuarial assumptions (based on the results of an experience review completed in 2018), applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2019
Measurement date	June 30, 2019
Inflation rate	2.75% per annum
Salary changes	4.00% per annum
Discount rate	2.79% per annum as of June 30, 2019
Discount rate source	Municipal Bond Index
Postemployment benefit changes	None
Benefit-related costs shared with inactive employees	Required to contribute 100% of premium equivalent rates
Actuarial cost method	Entry Age Normal based on level percentage of projected salary
Healthcare cost trend rates	6.50% per annum, decreasing 0.25% per year to an ultimate rate of 5%

Mortality rates are based on the RP-2014 generational table scaled using MP-17 and applied on a gender-specific basis.

Changes in the assumptions and other inputs that affected the measurement of the City's total OPEB liability during the period ended June 30, 2019, were as follows:

Discount rates for the years ended June 30, 2019 and 2018 were 2.79% and 2.92%, respectively.

There were no changes in OPEB benefit terms that affected the measurement of the City's total OPEB liability during the period ended June 30, 2019.

The City's total OPEB liability at June 30, 2019, calculated using the discount rate of 2.79%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower (1.79%) or 1.00% higher (3.79%) than the current discount rate was as follows:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Total OPEB liability	\$ 47,260,576	\$ 41,003,614	\$ 35,939,154

The City's total OPEB liability at June 30, 2019, calculated using the healthcare trend rate of 6.50% decreasing to 4.50%, as well as what the City's total OPEB liability would be if it were calculated using a healthcare trend rate that is 1.00% lower (5.50% decreasing to 3.50%) or 1.00% higher (7.50% decreasing to 5.50%) than the current healthcare trend rate was as follows:

	1% Decrease in Healthcare Trend Rate	Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Total OPEB liability	\$ 35,090,444	\$ 41,003,614	\$ 49,786,531

(Continued)

CITY OF NORTH LAS VEGAS

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

At June 30, 2019, changes in the City's total OPEB liability were as follows:

	Public Employee Benefit Program	City of North Las Vegas Health Care Plan	City of North Las Vegas IAFF Plan	Aggregate Total
Service cost	\$	\$ 1,145,037	\$ 537,808	\$ 1,682,845
Interest on total OPEB liability	557,813	664,421	214,200	1,436,434
Changes in benefit terms	221,008			221,008
Differences between expected and actual experience		(3,606,797)	(114,161)	(3,720,958)
Changes of assumptions or other inputs	1,050,613	3,888,306	964,534	5,903,453
Benefit payments	<u>(482,946)</u>	<u>(442,539)</u>	<u>(64,222)</u>	<u>(989,707)</u>
Net change in total OPEB liability	1,346,488	1,648,428	1,538,159	4,533,075
Total OPEB liability, beginning of year	<u>7,810,253</u>	<u>21,830,368</u>	<u>6,829,918</u>	<u>36,470,539</u>
Total OPEB liability, end of year	<u>\$ 9,156,741</u>	<u>\$ 23,478,796</u>	<u>\$ 8,368,077</u>	<u>\$ 41,003,614</u>

The OPEB liability, beginning of year has been restated for the effects of implementing GASB 75. For the period ended June 30, 2019, the City's OPEB expense was \$2,899,611 and its reported deferred outflows and inflows of resources related to OPEB as of June 30, 2019, were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions and other inputs	\$ 611,496	\$

Since this is the transition year (GASB 45 to GASB 75), there are no deferred outflows of resources related to OPEB.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in employee benefit expense as follows:

<u>For the Year Ended June 30,</u>	
2020	\$ 200,724
2021	200,724
2022	200,724
2023	200,724
2024	200,724
Thereafter	661,587

Subsequent Events

On July 18, 2019, the City issued \$55,430,000 in current refunding bonds at interest rates ranging from 3% to 5%. The current refunded bonds totaled \$60,740,000 and consisted of wastewater reclamation system bonds, series 2006, which had interest rates ranging between 4.25% and 5%. As a result, the City realized an economic gain (present value savings) of approximately \$10.6 million.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF NORTH LAS VEGAS

**POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2019 AND LAST NINE FISCAL YEARS¹**

	<u>Service Cost</u>	<u>Interest on Total OPEB Liability</u>	<u>Changes in Benefit Terms</u>	<u>Differences Between Expected and Actual Experience</u>	<u>Changes in Assumptions or Other Inputs</u>	<u>Benefit Payments</u>	<u>Net Change in Total OPEB Liability</u>	<u>Total OPEB Liability, Beginning of Year</u>	<u>Total OPEB Liability, End of Year</u>	<u>Covered- Employee Payroll</u>	<u>Total OPEB Liability, End of Year as a Percentage of Covered- Employee Payroll</u>
Public Employee Benefit Program 2019	\$	\$ 557,813	\$ 221,008	\$	\$ 1,050,613	\$ (482,946)	\$ 1,346,488	\$ 7,810,253	\$ 9,156,741	\$ ²	% ²
City of North Las Vegas Health Care Plan ³ 2019	1,145,037	664,421		(3,606,797)	3,888,306	(442,539)	1,648,428	21,830,368	23,478,796	37,926,799	61.91 %
City of North Las Vegas IAFF Plan 2019	537,808	214,200		(114,161)	964,534	(64,222)	1,538,159	6,829,918	8,368,077	20,192,120	41.44 %

1. Information for Postemployment Benefits Other Than Pension is not available for years prior to the year ended June 30, 2018. As additional information becomes available, this schedule will ultimately present information for the ten most recent fiscal years.

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

3. No assets have been placed in a trust.

CITY OF NORTH LAS VEGAS

MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY INFORMATION FOR THE YEAR ENDED JUNE 30, 2018 AND LAST NINE FISCAL YEARS¹

<u>For the Year Ended June 30,</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Proportion of the Collective Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportion of the Collective Net Pension Liability as a Percentage of Covered Employee Payroll</u>	<u>PERS Fiduciary Net Position as a Percentage of Total Pension Liability</u>
2015	1.81342 %	\$ 207,807,801	\$ 82,840,577	250.85267 %	75.12612 %
2016	1.73324 %	233,244,954	84,120,151	277.27596 %	72.22995 %
2017	1.57923 %	210,035,744	82,004,732	256.12637 %	74.22995 %
2018	1.55368 %	211,887,053	86,597,061	244.68158 %	75.23536 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.
2. Covered payroll is presented in accordance with the guidance in GASB 82, Pension Issues - An Amendment of GASB Statements No. 67, 68, and 73.

CITY OF NORTH LAS VEGAS

MULTIPLE-EMPLOYER COST-SHARING DEFINED BENEFIT PENSION PLAN PROPORTIONATE SHARE OF STATUTORILY REQUIRED CONTRIBUTION INFORMATION FOR THE YEAR ENDED JUNE 30, 2019 AND LAST NINE FISCAL YEARS¹

<u>For the Year Ended June 30,</u>	<u>Statutorily Required Contribution</u>	<u>Contributions in relation to the Statutorily Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
2016	\$ 29,296,433	\$ 29,296,433	\$	\$ 84,120,151	34.82643 %
2017	28,321,402	28,321,402		82,004,732	34.53630 %
2018	29,781,992	29,781,992		86,597,061	34.39146 %
2019	30,761,507	30,761,507		91,174,167	33.73928 %

1. Information for the multiple-employer cost-sharing defined benefit pension plan is not available for years prior to the year ended June 30, 2014. As becomes available this schedule will ultimately present information for the ten most recent fiscal years.
2. Covered payroll is presented in accordance with the guidance in GASB 82, Pension Issues - An Amendment of GASB Statements No. 67, 68, and 73.

CITY OF NORTH LAS VEGAS

GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

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

CITY OF NORTH LAS VEGAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Property taxes	\$ 9,489,000	\$ 9,489,000	\$ 9,423,676	\$ (65,324)
Franchise fees	22,165,938	22,165,938	22,657,205	491,267
Licenses and permits	20,002,094	28,002,094	31,583,299	3,581,205
Charges for services	6,769,371	11,169,371	11,639,615	470,244
Intergovernmental consolidated taxes	57,703,085	60,003,085	61,192,352	1,189,267
Intergovernmental	4,056,430	4,103,853	4,111,414	7,561
Fines and forfeitures	3,575,500	3,575,500	5,360,539	1,785,039
Contributions	100	5,600	20,500	14,900
Rents and royalties	700,000	700,000	834,465	134,465
Investment income	1,000,000	3,600,000	8,532,466	4,932,466
Miscellaneous	245,110	870,110	1,814,333	944,223
Total revenues	125,706,628	143,684,551	157,169,864	13,485,313
EXPENDITURES				
General government				
Legislative				
Salaries and wages	410,614	410,614	421,387	(10,773)
Employee benefits	334,771	334,771	266,402	68,369
Services and supplies	133,837	229,337	87,112	142,225
Total legislative	879,222	974,722	774,901	199,821
Executive				
Salaries and wages	677,164	667,330	666,665	665
Employee benefits	420,627	411,028	373,119	37,909
Services and supplies	421,075	330,682	225,945	104,737
Total executive	1,518,866	1,409,040	1,265,729	143,311
City attorney				
Salaries and wages	1,458,968	1,458,968	1,407,090	51,878
Employee benefits	863,801	863,801	830,620	33,181
Services and supplies	377,241	424,664	233,676	190,988
Total city attorney	2,700,010	2,747,433	2,471,386	276,047
City clerk				
Salaries and wages	352,808	352,808	355,883	(3,075)
Employee benefits	207,212	207,212	208,440	(1,228)
Services and supplies	493,414	493,414	464,926	28,488
Capital outlay			6,000	(6,000)
Total city clerk	1,053,434	1,053,434	1,035,249	18,185
Finance				
Salaries and wages	2,338,317	2,158,293	2,055,642	102,651
Employee benefits	1,421,778	1,301,762	1,251,225	50,537
Services and supplies	513,990	516,990	448,039	68,951
Total finance	4,274,085	3,977,045	3,754,906	222,139
Planning				
Salaries and wages	821,718	821,718	734,226	87,492
Employee benefits	445,768	445,768	396,596	49,172
Services and supplies	161,035	151,995	117,625	34,370
Total planning	1,428,521	1,419,481	1,248,447	171,034

(Continued)

CITY OF NORTH LAS VEGAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
Other				
Salaries and wages	4,326,265	4,290,265	3,945,797	344,468
Employee benefits	2,366,455	12,511,812	10,535,627	1,976,185
Services and supplies	6,644,274	5,264,295	8,693,617	(3,429,322)
Capital outlay	65,000	365,000	147,175	217,825
Total other	<u>13,401,994</u>	<u>22,431,372</u>	<u>23,322,216</u>	<u>(890,844)</u>
Total general government	<u>25,256,132</u>	<u>34,012,527</u>	<u>33,872,834</u>	<u>139,693</u>
Judicial				
Municipal court				
Salaries and wages	2,214,923	2,214,923	1,959,311	255,612
Employee benefits	1,306,228	1,306,228	1,135,922	170,306
Services and supplies	528,225	528,225	421,869	106,356
Total municipal court	<u>4,049,376</u>	<u>4,049,376</u>	<u>3,517,102</u>	<u>532,274</u>
Marshals				
Salaries and wages	286,813	286,813	227,879	58,934
Employee benefits	222,176	222,176	159,487	62,689
Services and supplies	36,656	36,656	13,951	22,705
Total marshals	<u>545,645</u>	<u>545,645</u>	<u>401,317</u>	<u>144,328</u>
Other				
Salaries and wages		(92,376)		(92,376)
Employee benefits		214,656	750,000	(535,344)
Total judicial	<u>4,595,021</u>	<u>4,717,301</u>	<u>4,668,419</u>	<u>48,882</u>
Public safety				
Police				
Salaries and wages	16,575,620	16,385,120	15,989,370	395,750
Employee benefits	11,793,304	12,906,353	13,969,544	(1,063,191)
Services and supplies	13,138,684	14,118,873	13,514,228	604,645
Capital outlay		450,457	335,683	114,774
Total police	<u>41,507,608</u>	<u>43,860,803</u>	<u>43,808,825</u>	<u>51,978</u>
Corrections				
Salaries and wages	1,520,222	1,520,222	1,230,554	289,668
Employee benefits	1,332,624	1,332,624	1,613,936	(281,312)
Services and supplies	209,227	209,227	179,421	29,806
Total corrections	<u>3,062,073</u>	<u>3,062,073</u>	<u>3,023,911</u>	<u>38,162</u>
Protective services				
Salaries and wages	2,844,493	2,816,893	2,762,288	54,605
Employee benefits	1,618,602	1,906,118	1,493,494	412,624
Services and supplies	1,384,017	2,005,582	1,447,044	558,538
Capital outlay		4,475		4,475
Total protective services	<u>5,847,112</u>	<u>6,733,068</u>	<u>5,702,826</u>	<u>1,030,242</u>
Fire				
Salaries and wages	18,743,017	18,538,417	19,007,980	(469,563)
Employee benefits	12,664,952	14,681,364	14,391,365	289,999
Services and supplies	3,726,534	3,801,584	3,581,124	220,460
Capital outlay		7,890	7,890	
Total fire	<u>35,134,503</u>	<u>37,029,255</u>	<u>36,988,359</u>	<u>40,896</u>

(Continued)

CITY OF NORTH LAS VEGAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
Other				
Salaries and wages		265,479	244,716	20,763
Employee benefits		168,298	1,196,215	(1,027,917)
Services and supplies		139,223	96,649	42,574
Total public safety	85,551,296	91,258,199	91,061,501	196,698
Public works				
Administration				
Salaries and wages	315,223	315,223	207,828	107,395
Employee benefits	180,465	180,465	113,152	67,313
Services and supplies	25,603	25,603	14,653	10,950
Total administration	521,291	521,291	335,633	185,658
Flood control				
Salaries and wages	576,097	576,097	589,022	(12,925)
Employee benefits	306,917	306,917	294,914	12,003
Services and supplies	50,760	47,762	(610,329)	658,091
Capital outlay		14,998	14,998	
Total flood control	933,774	945,774	288,605	657,169
Engineering				
Salaries and wages	753,806	753,806	773,821	(20,015)
Employee benefits	447,300	447,300	469,705	(22,405)
Services and supplies	344,345	340,345	225,780	114,565
Capital outlay	27,500	27,500	33,219	(5,719)
Total engineering	1,572,951	1,568,951	1,502,525	66,426
Real property				
Salaries and wages	212,006	326,700	267,568	59,132
Employee benefits	122,554	180,047	146,761	33,286
Services and supplies	43,835	49,033	36,498	12,535
Total real property	378,395	555,780	450,827	104,953
Other				
Salaries and wages		(127,620)		(127,620)
Employee benefits		114,681	970,000	(855,319)
Total public works	3,406,411	3,578,857	3,547,590	31,267
Culture and recreation				
Administration				
Salaries and wages	180,813	180,813	157,124	23,689
Employee benefits	104,970	104,970	89,015	15,955
Services and supplies	16,286	16,286	9,036	7,250
Total administration	302,069	302,069	255,175	46,894
Participant recreation				
Salaries and wages	844,303	844,303	718,246	126,057
Employee benefits	343,289	343,289	297,224	46,065
Services and supplies	889,453	939,453	691,339	248,114
Total participant recreation	2,077,045	2,127,045	1,706,809	420,236

(Continued)

CITY OF NORTH LAS VEGAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
Parks and grounds				
Salaries and wages	1,031,874	954,594	882,125	72,469
Employee benefits	559,450	717,995	1,649,788	(931,793)
Services and supplies	4,748,037	4,973,037	4,488,566	484,471
Capital outlay			59,122	(59,122)
Total parks and grounds	6,339,361	6,645,626	7,079,601	(433,975)
Total culture and recreation	8,718,475	9,074,740	9,041,585	33,155
Community support				
Housing and neighborhood services				
Salaries and wages	587,510	502,816	361,258	141,558
Employee benefits	334,693	385,633	222,581	163,052
Services and supplies	451,640	531,642	289,741	241,901
Total housing and neighborhood services	1,373,843	1,420,091	873,580	546,511
Economic development				
Salaries and wages	224,026	179,860	204,128	(24,268)
Employee benefits	135,768	106,734	118,425	(11,691)
Services and supplies	249,385	247,618	85,944	161,674
Total economic development	609,179	534,212	408,497	125,715
Other				
Employee benefits			630,000	(630,000)
Total community support	1,983,022	1,954,303	1,912,077	42,226
Total expenditures	129,510,357	144,595,927	144,104,006	491,921
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,803,729)	(911,376)	13,065,858	13,977,234
OTHER FINANCING SOURCES (USES)				
Contingencies	(500,000)	(500,000)		500,000
Proceeds from capital asset disposal			90,200	90,200
Transfers in	13,844,391	7,724,391	7,752,930	28,539
Transfers out	(9,515,425)	(9,435,425)	(11,935,425)	(2,500,000)
Total other financing sources (uses)	3,828,966	(2,211,034)	(4,092,295)	(1,881,261)
CHANGE IN FUND BALANCE	25,237	(3,122,410)	8,973,563	12,095,973
FUND BALANCE, BEGINNING OF YEAR	16,414,500	20,089,740	20,089,740	
FUND BALANCE, END OF YEAR	\$ 16,439,736	\$ 16,967,330	\$ 29,063,303	\$ 12,095,973

CITY OF NORTH LAS VEGAS

MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Public Safety Tax

Accounts for voter-approved property tax overrides to be used exclusively for public safety programs.

CITY OF NORTH LAS VEGAS

PUBLIC SAFETY TAX SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 35,761,331	\$ 35,761,331	\$ 35,451,678	\$ (309,653)
Investment income			12,136	12,136
Miscellaneous			4,242	4,242
Total revenues	<u>35,761,331</u>	<u>35,761,331</u>	<u>35,468,056</u>	<u>(293,275)</u>
EXPENDITURES				
General government				
Other				
Salaries and wages	42,484	42,484	33,250	9,234
Employee benefits	28,384	28,384	18,805	9,579
Services and supplies	1,668	1,668	1,013	655
Capital outlay			550	(550)
Total other	<u>72,536</u>	<u>72,536</u>	<u>53,618</u>	<u>18,918</u>
Total general government	<u>72,536</u>	<u>72,536</u>	<u>53,618</u>	<u>18,918</u>
Public safety				
Police				
Salaries and wages	16,424,577	15,924,577	15,595,640	328,937
Employee benefits	12,193,627	11,743,627	11,441,373	302,254
Services and supplies	5,518,979	6,775,979	5,756,074	1,019,905
Capital outlay	153,000	316,513	509,167	(192,654)
Total police	<u>34,290,183</u>	<u>34,760,696</u>	<u>33,302,254</u>	<u>1,458,442</u>
Corrections				
Employee benefits			65	(65)
Total expenditures	<u>34,362,719</u>	<u>34,833,232</u>	<u>33,355,937</u>	<u>1,477,295</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>1,398,612</u>	<u>928,099</u>	<u>2,112,119</u>	<u>1,184,020</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal			54,098	54,098
Transfers out	(995,918)	(995,918)	(995,918)	
Total other financing sources (uses)	<u>(995,918)</u>	<u>(995,918)</u>	<u>(941,820)</u>	<u>54,098</u>
CHANGE IN FUND BALANCE	402,694	(67,819)	1,170,299	1,238,118
FUND BALANCE, BEGINNING OF YEAR	<u>13,855,905</u>	<u>16,196,669</u>	<u>16,196,669</u>	
FUND BALANCE, END OF YEAR	<u>\$ 14,331,135</u>	<u>\$ 16,201,386</u>	<u>\$ 17,366,968</u>	<u>\$ 1,165,582</u>

CITY OF NORTH LAS VEGAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2019

Note 1. Postemployment Benefits Other Than Pensions

For the year ended June 30, 2019, no significant events occurred that had an effect on the benefit provision, size or composition of those covered by the postemployment benefit plans. The only significant change in actuarial methods and assumptions used was a decrease in the discount rate from 2.92% at the beginning of the year to 2.79% at the end of the year.

At June 30, 2019, no assets were accumulated in a qualifying trust in which the assets contributed and earnings thereon are irrevocable, dedicated solely to providing postemployment benefits and are legally protected from creditors.

Actuarial information for postemployment benefits other than pensions is not available for measurement years prior to the year ended June 30, 2019. As information becomes available this schedule will ultimately present information for the ten most recent fiscal years.

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

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

For the year ended June 30, 2019, there were no changes in the pension benefit plan terms to the actuarial methods and assumptions used in the actuarial valuation report dated June 30, 2018.

Additional pension plan information can be found in Note 4 to the basic financial statements.

Note 3. Budget Information

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

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

**OTHER SUPPLEMENTARY
INFORMATION**

**NON-MAJOR
GOVERNMENTAL FUNDS**

CITY OF NORTH LAS VEGAS

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2019

	Special Revenue	Debt Service	Capital Projects	Aggregate Other Governmental Funds
ASSETS				
Cash, cash equivalents and investments	\$ 72,095,373	\$ 6,574,808	\$ 31,538,162	\$ 110,208,343
Accounts receivable, net	2,754,964		(2,929,753)	(174,789)
Grants receivable	2,153,580		11,867,134	14,020,714
Property taxes receivable	530,457	225		530,682
Prepaid items	71,717			71,717
Due from other governments	6,629,373			6,629,373
Property held for resale	6,426,980			6,426,980
Total assets	\$ 90,662,444	\$ 6,575,033	\$ 40,475,543	\$ 137,713,020
LIABILITIES				
Accounts payable and other accrued liabilities	\$ 1,111,808		\$ 5,083,988	\$ 6,195,796
Accrued salaries and benefits	370,398			370,398
Due to other governments	291,842		45,223	337,065
Customer deposits	11,944			11,944
Unearned revenue	200,476		436,720	637,196
Total liabilities	1,986,468		5,565,931	7,552,399
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	96,726	225		96,951
Total liabilities and deferred inflows of resources	2,083,194	225	5,565,931	7,649,350
FUND BALANCES				
Nonspendable				
Prepaid items	71,717			71,717
Restricted for				
Debt service		6,574,808		6,574,808
Street improvements projects	7,231,829		5,908,158	13,139,987
Other capital projects	19,132,283		6,572,837	25,705,120
Police, fire and other public safety programs	25,216,745		11,458,311	36,675,056
Parks, cultural and other recreational programs	5,132,207		5,314,954	10,447,161
Library district operations	502,502			502,502
Courts and other judicial programs	1,868,692			1,868,692
Community assistance and support programs	23,923,763			23,923,763
Other	19,103			19,103
Committed to				
Other capital projects			5,655,352	5,655,352
Police, fire and other public safety programs	1,199,945			1,199,945
Community assistance and support programs	1,445,683			1,445,683
Assigned to				
Parks, cultural and other recreational programs	2,834,781			2,834,781
Total fund balances	88,579,250	6,574,808	34,909,612	130,063,670
Total liabilities, deferred inflows of resources and fund balances	\$ 90,662,444	\$ 6,575,033	\$ 40,475,543	\$ 137,713,020

CITY OF NORTH LAS VEGAS

NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2019

	Special Revenue	Debt Service	Capital Projects	Aggregate Other Governmental Funds
REVENUES				
Property taxes	\$ 17,812,027	\$ 42	\$	\$ 17,812,069
Residential construction taxes	1,457,097			1,457,097
Room taxes	869,167			869,167
Charges for services	2,634,455		2,105,191	4,739,646
Intergovernmental	30,270,608		28,539,019	58,809,627
Fines and forfeitures	470,984			470,984
Contributions	36,006			36,006
Rents and royalties	103,637			103,637
Investment income	752,618	40,334	75,513	868,465
Miscellaneous	2,834,130		2,575,952	5,410,082
Total revenues	57,240,729	40,376	33,295,675	90,576,780
EXPENDITURES				
Current				
General government	212	1,062,669	371,046	1,433,927
Judicial	179,800			179,800
Public safety	20,768,604		1,569,295	22,337,899
Public works	5,938,935		5,246	5,944,181
Culture and recreation	4,701,958		33,640	4,735,598
Community support	3,905,998			3,905,998
Total current	35,495,507	1,062,669	1,979,227	38,537,403
Capital outlay				
General government	1,263		1,909,113	1,910,376
Public safety	176,359		1,055,486	1,231,845
Public works	33,589		32,064,880	32,098,469
Culture and recreation	9,390		839,827	849,217
Community support	1,482,547			1,482,547
Total capital outlay	1,703,148		35,869,306	37,572,454
Debt service				
Principal payments	435,000	108,705,000		109,140,000
Interest and fiscal charges	38,982	6,735,055		6,774,037
Total debt service	473,982	115,440,055		115,914,037
Total expenditures	37,672,637	116,502,724	37,848,533	192,023,894
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	19,568,092	(116,462,348)	(4,552,858)	(101,447,114)
OTHER FINANCING SOURCES (USES)				
Debt issuance proceeds		99,655,000		99,655,000
Debt issuance premiums		5,275,608		5,275,608
Proceeds from capital asset disposal	6,116			6,116
Transfers in	1,437,310	12,359,305	10,828,810	24,625,425
Transfers out	(11,532,621)		(300,000)	(11,832,621)
Total other financing sources (uses)	(10,089,195)	117,289,913	10,528,810	117,729,528
CHANGE IN FUND BALANCE	9,478,897	827,565	5,975,952	16,282,414
FUND BALANCE, BEGINNING OF YEAR	79,100,353	5,747,243	28,933,660	113,781,256
FUND BALANCE, END OF YEAR	\$ 88,579,250	\$ 6,574,808	\$ 34,909,612	\$ 130,063,670

SPECIAL REVENUE FUNDS

CITY OF NORTH LAS VEGAS

NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Parks and Recreation Support

Accounts for monies collected for the enhancement and support of park facilities and recreation programs.

Redevelopment Agency

Accounts for supplemental property taxes assessed on the redevelopment district property and the costs of carrying out the redevelopment plan.

Library District

Accounts for monies received by the District from property taxes and contributions from the general fund and costs related to the Library District.

Special Purpose Revenue

Accounts for monies received from various sources, which are to be used for specific purposes.

More Cops Sales Tax

Accounts for a voter-approved increase in sales and use tax to employ and equip additional police officers.

Park Construction Tax

Accounts for monies collected from developers to finance park construction projects.

Public Safety Support

Accounts for monies received by the City from various sources that are to be used for programs that enhance public safety.

Municipal Court Support

Accounts for fees collected to defray the costs of maintaining the Municipal Court.

Community Development

Accounts for monies received by the City from the County as a grantee participant in the federal Community Development Block Grant Program as well as funds received from the State of Nevada and other sources, which must be used for qualifying community development projects.

CITY OF NORTH LAS VEGAS

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET JUNE 30, 2019

	Parks and Recreation Support	Redevelopment Agency	Library District	Special Purpose Revenue	More Cops Sales Tax
ASSETS					
Cash, cash equivalents and investments	\$ 5,061,429	\$ 15,221,641	\$ 522,107	\$ 24,983,573	\$ 9,507,070
Accounts receivable, net	44,640	663,607	9,517	140,625	26,122
Grants receivable	122,467		7,639	35,420	
Property taxes receivable		35,098	26,319	465,838	
Prepaid items			6,417		
Due from other governments				1,668,591	3,851,690
Property held for resale					
Total assets	\$ 5,228,536	\$ 15,920,346	\$ 571,999	\$ 27,294,047	\$ 13,384,882
LIABILITIES					
Accounts payable and other accrued liabilities	\$ 51,805	\$ 769	\$ 17,441	\$ 552,368	\$ 4,780
Accrued salaries and benefits	13,188	7,658	30,904	89,513	208,422
Due to other governments				214,096	
Customer deposits	11,944				
Unearned revenue	205,466	1,640	11	331	
Total liabilities	282,403	10,067	48,356	856,308	213,202
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues		26,313	14,724	54,524	
Total liabilities and deferred inflows of resources	282,403	36,380	63,080	910,832	213,202
FUND BALANCES					
Nonspendable					
Prepaid items			6,417		
Restricted for					
Street improvements projects				7,231,829	
Other capital projects				19,132,283	
Police, fire and other public safety programs					13,171,680
Parks, cultural and other recreational programs	2,111,352				
Library district operations			502,502		
Courts and other judicial programs					
Community assistance and support programs		15,883,966			
Other				19,103	
Committed to					
Police, fire and other public safety programs					
Community assistance and support programs					
Assigned to					
Parks, cultural and other recreational programs	2,834,781				
Total fund balances	4,946,133	15,883,966	508,919	26,383,215	13,171,680
Total liabilities, deferred inflows of resources and fund balances	\$ 5,228,536	\$ 15,920,346	\$ 571,999	\$ 27,294,047	\$ 13,384,882

(Continued)

CITY OF NORTH LAS VEGAS

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2019

	Park Construction Tax	Public Safety Support	Municipal Court Support	Community Development	Total Special Revenue
ASSETS					
Cash, cash equivalents and investments	\$ 3,020,855	\$ 9,773,647	\$ 1,870,362	\$ 2,134,689	\$ 72,095,373
Accounts receivable, net		1,807,543		62,910	2,754,964
Grants receivable		932,605		1,055,449	2,153,580
Property taxes receivable		3,202			530,457
Prepaid items		27,978	37,322		71,717
Due from other governments		1,023,233		85,859	6,629,373
Property held for resale				6,426,980	6,426,980
Total assets	<u>\$ 3,020,855</u>	<u>\$ 13,568,208</u>	<u>\$ 1,907,684</u>	<u>\$ 9,765,887</u>	<u>\$ 90,662,444</u>
LIABILITIES					
Accounts payable and other accrued liabilities	\$	\$ 246,463	\$	\$ 238,182	\$ 1,111,808
Accrued salaries and benefits		13,578	1,670	5,465	370,398
Due to other governments		40,987		36,759	291,842
Customer deposits					11,944
Unearned revenue		(6,973)		1	200,476
Total liabilities		<u>294,055</u>	<u>1,670</u>	<u>280,407</u>	<u>1,986,468</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues		1,165			96,726
Total liabilities and deferred inflows of resources		<u>295,220</u>	<u>1,670</u>	<u>280,407</u>	<u>2,083,194</u>
FUND BALANCES					
Nonspendable					
Prepaid items		27,978	37,322		71,717
Restricted for					
Street improvements projects					7,231,829
Other capital projects					19,132,283
Police, fire and other public safety programs		12,045,065			25,216,745
Parks, cultural and other recreational programs	3,020,855				5,132,207
Library district operations					502,502
Courts and other judicial programs			1,868,692		1,868,692
Community assistance and support programs				8,039,797	23,923,763
Other					19,103
Committed to					
Police, fire and other public safety programs		1,199,945			1,199,945
Community assistance and support programs				1,445,683	1,445,683
Assigned to					
Parks, cultural and other recreational programs					2,834,781
Total fund balances	<u>3,020,855</u>	<u>13,272,988</u>	<u>1,906,014</u>	<u>9,485,480</u>	<u>88,579,250</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,020,855</u>	<u>\$ 13,568,208</u>	<u>\$ 1,907,684</u>	<u>\$ 9,765,887</u>	<u>\$ 90,662,444</u>

CITY OF NORTH LAS VEGAS

NON-MAJOR SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2019

	Parks and Recreation Support	Redevelopment Agency	Library District	Special Purpose Revenue	More Cops Sales Tax
REVENUES					
Property taxes	\$	\$ 1,885,449	\$ 3,090,297	\$ 12,380,698	\$
Residential construction taxes					
Room taxes				869,167	
Charges for services	2,258,787				
Intergovernmental	1,774		67,090	5,870,600	14,788,807
Fines and forfeitures	132		42,980		
Contributions	15,026				
Rents and royalties	22,103	81,534			
Investment income		379,367	858	79,389	206,955
Miscellaneous	18		47,917	829,893	1,750
Total revenues	2,297,840	2,346,350	3,249,142	20,029,747	14,997,512
EXPENDITURES					
Current					
General government				176	
Judicial					
Public safety	10,865			4,865,210	11,958,640
Public works	149			5,938,405	
Culture and recreation	1,775,687		2,139,912	786,359	
Community support		529,851		42,281	
Total current	1,786,701	529,851	2,139,912	11,632,431	11,958,640
Capital outlay					
General government					
Public safety					
Public works				7,600	
Culture and recreation	9,390				
Community support		1,156,358			
Total capital outlay	9,390	1,156,358		7,600	
Debt service					
Principal payments			435,000		
Interest and fiscal charges			38,982		
Total debt service			473,982		
Total expenditures	1,796,091	1,686,209	2,613,894	11,640,031	11,958,640
EXCESS OF REVENUES OVER EXPENDITURES	501,749	660,141	635,248	8,389,716	3,038,872
OTHER FINANCING SOURCES (USES)					
Proceeds from capital asset disposal				2,924	3,192
Transfers in			1,000,000		
Transfers out			(1,947,750)	(8,156,332)	
Total other financing sources (uses)			(947,750)	(8,153,408)	3,192
CHANGE IN FUND BALANCE	501,749	660,141	(312,502)	236,308	3,042,064
FUND BALANCE, BEGINNING OF YEAR	4,444,384	15,223,825	821,421	26,146,907	10,129,616
FUND BALANCE, END OF YEAR	\$ 4,946,133	\$ 15,883,966	\$ 508,919	\$ 26,383,215	\$ 13,171,680

(Continued)

CITY OF NORTH LAS VEGAS

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Park Construction Tax	Public Safety Support	Municipal Court Support	Community Development	Total Special Revenue
REVENUES					
Property taxes	\$	\$ 455,583	\$	\$	\$ 17,812,027
Residential construction taxes	1,457,097				1,457,097
Room taxes					869,167
Charges for services		94,849	280,819		2,634,455
Intergovernmental		6,511,890		3,030,447	30,270,608
Fines and forfeitures		427,872			470,984
Contributions		20,980			36,006
Rents and royalties					103,637
Investment income	71,646	14,403			752,618
Miscellaneous		650,013	432,825	871,714	2,834,130
Total revenues	1,528,743	8,175,590	713,644	3,902,161	57,240,729
EXPENDITURES					
Current					
General government				36	212
Judicial			179,800		179,800
Public safety		3,933,087		802	20,768,604
Public works				381	5,938,935
Culture and recreation					4,701,958
Community support				3,333,866	3,905,998
Total current		3,933,087	179,800	3,335,085	35,495,507
Capital outlay					
General government				1,263	1,263
Public safety		176,359			176,359
Public works				25,989	33,589
Culture and recreation					9,390
Community support				326,189	1,482,547
Total capital outlay		176,359		353,441	1,703,148
Debt service					
Principal payments					435,000
Interest and fiscal charges					38,982
Total debt service					473,982
Total expenditures		4,109,446	179,800	3,688,526	37,672,637
EXCESS OF REVENUES OVER EXPENDITURES	1,528,743	4,066,144	533,844	213,635	19,568,092
OTHER FINANCING SOURCES (USES)					
Proceeds from capital asset disposal					6,116
Transfers in		437,310			1,437,310
Transfers out	(1,100,000)	(28,539)	(300,000)		(11,532,621)
Total other financing sources (uses)	(1,100,000)	408,771	(300,000)		(10,089,195)
CHANGE IN FUND BALANCE	428,743	4,474,915	233,844	213,635	9,478,897
FUND BALANCE, BEGINNING OF YEAR	2,592,112	8,798,073	1,672,170	9,271,845	79,100,353
FUND BALANCE, END OF YEAR	\$ 3,020,855	\$ 13,272,988	\$ 1,906,014	\$ 9,485,480	\$ 88,579,250

CITY OF NORTH LAS VEGAS

PARKS AND RECREATION SUPPORT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services	\$ 2,561,364	\$ 2,561,364	\$ 2,258,787	\$ (302,577)
Intergovernmental	14,909	14,909	1,774	(13,135)
Fines and forfeitures			132	132
Contributions	40,000	40,000	15,026	(24,974)
Rents and royalties			22,103	22,103
Miscellaneous			18	18
Total revenues	<u>2,616,273</u>	<u>2,616,273</u>	<u>2,297,840</u>	<u>(318,433)</u>
EXPENDITURES				
Public safety				
Other				
Salaries and wages		40,000	9,098	30,902
Employee benefits		10,000	1,767	8,233
Total public safety		<u>50,000</u>	<u>10,865</u>	<u>39,135</u>
Public works				
Streets				
Salaries and wages		1,000	131	869
Employee benefits		500	18	482
Total public works		<u>1,500</u>	<u>149</u>	<u>1,351</u>
Culture and recreation				
Participant recreation				
Salaries and wages	1,563,334	1,512,334	1,004,507	507,827
Employee benefits	391,321	390,821	285,935	104,886
Services and supplies	1,386,351	1,387,215	485,365	901,850
Capital outlay			9,390	(9,390)
Total participant recreation	<u>3,341,006</u>	<u>3,290,370</u>	<u>1,785,197</u>	<u>1,505,173</u>
Parks and grounds				
Services and supplies			(120)	120
Total culture and recreation	<u>3,341,006</u>	<u>3,290,370</u>	<u>1,785,077</u>	<u>1,505,293</u>
Total expenditures	<u>3,341,006</u>	<u>3,341,870</u>	<u>1,796,091</u>	<u>1,545,779</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(724,733)</u>	<u>(725,597)</u>	<u>501,749</u>	<u>1,227,346</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	50,000			
Transfers out	(50,000)			
Total other financing sources (uses)				
CHANGE IN FUND BALANCE	(724,733)	(725,597)	501,749	1,227,346
FUND BALANCE, BEGINNING OF YEAR	<u>3,045,361</u>	<u>4,444,384</u>	<u>4,444,384</u>	
FUND BALANCE, END OF YEAR	<u>\$ 2,320,628</u>	<u>\$ 3,718,787</u>	<u>\$ 4,946,133</u>	<u>\$ 1,227,346</u>

CITY OF NORTH LAS VEGAS

REDEVELOPMENT AGENCY SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 1,498,239	\$ 1,498,239	\$ 1,885,449	\$ 387,210
Rents and royalties			81,534	81,534
Investment income	<u>31,600</u>	<u>94,800</u>	<u>379,367</u>	<u>284,567</u>
Total revenues	<u>1,529,839</u>	<u>1,593,039</u>	<u>2,346,350</u>	<u>753,311</u>
EXPENDITURES				
Community support				
Housing and neighborhood services				
Services and supplies	<u>40,000</u>	<u>40,000</u>	<u>36,284</u>	<u>3,716</u>
Economic development				
Salaries and wages	378,348	378,348	277,220	101,128
Employee benefits	236,680	236,680	175,411	61,269
Services and supplies	1,203,481	1,203,481	40,936	1,162,545
Capital outlay	<u>2,200,000</u>	<u>2,200,000</u>	<u>1,156,358</u>	<u>1,043,642</u>
Total economic development	<u>4,018,509</u>	<u>4,018,509</u>	<u>1,649,925</u>	<u>2,368,584</u>
Total expenditures	<u>4,058,509</u>	<u>4,058,509</u>	<u>1,686,209</u>	<u>2,372,300</u>
EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES	<u>(2,528,670)</u>	<u>(2,465,470)</u>	<u>660,141</u>	<u>3,125,611</u>
CHANGE IN FUND BALANCE	(2,528,670)	(2,465,470)	660,141	3,125,611
FUND BALANCE, BEGINNING OF YEAR	<u>11,860,785</u>	<u>15,223,825</u>	<u>15,223,825</u>	
FUND BALANCE, END OF YEAR	<u>\$ 9,332,115</u>	<u>\$ 12,758,355</u>	<u>\$ 15,883,966</u>	<u>\$ 3,125,611</u>

CITY OF NORTH LAS VEGAS

LIBRARY DISTRICT SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 3,082,542	\$ 3,082,542	\$ 3,090,297	\$ 7,755
Intergovernmental		67,063	67,090	27
Fines and forfeitures	65,000	65,000	42,980	(22,020)
Investment income			858	858
Miscellaneous	<u>55,000</u>	<u>55,000</u>	<u>47,917</u>	<u>(7,083)</u>
Total revenues	<u>3,202,542</u>	<u>3,269,605</u>	<u>3,249,142</u>	<u>(20,463)</u>
EXPENDITURES				
Culture and recreation				
Library district operations				
Salaries and wages	1,106,860	1,106,860	1,034,401	72,459
Employee benefits	640,640	640,640	590,783	49,857
Services and supplies	<u>583,387</u>	<u>656,450</u>	<u>514,728</u>	<u>141,722</u>
Total culture and recreation	<u>2,330,887</u>	<u>2,403,950</u>	<u>2,139,912</u>	<u>264,038</u>
Debt service				
Principal payments	435,000	435,000	435,000	
Interest and fiscal charges	<u>38,982</u>	<u>38,982</u>	<u>38,982</u>	
Total debt service	<u>473,982</u>	<u>473,982</u>	<u>473,982</u>	
Total expenditures	<u>2,804,869</u>	<u>2,877,932</u>	<u>2,613,894</u>	<u>264,038</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>397,673</u>	<u>391,673</u>	<u>635,248</u>	<u>243,575</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,200,000	1,000,000	1,000,000	
Transfers out	<u>(1,947,750)</u>	<u>(1,947,750)</u>	<u>(1,947,750)</u>	
Total other financing sources (uses)	<u>(747,750)</u>	<u>(947,750)</u>	<u>(947,750)</u>	
CHANGE IN FUND BALANCE	(350,077)	(556,077)	(312,502)	243,575
FUND BALANCE, BEGINNING OF YEAR	<u>547,310</u>	<u>821,421</u>	<u>821,421</u>	
FUND BALANCE, END OF YEAR	<u>\$ 197,233</u>	<u>\$ 265,344</u>	<u>\$ 508,919</u>	<u>\$ 243,575</u>

CITY OF NORTH LAS VEGAS

SPECIAL PURPOSE REVENUE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Property taxes	\$ 12,012,209	\$ 12,012,209	\$ 12,380,698	\$ 368,489
Room taxes	560,000	560,000	869,167	309,167
Intergovernmental	5,227,868	5,227,868	5,870,600	642,732
Investment income	1,950	1,950	79,389	77,439
Miscellaneous	<u>653,690</u>	<u>909,465</u>	<u>829,893</u>	<u>(79,572)</u>
Total revenues	<u>18,455,717</u>	<u>18,711,492</u>	<u>20,029,747</u>	<u>1,318,255</u>
EXPENDITURES				
General government				
Finance				
Salaries and wages		250	108	142
Employee benefits		100	64	36
Services and supplies		<u>50</u>	<u>4</u>	<u>46</u>
Total general government		<u>400</u>	<u>176</u>	<u>224</u>
Public safety				
Protective services				
Salaries and wages	1,564,362	1,646,805	1,640,001	6,804
Employee benefits	867,263	912,855	880,804	32,051
Services and supplies	3,204,467	3,164,085	2,340,839	823,246
Capital outlay		<u>49,352</u>		<u>49,352</u>
Total protective services	<u>5,636,092</u>	<u>5,773,097</u>	<u>4,861,644</u>	<u>911,453</u>
Fire				
Salaries and wages			2,070	(2,070)
Employee benefits			1,427	(1,427)
Services and supplies			<u>69</u>	<u>(69)</u>
Total fire			<u>3,566</u>	<u>(3,566)</u>
Total public safety	<u>5,636,092</u>	<u>5,773,097</u>	<u>4,865,210</u>	<u>907,887</u>
Public works				
Administration				
Salaries and wages	76,553	76,553	77,859	(1,306)
Employee benefits	42,536	42,536	43,511	(975)
Services and supplies	<u>3,063</u>	<u>3,063</u>	<u>3,114</u>	<u>(51)</u>
Total administration	<u>122,152</u>	<u>122,152</u>	<u>124,484</u>	<u>(2,332)</u>
Flood control				
Capital outlay		<u>105,000</u>		<u>105,000</u>
Streets				
Salaries and wages	1,348,447	1,348,447	1,284,562	63,885
Employee benefits	780,732	780,732	734,439	46,293
Services and supplies	4,142,166	4,142,166	3,484,827	657,339
Capital outlay			<u>7,600</u>	<u>(7,600)</u>
Total streets	<u>6,271,345</u>	<u>6,271,345</u>	<u>5,511,428</u>	<u>759,917</u>
Engineering				
Salaries and wages			21,739	(21,739)
Employee benefits			16,036	(16,036)
Services and supplies			<u>861</u>	<u>(861)</u>
Total engineering			<u>38,636</u>	<u>(38,636)</u>

(Continued)

CITY OF NORTH LAS VEGAS

SPECIAL PURPOSE REVENUE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other				
Salaries and wages	166,724	196,724	171,156	25,568
Employee benefits	90,670	105,670	90,512	15,158
Services and supplies	10,136	15,136	9,789	5,347
Total other	<u>267,530</u>	<u>317,530</u>	<u>271,457</u>	<u>46,073</u>
Total public works	<u>6,661,027</u>	<u>6,816,027</u>	<u>5,946,005</u>	<u>870,022</u>
Culture and recreation				
Parks and grounds				
Services and supplies	<u>909,169</u>	<u>909,169</u>	<u>786,359</u>	<u>122,810</u>
Total culture and recreation	<u>909,169</u>	<u>909,169</u>	<u>786,359</u>	<u>122,810</u>
Community support				
Housing and neighborhood services				
Salaries and wages	41,219	41,219	24,028	17,191
Employee benefits	25,147	25,147	17,318	7,829
Services and supplies	<u>101,122</u>	<u>101,122</u>	<u>935</u>	<u>100,187</u>
Total community support	<u>167,488</u>	<u>167,488</u>	<u>42,281</u>	<u>125,207</u>
Total expenditures	<u>13,373,776</u>	<u>13,666,181</u>	<u>11,640,031</u>	<u>2,026,150</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>5,081,941</u>	<u>5,045,311</u>	<u>8,389,716</u>	<u>3,344,405</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal			2,924	2,924
Transfers out	<u>(8,156,332)</u>	<u>(8,156,332)</u>	<u>(8,156,332)</u>	
Total other financing sources (uses)	<u>(8,156,332)</u>	<u>(8,156,332)</u>	<u>(8,153,408)</u>	<u>2,924</u>
CHANGE IN FUND BALANCE	(3,074,391)	(3,111,021)	236,308	3,347,329
FUND BALANCE, BEGINNING OF YEAR	<u>23,925,302</u>	<u>26,146,907</u>	<u>26,146,907</u>	
FUND BALANCE, END OF YEAR	<u>\$ 20,850,911</u>	<u>\$ 23,035,886</u>	<u>\$ 26,383,215</u>	<u>\$ 3,347,329</u>

CITY OF NORTH LAS VEGAS

MORE COPS SALES TAX SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 14,000,000	\$ 14,000,000	\$ 14,788,807	\$ 788,807
Investment income	13,400	13,400	206,955	193,555
Miscellaneous			<u>1,750</u>	<u>1,750</u>
Total revenues	<u>14,013,400</u>	<u>14,013,400</u>	<u>14,997,512</u>	<u>984,112</u>
EXPENDITURES				
Public safety				
Police				
Salaries and wages	6,567,367	6,567,367	5,909,977	657,390
Employee benefits	5,373,762	5,373,762	4,744,366	629,396
Services and supplies	1,460,248	1,460,248	1,304,297	155,951
Capital outlay	<u>255,000</u>	<u>255,000</u>		<u>255,000</u>
Total expenditures	<u>13,656,377</u>	<u>13,656,377</u>	<u>11,958,640</u>	<u>1,697,737</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>357,023</u>	<u>357,023</u>	<u>3,038,872</u>	<u>2,681,849</u>
OTHER FINANCING SOURCES				
Proceeds from capital asset disposal			<u>3,192</u>	<u>3,192</u>
CHANGE IN FUND BALANCE	357,023	357,023	3,042,064	2,685,041
FUND BALANCE, BEGINNING OF YEAR	<u>8,615,301</u>	<u>10,129,616</u>	<u>10,129,616</u>	
FUND BALANCE, END OF YEAR	<u>\$ 8,972,324</u>	<u>\$ 10,486,639</u>	<u>\$ 13,171,680</u>	<u>\$ 2,685,041</u>

CITY OF NORTH LAS VEGAS

PARK CONSTRUCTION TAX SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Residential construction taxes	\$ 325,000	\$ 925,000	\$ 1,457,097	\$ 532,097
Investment income	20	20	71,646	71,626
Total revenues	325,020	925,020	1,528,743	603,723
EXPENDITURES				
Culture and recreation				
Administration				
Services and supplies	113,200	113,200		113,200
Total expenditures	113,200	113,200		113,200
EXCESS OF REVENUES OVER EXPENDITURES	211,820	811,820	1,528,743	716,923
OTHER FINANCING USES				
Transfers out	(1,100,000)	(1,100,000)	(1,100,000)	
CHANGE IN FUND BALANCE	(888,180)	(288,180)	428,743	716,923
FUND BALANCE, BEGINNING OF YEAR	2,270,306	2,592,112	2,592,112	
FUND BALANCE, END OF YEAR	\$ 1,382,126	\$ 2,303,932	\$ 3,020,855	\$ 716,923

CITY OF NORTH LAS VEGAS

PUBLIC SAFETY SUPPORT SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$ 247,032	\$ 247,032	\$ 455,583	\$ 208,551
Charges for services	30,000	30,000	94,849	64,849
Intergovernmental	5,349,346	6,155,061	6,511,890	356,829
Fines and forfeitures		300,000	427,872	127,872
Contributions	10,550	12,550	20,980	8,430
Investment income			14,403	14,403
Miscellaneous	<u>970,000</u>	<u>800,000</u>	<u>650,013</u>	<u>(149,987)</u>
Total revenues	<u>6,606,928</u>	<u>7,544,643</u>	<u>8,175,590</u>	<u>630,947</u>
EXPENDITURES				
Public safety				
Police				
Salaries and wages	1,706,259	1,706,259	613,936	1,092,323
Employee benefits	1,347,737	1,347,737	253,654	1,094,083
Services and supplies	704,511	1,264,511	960,689	303,822
Capital outlay		529,000	176,359	352,641
Total police	<u>3,758,507</u>	<u>4,847,507</u>	<u>2,004,638</u>	<u>2,842,869</u>
Protective services				
Salaries and wages	673,299	673,299	590,339	82,960
Employee benefits	375,685	375,685	328,447	47,238
Services and supplies	237,716	427,980	471,348	(43,368)
Capital outlay		112,751		112,751
Total protective services	<u>1,286,700</u>	<u>1,589,715</u>	<u>1,390,134</u>	<u>199,581</u>
Fire				
Salaries and wages	376,015	376,015	389,110	(13,095)
Employee benefits	313,904	313,904	312,111	1,793
Services and supplies	14,775	37,575	13,453	24,122
Total fire	<u>704,694</u>	<u>727,494</u>	<u>714,674</u>	<u>12,820</u>
Total public safety	<u>5,749,901</u>	<u>7,164,716</u>	<u>4,109,446</u>	<u>3,055,270</u>
Total expenditures	<u>5,749,901</u>	<u>7,164,716</u>	<u>4,109,446</u>	<u>3,055,270</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>857,027</u>	<u>379,927</u>	<u>4,066,144</u>	<u>3,686,217</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	437,310	437,310	437,310	
Transfers out			(28,539)	(28,539)
Total other financing sources (uses)	<u>437,310</u>	<u>437,310</u>	<u>408,771</u>	<u>(28,539)</u>
CHANGE IN FUND BALANCE	1,294,337	817,237	4,474,915	3,657,678
FUND BALANCE, BEGINNING OF YEAR	<u>6,498,618</u>	<u>8,798,073</u>	<u>8,798,073</u>	
FUND BALANCE, END OF YEAR	<u>\$ 7,792,955</u>	<u>\$ 9,615,310</u>	<u>\$ 13,272,988</u>	<u>\$ 3,657,678</u>

CITY OF NORTH LAS VEGAS

MUNICIPAL COURT SUPPORT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 378,000	\$ 378,000	\$ 280,819	\$ (97,181)
Miscellaneous	<u>358,500</u>	<u>358,500</u>	<u>432,825</u>	<u>74,325</u>
Total revenues	<u>736,500</u>	<u>736,500</u>	<u>713,644</u>	<u>(22,856)</u>
EXPENDITURES				
Judicial				
Municipal court				
Salaries and wages	190,248	190,248	59,945	130,303
Employee benefits	122,064	122,064	35,638	86,426
Services and supplies	<u>324,303</u>	<u>324,303</u>	<u>84,217</u>	<u>240,086</u>
Total expenditures	<u>636,615</u>	<u>636,615</u>	<u>179,800</u>	<u>456,815</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>99,885</u>	<u>99,885</u>	<u>533,844</u>	<u>433,959</u>
OTHER FINANCING USES				
Transfers out	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u> </u>
CHANGE IN FUND BALANCE	(200,115)	(200,115)	233,844	433,959
FUND BALANCE, BEGINNING OF YEAR	<u>1,383,094</u>	<u>1,672,170</u>	<u>1,672,170</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 1,182,979</u>	<u>\$ 1,472,055</u>	<u>\$ 1,906,014</u>	<u>\$ 433,959</u>

CITY OF NORTH LAS VEGAS

COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 10,340,001	\$ 10,340,001	\$ 3,030,447	\$ (7,309,554)
Miscellaneous	<u>883,000</u>	<u>883,000</u>	<u>871,714</u>	<u>(11,286)</u>
Total revenues	<u>11,223,001</u>	<u>11,223,001</u>	<u>3,902,161</u>	<u>(7,320,840)</u>
EXPENDITURES				
General government				
Finance				
Salaries and wages		7,000	20	6,980
Employee benefits		2,000	15	1,985
Services and supplies		1,000	1	999
Capital outlay			<u>1,263</u>	<u>(1,263)</u>
Total general government		<u>10,000</u>	<u>1,299</u>	<u>8,701</u>
Public safety				
Protective services				
Salaries and wages		7,000	456	6,544
Employee benefits		2,000	247	1,753
Services and supplies		<u>1,000</u>	<u>99</u>	<u>901</u>
Total public safety		<u>10,000</u>	<u>802</u>	<u>9,198</u>
Public works				
Streets				
Salaries and wages	25,537	25,537		25,537
Employee benefits	11,278	11,278		11,278
Services and supplies	33,185	33,185		33,185
Capital outlay	<u>280,000</u>	<u>280,000</u>		<u>280,000</u>
Total streets	<u>350,000</u>	<u>350,000</u>		<u>350,000</u>
Engineering				
Employee benefits			381	(381)
Capital outlay			<u>25,989</u>	<u>(25,989)</u>
Total engineering			<u>26,370</u>	<u>(26,370)</u>
Total public works	<u>350,000</u>	<u>350,000</u>	<u>26,370</u>	<u>323,630</u>
Community support				
Housing and neighborhood services				
Salaries and wages	625,405	674,840	536,571	138,269
Employee benefits	338,181	355,228	314,490	40,738
Services and supplies	7,873,796	7,404,067	2,042,028	5,362,039
Capital outlay	<u>1,261,700</u>	<u>1,552,261</u>	<u>326,189</u>	<u>1,226,072</u>
Total housing and neighborhood services	<u>10,099,082</u>	<u>9,986,396</u>	<u>3,219,278</u>	<u>6,767,118</u>
Economic development				
Employee benefits	12,525	12,525		12,525
Services and supplies	<u>125,250</u>	<u>125,250</u>	<u>74,150</u>	<u>51,100</u>
Total economic development	<u>137,775</u>	<u>137,775</u>	<u>74,150</u>	<u>63,625</u>
Other				
Services and supplies			<u>366,627</u>	<u>(366,627)</u>
Total community support	<u>10,236,857</u>	<u>10,124,171</u>	<u>3,660,055</u>	<u>6,464,116</u>

(Continued)

CITY OF NORTH LAS VEGAS

COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total expenditures	<u>10,586,857</u>	<u>10,494,171</u>	<u>3,688,526</u>	<u>6,805,645</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>636,144</u>	<u>728,830</u>	<u>213,635</u>	<u>(515,195)</u>
CHANGE IN FUND BALANCE	636,144	728,830	213,635	(515,195)
FUND BALANCE, BEGINNING OF YEAR	<u>9,180,972</u>	<u>9,271,845</u>	<u>9,271,845</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 9,817,116</u>	<u>\$ 10,000,675</u>	<u>\$ 9,485,480</u>	<u>\$ (515,195)</u>

DEBT SERVICE FUNDS

CITY OF NORTH LAS VEGAS

NON-MAJOR DEBT SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2019

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

Debt Service

Accounts for the accumulation of resources for, and the payment of, general obligation medium- and long-term debt principal and interest.

Additionally, this fund is used to account for the collection and accumulation of resources for, and the payment of, principal and interest payments pertaining to those special assessments levied against and secured by a lien upon property within certain assessment districts, for which the City is financially obligated in the event there are deficiencies.

CITY OF NORTH LAS VEGAS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Property taxes	\$	\$	\$ 42	\$ 42
Special assessments	1,540,256	1,540,256		(1,540,256)
Investment income			40,334	40,334
Total revenues	<u>1,540,256</u>	<u>1,540,256</u>	<u>40,376</u>	<u>(1,499,880)</u>
EXPENDITURES				
General government				
Finance				
Services and supplies			1,062,669	(1,062,669)
Total general government			<u>1,062,669</u>	<u>(1,062,669)</u>
Debt service				
Principal payments	7,375,000	115,652,000	108,705,000	6,947,000
Interest and fiscal charges	6,614,305	10,104,305	6,735,055	3,369,250
Total debt service	<u>13,989,305</u>	<u>125,756,305</u>	<u>115,440,055</u>	<u>10,316,250</u>
Total expenditures	<u>13,989,305</u>	<u>125,756,305</u>	<u>116,502,724</u>	<u>9,253,581</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(12,449,049)</u>	<u>(124,216,049)</u>	<u>(116,462,348)</u>	<u>7,753,701</u>
OTHER FINANCING SOURCES				
Debt issuance proceeds		106,491,000	99,655,000	(6,836,000)
Debt issuance premiums		5,276,000	5,275,608	(392)
Transfers in	9,859,305	9,859,305	12,359,305	2,500,000
Total other financing sources	<u>9,859,305</u>	<u>121,626,305</u>	<u>117,289,913</u>	<u>(4,336,392)</u>
CHANGE IN FUND BALANCE	(2,589,744)	(2,589,744)	827,565	3,417,309
FUND BALANCE, BEGINNING OF YEAR	<u>7,285,700</u>	<u>5,747,243</u>	<u>5,747,243</u>	
FUND BALANCE, END OF YEAR	<u>\$ 4,695,956</u>	<u>\$ 3,157,499</u>	<u>\$ 6,574,808</u>	<u>\$ 3,417,309</u>

CAPITAL PROJECTS FUNDS

CITY OF NORTH LAS VEGAS

NON-MAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

General Government Improvements

Accounts for various general government capital improvement projects.

Municipal Buildings Facilities

Accounts for the costs of acquisition, construction, equipping and furnishing of various new facilities financed through the issuance of general obligation bonds.

Civic Center Facilities

Accounts for the costs of acquisition, construction, equipping and furnishing of a new civic center facility financed through the sale of general obligation bonds.

Parks and Recreation Projects

Accounts for capital improvement expenditures associated with the City's parks and recreation buildings and facilities.

Public Safety Projects

Accounts for the cost of public safety projects associated with the City's police, fire and detention facilities, as well as the installation of traffic signals in developing areas and improvements of storm drainage systems.

Capital Projects Street Improvements

Accounts for the design, acquisition, construction and improvements of and to various streets and roadways within the City limits.

Valley Vista Development

Accounts for capital infrastructure expenditures associated with special improvement district No. 64.

Northern Beltway Commercial Area

Accounts for capital infrastructure expenditures associated with special improvement district No. 65.

CITY OF NORTH LAS VEGAS

NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET JUNE 30, 2019

	<u>General Government Improvements</u>	<u>Municipal Buildings Facilities</u>	<u>Civic Center Facilities</u>	<u>Parks and Recreation Projects</u>
ASSETS				
Cash, cash equivalents and investments	\$ 5,415,380	\$ 2,076,108	\$ 60,987	\$ 4,818,310
Accounts receivable, net				51,341
Grants receivable	<u>271,176</u>			<u>334,053</u>
Total assets	<u>\$ 5,686,556</u>	<u>\$ 2,076,108</u>	<u>\$ 60,987</u>	<u>\$ 5,203,704</u>
LIABILITIES				
Accounts payable and other accrued liabilities	\$ 31,204	\$ 72,780		\$ 228,931
Due to other governments				45,223
Unearned revenue				<u>8,558</u>
Total liabilities	<u>31,204</u>	<u>72,780</u>		<u>282,712</u>
FUND BALANCES				
Restricted for				
Street improvements projects				
Other capital projects		1,609,366	60,987	
Police, fire and other public safety programs				
Parks, cultural and other recreational programs		393,962		4,920,992
Committed to				
Other capital projects	<u>5,655,352</u>			
Total fund balances	<u>5,655,352</u>	<u>2,003,328</u>	<u>60,987</u>	<u>4,920,992</u>
Total liabilities and fund balances	<u>\$ 5,686,556</u>	<u>\$ 2,076,108</u>	<u>\$ 60,987</u>	<u>\$ 5,203,704</u>

(Continued)

CITY OF NORTH LAS VEGAS

NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2019

	Public Safety Projects	Capital Projects Street Improvements	Valley Vista Development	Northern Beltway Commercial Area	Total Capital Projects
ASSETS					
Cash, cash equivalents and investments	\$ 11,524,771	\$ 2,512,060	\$ 231,064	\$ 4,899,482	\$ 31,538,162
Accounts receivable, net	(1,840,152)	(1,140,942)			(2,929,753)
Grants receivable	<u>4,656,930</u>	<u>6,604,975</u>			<u>11,867,134</u>
Total assets	<u>\$ 14,341,549</u>	<u>\$ 7,976,093</u>	<u>\$ 231,064</u>	<u>\$ 4,899,482</u>	<u>\$ 40,475,543</u>
LIABILITIES					
Accounts payable and other accrued liabilities	\$ 2,883,238	\$ 1,639,773	\$ 228,062		\$ 5,083,988
Due to other governments					45,223
Unearned revenue		<u>428,162</u>			<u>436,720</u>
Total liabilities	<u>2,883,238</u>	<u>2,067,935</u>	<u>228,062</u>		<u>5,565,931</u>
FUND BALANCES					
Restricted for					
Street improvements projects		5,908,158			5,908,158
Other capital projects			3,002	4,899,482	6,572,837
Police, fire and other public safety programs	11,458,311				11,458,311
Parks, cultural and other recreational programs					5,314,954
Committed to					
Other capital projects					<u>5,655,352</u>
Total fund balances	<u>11,458,311</u>	<u>5,908,158</u>	<u>3,002</u>	<u>4,899,482</u>	<u>34,909,612</u>
Total liabilities and fund balances	<u>\$ 14,341,549</u>	<u>\$ 7,976,093</u>	<u>\$ 231,064</u>	<u>\$ 4,899,482</u>	<u>\$ 40,475,543</u>

CITY OF NORTH LAS VEGAS

NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2019

	General Government Improvements	Municipal Buildings Facilities	Civic Center Facilities	Parks and Recreation Projects
REVENUES				
Charges for services	\$	\$	\$	\$
Intergovernmental				222,748
Investment income		63,589	11,924	
Miscellaneous	<u>2,569,408</u>			<u>6,376</u>
Total revenues	<u>2,569,408</u>	<u>63,589</u>	<u>11,924</u>	<u>229,124</u>
EXPENDITURES				
Current				
General government	55,673	13,223	302,053	29
Public safety				
Public works	2	1		3,774
Culture and recreation		<u>(1)</u>		<u>33,641</u>
Total current	<u>55,675</u>	<u>13,223</u>	<u>302,053</u>	<u>37,444</u>
Capital outlay				
General government	685,018	813,346	243,425	147
Public safety				
Public works	4,326	22,272		17,123
Culture and recreation		<u>4,916</u>		<u>834,911</u>
Total capital outlay	<u>689,344</u>	<u>840,534</u>	<u>243,425</u>	<u>852,181</u>
Total expenditures	<u>745,019</u>	<u>853,757</u>	<u>545,478</u>	<u>889,625</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,824,389</u>	<u>(790,168)</u>	<u>(533,554)</u>	<u>(660,501)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,538,254	300,000		2,325,250
Transfers out		<u>(300,000)</u>		
Total other financing sources (uses)	<u>2,538,254</u>			<u>2,325,250</u>
CHANGE IN FUND BALANCE	4,362,643	(790,168)	(533,554)	1,664,749
FUND BALANCE, BEGINNING OF YEAR	<u>1,292,709</u>	<u>2,793,496</u>	<u>594,541</u>	<u>3,256,243</u>
FUND BALANCE, END OF YEAR	<u>\$ 5,655,352</u>	<u>\$ 2,003,328</u>	<u>\$ 60,987</u>	<u>\$ 4,920,992</u>

(Continued)

CITY OF NORTH LAS VEGAS

NON-MAJOR CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Public Safety Projects	Capital Projects Street Improvements	Valley Vista Development	Northern Beltway Commercial Area	Total Capital Projects
REVENUES					
Charges for services	\$ 2,132,205	\$	\$ (27,014)	\$	\$ 2,105,191
Intergovernmental	13,730,357	14,585,914			28,539,019
Investment income					75,513
Miscellaneous	<u>168</u>				<u>2,575,952</u>
Total revenues	<u>15,862,730</u>	<u>14,585,914</u>	<u>(27,014)</u>		<u>33,295,675</u>
EXPENDITURES					
Current					
General government	67	1			371,046
Public safety	1,569,296	(1)			1,569,295
Public works	1,472	(3)	(1)	1	5,246
Culture and recreation					<u>33,640</u>
Total current	<u>1,570,835</u>	<u>(3)</u>	<u>(1)</u>	<u>1</u>	<u>1,979,227</u>
Capital outlay					
General government	11,367	26,980	128,726	104	1,909,113
Public safety	1,043,305	12,181			1,055,486
Public works	13,726,946	14,417,480	60,539	3,816,194	32,064,880
Culture and recreation					<u>839,827</u>
Total capital outlay	<u>14,781,618</u>	<u>14,456,641</u>	<u>189,265</u>	<u>3,816,298</u>	<u>35,869,306</u>
Total expenditures	<u>16,352,453</u>	<u>14,456,638</u>	<u>189,264</u>	<u>3,816,299</u>	<u>37,848,533</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(489,723)</u>	<u>129,276</u>	<u>(216,278)</u>	<u>(3,816,299)</u>	<u>(4,552,858)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,441,306	2,224,000			10,828,810
Transfers out					<u>(300,000)</u>
Total other financing sources (uses)	<u>3,441,306</u>	<u>2,224,000</u>			<u>10,528,810</u>
CHANGE IN FUND BALANCE	2,951,583	2,353,276	(216,278)	(3,816,299)	5,975,952
FUND BALANCE, BEGINNING OF YEAR	<u>8,506,728</u>	<u>3,554,882</u>	<u>219,280</u>	<u>8,715,781</u>	<u>28,933,660</u>
FUND BALANCE, END OF YEAR	<u>\$ 11,458,311</u>	<u>\$ 5,908,158</u>	<u>\$ 3,002</u>	<u>\$ 4,899,482</u>	<u>\$ 34,909,612</u>

CITY OF NORTH LAS VEGAS

GENERAL GOVERNMENT IMPROVEMENTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Miscellaneous	\$ _____	\$ _____	\$ 2,569,408	\$ 2,569,408
EXPENDITURES				
General government				
Finance				
Capital outlay	_____	_____	980	(980)
Planning				
Capital outlay	_____	_____	110	(110)
Other				
Salaries and wages	125,487	125,487		125,487
Employee benefits	54,369	54,369	(2)	54,371
Services and supplies	2,304,438	1,539,638	55,675	1,483,963
Capital outlay	800,000	811,461	683,928	127,533
Total general government	3,284,294	2,530,955	740,691	1,790,264
Public works				
Flood control				
Salaries and wages		12,000	1	11,999
Employee benefits		3,000	1	2,999
Capital outlay	_____	_____	4,326	(4,326)
Total flood control	_____	15,000	4,328	10,672
Total public works	_____	15,000	4,328	10,672
Total expenditures	3,284,294	2,545,955	745,019	1,800,936
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,284,294)	(2,545,955)	1,824,389	4,370,344
OTHER FINANCING SOURCES				
Transfers in	2,538,254	2,538,254	2,538,254	_____
CHANGE IN FUND BALANCE	(746,040)	(7,701)	4,362,643	4,370,344
FUND BALANCE, BEGINNING OF YEAR	1,224,344	1,292,709	1,292,709	_____
FUND BALANCE, END OF YEAR	\$ 478,304	\$ 1,285,008	\$ 5,655,352	\$ 4,370,344

CITY OF NORTH LAS VEGAS

MUNICIPAL BUILDINGS FACILITIES CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Investment income	\$ _____	\$ _____	\$ 63,589	\$ 63,589
EXPENDITURES				
General government				
Finance				
Employee benefits			1	(1)
Capital outlay			130	(130)
Total finance			131	(131)
Other				
Services and supplies	1,075,000	1,136,000	13,222	1,122,778
Capital outlay			813,216	(813,216)
Total other	1,075,000	1,136,000	826,438	309,562
Total general government	1,075,000	1,136,000	826,569	309,431
Public works				
Streets				
Services and supplies		20,000		20,000
Capital outlay			5,100	(5,100)
Total streets		20,000	5,100	14,900
Engineering				
Salaries and wages		13,000		13,000
Employee benefits		7,000	1	6,999
Capital outlay			12,938	(12,938)
Total engineering		20,000	12,939	7,061
Real property				
Salaries and wages		13,000		13,000
Employee benefits		7,000		7,000
Capital outlay			4,234	(4,234)
Total real property		20,000	4,234	15,766
Total public works		60,000	22,273	37,727
Culture and recreation				
Administration				
Salaries and wages	80,750	80,750		80,750
Employee benefits	35,250	35,250		35,250
Services and supplies	189,000	129,000	(1)	129,001
Capital outlay	660,000	660,000	4,916	655,084
Total culture and recreation	965,000	905,000	4,915	900,085
Total expenditures	2,040,000	2,101,000	853,757	1,247,243
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,040,000)	(2,101,000)	(790,168)	1,310,832
OTHER FINANCING SOURCES (USES)				
Transfers in	300,000	300,000	300,000	
Transfers out	(300,000)	(300,000)	(300,000)	
Total other financing sources (uses)	_____	_____	_____	_____

(Continued)

CITY OF NORTH LAS VEGAS

MUNICIPAL BUILDINGS FACILITIES CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CHANGE IN FUND BALANCE	(2,040,000)	(2,101,000)	(790,168)	1,310,832
FUND BALANCE, BEGINNING OF YEAR	<u>2,387,235</u>	<u>2,793,496</u>	<u>2,793,496</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 347,235</u>	<u>\$ 692,496</u>	<u>\$ 2,003,328</u>	<u>\$ 1,310,832</u>

CITY OF NORTH LAS VEGAS

CIVIC CENTER FACILITIES CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Investment income	\$ _____	\$ _____	\$ 11,924	\$ 11,924
EXPENDITURES				
General government				
Finance				
Capital outlay	_____	_____	72,420	(72,420)
Other				
Salaries and wages			1,111	(1,111)
Employee benefits			190	(190)
Services and supplies	501,000	543,000	300,752	242,248
Capital outlay		35,000	171,005	(136,005)
Total other	<u>501,000</u>	<u>578,000</u>	<u>473,058</u>	<u>104,942</u>
Total expenditures	<u>501,000</u>	<u>578,000</u>	<u>545,478</u>	<u>32,522</u>
CHANGE IN FUND BALANCE	(501,000)	(578,000)	(533,554)	44,446
FUND BALANCE, BEGINNING OF YEAR	<u>508,247</u>	<u>594,541</u>	<u>594,541</u>	_____
FUND BALANCE, END OF YEAR	<u>\$ 7,247</u>	<u>\$ 16,541</u>	<u>\$ 60,987</u>	<u>\$ 44,446</u>

CITY OF NORTH LAS VEGAS

PARKS AND RECREATION PROJECTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental	\$ 11,085,770	\$ 11,085,770	\$ 222,748	\$ (10,863,022)
Miscellaneous			6,376	6,376
Total revenues	11,085,770	11,085,770	229,124	(10,856,646)
EXPENDITURES				
General government				
Finance				
Salaries and wages		600	18	582
Employee benefits		300	10	290
Services and supplies		100	1	99
Capital outlay			147	(147)
Total general government		1,000	176	824
Public works				
Engineering				
Salaries and wages		20,000	2,419	17,581
Employee benefits		14,000	1,260	12,740
Services and supplies		5,000	95	4,905
Capital outlay			14,718	(14,718)
Total engineering		39,000	18,492	20,508
Real property				
Capital outlay			2,405	(2,405)
Total public works		39,000	20,897	18,103
Culture and recreation				
Administration				
Salaries and wages	459,292	452,737		452,737
Employee benefits	204,122	200,807		200,807
Services and supplies	1,171,488	1,189,198	33,641	1,155,557
Capital outlay	10,609,518	10,765,668	809,572	9,956,096
Total administration	12,444,420	12,608,410	843,213	11,765,197
Parks and grounds				
Capital outlay	27,000	54,000	25,339	28,661
Total culture and recreation	12,471,420	12,662,410	868,552	11,793,858
Community support				
Economic development				
Salaries and wages	124,000	124,000		124,000
Employee benefits	54,000	54,000		54,000
Services and supplies	122,000	122,000		122,000
Capital outlay	1,908,500	1,908,500		1,908,500
Total community support	2,208,500	2,208,500		2,208,500
Total expenditures	14,679,920	14,910,910	889,625	14,021,285
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,594,150)	(3,825,140)	(660,501)	3,164,639
OTHER FINANCING SOURCES (USES)				
Transfers in	2,325,250	2,325,250	2,325,250	

(Continued)

CITY OF NORTH LAS VEGAS

PARKS AND RECREATION PROJECTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
CHANGE IN FUND BALANCE	(1,268,900)	(1,499,890)	1,664,749	3,164,639
FUND BALANCE, BEGINNING OF YEAR	<u>2,041,612</u>	<u>3,256,243</u>	<u>3,256,243</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$ 772,712</u>	<u>\$ 1,756,353</u>	<u>\$ 4,920,992</u>	<u>\$ 3,164,639</u>

CITY OF NORTH LAS VEGAS

PUBLIC SAFETY PROJECTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Charges for services	\$	\$	\$ 2,132,205	\$ 2,132,205
Intergovernmental	26,770,000	26,770,000	13,730,357	(13,039,643)
Contributions	166,200	166,200		(166,200)
Miscellaneous			168	168
Total revenues	26,936,200	26,936,200	15,862,730	(11,073,470)
EXPENDITURES				
General government				
Finance				
Salaries and wages		20,000	40	19,960
Employee benefits		15,000	25	14,975
Services and supplies		5,000	2	4,998
Capital outlay			11,367	(11,367)
Total general government		40,000	11,434	28,566
Public safety				
Police				
Services and supplies	1,615,306	1,615,306	1,214,927	400,379
Fire				
Salaries and wages	17,000	17,000		17,000
Employee benefits	7,500	7,500		7,500
Services and supplies	496,500	496,500	354,369	142,131
Capital outlay	1,305,000	1,355,000	1,043,305	311,695
Total fire	1,826,000	1,876,000	1,397,674	478,326
Total public safety	3,441,306	3,491,306	2,612,601	878,705
Public works				
Administration				
Capital outlay			52	(52)
Flood control				
Salaries and wages	1,301,061	1,301,061		1,301,061
Employee benefits	567,443	567,443		567,443
Services and supplies	2,374,023	2,374,023		2,374,023
Capital outlay	22,693,673	22,293,673	13,300,005	8,993,668
Total flood control	26,936,200	26,536,200	13,300,005	13,236,195
Streets				
Services and supplies			(1)	1
Capital outlay			15,229	(15,229)
Total streets			15,228	(15,228)
Engineering				
Salaries and wages			962	(962)
Employee benefits			471	(471)
Services and supplies			39	(39)
Capital outlay			398,942	(398,942)
Total engineering			400,414	(400,414)
Real property				
Employee benefits			1	(1)
Capital outlay			11,647	(11,647)
Total real property			11,648	(11,648)

(Continued)

CITY OF NORTH LAS VEGAS

PUBLIC SAFETY PROJECTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
Construction				
Services and supplies		10,000		10,000
Capital outlay			1,071	(1,071)
Total construction		10,000	1,071	8,929
Total public works	26,936,200	26,546,200	13,728,418	12,817,782
Total expenditures	30,377,506	30,077,506	16,352,453	13,725,053
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,441,306)	(3,141,306)	(489,723)	2,651,583
OTHER FINANCING SOURCES (USES)				
Transfers in	3,441,306	3,441,306	3,441,306	
CHANGE IN FUND BALANCE		300,000	2,951,583	2,651,583
FUND BALANCE, BEGINNING OF YEAR	9,641,635	8,506,728	8,506,728	
FUND BALANCE, END OF YEAR	\$ 9,641,635	\$ 8,806,728	\$ 11,458,311	\$ 2,651,583

CITY OF NORTH LAS VEGAS

CAPITAL PROJECTS STREET IMPROVEMENTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental	\$ 88,325,050	\$ 88,325,050	\$ 14,585,914	\$ (73,739,136)
EXPENDITURES				
General government				
City attorney				
Employee benefits	_____	_____	1	(1)
Finance				
Capital outlay	_____	_____	26,980	(26,980)
Other				
Salaries and wages	25,664	25,664		25,664
Employee benefits	11,602	11,602		11,602
Services and supplies	18,984	18,984		18,984
Capital outlay	243,750	243,750		243,750
Total other	300,000	300,000	_____	300,000
Total general government	300,000	300,000	26,981	273,019
Public safety				
Protective services				
Services and supplies		48,000		48,000
Capital outlay	_____	_____	12,181	(12,181)
Total protective services	_____	48,000	12,181	35,819
Other				
Employee benefits	_____	_____	(1)	1
Total public safety	_____	48,000	12,180	35,820
Public works				
Administration				
Employee benefits			(2)	2
Capital outlay	_____	_____	3,398	(3,398)
Total administration	_____	_____	3,396	(3,396)
Flood control				
Employee benefits			1	(1)
Capital outlay	_____	_____	528,986	(528,986)
Total flood control	_____	_____	528,987	(528,987)
Streets				
Salaries and wages	6,335,845	6,335,845		6,335,845
Employee benefits	2,752,213	2,752,213		2,752,213
Services and supplies	7,562,839	7,514,839	(1)	7,514,840
Capital outlay	73,839,903	73,839,903	12,752,933	61,086,970
Total streets	90,490,800	90,442,800	12,752,932	77,689,868
Engineering				
Salaries and wages			2	(2)
Employee benefits			1	(1)
Capital outlay	_____	_____	1,018,059	(1,018,059)
Total engineering	_____	_____	1,018,062	(1,018,062)

(Continued)

CITY OF NORTH LAS VEGAS

CAPITAL PROJECTS STREET IMPROVEMENTS CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Real property				
Employee benefits			(4)	4
Capital outlay			114,104	(114,104)
Total real property			<u>114,100</u>	<u>(114,100)</u>
Total public works	<u>90,490,800</u>	<u>90,442,800</u>	<u>14,417,477</u>	<u>76,025,323</u>
Total expenditures	<u>90,790,800</u>	<u>90,790,800</u>	<u>14,456,638</u>	<u>76,334,162</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,465,750)</u>	<u>(2,465,750)</u>	<u>129,276</u>	<u>2,595,026</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>2,224,000</u>	<u>2,224,000</u>	<u>2,224,000</u>	
CHANGE IN FUND BALANCE	(241,750)	(241,750)	2,353,276	2,595,026
FUND BALANCE, BEGINNING OF YEAR	<u>2,922,386</u>	<u>3,554,882</u>	<u>3,554,882</u>	
FUND BALANCE, END OF YEAR	<u>\$ 2,680,636</u>	<u>\$ 3,313,132</u>	<u>\$ 5,908,158</u>	<u>\$ 2,595,026</u>

CITY OF NORTH LAS VEGAS

VALLEY VISTA DEVELOPMENT CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ _____	\$ _____	\$ (27,014)	\$ (27,014)
EXPENDITURES				
General government				
Other				
Services and supplies		1,370,000		1,370,000
Capital outlay		25,000,000	128,726	24,871,274
Total general government		26,370,000	128,726	26,241,274
Public works				
Real property				
Salaries and wages		20,000		20,000
Employee benefits		10,000	(1)	10,001
Services and supplies		100,000		100,000
Capital outlay			60,539	(60,539)
Total public works		130,000	60,538	69,462
Total expenditures		26,500,000	189,264	26,310,736
DEFICIENCY OF REVENUES UNDER EXPENDITURES		(26,500,000)	(216,278)	26,283,722
OTHER FINANCING SOURCES				
Debt issuance proceeds		30,000,000		(30,000,000)
CHANGE IN FUND BALANCE		3,500,000	(216,278)	(3,716,278)
FUND BALANCE, BEGINNING OF YEAR	300,000	219,280	219,280	
FUND BALANCE, END OF YEAR	<u>\$ 300,000</u>	<u>\$ 3,719,280</u>	<u>\$ 3,002</u>	<u>\$ (3,716,278)</u>

CITY OF NORTH LAS VEGAS

NORTHERN BELTWAY COMMERCIAL AREA CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Special assessments	\$ 600,000	\$ 600,000	\$ _____	\$ (600,000)
EXPENDITURES				
General government				
Finance				
Salaries and wages		600		600
Employee benefits		300		300
Services and supplies		100		100
Capital outlay			104	(104)
Total general government		1,000	104	896
Public works				
Streets				
Salaries and wages	34,062	33,462		33,462
Employee benefits	14,754	14,354		14,354
Services and supplies	20,400	20,400		20,400
Capital outlay	530,784	530,784		530,784
Total streets	600,000	599,000		599,000
Engineering				
Services and supplies			1	(1)
Capital outlay			17,303	(17,303)
Total engineering			17,304	(17,304)
Construction				
Capital outlay		7,000,000	3,798,891	3,201,109
Total public works	600,000	7,599,000	3,816,195	3,782,805
Total expenditures	600,000	7,600,000	3,816,299	3,783,701
CHANGE IN FUND BALANCE		(7,000,000)	(3,816,299)	3,183,701
FUND BALANCE, BEGINNING OF YEAR	78,665	8,715,781	8,715,781	
FUND BALANCE, END OF YEAR	\$ 78,665	\$ 1,715,781	\$ 4,899,482	\$ 3,183,701

PROPRIETARY FUNDS

MAJOR ENTERPRISE FUNDS

CITY OF NORTH LAS VEGAS

MAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Wastewater Utility

Accounts for the collection from the residents of the City and the transmission of sewage through the system infrastructure for treatment and release into Lake Mead.

Water Utility

Accounts for the delivery of water services through the system infrastructure to the residents of the City and other service areas.

CITY OF NORTH LAS VEGAS

WASTEWATER UTILITY ENTERPRISE FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Utility fees	\$ 44,341,500	\$ 44,341,500	\$ 46,027,706	\$ 1,686,206
Construction fees	310,000	310,000	244,041	(65,959)
Connection fees	2,025,000	2,025,000	4,827,445	2,802,445
Other charges for services			233,862	233,862
Fines and forfeitures	850,000	850,000	941,857	91,857
Miscellaneous	9,115,600	465,000	469,012	4,012
Total operating revenues	<u>56,642,100</u>	<u>47,991,500</u>	<u>52,743,923</u>	<u>4,752,423</u>
OPERATING EXPENSES				
Salaries and wages	5,586,353	5,411,282	4,175,916	1,235,366
Employee benefits	2,840,135	2,762,877	2,314,525	448,352
Services and supplies	17,036,477	17,771,483	11,428,028	6,343,455
Depreciation and amortization	14,103,000	14,103,000	14,594,025	(491,025)
Total operating expenses	<u>39,565,965</u>	<u>40,048,642</u>	<u>32,512,494</u>	<u>7,536,148</u>
Operating income	<u>17,076,135</u>	<u>7,942,858</u>	<u>20,231,429</u>	<u>12,288,571</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income			36,932	36,932
Gain (loss) on capital asset disposition			9,314	9,314
Interest and fiscal charges	(13,419,464)	(13,423,664)	(13,062,981)	360,683
Intergovernmental	6,517,000	6,517,000	9,616,036	3,099,036
Total nonoperating revenues (expenses)	<u>(6,902,464)</u>	<u>(6,906,664)</u>	<u>(3,400,699)</u>	<u>3,505,965</u>
Income before capital contributions and transfers	<u>10,173,671</u>	<u>1,036,194</u>	<u>16,830,730</u>	<u>15,794,536</u>
CAPITAL CONTRIBUTIONS				
Capital contributions			1,287,606	1,287,606
TRANSFERS				
Transfers in	3,502,500	1,430,660	1,430,660	
Transfers out	(10,369,682)	(8,297,842)	(8,297,842)	
Total transfers	<u>(6,867,182)</u>	<u>(6,867,182)</u>	<u>(6,867,182)</u>	
CHANGE IN NET POSITION	<u>\$ 3,306,489</u>	<u>\$ (5,830,988)</u>	11,251,154	<u>\$ 17,082,142</u>
NET POSITION, BEGINNING OF YEAR			<u>160,765,051</u>	
NET POSITION, END OF YEAR			<u>\$ 172,016,205</u>	

CITY OF NORTH LAS VEGAS

WATER UTILITY ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Utility fees	\$ 55,697,250	\$ 55,697,250	\$ 59,520,826	\$ 3,823,576
Construction fees	375,000	375,000	1,884,362	1,509,362
Connection fees	600,000	600,000	3,004,739	2,404,739
Other charges for services	1,905,000	1,905,000	2,197,971	292,971
Fines and forfeitures	2,125,000	2,125,000	2,467,315	342,315
Miscellaneous	790,000	790,000	1,068,449	278,449
Total operating revenues	<u>61,492,250</u>	<u>61,492,250</u>	<u>70,143,662</u>	<u>8,651,412</u>
OPERATING EXPENSES				
Salaries and wages	7,381,022	7,530,034	6,301,538	1,228,496
Employee benefits	3,888,414	3,948,926	2,728,264	1,220,662
Services and supplies	33,356,619	40,390,233	29,313,613	11,076,620
Depreciation and amortization	5,427,000	5,427,000	6,183,649	(756,649)
Total operating expenses	<u>50,053,055</u>	<u>57,296,193</u>	<u>44,527,064</u>	<u>12,769,129</u>
Operating income	<u>11,439,195</u>	<u>4,196,057</u>	<u>25,616,598</u>	<u>21,420,541</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income			678,368	678,368
Gain (loss) on capital asset disposition			17,771	17,771
Interest and fiscal charges	(308,330)	(308,330)	(77,151)	231,179
Intergovernmental			2,777	2,777
Total nonoperating revenues (expenses)	<u>(308,330)</u>	<u>(308,330)</u>	<u>621,765</u>	<u>930,095</u>
Income before capital contributions and transfers	<u>11,130,865</u>	<u>3,887,727</u>	<u>26,238,363</u>	<u>22,350,636</u>
CAPITAL CONTRIBUTIONS				
Capital contributions			1,793,475	1,793,475
TRANSFERS				
Transfers in	37,198,715	13,150,875	13,150,875	
Transfers out	(44,175,924)	(14,008,084)	(14,008,084)	
Total transfers	<u>(6,977,209)</u>	<u>(857,209)</u>	<u>(857,209)</u>	
CHANGE IN NET POSITION	<u>\$ 4,153,656</u>	<u>\$ 3,030,518</u>	27,174,629	<u>\$ 24,144,111</u>
NET POSITION, BEGINNING OF YEAR			160,364,988	
NET POSITION, END OF YEAR			<u>\$ 187,539,617</u>	

NON-MAJOR ENTERPRISE FUNDS

CITY OF NORTH LAS VEGAS

NON-MAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Municipal Golf Courses

Accounts for the operations of a nine-hole par-3 golf course and an 18-hole par-72 championship course.

CITY OF NORTH LAS VEGAS

MUNICIPAL GOLF COURSES ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
User fees	\$ 2,055,435	\$ 2,055,435	\$ 1,658,481	\$ (396,954)
Miscellaneous	<u>40,000</u>	<u>40,000</u>	<u>249,320</u>	<u>209,320</u>
Total operating revenues	<u>2,095,435</u>	<u>2,095,435</u>	<u>1,907,801</u>	<u>(187,634)</u>
OPERATING EXPENSES				
Salaries and wages	113,020	113,020	111,157	1,863
Employee benefits	22,212	22,212	21,844	368
Services and supplies	2,199,974	2,206,769	1,969,124	237,645
Depreciation and amortization	<u>226,400</u>	<u>226,400</u>	<u>226,356</u>	<u>44</u>
Total operating expenses	<u>2,561,606</u>	<u>2,568,401</u>	<u>2,328,481</u>	<u>239,920</u>
Operating loss	<u>(466,171)</u>	<u>(472,966)</u>	<u>(420,680)</u>	<u>52,286</u>
TRANSFERS				
Transfers in	<u>210,000</u>	<u>330,000</u>	<u>330,000</u>	<u> </u>
CHANGE IN NET POSITION	<u>\$ (256,171)</u>	<u>\$ (142,966)</u>	(90,680)	<u>\$ 52,286</u>
NET POSITION, BEGINNING OF YEAR			<u>4,860,600</u>	
NET POSITION, END OF YEAR			<u>\$ 4,769,920</u>	

INTERNAL SERVICE FUNDS

CITY OF NORTH LAS VEGAS

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Motor Equipment

Accounts for repairs, maintenance, fuel and services to vehicles of all departments of the City.

Self-insurance Reserve

Accounts for costs incurred in self-insuring liability claims, unemployment, employee and retiree health care (including medical, dental and vision), workers' compensation programs and post employment benefits other than pensions.

CITY OF NORTH LAS VEGAS

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION JUNE 30, 2019

	Motor Equipment	Self-insurance Reserve	Total Internal Service
ASSETS			
Current assets			
Cash, cash equivalents and investments	\$ 27,187,067	\$ 99,647,019	\$ 126,834,086
Accounts receivable, net	25,100	14,311	39,411
Prepaid items		72,716	72,716
Inventories	227,461		227,461
Restricted assets			
Cash, cash equivalents and investments		3,505,101	3,505,101
Total current assets	<u>27,439,628</u>	<u>103,239,147</u>	<u>130,678,775</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation and amortization			
Buildings and building improvements	171,569		171,569
Improvements other than buildings	177,655		177,655
Machinery, equipment and software	<u>3,277,340</u>		<u>3,277,340</u>
Total noncurrent assets	<u>3,626,564</u>		<u>3,626,564</u>
Total assets	<u>31,066,192</u>	<u>103,239,147</u>	<u>134,305,339</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized amounts related to pensions	179,627	124,352	303,979
Unamortized amounts related to other postemployment benefits other than pensions	<u>91,299</u>	<u>1,717,964</u>	<u>1,809,263</u>
Total deferred outflows of resources	<u>270,926</u>	<u>1,842,316</u>	<u>2,113,242</u>
LIABILITIES			
Current liabilities			
Accounts payable and other accrued liabilities	305,588	1,581,682	1,887,270
Accrued salaries and benefits	29,555	21,202,813	21,232,368
Due to other governments	1,224	1,864	3,088
Compensated absences	<u>23,392</u>	<u>4,607</u>	<u>27,999</u>
Total current liabilities	<u>359,759</u>	<u>22,790,966</u>	<u>23,150,725</u>
Noncurrent liabilities			
Compensated absences	255,608	52,826	308,434
Postemployment benefits other than pensions		41,003,614	41,003,614
Net pension liability	<u>1,732,640</u>	<u>1,132,659</u>	<u>2,865,299</u>
Total noncurrent liabilities	<u>1,988,248</u>	<u>42,189,099</u>	<u>44,177,347</u>
Total liabilities	<u>2,348,007</u>	<u>64,980,065</u>	<u>67,328,072</u>
DEFERRED INFLOWS OF RESOURCES			
Unamortized amounts related to pensions	<u>319,632</u>	<u>208,950</u>	<u>528,582</u>
NET POSITION			
Net investment in capital assets	3,626,564		3,626,564
Restricted			
Claims and judgments		808,100	808,100
Unrestricted	<u>25,042,915</u>	<u>39,084,348</u>	<u>64,127,263</u>
Total net position	<u>\$ 28,669,479</u>	<u>\$ 39,892,448</u>	<u>\$ 68,561,927</u>

CITY OF NORTH LAS VEGAS

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2019

	Motor Equipment	Self-insurance Reserve	Total Internal Service
OPERATING REVENUES			
Other charges for services	\$ 10,190,126	\$ 49,882,972	\$ 60,073,098
OPERATING EXPENSES			
Salaries and wages	1,016,254	3,622,316	4,638,570
Employee benefits	615,282	4,232,420	4,847,702
Services and supplies	2,970,742	15,599,905	18,570,647
Depreciation and amortization	848,766		848,766
Total operating expenses	5,451,044	23,454,641	28,905,685
Operating income	4,739,082	26,428,331	31,167,413
NONOPERATING REVENUES			
Investment income		71,568	71,568
Gain (loss) on capital asset disposition	5,867		5,867
Total nonoperating revenues	5,867	71,568	77,435
Income before transfers	4,744,949	26,499,899	31,244,848
TRANSFERS			
Transfers out		(220,000)	(220,000)
CHANGE IN NET POSITION	4,744,949	26,279,899	31,024,848
NET POSITION, BEGINNING OF YEAR	23,924,530	13,612,549	37,537,079
NET POSITION, END OF YEAR	\$ 28,669,479	\$ 39,892,448	\$ 68,561,927

CITY OF NORTH LAS VEGAS

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2019

	Motor Equipment	Self-insurance Reserve	Total Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 10,190,024	\$ 49,878,313	\$ 60,068,337
Cash payments for goods and services	(2,987,022)	(19,365,530)	(22,352,552)
Cash payments for employee services	(1,532,812)		(1,532,812)
Cash payments for interfund services	(2,808)		(2,808)
Net cash provided by operating activities	5,667,382	30,512,783	36,180,165
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out		(220,000)	(220,000)
Advances to other funds		262,570	262,570
Net cash provided by noncapital financing activities		42,570	42,570
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1,334,928)		(1,334,928)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income received		71,568	71,568
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,332,454	30,626,921	34,959,375
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	22,854,613	72,525,199	95,379,812
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 27,187,067	\$ 103,152,120	\$ 130,339,187
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 4,739,082	\$ 26,428,331	\$ 31,167,413
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	848,766		848,766
(Increase) decrease in operating assets			
Accounts receivable	(100)	(4,659)	(4,759)
Inventories	2,390		2,390
Prepaid items		(60,956)	(60,956)
Increase (decrease) in operating liabilities			
Accounts payable	(19,082)	333,849	314,767
Accrued salaries and benefits	6,710	(24,052)	(17,342)
Due to other funds	(2,808)	(1,535)	(4,343)
Due to other governments	410	107	517
Compensated absences	10,597	16,245	26,842
Postemployment benefits other than pensions	(91,299)	4,533,075	4,441,776
Net pension liability	172,716	(707,622)	(534,906)
Total adjustments	928,300	4,084,452	5,012,752
Net cash provided by operating activities	\$ 5,667,382	\$ 30,512,783	\$ 36,180,165

CITY OF NORTH LAS VEGAS

MOTOR EQUIPMENT INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Other charges for services	\$ 8,385,363	\$ 8,385,363	\$ 10,190,126	\$ 1,804,763
OPERATING EXPENSES				
Salaries and wages	1,045,224	1,095,419	1,016,254	79,165
Employee benefits	551,612	551,612	615,282	(63,670)
Services and supplies	3,145,277	3,095,081	2,970,742	124,339
Depreciation and amortization	428,000	428,000	848,766	(420,766)
Total operating expenses	5,170,113	5,170,112	5,451,044	(280,932)
Operating income	3,215,250	3,215,251	4,739,082	1,523,831
NONOPERATING REVENUES				
Gain (loss) on capital asset disposition			5,867	5,867
CHANGE IN NET POSITION	\$ 3,215,250	\$ 3,215,251	4,744,949	\$ 1,529,698
NET POSITION, BEGINNING OF YEAR			23,924,530	
NET POSITION, END OF YEAR			\$ 28,669,479	

CITY OF NORTH LAS VEGAS

SELF-INSURANCE RESERVE INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Other charges for services	\$ 28,874,862	\$ 44,164,797	\$ 49,882,972	\$ 5,718,175
OPERATING EXPENSES				
Salaries and wages	5,825,659	5,341,440	3,622,316	1,719,124
Employee benefits	3,386,860	3,386,860	4,232,420	(845,560)
Services and supplies	19,496,403	22,842,867	15,599,905	7,242,962
Total operating expenses	28,708,922	31,571,167	23,454,641	8,116,526
Operating income	165,940	12,593,630	26,428,331	13,834,701
NONOPERATING REVENUES				
Investment income			71,568	71,568
Income before transfers	165,940	12,593,630	26,499,899	13,906,269
TRANSFERS				
Transfers out	(220,000)	(220,000)	(220,000)	
CHANGE IN NET POSITION	\$ (54,060)	\$ 12,373,630	26,279,899	\$ 13,906,269
NET POSITION, BEGINNING OF YEAR			13,612,549	
NET POSITION, END OF YEAR			\$ 39,892,448	

FIDUCIARY FUNDS

CITY OF NORTH LAS VEGAS

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

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

Bail Deposits

Accounts for funds deposited or pledged for the release of a suspect from detention, with the understanding that the suspect will return for trial or forfeit the bail (and possibly be brought up on charges of the crime or failure to appear).

Non-forfeiture Holding

Accounts for those funds associated with the seizure of narcotics from a suspect to be held until such time as a trial is held and a determination is made with regard to the purpose of the funds.

Other Deposits

Accounts for funds deposited by developers in-lieu of a surety bond.

Business Cleanup Deposits

Accounts for those deposit requirements as a condition to the issuance of a special use permit in the event the business fails to adequately clean up the area after the special event.

Special Trust Reward

Accounts for funds from Clark County to be used as a reward to eligible tipsters who provide information that directly leads to the whereabouts of Everlyse Cabrera and the subsequent felony arrest and/or indictment.

Employee Insurance Deposits

Accounts for employee and employer contributions to group health and life insurance, which are held until they are disbursed to the City's insurance carriers.

Workers' Compensation Retention

Accounts for funds held by the State of Nevada as a retention requirement.

Contractor Retention Accounts

Accounts for money withheld from contract payments as retention requirements in construction contracts.

New Construction Privilege Tax

Accounts for funds collected from new construction by the City and remitted to Clark County, Nevada.

Convention Authority Tax

Accounts for gaming taxes and room tax receipts collected from North Las Vegas businesses by the City and transmitted to the Las Vegas Convention and Visitors Authority.

Garbage Company Collection

Accounts for billings and collections by the City for garbage pick-up services performed by a local disposal company.

Inmate Deposits

Accounts for funds held for inmates in the City Detention Center until they are released or transferred.

SIAD No. 54 (Civic Center Drive Development)

Accounts for the collection of property assessments pledged for the payment of principal and interest and for which no assets or revenues of the City have been pledged.

SIAD No. 60 (Aliante Development)

Accounts for the collection of property assessments pledged for the payment of principal and interest and for which no assets or revenues of the City have been pledged.

SIAD No. 65 (Northern Beltway Commercial Area)

Accounts for the collection of property assessments pledged for the payment of principal and interest and for which no assets or revenues of the City have been pledged.

SIAD No. 64 (Park Highlands Development)

Accounts for the collection of property assessments pledged for the payment of principal and interest and for which no assets or revenues of the City have been pledged.

SNWA Collections

Accounts for billings and collections by the City for SNWA assessments.

CITY OF NORTH LAS VEGAS

AGENCY FUNDS COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES JUNE 30, 2019

	<u>Bail Deposits</u>	<u>Non-forfeiture Holding</u>	<u>Other Deposits</u>	<u>Business Cleanup Deposits</u>	<u>Special Trust Reward</u>	<u>Employee Insurance Deposits</u>	<u>Workers' Compensation Retention</u>	<u>Contractor Retention Accounts</u>	<u>New Construction Privilege Tax</u>
ASSETS									
Cash, cash equivalents and investments	\$ 160,548	\$ 429,972	\$ 2,921,934	\$ 18,299	\$ 15,000	\$ (407,131)	\$ 258	\$ 1,352,151	\$ 544,896
Accounts receivable, net			20,880						
Interest receivable									
Special assessments receivable									
Total assets	<u>\$ 160,548</u>	<u>\$ 429,972</u>	<u>\$ 2,942,814</u>	<u>\$ 18,299</u>	<u>\$ 15,000</u>	<u>\$ (407,131)</u>	<u>\$ 258</u>	<u>\$ 1,352,151</u>	<u>\$ 544,896</u>
LIABILITIES									
Due to developers, other governments and others	<u>\$ 160,548</u>	<u>\$ 429,972</u>	<u>\$ 2,942,814</u>	<u>\$ 18,299</u>	<u>\$ 15,000</u>	<u>\$ (407,131)</u>	<u>\$ 258</u>	<u>\$ 1,352,151</u>	<u>\$ 544,896</u>
Total liabilities	<u>\$ 160,548</u>	<u>\$ 429,972</u>	<u>\$ 2,942,814</u>	<u>\$ 18,299</u>	<u>\$ 15,000</u>	<u>\$ (407,131)</u>	<u>\$ 258</u>	<u>\$ 1,352,151</u>	<u>\$ 544,896</u>

(Continued)

CITY OF NORTH LAS VEGAS

**AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)
JUNE 30, 2019**

	Convention Authority Tax	Garbage Company Collection	Inmate Deposits	SIAD No. 54 (Civic Center Drive Development)	SIAD No. 60 (Aliante Development)	SIAD No. 65 (Northern Beltway Commercial Area)	SIAD No. 64 (Park Highlands Development)	SNWA Collections	Total Agency Funds
ASSETS									
Cash, cash equivalents and investments	\$ 767,500	\$ 1,837,155	\$ 5,070	\$ 489,078	\$ 4,088,598	\$ 1,827,327	\$ 34,121,705	\$ 3,585,375	\$ 51,757,735
Accounts receivable, net	17,739	1,975,463						1,512,259	3,526,341
Interest receivable					45	2,145			2,190
Special assessments receivable					1,180	8,619			9,799
Total assets	<u>\$ 785,239</u>	<u>\$ 3,812,618</u>	<u>\$ 5,070</u>	<u>\$ 489,078</u>	<u>\$ 4,089,823</u>	<u>\$ 1,838,091</u>	<u>\$ 34,121,705</u>	<u>\$ 5,097,634</u>	<u>\$ 55,296,065</u>
LIABILITIES									
Due to developers, other governments and others	\$ 785,239	\$ 3,812,618	\$ 5,070	\$ 489,078	\$ 4,089,823	\$ 1,838,091	\$ 34,121,705	\$ 5,097,634	\$ 55,296,065
Total liabilities	<u>\$ 785,239</u>	<u>\$ 3,812,618</u>	<u>\$ 5,070</u>	<u>\$ 489,078</u>	<u>\$ 4,089,823</u>	<u>\$ 1,838,091</u>	<u>\$ 34,121,705</u>	<u>\$ 5,097,634</u>	<u>\$ 55,296,065</u>

CITY OF NORTH LAS VEGAS

AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
BAIL DEPOSITS				
ASSETS				
Cash, cash equivalents and investments	\$ 138,057	\$ 567,239	\$ 544,748	\$ 160,548
LIABILITIES				
Due to developers, other governments and others	\$ 128,147	\$ 639,096	\$ 616,605	\$ 160,548
Customer deposits	9,910			
Total liabilities	\$ 138,057	\$ 639,096	\$ 616,605	\$ 160,548
NON-FORFEITURE HOLDING				
ASSETS				
Cash, cash equivalents and investments	\$ 465,787	\$ 332,375	\$ 368,190	\$ 429,972
LIABILITIES				
Due to developers, other governments and others	\$ 465,787	\$ 401,416	\$ 437,231	\$ 429,972
OTHER DEPOSITS				
ASSETS				
Cash, cash equivalents and investments	\$ 4,304,860	\$ 1,737,088	\$ 3,120,014	\$ 2,921,934
Accounts receivable, net		20,880		20,880
Total assets	\$ 4,304,860	\$ 1,757,968	\$ 3,120,014	\$ 2,942,814
LIABILITIES				
Due to developers, other governments and others	\$ 4,304,860	\$ 3,997,630	\$ 5,359,676	\$ 2,942,814
BUSINESS CLEANUP DEPOSITS				
ASSETS				
Cash, cash equivalents and investments	\$ 18,049	\$ 250		\$ 18,299
LIABILITIES				
Due to developers, other governments and others	\$ 18,049	\$ 2,150	\$ 1,900	\$ 18,299
SPECIAL TRUST REWARD				
ASSETS				
Cash, cash equivalents and investments	\$ 15,000			\$ 15,000
LIABILITIES				
Due to developers, other governments and others	\$ 15,000			\$ 15,000
EMPLOYEE INSURANCE DEPOSITS				
ASSETS				
Cash, cash equivalents and investments	\$ (53,599)	\$ 32,212,740	\$ 32,566,272	\$ (407,131)
LIABILITIES				
Due to developers, other governments and others	\$ (53,599)	\$ 33,043,949	\$ 33,397,481	\$ (407,131)
WORKERS' COMPENSATION RETENTION				
ASSETS				
Cash, cash equivalents and investments	\$ 258			\$ 258
LIABILITIES				
Due to developers, other governments and others	\$ 258			\$ 258

(Continued)

CITY OF NORTH LAS VEGAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
CONTRACTOR RETENTION ACCOUNTS				
ASSETS				
Cash, cash equivalents and investments	\$ 1,152,680	\$ 1,311,847	\$ 1,112,376	\$ 1,352,151
LIABILITIES				
Due to developers, other governments and others	\$ 1,152,680	\$ 4,153,216	\$ 3,953,745	\$ 1,352,151
NEW CONSTRUCTION PRIVILEGE TAX				
ASSETS				
Cash, cash equivalents and investments	\$ 112,548	\$ 7,545,193	\$ 7,112,845	\$ 544,896
LIABILITIES				
Due to developers, other governments and others	\$ 112,548	\$ 14,384,367	\$ 13,952,019	\$ 544,896
CONVENTION AUTHORITY TAX				
ASSETS				
Cash, cash equivalents and investments	\$ 344,609	\$ 3,985,824	\$ 3,562,934	\$ 767,500
Accounts receivable, net	28,059	91,477	101,796	17,739
Total assets	\$ 372,668	\$ 4,077,301	\$ 3,664,730	\$ 785,239
LIABILITIES				
Due to developers, other governments and others	\$ 372,668	\$ 9,227,598	\$ 8,815,027	\$ 785,239
GARBAGE COMPANY COLLECTION				
ASSETS				
Cash, cash equivalents and investments	\$ 1,772,662	\$ 21,958,065	\$ 21,893,572	\$ 1,837,155
Accounts receivable, net	2,904,096	23,673,394	24,602,027	1,975,463
Total assets	\$ 4,676,758	\$ 45,631,459	\$ 46,495,599	\$ 3,812,618
LIABILITIES				
Due to developers, other governments and others	\$ 4,676,758	\$ 48,326,551	\$ 49,190,691	\$ 3,812,618
INMATE DEPOSITS				
ASSETS				
Cash, cash equivalents and investments	\$ 5,070			\$ 5,070
LIABILITIES				
Due to developers, other governments and others	\$ 5,070			\$ 5,070
SIAD NO. 54 (CIVIC CENTER DRIVE DEVELOPMENT)				
ASSETS				
Cash, cash equivalents and investments	\$ 476,910	\$ 12,228	\$ 60	\$ 489,078
LIABILITIES				
Due to developers, other governments and others	\$ 476,910	\$ 12,228	\$ 60	\$ 489,078

(Continued)

CITY OF NORTH LAS VEGAS

AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
SIAD NO. 60 (ALIANTE DEVELOPMENT)				
ASSETS				
Cash, cash equivalents and investments	\$ 4,016,940	\$ 3,831,147	\$ 3,759,489	\$ 4,088,598
Interest receivable	(170)	215		45
Special assessments receivable	<u>70,767</u>		<u>69,587</u>	<u>1,180</u>
Total assets	<u>\$ 4,087,537</u>	<u>\$ 3,831,362</u>	<u>\$ 3,829,076</u>	<u>\$ 4,089,823</u>
LIABILITIES				
Due to developers, other governments and others	<u>\$ 4,087,537</u>	<u>\$ 4,293,866</u>	<u>\$ 4,291,580</u>	<u>\$ 4,089,823</u>
SIAD NO. 65 (NORTHERN BELTWAY COMMERCIAL AREA)				
ASSETS				
Cash, cash equivalents and investments	\$ 2,748,283	\$ 1,673,766	\$ 2,594,722	\$ 1,827,327
Interest receivable	(5,338)	7,483		2,145
Special assessments receivable	<u>(376)</u>	<u>8,995</u>		<u>8,619</u>
Total assets	<u>\$ 2,742,569</u>	<u>\$ 1,690,244</u>	<u>\$ 2,594,722</u>	<u>\$ 1,838,091</u>
LIABILITIES				
Due to developers, other governments and others	<u>\$ 2,742,569</u>	<u>\$ 4,300,371</u>	<u>\$ 5,204,849</u>	<u>\$ 1,838,091</u>
SIAD NO. 64 (PARK HIGHLANDS DEVELOPMENT)				
ASSETS				
Cash, cash equivalents and investments	<u>\$</u>	<u>\$ 34,121,705</u>	<u>\$</u>	<u>\$ 34,121,705</u>
LIABILITIES				
Due to developers, other governments and others	<u>\$</u>	<u>\$ 34,412,031</u>	<u>\$ 290,326</u>	<u>\$ 34,121,705</u>
SNWA COLLECTIONS				
ASSETS				
Cash, cash equivalents and investments	\$	\$ 24,960,317	\$ 21,374,942	\$ 3,585,375
Accounts receivable, net		<u>20,343,974</u>	<u>18,831,715</u>	<u>1,512,259</u>
Total assets	<u>\$</u>	<u>\$ 45,304,291</u>	<u>\$ 40,206,657</u>	<u>\$ 5,097,634</u>
LIABILITIES				
Due to developers, other governments and others	<u>\$</u>	<u>\$ 52,697,399</u>	<u>\$ 47,599,765</u>	<u>\$ 5,097,634</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash, cash equivalents and investments	\$ 15,518,114	\$ 134,249,784	\$ 98,010,164	\$ 51,757,735
Accounts receivable, net	2,932,155	44,129,725	43,535,538	3,526,341
Interest receivable	(5,508)	7,698		2,190
Special assessments receivable	<u>70,391</u>	<u>8,995</u>	<u>69,587</u>	<u>9,799</u>
Total assets	<u>\$ 18,515,152</u>	<u>\$ 178,396,202</u>	<u>\$ 141,615,289</u>	<u>\$ 55,296,065</u>
LIABILITIES				
Due to developers, other governments and others	\$ 18,505,242	\$ 209,891,868	\$ 173,110,955	\$ 55,296,065
Customer deposits	<u>9,910</u>			
Total liabilities	<u>\$ 18,515,152</u>	<u>\$ 209,891,868</u>	<u>\$ 173,110,955</u>	<u>\$ 55,296,065</u>

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Members of the City Council
City of North Las Vegas, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Las Vegas (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report thereon dated December 13, 2019.

Internal Control over Financial Reporting. In planning and performing our audit of the basic 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 opinion on the basic 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 City's basic 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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2019 - 001 and 2019 - 002 that we consider to be significant deficiencies.

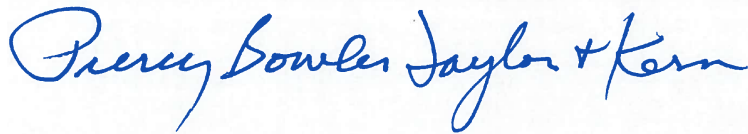
Compliance and Other Matters. As part of obtaining reasonable assurance about whether the City's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts, including whether the funds established by the City, as listed in Nevada Revised Statutes (NRS) 354.624 (5)(a)(1 through 5), complied with the express purposes required by NRS 354.6241. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under

Government Auditing Standards.

The City's Responses to Findings. The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

We noted certain matters that we reported to the City in a separate letter dated December 13, 2019.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Percy Bowler Taylor & Kern". The signature is written in a cursive style and is positioned above the typed name and date.

Las Vegas, Nevada
December 13, 2019

STATISTICAL SECTION

CITY OF NORTH LAS VEGAS

STATISTICAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2019

Financial Trends

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

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

Revenue Capacity

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

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

Debt Capacity

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

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

Demographic and Economic Information

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

- Demographic and Economic Statistics
- Principal Employers

Operating Information

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

- Full-time Equivalent City Government Employees by Function/Program
- Operating Indicators by Function/Program
- Capital Asset Statistics by Function/Program

CITY OF NORTH LAS VEGAS

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS⁽¹⁾ (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Governmental activities										
Net investment in capital assets	\$ 1,015,611,134	\$ 1,008,326,661 ¹	\$ 1,035,550,177	\$ 1,109,705,374	\$ 1,106,799,902	\$ 1,147,394,961	\$ 1,156,185,282	\$ 1,139,228,934	\$ 1,148,254,354	\$ 1,149,284,201
Restricted	25,463,718	74,650,721	70,286,644	73,249,575	91,020,657	128,697,909	120,065,652	137,072,577	120,065,652	137,072,577
Unrestricted	65,197,112	49,244,494	(5,838,643)	(14,533,877)	9,551,124	(202,744,932)	(181,662,381)	183,812,405	(165,407,905)	(115,691,157)
Total governmental activities	<u>1,080,808,246</u>	<u>1,083,034,873</u>	<u>1,104,362,255</u>	<u>1,165,458,141</u>	<u>1,189,600,601</u>	<u>1,023,941,633</u>	<u>1,065,543,558</u>	<u>1,451,739,248</u>	<u>1,102,912,101</u>	<u>1,170,665,621</u>
Business-type activities										
Net investment in capital assets	213,075,462	181,912,347	226,097,835	229,033,516	214,759,669	214,812,299	197,755,281	190,863,437	191,491,015	197,087,776
Restricted	13,317,115	47,537,496	7,132,932	4,514,658	75,134	7,113,754	7,988,645	5,469,486	6,682,246	6,682,246
Unrestricted	66,022,121	57,830,202	71,322,255	73,718,676	87,031,572	69,094,752	75,156,670	88,855,505	122,689,213	152,000,407
Total business-type activities	<u>292,414,698</u>	<u>287,280,045</u>	<u>304,553,022</u>	<u>307,266,850</u>	<u>301,866,375</u>	<u>283,907,051</u>	<u>280,025,705</u>	<u>287,707,587</u>	<u>319,649,714</u>	<u>355,770,429</u>
Primary government										
Net investment in capital assets	1,228,686,596	1,190,239,008	1,261,648,012	1,338,738,890	1,321,559,571	1,362,207,260	1,353,940,563	1,330,092,371	1,339,745,369	1,346,371,977
Restricted	13,317,115	73,001,214	81,783,653	74,801,302	73,324,709	79,291,604	98,134,411	136,686,554	125,535,138	143,754,823
Unrestricted	131,219,233	107,074,696	65,483,612	59,184,799	96,582,696	(133,650,180)	(106,505,711)	272,667,910	(42,718,692)	36,309,250
Total primary government	<u>\$ 1,373,222,944</u>	<u>\$ 1,370,314,918</u>	<u>\$ 1,408,915,277</u>	<u>\$ 1,472,724,991</u>	<u>\$ 1,491,466,976</u>	<u>\$ 1,307,848,684</u>	<u>\$ 1,345,569,263</u>	<u>\$ 1,739,446,835</u>	<u>\$ 1,422,561,815</u>	<u>\$ 1,526,436,050</u>

CITY OF NORTH LAS VEGAS

CHANGES IN NET POSITION LAST TEN FISCAL YEARS⁽¹⁾ (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Expenses										
Governmental activities										
General government	\$ 81,909,186	\$ 81,162,689	\$ 49,229,276	\$ 51,855,800	\$ 56,381,592	\$ 56,167,676	\$ 61,473,941	\$ 66,022,814	\$ 52,747,548	\$ 80,894,173
Judicial	10,780,531	10,125,028	10,521,037	9,496,348	9,896,150	9,060,508	5,378,903	5,527,464	4,140,676	5,224,663
Public safety	172,629,424	149,867,948	160,705,260	147,724,400	154,787,847	141,351,681	141,730,894	154,379,406	159,912,105	163,552,341
Public works	16,794,794	13,694,463	10,164,862	11,197,298	8,416,102	14,152,084	14,894,436	17,712,527	20,548,122	22,472,618
Culture and recreation	18,044,295	14,177,795	15,245,421	13,295,753	16,347,681	17,323,716	17,811,729	18,769,594	16,413,728	16,599,119
Community support	15,363,130	8,239,825	7,807,086	5,168,774	5,722,271	7,142,087	6,855,958	6,751,246	7,532,205	5,692,609
Interest on long-term debt	8,846,315	8,775,931	3,106,240	4,388,732	4,111,816	6,640,779	7,769,871	7,431,219	7,431,219	5,411,734
Total governmental activities	<u>324,367,675</u>	<u>286,043,679</u>	<u>256,779,182</u>	<u>243,127,105</u>	<u>255,663,459</u>	<u>251,838,531</u>	<u>255,915,732</u>	<u>269,163,051</u>	<u>268,725,603</u>	<u>299,847,257</u>
Business-type activities										
Wastewater	31,443,978	36,986,026	26,615,574	38,806,095	46,654,631	45,235,686	45,235,686	45,771,923	46,731,928	46,403,207
Water	33,198,374	32,402,016	33,863,783	33,417,139	37,368,080	36,065,019	36,065,019	40,663,677	43,592,042	45,971,854
Municipal golf courses	1,198,958	1,116,228	2,422,211	2,321,525	3,253,407	2,407,902	2,407,902	2,356,285	2,407,512	2,336,443
Total business-type activities	<u>65,841,310</u>	<u>70,504,270</u>	<u>62,901,568</u>	<u>74,544,759</u>	<u>87,276,118</u>	<u>83,708,607</u>	<u>83,708,607</u>	<u>88,791,885</u>	<u>92,731,482</u>	<u>94,711,514</u>
Total primary government expenses	<u>\$ 390,208,985</u>	<u>\$ 356,547,949</u>	<u>\$ 319,680,750</u>	<u>\$ 317,671,864</u>	<u>\$ 342,939,577</u>	<u>\$ 335,547,138</u>	<u>\$ 339,624,339</u>	<u>\$ 357,954,936</u>	<u>\$ 361,457,085</u>	<u>\$ 394,558,761</u>
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 10,911,870	\$ 8,635,975	\$ 11,467,970	\$ 12,001,422	\$ 13,813,102	\$ 14,222,091	\$ 20,458,488	\$ 44,728,926	\$ 20,030,199	\$ 32,241,000
Judicial	3,098,548	12,222,293	10,412,316	10,446,582	10,950,414	10,164,809	7,917,230	6,665,375	5,338,865	9,636,014
Public safety	29,888,956	10,631,966	20,574,051	21,124,279	24,235,187	23,225,991	28,359,209	33,465,452	44,950,287	55,691,618
Public works	1,883,015	2,702,747	4,876,338	4,751,577	5,375,946	9,006,208	10,860,642	12,152,350	16,321,992	20,536,132
Culture and recreation	1,866,740	1,945,886	2,787,964	2,874,363	3,707,230	5,730,717	5,633,416	6,632,907	4,784,675	4,506,725
Community support		261,485	530,174	547,459	623,259	1,147,504	1,527,769	2,016,652	1,458,809	1,801,459
Operating grants and contributions	11,811,707	9,654,245	23,609,657	19,871,431	23,491,365	27,229,507	24,516,475	27,544,641	34,070,629	31,124,407
Capital grants and contributions	79,156,147	56,049,152	65,538,503	91,544,553	32,366,318	70,196,112	43,854,707	24,471,313	43,986,761	44,023,123
Total governmental activities	<u>138,616,983</u>	<u>102,103,749</u>	<u>139,796,973</u>	<u>163,161,666</u>	<u>114,562,821</u>	<u>160,922,939</u>	<u>143,127,936</u>	<u>157,677,616</u>	<u>170,942,217</u>	<u>199,560,478</u>
Business-type activities										
Charges for services										
Wastewater	34,444,912	37,163,386	39,614,919	40,239,867	41,243,489	42,237,133	44,544,995	47,779,391	50,238,087	52,614,477
Water	47,074,546	48,561,691	48,563,211	51,188,315	53,292,819	54,747,339	58,417,333	61,017,443	68,472,650	70,140,856
Municipal golf courses	335,745	257,839	1,993,004	1,791,935	2,017,409	1,918,441	1,844,835	1,612,048	1,476,086	1,867,683
Operating grants and contributions			6,127,457	3,116,042	3,023,196	6,376,618	3,034,877	3,031,621	3,036,285	5,501,164
Capital grants and contributions	19,871,057	9,420,345	7,460,413	5,857,325	5,963,141	987,403	3,930,962	5,547,780	7,276,858	7,198,730
Total business-type activities	<u>101,726,260</u>	<u>95,403,261</u>	<u>103,759,004</u>	<u>102,193,484</u>	<u>105,540,054</u>	<u>106,266,934</u>	<u>111,773,002</u>	<u>118,988,283</u>	<u>130,499,966</u>	<u>137,322,910</u>
Total primary government program revenues	<u>\$ 240,343,243</u>	<u>\$ 197,507,010</u>	<u>\$ 243,555,977</u>	<u>\$ 265,355,150</u>	<u>\$ 220,102,875</u>	<u>\$ 267,189,873</u>	<u>\$ 254,900,938</u>	<u>\$ 276,665,899</u>	<u>\$ 301,442,183</u>	<u>\$ 336,883,388</u>
Net (expenses) program revenues										
Governmental activities	\$ (185,750,692)	\$ (183,939,930)	\$ (116,982,209)	\$ (79,965,439)	\$ (141,100,638)	\$ (90,915,592)	\$ (112,787,796)	\$ (111,485,435)	\$ (97,783,386)	\$ (100,286,779)
Business-type activities	35,884,950	24,898,991	40,857,436	27,648,725	18,263,936	22,558,327	28,064,395	30,196,398	37,768,484	42,611,406
Primary government	<u>\$ (149,865,742)</u>	<u>\$ (159,040,939)</u>	<u>\$ (76,124,773)</u>	<u>\$ (52,316,714)</u>	<u>\$ (122,836,702)</u>	<u>\$ (68,357,265)</u>	<u>\$ (84,723,401)</u>	<u>\$ (81,289,037)</u>	<u>\$ (60,014,902)</u>	<u>\$ (57,675,373)</u>

(Continued)

CITY OF NORTH LAS VEGAS

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

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 77,024,811	\$ 57,540,748	\$ 55,137,022	\$ 48,831,490	\$ 49,088,718	\$ 50,350,577	\$ 53,201,608	\$ 54,395,962	\$ 55,810,424	\$ 62,687,423
Residential construction taxes	499,417	362,850	382,353	332,595	314,546	313,837	426,603	634,897	823,626	1,457,097
Room taxes	330,333	331,768	358,753	383,888	422,474	486,389	564,601	634,163	524,519	869,167
Franchise fees, based on gross receipts	16,717,339	16,224,681	16,142,005	15,769,356	20,788,938	21,322,332	21,307,694	21,958,914	21,958,914	22,657,205
Intergovernmental consolidated taxes	34,179,293	36,538,629	37,565,290	39,434,352	43,976,942	47,685,565	49,903,290	52,977,267	56,239,648	61,192,352
Other local government shared revenues	9,906,795	13,937,837	2,124,392	2,224,996	2,082,929	2,096,928	2,110,967	2,086,117	2,113,074	2,108,197
Unrestricted investment income	7,727,611	2,610,156	1,378,592	679,281	1,035,183	1,321,011	1,796,240	897,004	2,516,501	9,484,635
Gain on disposal of capital assets			316,407	204,150	2,102,479	2,932,638	183,390	1,606,834	413,349	154,632
Miscellaneous	23,144,183	28,064,262	2,199,961	1,767,227	2,281,880	1,909,778	1,984,280	1,725,017	16,841,906	35,200
Transfers	41,365,458	31,318,875	31,958,855	31,433,990	24,046,761	22,548,597	22,911,048	22,722,283	4,513,712	7,394,391
Total governmental activities	<u>210,895,240</u>	<u>186,929,806</u>	<u>147,563,630</u>	<u>141,061,325</u>	<u>146,140,850</u>	<u>150,967,652</u>	<u>154,389,721</u>	<u>137,679,544</u>	<u>161,755,673</u>	<u>168,040,299</u>
Business-type activities										
Unrestricted investment income	1,455,994	356,115	72,721	136,985	13,586	15,803	7,702	17,449	24,477	715,300
Gain on disposal of capital assets			23,860	12,668	21,612	6,517	21,963	69,435	27,085	27,085
Miscellaneous	2,329,165	3,055,358	36,782	6,362,108	356,096	216,234	211,753	218,349	282,104	161,315
Transfers	(41,365,458)	(31,318,875)	(31,958,855)	(31,433,990)	(24,046,761)	(22,548,597)	(22,911,048)	(22,722,283)	(4,513,712)	(7,394,391)
Total business-type activities	<u>(37,580,299)</u>	<u>(27,907,402)</u>	<u>(31,825,492)</u>	<u>(24,934,897)</u>	<u>(23,664,411)</u>	<u>(22,294,948)</u>	<u>(22,685,076)</u>	<u>(22,464,522)</u>	<u>(4,137,696)</u>	<u>(6,490,691)</u>
Total primary government general revenues and other changes in net position	<u>\$ 173,314,941</u>	<u>\$ 159,022,404</u>	<u>\$ 115,738,138</u>	<u>\$ 116,126,428</u>	<u>\$ 122,476,439</u>	<u>\$ 128,672,704</u>	<u>\$ 131,704,645</u>	<u>\$ 115,215,022</u>	<u>\$ 157,617,977</u>	<u>\$ 161,549,608</u>
Change in net position										
Governmental activities	\$ 25,144,548	\$ 2,989,876	\$ 30,581,421	\$ 61,095,886	\$ 5,040,212	\$ 60,052,060	\$ 41,601,925	\$ 26,194,109	\$ 63,972,287	\$ 67,753,520
Business-type activities	(1,695,349)	(3,008,411)	9,031,944	2,713,828	(5,400,475)	263,379	5,379,319	7,731,876	33,630,788	36,120,715
Primary government	<u>\$ 23,449,199</u>	<u>\$ (18,535)</u>	<u>\$ 39,613,365</u>	<u>\$ 63,809,714</u>	<u>\$ (360,263)</u>	<u>\$ 60,315,439</u>	<u>\$ 46,981,244</u>	<u>\$ 33,925,985</u>	<u>\$ 97,603,075</u>	<u>\$ 103,874,235</u>

CITY OF NORTH LAS VEGAS

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

	June 30, 2010	June 30, 2011	June 30, 2012 ²	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
General fund										
Unreserved	\$ 22,953,382	\$	\$ 287,203	\$ 231,430	\$ 238,432	\$ 2,743,971	\$ 127,919	\$ 128,305	\$ 128,757	\$ 264,216
Nonspendable		384,375								
Restricted for		101,642	26,257	170,576					7,981	42,725
Committed for			274,200	596,200	207,179	166,202	27,369	15,371		
Unassigned		7,238,181	11,302,907	8,340,738	7,633,089	9,585,163	13,740,986	14,236,238	19,953,002	28,756,362
Total general fund	\$ 22,953,382	\$ 7,724,198 ¹	\$ 11,890,567	\$ 9,338,944	\$ 8,078,700	\$ 12,495,336	\$ 13,896,274	\$ 14,379,914	\$ 20,089,740	\$ 29,063,303
Other governmental funds										
Unreserved										
Special revenue funds	\$ 48,388,767	\$	\$	\$	\$	\$	\$	\$	\$	\$
Debt service funds	3,278,094									
Capital projects funds	111,345,725									
Nonspendable		87,162	224,923	2,655,236	6,499,075	6,494,034	13,121	16,851	176,764	73,125
Restricted for		84,687,535	74,624,464	70,116,032	70,396,589	79,486,892	95,047,192	108,497,086	117,557,671	136,221,752
Committed for		1,377,827	1,327,188	1,250,166	292,564	378,342	797,444	2,491,696	3,367,887	8,300,980
Assigned to		1,430,753	1,859,516	2,354,991	4,362,189	2,122,074	2,732,597	2,132,636	8,875,603	2,834,781
Total other governmental funds	\$ 163,012,586	\$ 87,583,277	\$ 78,036,091	\$ 76,376,425	\$ 81,550,417	\$ 88,481,342	\$ 98,590,354	\$ 113,138,269	\$ 129,977,925	\$ 147,430,638

CITY OF NORTH LAS VEGAS

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

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
REVENUES										
Property taxes	\$ 77,024,811	\$ 57,540,748	\$ 55,137,022	\$ 49,160,817	\$ 49,097,031	\$ 50,574,008	\$ 53,187,944	\$ 54,441,379	\$ 58,080,518	\$ 62,687,423
Residential construction taxes	499,417	362,850	382,353	332,595	314,546	313,837	426,603	634,897	823,626	1,457,097
Room taxes	330,333	331,768	358,753	383,888	422,474	486,389	564,601	634,163	524,519	869,167
Franchise fees			16,142,005	15,769,356	20,788,938	21,322,332	21,307,694	20,759,779	21,958,914	22,657,205
Licenses and permits	26,062,330	26,271,308	10,132,978	10,722,526	10,748,799	13,860,541	15,470,650	18,023,601	21,190,601	31,583,299
Special assessments			2,202,745	2,202,185	2,170,942	2,170,946	2,167,784	1,625,990	16,836,424	
Charges for services	23,296,938	14,280,489	6,023,699	5,369,223	7,573,999	8,993,819	8,728,212	9,953,157	16,139,674	16,379,261
Intergovernmental consolidated taxes			37,565,290	39,434,352	43,976,942	47,685,565	49,903,290	52,977,267	56,239,648	61,192,352
Intergovernmental	116,132,627	102,027,017	67,518,671	106,630,804	49,201,824	92,958,280	65,220,898	50,741,680	73,249,415	62,921,041
Fines and forfeitures	9,905,464	10,197,087	7,195,757	7,535,551	7,236,044	6,146,529	5,401,306	4,769,002	4,349,492	5,831,523
Contributions			219,350	106,332	571,956	236,069	22,330	84,995	57,206	56,506
Rents and royalties			513,578	557,856	582,762	840,310	665,094	697,045	910,856	938,102
Investment income			806,229	195,524	642,581	1,018,891	1,579,791	895,335	2,482,407	9,413,067
Miscellaneous	15,050,513	9,507,120	2,871,657	1,760,617	2,098,694	2,460,664	3,194,636	4,155,911	4,067,138	7,228,657
Total revenues	268,302,433	220,518,387	207,070,087	240,161,626	195,427,532	249,068,180	227,840,833	220,394,201	276,910,438	283,214,700
EXPENDITURES										
General government	67,149,968	64,597,945	24,346,198	20,954,097	18,696,163	21,545,649	23,046,187	24,874,200	21,972,334	37,270,755
Judicial	10,589,039	10,415,468	8,995,929	8,501,665	8,532,342	10,830,787	5,588,564	5,334,041	4,333,799	4,848,219
Public safety	165,279,861	151,511,917	136,959,835	153,567,436	121,831,060	178,964,728	129,031,765	138,210,751	139,445,677	147,933,564
Public works	55,421,439	31,517,296	36,683,544	21,626,361	21,156,322	6,871,776	45,627,772	29,259,255	48,852,849	41,590,240
Culture and recreation	45,258,925	38,247,284	23,051,356	52,141,269	23,412,874	21,369,036	16,041,308	13,957,481	19,951,944	14,626,400
Community support	15,513,020	8,165,001	7,395,157	6,962,391	4,444,462	6,877,580	6,811,841	6,139,061	8,887,446	7,300,622
	<u>359,212,252</u>	<u>304,454,911</u>	<u>237,432,019</u>	<u>263,753,219</u>	<u>198,073,223</u>	<u>246,459,556</u>	<u>226,147,437</u>	<u>217,774,789</u>	<u>243,444,049</u>	<u>253,569,800</u>
Debt service										
Principal payments	11,547,700	6,307,800	5,277,600	5,928,600	4,990,000	5,757,700	4,534,700	4,774,300	8,825,000	109,140,000
Interest and fiscal charges	9,095,696	7,526,085	3,076,503	3,246,669	3,035,503	7,642,269	7,397,302	7,201,446	7,018,968	6,774,037
Payment to current bond refunding agent		20,000,000								
Debt issuance costs		143,438	200,286							
Total debt service	<u>20,643,396</u>	<u>33,977,323</u>	<u>8,554,389</u>	<u>9,175,269</u>	<u>8,025,503</u>	<u>13,399,969</u>	<u>11,932,002</u>	<u>11,975,746</u>	<u>15,843,968</u>	<u>115,914,037</u>
Total expenditures	379,855,648	338,432,234	245,986,408	272,928,488	206,098,726	259,859,525	238,079,439	229,750,535	259,288,017	369,483,837
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(111,553,215)	(117,913,847)	(38,916,321)	(32,766,862)	(10,671,194)	(10,791,345)	(10,238,606)	(9,356,334)	17,622,421	(86,269,137)

(Continued)

CITY OF NORTH LAS VEGAS

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS (CONTINUED) LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
OTHER FINANCING SOURCES (USES)										
Contingencies						(400,000)	(500,000)			
Debt issuance proceeds	3,145,000	17,090,000	27,070,000							99,655,000
Debt issuance premiums										5,275,608
Payment to advance refunding bond agent	(3,071,110)	(16,922,300)	(26,573,920)							
Debt issuance discounts	(52,183)		(257,999)							
Proceeds from capital asset disposal							267,109	1,615,606	413,349	150,414
Transfers in	88,126,189	52,280,115	43,764,721	46,423,036	46,358,276	41,456,655	41,569,282	41,885,760	26,716,939	32,378,355
Transfers out	(42,207,531)	(25,192,464)	(10,809,831)	(18,049,079)	(33,871,483)	(21,923,292)	(19,258,234)	(19,113,477)	(22,203,227)	(24,763,964)
Other			342,533	181,316	2,098,449	2,913,171				
Total other financing sources (uses)	<u>45,940,365</u>	<u>27,255,351</u>	<u>33,535,504</u>	<u>28,555,273</u>	<u>14,585,242</u>	<u>22,046,534</u>	<u>22,078,157</u>	<u>24,387,889</u>	<u>4,927,061</u>	<u>112,695,413</u>
CHANGE IN FUND BALANCE	<u>\$ (65,612,850)</u>	<u>\$ (90,658,496)</u>	<u>\$ (5,380,817)</u>	<u>\$ (4,211,589)</u>	<u>\$ 3,914,048</u>	<u>\$ 11,255,189</u>	<u>\$ 11,839,551</u>	<u>\$ 15,031,555</u>	<u>\$ 22,549,482</u>	<u>\$ 26,426,276</u>
Capital expenditures included in expenditures above	<u>\$ 112,947,115</u>	<u>\$ 94,972,764</u>	<u>\$ 51,457,061</u>	<u>\$ 87,382,782</u>	<u>\$ 26,921,150</u>	<u>\$ 72,740,101</u>	<u>\$ 44,372,831</u>	<u>\$ 25,128,372</u>	<u>\$ 52,427,256</u>	<u>\$ 38,686,258</u>
Debt service as a percentage of noncapital expenditures	<u>7.70 %</u>	<u>5.70 %</u>	<u>4.20 %</u>	<u>5.20 %</u>	<u>4.40 %</u>	<u>7.16 %</u>	<u>6.16 %</u>	<u>5.85 %</u>	<u>7.66 %</u>	<u>35.04 %</u>

CITY OF NORTH LAS VEGAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY¹ LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Undeveloped Property	Less Tax Exempt Property	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Value	Ratio of Total Taxable Assessed to Total Estimated Actual Value ²
2010	\$ 3,709,241,467	\$ 1,360,033,754	\$ 691,912,991	\$ 2,509,269,143	\$ (2,144,624,053)	\$ 6,125,833,302	1.1587	\$ 17,502,380,863	35.00 %
2011	2,646,354,674	1,022,464,026	525,473,711	1,059,048,458	(1,108,378,000)	4,144,962,869	1.1587	11,842,751,054	35.00 %
2012	2,674,769,693	995,708,198	423,799,589	647,712,916	(869,661,278)	3,872,329,118	1.1587	11,063,797,480	35.00 %
2013	2,416,735,026	941,804,487	382,695,856	492,390,983	(779,884,117)	3,453,742,235	1.1587	9,867,834,957	35.00 %
2014	2,487,233,874	997,032,941	384,695,090	417,300,826	(784,220,790)	3,502,041,941	1.1587	10,005,834,117	35.00 %
2015	3,073,765,289	1,039,727,647	432,296,748	432,308,397	(816,397,511)	4,161,700,570	1.1587	11,890,573,057	35.00 %
2016	3,741,983,035	1,155,035,683	429,444,964	528,219,810	(880,290,276)	4,974,393,216	1.1587	14,212,552,046	35.00 %
2017	4,128,434,584	1,220,169,994	542,617,991	561,641,675	(899,914,984)	5,552,949,260	1.1587	15,865,569,314	35.00 %
2018	4,408,653,747	1,238,821,311	624,148,115	622,455,126	(935,170,757)	5,958,907,542	1.1587	17,025,450,120	35.00 %
2019	4,788,405,772	1,323,765,442	700,767,687	732,544,219	(1,001,972,658)	6,543,510,462	1.1587	18,695,744,177	35.00 %

1. Source - Clark County Assessor's Office

2. Pursuant to State statute, all property is assessed at 35% of its estimated value

CITY OF NORTH LAS VEGAS

PROPERTY TAX RATES¹ - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$100 OF ASSESS VALUE²) LAST TEN FISCAL YEARS (UNAUDITED)

For the Year Ended June 30,	City of North Las Vegas, Direct Rates				Overlapping Rates				
	City Operations	Debt Service	Public Safety (Override)	Total Direct Tax Rate	State of Nevada	Clark County	Clark County School District	Emergency 911	Las Vegas Artesian Basin
2010	0.1937	0.0100	0.9550	1.1587	0.1700	0.6541	1.3034	0.0050	0.0011
2011	0.1937	0.0370	0.9280	1.1587	0.1700	0.6541	1.3034	0.0050	0.0015
2012	0.1937	0.0250	0.9400	1.1587	0.1700	0.6541	1.3034	0.0050	
2013	0.1937	0.0225	0.9425	1.1587	0.1700	0.6541	1.3034	0.0050	
2014	0.1937	0.0250	0.9400	1.1587	0.1700	0.6541	1.3034	0.0050	
2015	0.1937		0.9650	1.1587	0.1700	0.6541	1.3034	0.0050	
2016	0.1937		0.9650	1.1587	0.1700	0.6541	1.3034	0.0050	
2017	0.1937		0.9650	1.1587	0.1700	0.6541	1.3034	0.0050	
2018	0.1937		0.9650	1.1587	0.1700	0.6541	1.3034	0.0050	
2019	0.1937		0.9650	1.1587	0.1700	0.6541	1.3034	0.0050	

For the Year Ended June 30,	Overlapping Rates		Total Direct and Overlapping Rates
	Las Vegas - Clark County Library District	City of North Las Vegas Library District	
2010	0.0100	0.0632	3.3655
2011	0.0070	0.0632	3.3629
2012		0.0632	3.3544
2013		0.0632	3.3544
2014		0.0632	3.3544
2015		0.0632	3.3544
2016		0.0632	3.3544
2017		0.0632	3.3544
2018		0.0632	3.3544
2019		0.0632	3.3544

1. Source - Clark County Treasurer's Office
2. The State of Nevada Constitution has a maximum rate limit of \$5 per \$100 assessed value and Nevada Revised Statutes further lower the limit to a total combined tax rate of 3.64

CITY OF NORTH LAS VEGAS

PRINCIPAL PROPERTY TAXPAYERS^{1, 2} CURRENT AND NINE YEARS AGO (UNAUDITED)

Taxpayer	2019			2010		
	Taxable Assessed		Percentage of	Taxable Assessed		Percentage of
	Value ³	Rank	Taxable Assess Value ⁴	Value ³	Rank	Taxable Assess Value ⁴
Prologis	\$ 119,862,958	1	1.83 %	\$ 50,706,556	2	0.83 %
Boyd Gaming Corporation	88,873,934	2	1.36 %	39,837,284	6	0.65 %
Station Casinos Incorporated	71,711,313	3	1.10 %	33,471,077	8	0.55 %
Las Vegas Paving Corporation	68,036,379	4	1.04 %	37,966,254	7	0.62 %
Golden Triangle Industrial Park	56,240,546	5	0.86 %	52,929,400	1	0.86 %
Vantrust Real Estates LLC	53,360,345	6	0.82 %			
Invitation Homes	44,711,372	7	0.68 %			
Harsch Investment Properties	40,510,841	8	0.62 %			
Picerne Real Estate Group	38,685,941	9	0.59 %	46,533,843	3	0.76 %
Wal-Mart Stores Incorporated	27,173,385	10	0.42 %	29,567,676	9	0.48 %
Cannery Casino Resorts (now part of Boyd)				41,316,684	5	0.67 %
Southwest Generation				42,491,262	4	0.69 %
Potlatch Forest Products Corporation				20,697,411	10	0.34 %
	<u>\$ 609,167,014</u>		<u>9.32 %</u>	<u>\$ 395,517,447</u>		<u>6.45 %</u>

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

CITY OF NORTH LAS VEGAS

PROPERTY TAX LEVIES AND COLLECTIONS¹ LAST TEN FISCAL YEARS (UNAUDITED)

<u>For the Year Ended June 30,</u>	<u>Tax Levy</u>	<u>Current Tax Levy Collections</u>	<u>Percent of Tax Levy Collected</u>	<u>Delinquent Tax Levy Collections</u>	<u>Total Tax Levy Collected</u>	<u>Percent of Total Tax Levy Collected to Tax Levy</u>
2011	\$ 51,400,429	\$ 48,316,302	93.9998 %	\$ 3,081,150	\$ 51,397,452	99.9942 %
2012	47,620,722	45,569,798	95.6932 %	2,045,411	47,615,209	99.9884 %
2013	42,827,068	41,333,675	96.5130 %	1,486,725	42,820,400	99.9844 %
2014	42,768,962	41,344,691	96.6698 %	1,411,628	42,756,319	99.9704 %
2015	44,063,029	42,582,366	96.6397 %	1,454,413 ²	44,036,779	99.9404 %
2016	45,889,278	45,608,849	99.3889 %	181,779	45,790,628	99.7850 %
2017	46,973,449	46,646,209	99.3034 %	242,746	46,888,955	99.8201 %
2018	50,127,075	49,916,943	99.5808 %	119,164	50,036,107	99.8185 %
2019	54,273,274	53,915,368	99.3405 %	³	53,915,368	99.3405 %

1. Source - Clark County Comptroller's Office
2. Collections July 1 through September 30 of the subsequent year
3. Not available at time of report completion

CITY OF NORTH LAS VEGAS

RATIOS OF OUSTANDING DEBT¹ BY TYPE LAST TEN FISCAL YEARS² (UNAUDITED)

For the Year Ended June 30,	Governmental Activities			Business-type Activities		Total Primary Government ³	Percentage of Clark County Personal Income ⁴	City of North Las Vegas Per Capita ⁴
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	General Obligation/Pledged Revenue Bonds	Other			
	\$	\$	\$	\$	\$			
2010	177,395,231	14,273,700		316,012,871		507,681,802	0.73 %	\$ 2,361
2011	154,122,140	12,532,900		309,309,017		475,964,057	0.67 %	2,189
2012	166,230,508	10,715,300		302,598,163		479,543,971	0.64 %	2,142
2013	162,075,779	8,729,700		295,594,309	7,000,000	473,399,788	0.62 %	2,132
2014	158,610,098	7,009,700		288,498,100	6,000,000	460,117,898	0.56 %	2,034
2015	154,414,389	5,249,000		281,129,891	5,000,000	445,793,280	0.52 %	1,934
2016	151,520,682	3,409,300		274,593,185	2,352,219	431,875,386	0.47 %	1,835
2017	148,553,842	1,505,000		267,671,724	1,995,292	419,725,858	0.43 %	1,744
2018	141,122,224			259,812,474	1,631,172	402,565,870	% ⁵	1,654
2019	134,728,767			262,350,012		397,078,779	% ⁵	1,597

1. Ratios of the City's outstanding debt can be found in the notes to the basic financial statements
2. Excludes debt issued by the City's blended component units
3. See the "Demographic and Economic Statistics" table for the Clark County personal income and the City's population data
4. See the "Demographic and Economic Statistics" table for Clark County personal income and the City's population data
5. Information not available at time of printing.

CITY OF NORTH LAS VEGAS

RATIOS OF GENERAL BONDED DEBT¹ OUTSTANDING LAST TEN FISCAL YEARS² (UNAUDITED)

For the Year Ended June 30,	General Obligation Bonds	General Obligation/Pledged Revenue Bonds	Total General Bonded Debt ²	Percentage of Estimated Actual Property Value ³	City of North Las Vegas Net General Bonded Debt Per Capita ⁴	Amounts Available to Repay General Bonded Debt	Net General Bonded Debt
2010	\$ 177,395,231	\$ 316,012,871	\$ 493,408,102	2.82 %	\$ 2,286	\$ 1,960,788	\$ 491,447,314
2011	154,122,140	309,309,017	463,431,157	3.91 %	2,129	432,004	462,999,153
2012	166,230,508	302,598,163	468,828,671	4.24 %	2,094	25,062	468,803,609
2013	162,075,779	295,594,309	457,670,088	4.64 %	2,060	243,501	457,426,587
2014	158,610,098	288,498,100	447,108,198	4.47 %	1,977	389,316	446,718,882
2015	154,414,389	281,129,891	435,544,280	3.66 %	1,885	1,176,607	434,367,673
2016	151,520,682	274,593,185	426,113,867	3.00 %	1,793	4,146,706	421,967,161
2017	148,553,842	267,671,724	416,225,566	2.62 %	1,699	7,143,393	409,082,173
2018	141,122,224	259,812,474	400,934,698	2.35 %	1,631	4,140,144	396,794,554
2019	134,728,767	262,350,012	397,078,779	2.12 %	1,577	4,927,333	392,151,446

1. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
2. Excludes debt issued by the City's blended component units.
3. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
4. See the "Demographic and Economic Statistics" table for the City's population data.

CITY OF NORTH LAS VEGAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT^{1, 2} JUNE 30, 2019 IN THOUSANDS (UNAUDITED)

	General Obligation Debt	Percent Applicable	Applicable General Obligation Debt
City of North Las Vegas	\$ 134,729 ³	100.00 %	\$ <u>134,729</u>
Overlapping governments	⁴		
Clark County	1,260	8.52 %	107
Clark County School District	1,658	8.52 %	141
Las Vegas - Clark County Library District		11.31 %	
State of Nevada	<u>994,657</u>	6.00 %	<u>59,679</u>
Total overlapping governments	<u>997,575</u>		<u>59,927</u>
Total direct and overlapping debt	<u><u>1,132,304</u></u>		<u><u>\$ 194,656</u></u>

1. Source - Zions Bank Public Finance
2. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements
3. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt that is borne by the residents and businesses of the City. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident; and, therefore, responsible for repaying the debt, of each overlapping government. Debt amounts for overlapping entities in the various governments were provided by Zions Bank Public Finance. The percentage applicable was calculated by taking the City's assessed valuation divided by each respective governments' assessed valuation.

CITY OF NORTH LAS VEGAS

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS¹ (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Total taxable assessed property value	² \$ <u>6,125,833,302</u>	\$ <u>4,144,962,869</u>	\$ <u>3,872,329,118</u>	\$ <u>3,453,742,235</u>	\$ <u>3,502,041,941</u>	\$ <u>4,161,700,570</u>	\$ <u>4,974,393,216</u>	\$ <u>5,552,949,260</u>	\$ <u>5,958,907,542</u>	\$ <u>6,543,510,462</u>
Legal debt Margin										
Legal debt limit (20% of taxable assessed property value)	\$ 1,225,166,660	\$ 828,992,574	\$ 774,465,824	\$ 690,748,447	\$ 700,408,388	\$ 832,340,114	\$ 994,878,643	\$ 1,110,589,852	\$ 1,191,781,508	\$ 1,308,702,092
Debt applicable to debt limit Net general bonded debt	³ <u>491,447,314</u>	<u>462,999,153</u>	<u>468,803,609</u>	<u>457,426,587</u>	<u>446,718,882</u>	<u>434,367,673</u>	<u>421,967,161</u>	<u>409,082,173</u>	<u>396,794,554</u>	<u>392,151,446</u>
Legal debt margin	<u>\$ 733,719,346</u>	<u>\$ 365,993,421</u>	<u>\$ 305,662,215</u>	<u>\$ 233,321,860</u>	<u>\$ 253,689,506</u>	<u>\$ 397,972,441</u>	<u>\$ 572,911,482</u>	<u>\$ 701,507,679</u>	<u>\$ 794,986,954</u>	<u>\$ 916,550,646</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>40.11 %</u>	<u>55.85 %</u>	<u>60.53 %</u>	<u>66.22 %</u>	<u>63.78 %</u>	<u>52.19 %</u>	<u>42.41 %</u>	<u>36.83 %</u>	<u>33.29 %</u>	<u>29.96 %</u>

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

CITY OF NORTH LAS VEGAS
DEMOGRAPHIC AND ECONOMIC STATISTICS¹
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>For the Year Ended June 30,</u>	<u>City of North Las Vegas Population</u>	<u>Clark County Personal Income</u>	<u>Clark County Population</u>	<u>Clark County Per Capita Personal Income</u>	<u>Clark County Unemployment Rate</u>
2010	215,022	\$ 69,328,897,000	\$ 1,952,040	\$ 35,516	13.80 %
2011	217,482	70,652,760,000	1,968,831	35,886	13.30 %
2012	223,873	74,886,428,000	1,967,722	38,057	11.30 %
2013	222,009	75,957,334,000	1,988,195	38,204	9.60 %
2014	226,199	81,821,005,000	2,031,723	40,272	7.80 %
2015	230,491	85,970,490,000	2,069,450	41,543	7.10 %
2016	235,395	91,150,359,000	2,118,353	43,029	6.90 %
2017	240,708	97,457,342,000	2,166,181	44,990	5.10 %
2018	243,339	²	2,193,818	²	4.70 %
2019	248,701	²	2,251,175	²	4.20 %

1. Source - NLV & CC Population figures from Governor Certified Population Estimates of NV's Counties, Cities and Towns 2000-2017 (https://tax.nv.gov/Publications/Population_Statistics_and_Reports/).
2. Information not available at time of printing. Used last published information. (<http://nevadaworkforce.com/Home/DS-Results-Income/>).

CITY OF NORTH LAS VEGAS

PRINCIPAL EMPLOYERS⁽¹⁾ CURRENT AND NINE YEARS AGO (UNAUDITED)

Clark County Employer	2019			2010		
	Employees	Rank	Percentage of Total Clark County Employment	Employees	Rank	Percentage of Total Clark County Employment
Clark County School District	30000 to 39999	1	3.51 %	30000 to 39999	1	3.16 %
The Venetian/Palazzo Casino Resort	10000 to 19999	2	1.51 %			%
Las Vegas Metropolitan Police	10000 to 19999	3	1.51 %	5000 to 5499	2	.47 %
Clark County	8000 to 8499	4	.83 %	10000 to 19999	3	1.35 %
		5	%	9000 to 9499	4	.83 %
		6	%	8500 to 8999	5	.79 %
MGM Grand Hotel/Casino	5000 to 9999	7	.75 %	8500 to 8999	6	.79 %
Flamingo Hotel	5000 to 9999	8	.75 %			%
Orleans Hotel & Casino	5000 to 9999	9	.75 %			%
Las Vegas Sands Corp	5000 to 9999	10	.75 %			%
Mandalay Bay				7000 to 7499	7	.65 %
Caesars Palace				5500 to 5999	8	.52 %
Aquarius Casino Resort				5500 to 5999	9	.52 %
Planet Hollywood				5000 to 5499	10	.47 %

1. Source - NV Department of Training and Rehabilitation (NVDETR), total employment based on mid-point of employee range
2. Information for 2018 not available at this time

CITY OF NORTH LAS VEGAS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM¹ LAST TEN FISCAL YEARS (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Function/program										
Governmental activities										
General government	277	258	193	163	127	129	122	113	127	145
Judicial	98	99	98	85	72	72	63	51	44	43
Public safety	1,269	1,264	1,226	1,141	915	912	688	721	702	708
Public works	168	143	100	80	51	55	50	51	51	58
Culture and recreation	251	235	166	152	129	129	130	137	154	155
Community support	44	40	33	29	25	24	19	17	25	26
Total governmental activities	<u>2,107</u>	<u>2,039</u>	<u>1,816</u>	<u>1,650</u>	<u>1,319</u>	<u>1,321</u>	<u>1,072</u>	<u>1,090</u>	<u>1,103</u>	<u>1,135</u>
Business-type activities										
Wastewater	48	63	52	55	55	54	53	50	53	57
Water	97	84	96	95	93	92	81	82	86	84
Municipal golf courses	9	8	7	8	7	7	7	7	7	7
Total business-type activities	<u>154</u>	<u>155</u>	<u>155</u>	<u>158</u>	<u>155</u>	<u>153</u>	<u>141</u>	<u>139</u>	<u>139</u>	<u>141</u>
Total full-time equivalent employees	<u><u>2,261</u></u>	<u><u>2,194</u></u>	<u><u>1,971</u></u>	<u><u>1,808</u></u>	<u><u>1,474</u></u>	<u><u>1,474</u></u>	<u><u>1,213</u></u>	<u><u>1,229</u></u>	<u><u>1,242</u></u>	<u><u>1,276</u></u>

1. 2016 Employee count reduction due to elimination of "authorized frozen" positions reported in prior years
2. Source - City of North Las Vegas, Finance Department, Budget Division

CITY OF NORTH LAS VEGAS

OPERATING INDICATORS BY FUNCTION/PROGRAM¹ LAST TEN FISCAL YEARS² (UNAUDITED)

Function/program	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Police										
Calls for service										
Officer initiated	211,130	207,019	113,946	106,247	95,699	72,582	64,286	65,163	75,012	90,224
Community generated	108,908	92,588	106,385	98,452	98,596	114,894	122,794	118,688	119,433	107,720
Neighborhood watch meetings	102	37	47	31		68	43	56	46	42
Detention										
Bookings	20,662	20,662	10,058	9,037	9,003	8,857	8,147	7,106	8,520	11,072
Average daily population	928	523	237	220	147	132	161	120	157	266
Daily meals service	1,171,704	532,888	276,122							
Fire										
Number of calls	27,016	27,828	28,540	30,187	28,909	30,272	32,419	35,228	28,647	25,912
EMS responses	18,983	24,309	24,766	24,831	23,692	22,952	24,486	25,351	34,234	32,554
Non-fire Incidents	3,673	1,170	509	2,448	2,301	2,211	2,194	1,437	2,064	2,269
Fire Incidents	4,346	2,330	1,954	2,191	2,274	1,284	1,344	2,346	2,539	2,452
Structure fires	673	643	516	717	642	684	696	829	816	755
Library facilities										
Circulation	793,000	725,905	710,415	649,445	604,614	502,249	478,159	442,302	530,535	526,055
Holdings	225,404	234,725	243,280	251,543	202,163	200,166	201,185	205,900	197,399	196,612
Library traffic	754,000	536,085	490,128	442,688	408,672	388,937	367,794	371,062	379,093	352,413
Culture and recreation										
Golf Courses										
Number of rounds of golf	68,000	63,565	64,297	61,102	66,647	65,407	55,389	50,176	52,368	50,317
Cost of operation per round (Municipal Course)	\$ 8	\$ 11	\$ 11	\$ 12	\$ 11	\$ 11	\$ 15	\$ 21	\$ 22	\$ 13
Cost of operation per round (Craig Ranch Course)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost of operation per round (Aliante Course)	\$ 75	\$ 54	\$ 47	\$ 51	\$ 61	\$ 50	\$ 59	\$ 51	\$ 52	\$ 55
Parks/Recreation										
Program participation visits	1,300,000	1,435,852	1,154,162	1,197,216	1,401,118	1,450,151	1,551,452	1,929,602	2,307,752	2,267,467
Annual cost per acre to maintain	\$ 18,000	\$ 9,906	\$ 7,300	\$ 7,001	\$ 6,174	\$ 7,164	\$ 7,164	\$ 7,164	\$ 7,164	\$ 7,164
Number of stage rentals	10	21	17	12	10	17	19	23	17	15
Public works										
Building safety-permits issued	6,044	6,480	6,285	5,586	5,812	7,925	8,395	6,729	8,970	10,963
Survey										
Technical reviews completed (maps, documents)	60	31	25	24	77	79	116	168	181	212
GPS features collected	55,000	5,851	9,543	1,253	10,916	4,368	5,447			
Engineering services-active capital projects	72	65	47	50	56	49	61	90	84	79
Construction services-number of inspections	8,090	4,142	2,423							
Development and Flood Control-permits issued	500	309	322	275	415	460	557	562	1,022	1,297
Real property services										
Maps reviewed and processed	23	19	13	15	24	26	56	62	70	139
Planning Commission items reviewed	150	149	111	138	203	227	202	185	213	278
Addresses assigned	500	356	151	303	378	420	531	652	1,799	2,820

(Continued)

CITY OF NORTH LAS VEGAS

OPERATING INDICATORS BY FUNCTION/PROGRAM¹ (CONTINUED) LAST TEN FISCAL YEARS² (UNAUDITED)

	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Water										
Valves exercised	1,970	2,588	1,773	1,486	1,140	1,749	1,031	541	296	2,276
Water repairs	233	276	250	218	187	172	235	507	506	447
Service requests	76,462	69,700	76,731	70,423	71,097	72,564	63,375	59,137	67,217	54,540
Number of bills	974,406	980,797	995,480	1,006,250	1,017,587	1,011,433	1,043,859	1,055,630	1,073,256	1,078,178
Number of meters read	1,007,205	1,017,682	1,025,417	1,030,452	1,035,334	1,038,405	1,055,488	1,057,305	1,064,110	1,084,044

1. Source - Various City of North Las Vegas departments.

CITY OF NORTH LAS VEGAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM¹ LAST TEN FISCAL YEARS² (UNAUDITED)

Function/program	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
Police stations	3	2	2	2	2	2	2	2	2	2
Fire stations	8	8	8	8	8	8	8	8	8	8
Library facilities	3	3	3	3	3	3	3	3	3	3
Culture and recreation										
Community centers	2	2	3	3	3	3	3	3	3	3
Parks	34	34	34	34	35	35	35	35	35	37
Park acreage	474	474	474	474	627	633	633	633	633	633
Golf courses	2	2	2	2	2	2	2	2	2	2
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	12	12	12	12	18	18	18	18	18	18
Public works										
Lane miles of paved street	2,150	2,167	2,171	2,489	2,489	2,489	2,489	2,489	2,489	2,515
Lane miles of unpaved street	700	698	698	698	698	698	698	698	698	173
Traffic signal intersections	141	143	152	155	155	155	155	164	159	165
Street lights	2 ² 31,050	31,050	31,050	31,050	31,050	31,050	31,050	31,050	31,050	32,020 ¹
Water										
Miles of water main	2 ² 1,048	1,048	1,055	1,055	1,060	1,064	1,100	1,100	1,100	1,118
Residential service connections	73,642	74,191	76,367	76,988	78,228	79,572	80,378	81,265	82,496	83,910
Commercial service connections	5,258	5,305	5,403	5,439	5,517	5,638	5,760	4,497	6,063	6,223
Average daily consumption in million gallons	46	46	45	44	45	45	47	48	48	49
Peak demand day in million gallons	75	74	66	69	69	69	68	70	70	76
Wastewater										
Miles of sewer wastewater main	2 ² 625	625	625	638	651	667	670	667	773	708
Miles of storm wastewater main	2 ² 183	193	263	266	153	157	178	181	181	193

1. Source - Various City of North Las Vegas departments.
2. Prior years revised

BUSINESS LICENSE FEES

CITY OF NORTH LAS VEGAS

SCHEDULE OF BUSINESS LICENSE FEES

FOR THE YEAR ENDED JUNE 30, 2019

As required by Nevada Revised Statutes (NRS) 354.624, Section 4(a), all fees imposed by a local government are subject to the provisions of NRS 354.5989. A local government may adopt new business license fees only if the revenue from the fees is less than the prescribed calculated maximum.

FEES CALCULATED AS A PERCENTAGE OF GROSS REVENUE

Business license revenue for the year ended June 30, 2019		\$	4,946,193
Business license revenue for the year ended June 30, 2018 (base year)		\$	4,335,623
Adjustment to base year			
Percentage change in Consumer Price Index			<u>1.65 %</u>
Total adjustment to base year			<u>71,538</u>
Adjusted business license revenue base for the year ended June 30, 2019			<u>4,407,161</u>
Amount over allowable maximum		\$	<u><u>539,032</u></u>

FEES CALCULATED ON A FLAT OR FIXED RATE

Business license revenue for the year ended June 30, 2019		\$	2,063,180
Business license revenue for the year ended June 30, 2018 (base year)		\$	2,014,640
Adjustment to base year			
Percentage change in local government population			2.20 %
Percentage change in Consumer Price Index			<u>1.65 %</u>
Total adjustment to base year			<u>3.85 %</u>
Adjusted business license revenue base for the year ended June 30, 2019			<u>77,564</u>
Amount under allowable maximum		\$	<u><u>(29,024)</u></u>

SINGLE AUDIT INFORMATION

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL
OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Members of the City Council
City of North Las Vegas, Nevada

We have audited the compliance of the City of North Las Vegas (the City) with the types of compliance requirements described in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2019. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility. The City's management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility. Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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.

Opinion on Each Major Federal Program. In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2019.

Other Matters. The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2019 - 003, 2019 - 006 and 2019 - 007. Our opinion on each major federal program is not modified with respect to these matters.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance. The City's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to

above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies; and therefore, material weaknesses or 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.

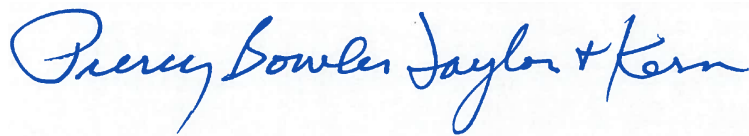
A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 2019 - 005, 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 deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2019 - 004 to be a significant deficiency.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance. We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 13, 2019, which contained an unmodified opinion on those basic financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Percy Bowler Jaylor & Kern". The signature is written in a cursive, flowing style.

Las Vegas, Nevada
December 13, 2019

CITY OF NORTH LAS VEGAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
U. S. Department of Agriculture				
National Recreation and Park Association Child and Adult Care Food Program	10.558		\$	\$ 202
Total U. S. Department of Agriculture			<u>\$</u>	<u>202</u>
U. S. Department of Commerce				
Economic Development Cluster Investments for Public Works and Economic Development Facilities	11.300*			2,368,663
Subtotal Economic Development Cluster			<u>\$</u>	<u>2,368,663</u>
Total U. S. Department of Commerce			<u>\$</u>	<u>2,368,663</u>
U. S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231			161,511
CDBG - Entitlement Grants Cluster Community Development Block Grants/Special Purpose Grants/Insular Areas	14.225*			24,783
Subtotal Enter Cluster Title for Direct Grant			<u>\$</u>	<u>163,944</u>
Clark County, Nevada - Department of Finance Home Investment Partnerships Program	14.239			76,652
Neighborhood Stabilization Program	14.264	M-12-DC-32-0001 M-13-DC-32-0001 M-14-DC-32-0001 M-15-DC-32-0001 M-16-DC-32-0001 M-17-DC-32-0001 B-08-UN-32-0001		358,568 88,783 206,892 305,781 88,492 4,198
CDBG - Entitlement Grants Cluster Clark County, Nevada - Department of Finance Community Development Block Grants/Entitlement Grants	14.218*	B-15-UC-32-0001 B-16-UC-32-0001 B-17-UC-32-0001 B-18-UC-32-0001		3,032 3,846 795,362 644,972
Subtotal Enter Cluster Title for Pass-through Grant			<u>\$</u>	<u>1,447,212</u>
Total U. S. Department of Housing and Urban Development			<u>\$</u>	<u>2,926,816</u>
U. S. Department of the Interior				
State of Nevada - Bureau of Land Management Southern Nevada Public Land Management	15.235	L16AC00100		62,251
Total U. S. Department of the Interior			<u>\$</u>	<u>62,251</u>
U. S. Department of Justice				

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
Public Safety Partnership and Community Policing Grants	16.710			291,912
Edward Byrne Memorial Justice Assistance Grant Program	16.738			55,000
				1,440
				145,807
				663
Nevada Joint Terrorist Task Force (JTTF)	N/A			1,149
				2,557
Child Exploitation Task Force (CETF)	N/A			7,570
Criminal Apprehension Team	N/A			4,719
				13,258
Safe Streets Task Force	N/A			6,855
Tactical Diversion Task Force	N/A			20,373
				31,396
Equitable Share Program	16.922			99,469
Las Vegas Metropolitan Police Department Missing Children's Assistance	16.543	2017-MC-FX-K045		31,522
State of Nevada - Department of Health and Human Services Crime Victim Assistance	16.575	2017-VA-GX-0085		76,937
State of Nevada - Office of the Attorney General Violence Against Women Formula Grants	16.588	2019-STOP-40		47,423
National Sexual Assault Kit Initiative	16.833	2016-AK-BX-K004		5,333
Total U. S. Department of Justice			<u> </u>	<u>843,383</u>
U. S. Department of Transportation				
18-HMEP-03-01 Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	18-HMEP-03-01		3,549
Highway Planning and Construction Cluster State of Nevada - Department of Transportation Highway Planning and Construction	20.205*	P040-12-063 P040-12-063 P438-16-063 PR395-11-063 PR481-14-063 PR573-13-063 P450-16-063 PR237-18-063		74,375 8,221 493,597 659 180,826 11,170 18,827 1,195,643
Subtotal Highway Planning and Construction Cluster			<u> </u>	<u>1,983,318</u>
Highway Planning and Construction Cluster State of Nevada - Highway Patrol Highway Planning and Construction	20.205*	713-18-816		409,001
Subtotal Highway Planning and Construction Cluster			<u> </u>	<u>409,001</u>
Highway Safety Cluster State of Nevada - Department of Public Safety State and Community Highway Safety	20.600	JF-2016-NLVPD-00026 JF-2018-NLVPD-00027		113,341 27,696
National Priority Safety Programs	20.616(h)	TS-2018-NLVPD-00011 TS-2018-NLVPD-00059		27,536 24,351

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2019

Federal Grantor/Pass-through Entity/Cluster or Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Amount Passed Through to Subrecipients	Total Federal Expenditures
Subtotal Highway Safety Cluster				192,924
Total U. S. Department of Transportation				2,588,792
Institute of Museum and Library Services				
Grants to States	45.310			55,067
Total Institute of Museum and Library Services				55,067
U. S. Department of Energy				
Clean Water State Revolving Fund Cluster				
State of Nevada - Department of Conservation and Natural Resources				
Capitalization Grants for Clean Water State Revolving Funds	66.458	CW1804		614,395
Subtotal Clean Water State Revolving Fund Cluster				614,395
Drinking Water State Revolving Fund Cluster				
State of Nevada - Department of Conservation and Natural Resources				
Capitalization Grants for Drinking Water State Revolving Funds	66.468*	DW1701		131,161
		DW1804		759,017
		DW1902		8,762,655
Subtotal Drinking Water State Revolving Fund Cluster				9,652,833
Total U. S. Department of Energy				10,267,228
Executive Office of the President				
High Intensity Drug Trafficking Areas Program	95.001			126,391
				22,636
				11,459
Total Executive Office of the President				160,486
U. S. Department of Homeland Security				
Homeland Security Grant Program	97.067			59,311
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083			619,490
Clark County, Nevada - Fire Department				
National Urban Search and Rescue (US&R) Response System	97.025	EMW-2016-CA-000026		12,892
		1200.EMW2013.2014		62,200
State of Nevada - Department of Public Safety				
Emergency Management Performance Grants	97.042	FFY16-EMPG-EOC		29,671
		EMF-2018-EP-00010		38,835
		EMF-2019-EP-00000		61,143
Homeland Security Grant Program	97.067	97067.18-3100		32,180

(Continued)

CITY OF NORTH LAS VEGAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Federal Grantor/Pass-through Entity/Cluster or Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Amount Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Clark County, Nevada - Office of Emergency Management and Homeland Security				
Emergency Management Performance Grants	97.042	EMW-2016-FP-00394		12,472
Homeland Security Grant Program	97.067	EMW-2017-SS-00006		190,045
Total U. S. Department of Homeland Security			<u> </u>	<u>1,118,239</u>
Total federal expenditures			<u>\$ </u>	<u>\$ 20,391,127</u>

* A major program

CITY OF NORTH LAS VEGAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2019

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of North Las Vegas (the City) under programs of the federal government for the year ended June 30, 2019. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The City has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. Outstanding Loan Balances

At June 30, 2019, outstanding loan balances were as follows:

Federal CFDA Number	Program Title	Loan Balance Receivable
14.239	Home Investment Partnerships Program	\$ 15,000
		\$ 15,000
Federal CFDA Number	Program Title	Loan Balance Payable
66.458	Capitalization Grants for Clean Water State Revolving Funds	\$ 614,395
66.468	Capitalization Grants for Drinking Water State Revolving Funds	9,553,365
		\$ 10,167,760

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2019

Section I - Summary of Auditors' Results

Financial Statements	
Type of auditors' report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	Yes
Noncompliance material to financial statements	No
Federal Awards	
Internal control over major programs	
Material weaknesses identified	Yes
Significant deficiencies identified that are not considered to be material weaknesses	Yes
Type of auditors' report issued on compliance for major programs	Unmodified
Audit findings required to be reported in accordance with 2 CFR 200.516(a)	Yes
Identification of major programs	
CFDA number	11.300
Name of federal program or cluster	Economic Development Cluster
CFDA number	14.218/14.225
Name of federal program or cluster	CDBG - Entitlement Grants Cluster
CFDA number	20.205
Name of federal program or cluster	Highway Planning and Construction Cluster
CFDA number	66.468
Name of federal program or cluster	Drinking Water State Revolving Fund Cluster
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee	No

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 001

Criteria or specific requirement	Government financial statements are required to be prepared in accordance with accounting principles generally accepted in the United States (GAAP), free of material misstatements, and management is required to establish appropriate cost-effective internal controls that provide reasonable assurance such objectives are achieved, assuming satisfactory compliance..
Condition and context	The review of journal entries and other work product prepared (or potentially omitted) by the accounting and finance managers primarily associated with the application of GAAP for individually significant matters is insufficient or inadequate. This deficiency was likely and negatively effected by the late-in-year hiring and training of staff and the addition of skill sets.
Effect	Financial statements might not be prepared in accordance with GAAP and misstatements might not be identified and corrected.
Cause	Review processes were not adequately modified and implemented in connection with the addition of staff and skill sets during the last quarter of the year.
Recommendation	We recommend that subordinates of the accounting and finance managers not be charged with the task of reviewing their work, except in a limited few routine areas, and account analysis be prepared more timely. Individually significant accounting and reporting matters should be reviewed by the Director of Financial Reporting and / or the Chief Financial Officer and timely account analysis should be performed at least quarterly.
Management's response	Management informed us that it will modify its review process and improve the timeliness of periodic account analysis as recommended.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 002

Criteria or specific requirement	A search for unrecorded transactions is periodically performed in connection with financial statement and grant reporting.
Condition and context	We observed that various departments (like budgeting, public works, police, among others) may become aware of transactions that require recognition in the financial statements or grant reporting but are not routinely and timely communicated to financial management.
Effect	Transactions requiring recognition in financial statements or grant reporting might not be timely identified and reported.
Cause	Processes for communicating with and training of personnel of various departments that may have information about transactions that may require recognition in the financial statements and grant reporting have not been formalized and consistently performed.
Recommendation	We recommend that financial management initiate monthly communications with such departments to timely identify such transactions. Periodic communications from finance will have the additional benefit of training the various department leaders as to the types of matters that they should be identifying and communicating.
Management's response	Management informed us that they will establish a process for periodic communication with the personnel of appropriate other departments and will include training as to the type of transaction that may require recognition.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 003

Federal program

Investments for Public Works and Economic Development Facilities (CFDA #11.300)

Criteria or specific requirement

Non-federal entities shall include in their construction contracts subject to the Wage Rate Requirements (which still may be referenced as the Davis-Bacon Act) a provision that the contractor or subcontractor comply with those requirements and the DOL regulations (29 CFR part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction). This includes a requirement for the contractor or subcontractor to submit to the non-Federal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6; the A-102 Common Rule (§.36(i)(5)); OMB Circular A-110 (2 CFR part 215, Appendix A, Contract Provisions); 2 CFR part 176, subpart C; and 2 CFR section 200.326).

Condition and context

Per examination of six certified payrolls, we noted that one payroll for Meadows Construction for the week ended December 25, 2018, was not properly submitted and therefore did not contain the contractor's certification. Per inquiry with the Construction Financial Coordinator on October 17, 2019, the contractor approved the payroll on October 28, 2019.

A statistically valid sample was used

No

Questioned costs

N/A

Effect

The City is not in compliance with the requirements of the grant agreement.

Cause

The Construction Financial Coordinator did not verify that all payrolls entered into LCP tracker.net were properly uploaded and certified in a timely manner.

Repeat finding

No

Recommendation

We recommend that policies and procedures be developed and implemented to ensure that certified payrolls are submitted properly and reviewed timely by the Construction Financial Coordinator.

Management's response

Management informed us that they agree with and will implement our recommendation.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 004	
Federal program	CFDA #20.205 Highway Planning and Construction CFDA #66.468 Capitalization Grants for Drinking Water State Revolving Funds
Criteria or specific requirement	When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at https://www.sam.gov/SAM/ (Note: The OMB guidance at 2 CFR part 180 and agency implementing regulations still refer to the SAM Exclusions as the Excluded Parties List System (EPLS)), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).
Condition and context	Per inquiry with the Manager Construction/Engineer on October 29, 2019, we were informed that the City did not perform a suspension and debarment check on two of the ten vendors selected for testing for the Highway Planning and Construction grant. We were also informed by the Utilities Financial Manager on December 2, 2019, that suspension and debarment checks were performed for six vendors examined for the Capitalization Grants for Drinking Water State Revolving Funds, however, documentation to support the check could not be provided. In addition, it was noted that in lieu of the check, a signed certification was not obtained from the vendors and a clause related to suspension and debarment was not included in the contract.
A statistically valid sample was used	Yes
Questioned costs	N/A
Effect	The City could have entered into transactions with vendors who are suspended or debarred from receiving federal funds resulting in non-compliance with State and Federal regulations.
Cause	The department experienced some staffing changes as a result of the City implementing staff alignment changes throughout the City. Additionally, personnel was not aware that they had to maintain documentation to indicate performance of procedures.
Repeat finding	No
Recommendation	We recommend that training be provided to all employees involved in the procurement process to ensure that they are aware of the requirements related to purchases using federal funds.
Management's response	Management informed us that training will be provided to all employees involved in the procurement process. In addition to checking for suspension and debarment, staff will maintain records to demonstrate compliance with all procurement policies.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 005	
Federal program	CFDA #11.300 Investments for Public Works and Economic Development Facilities CFDA # 14.218 Community Development Block Grants/Entitlement Grants CFDA #66.468 Capitalization Grants for Drinking Water State Revolving Funds
Criteria or specific requirement	The schedule of expenditures of federal awards (SEFA) shall be complete and accurate and agree to supporting records/documentation.
Condition and context	During the reconciliation of current year expenditures to the SEFA, we noted that the expenditures for the Investments for Public Works and Economic Development Facilities grant was understated by \$498,772 due to the grantor increasing the reimbursement rate from 40% to 50% of expenses. The new rate was not communicated to finance and therefore the SEFA was not updated. In addition, the expenditures for the Community Development Block Grants/Entitlement Grants was overstated by \$2,992 as a result of a duplicate entry in the general ledger. It was also noted that the expenditures for the Capitalization Grants for Drinking Water State Revolving Funds was overstated by \$229,038 (included \$238,386 of FY18 costs and excluded \$9,348 of FY19 costs) due to using the "Item date" column versus the "GL date" column from the system generated report.
A statistically valid sample was used	Yes
Questioned costs	N/A
Effect	The fiscal 2019 SEFA was understated by \$266,742 and did not agree to internal project records.
Cause	Failure to adopt, implement and monitor compliance with policies and procedures designed to provide reasonable assurance that the schedule of expenditures of federal awards is complete and accurate.
Repeat finding, prior audit finding number	Yes, 2018-007
Recommendation	Management should adopt, implement and monitor compliance with policies and procedures designed to provide reasonable assurance that the schedule of expenditures of federal awards is complete and accurate. Additional resources should be made available to provide training and other resources to those delegated with the primary responsibility for grant compliance and the terms of the grants should be communicated to all personnel involved in administering federal grants. We recommend that management review the general ledger detail subsequent to year end and reimbursement requests received from subrecipients subsequent to year end to ensure that grant expenditures are recorded to the proper period for SEFA reporting purposes.
Management's response	Management informed us that they are implementing processes, including monthly monitoring, to ensure the schedule of expenditures of federal awards is complete and accurate. In connection with monthly monitoring, all involved personnel will be trained as to their responsibilities in this regard. Monthly monitoring will also include review / reconciliation of general ledger detail. In addition, subsequent to year end, reimbursement requests received from subrecipients will be reviewed to ensure that grant expenditures are recorded to the proper period for SEFA reporting purposes in agreement with general ledger details.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 006	
Federal program	CFDA # 14.218 Community Development Block Grants/Entitlement Grants
Criteria or specific requirement	Financial reports are complete, accurate, and prepared in accordance with the required accounting basis. Reported amounts in performance or special reports agree to underlying data.
	U.S. Department of Housing and Urban Development (HUD) Report Instructions
	Quarterly and semi-annual interim reports shall be submitted no later than 30 days after the end of each reporting period. Annual reports shall be submitted no later than 90 days after the end of each reporting period. Final reports shall be submitted no later than 90 days after the project or grant period end date.
Condition and context	Per examination of the Consolidated Annual Performance and Evaluation Report (CAPER) for program year 2018, it was noted that the amounts reported for persons served by ethnicity and household type did not agree to the underlying report data extracted from HUD's Intergrated Disbursement and Information System (IDIS). In addition, the quarterly federal financial reports (FFRs) were not filed timely during fiscal 2019 and the accounting basis for each was incorrectly identified as accrual basis even though the information was presented on the cash basis.
A statistically valid sample was used	No
Questioned costs	N/A
Effect	Reported amounts in the CAPER are not supported and the quarterly FFRs were not filed timely and did not indicate the correct accounting basis.
Cause	Lack of training of those responsible for reporting.
Repeat finding	No
Recommendation	We recommend that those charged with reporting responsibilities attend training specific to the grant and that they be given access to HUD resources.
Management's response	Management informed us that training will be provided to all staff members responsible for grant administration.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2019

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

2019 - 007	
Federal program	CFDA #14.239 Home Investment Partnerships Program
Criteria or specific requirement	Per the City's contract with Clark County (the County), the City will report upon receipt of all program income earned from HOME funded projects within its respective jurisdiction and will forward all program income within 30 days to the County.
Condition and context	One out of 14 program income receipts examined was not submitted to Clark County within 30 days of receipt as required by the grant agreement.
A statistically valid sample was used	No
Questioned costs	N/A
Effect	The City is not in compliance with their grant agreements with Clark County.
Cause	
Repeat finding, prior audit finding number	Yes, 2018-005
Recommendation	Program income received by the City may not be readily identifiable to a HOME project, may be missing proper supporting documentation, or may be for incorrect payoff amounts. As a result, we recommend that the grant accountant research each receipt to determine the proper application of such, a process that may occur over 30 days and approach the remittance deadline of the County.
Management's response	Management informed us that the recommended research process will be implemented.

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 001

Criteria or specific requirement

Government financial statements are required to be prepared in accordance with accounting principles generally accepted in the United States (GAAP) to provide reasonable assurance that financial statements, free of material errors, are presented using the appropriate basis of accounting, transactions must be accurately recognized in accordance with GAAP and associated policies and procedures.

Condition and context

We noted insufficient staffing to monitor compliance with policies and procedures, prepare timely, and accurate account reconciliations, record recurring periodic adjustments, and prepare reliable interim financial information.

Current status

Corrected by adding staff and skill sets during the last quarter of the year.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 002

Criteria or specific requirement	Assets should be placed in service when substantially complete.
Condition and context	Construction in progress is not adequately monitored to timely place assets in service when substantially complete.
Current status	Corrected.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 003

Criteria or specific requirement	Monthly, quarterly, and annual (collectively, "periodic") closing schedules should be used, including preparation of a standard journal list and account reconciliation. Each individual step should be signed off by assigned preparers and reviewers indicating it has been completed.
Condition and context	Periodic closing schedules are not used as designed or do not adequately address items that are key components to financial reporting, including lists of standard journal entries and reconciliations.
Current status	Corrected.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 004

Federal program

CDBG - Entitlement Grants Cluster (Community Development Block Grants/Entitlement Grants (CFDA #14.218) and Community Development Block Grants/Special Purpose Grants/Insular Areas (CFDA #14.225))

Criteria or specific requirement

Local governments and Indian tribal governments that are direct recipients of Federal awards and their subrecipients will use procurement procedures that conform to applicable Federal law and regulations and standards identified in the A-102 Common Rule or OMB Circular A-110 (2 CFR part 215), as applicable.

Condition and context

Per examination of the Purchasing Guidelines in effect during the period under audit, it was noted that the current Purchasing Guidelines do not include policies and procedures to address standards of conduct in governing the performance of their employees engaged in the award and administration of contracts. The guidelines also do not address performing an analysis of lease and purchase alternatives. In addition, it was noted that the guidelines do not specifically state that recipients should avoid purchasing unnecessary items.

Current status

Corrected.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 005	
Federal program	Home Investment Partnerships Program (CFDA #14.239)
Criteria or specific requirement	Per the City's contract with Clark County (the County), the City will report upon receipt of all program income earned from HOME funded projects within its respective jurisdiction and will forward all program income within 30 days to the County.
Condition and context	Per examination of 22 program income receipts received by the City, it was noted that 8 of the receipts were not submitted to the County within 30 days.
Current status	Uncorrected. See 2019-007.
Reasons for this finding's recurrence	One out of 14 program income receipts examined was not submitted to Clark County within 30 days of receipt as required by the grant agreement.
Planned corrective action	City staff will continue to work closely with the County regarding the difficulties encountered in identifying program income received related to the HOME project and will request written extensions if research time is needed to determine the proper application of each receipt. A grant accountant was hired in August 2017 to bolster the skill level of the team and significant progress has been made from the previous fiscal year. Training and communication between the finance team and the individuals who have direct program responsibility will continue. Quarterly reconciliations will be completed and submitted to the finance department. Additionally, management will consider implementing a procedure in which all grant reimbursement requests throughout the City will be reviewed and signed off on by the financial team prior to submission to the reporting agency to ensure accuracy and proper accounting.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 006	
Federal program	CDBG - Entitlement Grants Cluster (Community Development Block Grants/Entitlement Grants (CFDA #14.218) and Community Development Block Grants/Special Purpose Grants/Insular Areas (CFDA #14.225))
Criteria or specific requirement	Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220.
Condition and context	We noted that the city did not perform a suspension and debarment check on one of the ten vendors selected for testing.
Current status	Corrected.

(Continued)

CITY OF NORTH LAS VEGAS

SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2018

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

2018 - 007	
Federal program	CDBG - Entitlement Grants Cluster (Community Development Block Grants/Entitlement Grants (CFDA #14.218) and Community Development Block Grants/Special Purpose Grants/Insular Areas (CFDA #14.225)) Southern Nevada Public Land Management (CFDA #15.235)
Criteria or specific requirement	The schedule of expenditures of federal awards (SEFA) shall be complete and accurate and agree to supporting records/documentation.
Condition and context	During the reconciliation of the SEFA to the general ledger, it was noted that \$6,425 of fiscal year 2018 federal grant expenditures were improperly excluded from the SEFA and \$17,991 of prior year federal grant revenues were improperly included in the current year related to the CDBG - Entitlement Grants Cluster. Additionally, it was noted that \$26,183 of fiscal year 2017 federal grant expenditures were improperly included in the 2018 SEFA related to the Southern Nevada Public Land Management grant.
Current status	Uncorrected. See 2019-005.
Reasons for this finding's recurrence	Per reconciliation of Community Development Block Grants/Entitlement Grants expenditures to the SEFA, it was noted that the SEFA was overstated by \$2,992 due to a duplicate entry into the general ledger.
Planned corrective action	Management informed us that this particular issue was tied to a lack of communication between the finance department and the area responsible for direct grant administering in that in late fiscal year 2017 costs were approved to be reimbursed by the Bureau of Land Management rather than the general fund and the adjustment inadvertently wasn't made. Staff will continue to work to improve lines of communication between finance staff and other departments. Additionally, management will consider implementing a procedure in which all grant reimbursement requests throughout the City will be reviewed and signed off on by the financial team prior to submission to the reporting agency to ensure accuracy and proper accounting.

