



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

**Fiscal Year Ended June 30, 2014**  
**North Las Vegas, Nevada**



**CITY OF  
NORTH LAS VEGAS**

*Your Community of Choice*

**CITY OF  
NORTH LAS VEGAS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2014**

**STATE OF NEVADA**



**CITY OF  
NORTH LAS VEGAS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2014**

**PREPARED BY  
DEPARTMENT OF FINANCE  
DARREN ADAIR  
DIRECTOR OF FINANCE**



# CITY OF NORTH LAS VEGAS

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Mayor  
**John Lee**

Council Members  
**Anita G. Wood**  
**Pamela A. Goynes-Brown**  
**Wade W. Wagner**  
**Isaac E. Barron**



City Manager  
**Dr. Qiong X. Liu P.E., PTOE**

**Finance Department - Darren Adair, Director**

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February 6, 2015

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, 2014, is hereby submitted. The State of Nevada (the "State") law requires that a local government obtain an annual audit by independent certified public accountants of its financial statements in accordance with auditing standards generally accepted in the United States.

Except for the independent auditors' reports included herein, this report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City 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 accounting principles generally accepted in the United States (GAAP). Because the cost of internal controls should not outweigh their 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 City's financial statements have been audited by Piercy Bowler Taylor & Kern, Certified Public Accountants and Business Advisors. The goal of an independent audit is to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended June 30, 2014, 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. The independent auditors concluded, based on their audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the City's basic financial statements for the fiscal year ended June 30, 2014, are presented fairly in all material respects 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 provisions of laws, regulations, contracts, grant agreements and internal controls over both financial reporting and compliance.

GAAP 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. With a population of approximately 230,491 as of July 1, 2014, the City ranks as the fourth largest city in the State of Nevada. The City was incorporated in 1946 and currently occupies 100.7 square miles and is approximately 45% built-out, with a majority 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 State 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 elective offices consisting of the mayor, four City Council members and two municipal judges. The mayor and municipal judges 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; terms of office for the municipal judges are six years.

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. Prior to 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. 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.

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. Encumbered amounts lapse at year-end.

### Local Economy

The tourism industry, which is based on legalized gambling and related forms of entertainment, continues to be the largest component of Southern Nevada's economic base, though it suffered during the recent recession. During the downturn, Southern Nevada experienced drastic declines in visitor volume and a change in spending habits for those visitors who continued to come to the area. Such changes led to significant drops in taxable sales, gaming revenue, and room occupancy. It followed that many businesses were forced to close or scale back operations, leading to record unemployment and underemployment for the area. Visitor volume has since rebounded to pre-recession levels and is on pace to exceed 2013's volume. Additionally, many other economic indicators have begun to show early signs of improvement as well.

Employment, a key driver of the economy, continues to draw significant attention. Consumer spending is vital to economic health, and it does not occur at the level necessary to maintain a healthy economy when large portions of the population are unemployed, underemployed, or fearful that they may become unemployed. Under these conditions, individuals tend to spend more for their needs, and to save, to the extent possible, for the “rainy day” that they perceive to be coming. Strong employment, or perceived employment options, improves consumer confidence, and leads to more spending: the fuel which drives the economic engine.

### Long-Term Financial Planning

In 2006, for budgetary and financial planning purposes, the City Council mandated that an 18% ratio of fund balance (including transfers), compared to the combined total of encumbrances and operating expenditures, be maintained in the General Fund. For several reasons, the most prominent being declining revenues, the City Council temporarily modified the aforementioned fund balance policy by enacting Resolution No. 2471 which required that the City produce a budget which would result in a General Fund ending fund balance of no less than 8% (including transfers) of General Fund expenditures. In May 2014, the City Council temporarily reduced the ratio to 6% (including transfers) to allow sufficient funding to settle an outstanding legal dispute with its employee collective bargaining groups. The change in General Fund balance during fiscal year 2014 was a decrease in ending fund balance from 8.4% in fiscal year 2013 to 6.3% (including transfers) at the end of fiscal year 2014. The long term goal of the City Council is to return to near the 18% fund balance previously targeted through managing cost and increasing revenues to rebuild fund balance over time.

Maintaining adequate levels of service is a critical challenge that must be addressed as the City’s population continues to grow in this challenging economic environment. The City maintains a five-year financial forecast for its major funds and certain special revenue funds, which serves as the cornerstone for the financial action plan and operating budget strategies. The forecasts provide an understanding of how the total financial program will be affected by certain economic factors and assumptions, and enable the City to estimate the resources that will be necessary to meet the requirements of existing programs and to make necessary adjustments accordingly.

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 vacant positions, major reductions in discretionary spending, implementation of efficiency savings in all departments, and investigation of shared services with other local jurisdictions. In addition, a number of capital improvement projects have been delayed, cancelled, or were reduced in scope.

Looking to the future, the City has taken action to balance the fiscal year 2015 budget. The most notable action taken was the implementation of organizational changes to promote efficiency and the settlement of outstanding litigation with the City’s employee bargaining groups and certain property owners. The City continues to work with its employee bargaining groups in an effort to attain more savings through further employee concessions.

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 FY 2015-19 CIP in excess of \$295.4 million, though it continually evaluates the financial condition of the City in order to ensure that the timing and scope of all projects are fiscally prudent.

### Major initiatives

The North 5th Street Super-Arterial, a major, four-phase street project continues to progress. Portions of the project already completed include the widening and improving of the roadway from Owens Avenue to Carey Avenue. Currently under construction is an overpass crossing Interstate 15, with improvements North from Interstate 15 to Cheyenne Avenue to be completed in the near future. The total costs for all four phases are projected to be approximately \$89 million, and will significantly improve traffic flow in downtown North Las Vegas. This is the largest street improvement project the City has ever undertaken.

Construction of the Craig Ranch Regional Park (the “Park”) was a three-year project started in 2011 and completed in 2013. The Park is approximately 170 acres in size and it features a 65,000-square-foot skate park, which is considered one of the largest skate parks in the United States. During 2011, the first phase of the Park’s construction was completed which included the demolition of several existing structures, building a new maintenance facility, underground utilities, improving landscape, an addition of new parking lot space, lighting, picnic shelters, restrooms, trails, a children’s

adventure play area, and a five-acre dog park. The second phase, included the construction of baseball fields, volleyball courts, basketball courts, four public plazas, a community garden, an additional parking lot, additional restrooms, an additional children's adventure play area, and the construction of the aforementioned skate park. On October 25, 2013, the Park opened to the public and the City expects approximately 750,000 people to use the Park annually.

The Las Vegas Wash Main Branch – Channel and Trail Improvement Project, a two-phase project (Phase I - Vegas Boulevard to Lake Mead Boulevard and Phase II - Civic Center Drive to Las Vegas Boulevard) was partially completed as of June 30, 2013. Phase II was substantially completed on May 29, 2013 and consists of approximately 1.42 miles of multipurpose pedestrian trail with lighting and landscaping including a trailhead at Cheyenne Avenue, pedestrian bridges over Las Vegas Boulevard and Cheyenne Avenue, and a pedestrian traffic signal on Civic Center Drive. Phase I was near completion at June 30, 2013, and consists of the removal and replacement of the bridge at Lake Mead Boulevard and Pecos Road. In addition, Phase I included approximately 1.15 miles of drainage channel improvements and a multipurpose pedestrian trail with lighting and landscaping.

In July 2014, the City entered into an agreement to sell its South Area Command Center for the North Las Vegas Police Department to neighboring North Vista Hospital for approximately \$1.9 million. In Phase I, the operations for the City's police department were relocated to the North Las Vegas Justice Court building during 2014. Phase II includes the relocation of critical records and communications equipment and is expected to be completed during fiscal year 2015.

#### 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, 2012. This was the 32nd 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 the 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, Piercy Bowler Taylor & Kern, Certified Public Accountants and Business Advisors. 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,



Dr. Qiong X. Liu P.E., PTOE, City Manager



Darren Adair, Director



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

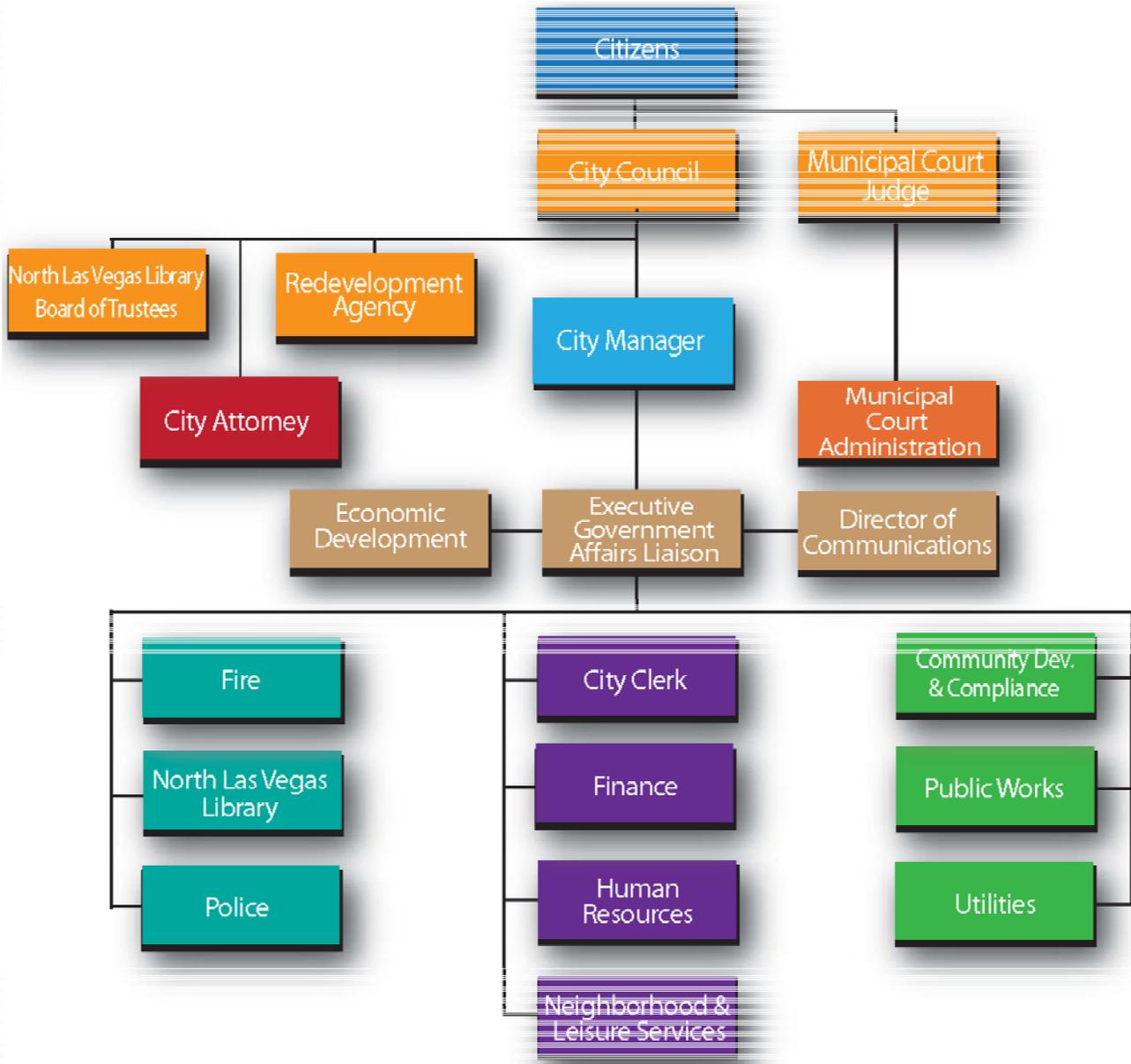
**June 30, 2013**

Executive Director/CEO

# CITY OF NORTH LAS VEGAS

## ORGANIZATION CHART

FOR THE YEAR ENDED JUNE 30, 2014



# CITY OF NORTH LAS VEGAS

## CITY OFFICIALS

FOR THE YEAR ENDED JUNE 30, 2014

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### Elected Officials

Mayor	John J. Lee
Mayor Pro Tempore	Anita G. Wood
Council Member	Pamela A. Goynes-Brown
Council Member	Wade W. Wagner
Council Member	Isaac E. Barron
Municipal Judge	Catherine Ramsey
Municipal Judge	Sean Hoeffgen

### Appointed Officials

Interim City Manager	Dr. Qiong X. Liu
City Attorney	Sandra Douglass Morgan
Executive Government Affairs Liaison	Ryann Juden
Acting Finance Director	Darren Adair
Acting Fire Chief	Jeff Lytle
Chief of Police	Joseph Chronister
City Clerk	Barbara A. Andolina
Community Development & Compliance Director	Gregory W. Blackburn
Court Administrator	Cindy S. Marshall
Deputy Utilities Director	Randall E. DeVaul
Director of Communications	Mitch Fox
Human Resources Director	Austin Scaccia
Library Director	Forrest Lewis
Neighborhood & Leisure Services Director	Mary Ellen Donner
Public Works Deputy Director	Jennifer Doody

# **FINANCIAL SECTION**



P B T K

PIERCY BOWLER  
TAYLOR & KERN

Certified Public Accountants  
Business Advisors

## INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Honorable Mayor and 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, 2014, 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 and for the year ended June 30, 2014, 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 and budgetary comparison information on pages 11-26 and 71-78 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 February 6, 2015, 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.

*Piercy Bowler Taylor & Kern*

Las Vegas, Nevada  
February 6, 2015

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**



# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2014

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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 ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

### Financial Highlights

The City's total net position at June 30, 2014, is \$1.47 billion. Of this \$1.47 billion, \$1.17 billion is related to governmental activities, while \$301.87 million is related to its business-type activities.

The City's total assets decreased by \$15.06 million, primarily due to a decrease in grants receivable, as many large construction projects that were being funded through granting agencies were completed throughout this fiscal year. The City's total liabilities decreased by \$15.39 million, mostly due to a decrease in accounts payable, which can also be attributed to the completion of many of the City's construction projects during the fiscal year.

The City's capital assets, net of related debt, totaled \$1.32 billion; governmental activities contributed \$1.11 billion and business-type activities contributed \$214.76 million.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$89.63 million, an increase of \$3.91 million in comparison with the amount reported for the prior fiscal year. Of this amount, \$6.74 million is non spendable, \$70.40 million is restricted, \$.5 million is committed and \$4.36 million is assigned; the remaining \$7.63 million is unassigned and therefore, available for spending at the government's discretion.

The general fund's ending fund balance is \$8.08 million at June 30, 2014, which represents 7.2% of total general fund expenditures, excluding transfers out. If transfers out are included, then the \$8.08 million ending fund balance represents 6.3% of total expenditures. The City had a reserve policy of maintaining a fund balance of at least 18% and in the past, reserves consistently exceeded 19% of expenditures. However, the City's tax revenue has fallen sharply as a result of the recession and the City's tax base deterioration has been among the worst in the nation. For example, the City's assessed valuation has dropped by over 55% from a high of \$9.1 billion in FY 2008-09 to \$4.1 billion in FY 2013-14. Similarly, intergovernmental consolidated taxes revenue (primarily consisting of sales tax) declined by 19% from a high of \$53.7 million in FY 2005-06 to nearly \$44 million in 2014. As a result of these declining revenues, the City Council temporarily lowered the reserve policy to 6% with the intent that ending fund balance be restored to the 18% level as soon as fiscal conditions allow.

The general fund's primary revenue sources are: intergovernmental consolidated taxes, which totaled \$43.98 million, franchise fees, which totaled \$20.79 million and licenses and permits, which totaled \$10.75 million. The City's licenses and permits include building and engineering permits, which totaled \$3.35 million. Property taxes consist of ad valorem taxes on real and personal property and totaled \$7.49 million. The combination of the above four primary revenue sources represents nearly 82% of the general fund's total revenues for the year ended June 30, 2014. In addition to the aforementioned revenue sources for the general fund, transfers were made from the water and wastewater funds in the amount of \$24 million.

The City's long-term liabilities and bond indebtedness decreased by a net \$10.42 million, or 2%. The City's liability for compensated absences increased by 4% or \$1.39 million and the City's postemployment benefits other than pensions increased by 14% or \$1.47 million. The total bonded debt outstanding decreased by \$13.28 million over the fiscal year.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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For the year ended June 30, 2014, the City's total revenues amounted to \$342.58 million. The primary revenue sources for the City were charges for services, which amounted to \$155.26 million, grants and contributions amounting to \$64.84 million, property taxes totaling \$49.09 million, intergovernmental consolidated taxes, which totaled \$43.98 million, and franchise fees amounting to \$20.79 million.

For fiscal year 2013-14, the City's total expenses amounted to \$342.94 million. The primary expense functions for the City's government-wide activities were public safety at \$154.79 million, general government at \$56.38 million, wastewater activities at \$46.65 million, water activities at \$37.37 million and culture and recreation activities at \$16.35 million.

### 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).

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 on pages 27-30 of this report.

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### 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, which can be found on pages 79-108 of this report.

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 can be found on pages 31-36 of this report.

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. Individual fund data for the internal service funds is provided in the form of combining schedules and individual fund schedules, which can be found on pages 113-118 of this report. Financial data for the golf courses are combined into a single aggregated presentation, which can be found on page 110 of this report.

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# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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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. Individual fund data for the internal service funds is provided in the form of combining schedules and individual fund schedules, which can be found on pages 113-118 of this report. Financial data for the golf courses are combined into a single aggregated presentation, which can be found on page 110 of this report.

The proprietary fund financial statements can be found on pages 37-41 of 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 statement can be found on pages 42 and 119-124 of 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 financial statements can be found on pages 43-70 of 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 can be found on pages 71-79 of this report.

### Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$1.47 billion at the close of the most recent fiscal year.

The largest portion of the City's net assets (90%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net assets (5.0%) represents resources that are subject to external restrictions on how they may be used and 5.0% of the City's net assets are unrestricted.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

Summary Statement of Net Position						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Assets						
Current, restricted and other	\$ 138,499,537	\$ 134,723,732	\$ 108,108,209	\$ 110,220,892	\$ 246,607,746	\$ 244,944,624
Capital	<u>1,261,065,363</u>	<u>1,267,097,325</u>	<u>506,313,669</u>	<u>517,006,723</u>	<u>1,767,379,032</u>	<u>1,784,104,048</u>
Total assets	<u>1,399,564,900</u>	<u>1,401,821,057</u>	<u>614,421,878</u>	<u>627,227,615</u>	<u>2,013,986,778</u>	<u>2,029,048,672</u>
Deferred outflows of resources	<u>13,918,516</u>	<u>14,553,581</u>	<u>8,550</u>	<u>59,853</u>	<u>13,927,066</u>	<u>14,613,434</u>
Liabilities						
Current	28,128,217	33,725,229	14,690,918	14,060,444	42,819,135	47,785,673
Long-term	<u>214,856,846</u>	<u>217,191,268</u>	<u>297,873,135</u>	<u>305,960,174</u>	<u>512,729,981</u>	<u>523,151,442</u>
Total liabilities	<u>242,985,063</u>	<u>250,916,497</u>	<u>312,564,053</u>	<u>320,020,618</u>	<u>555,549,116</u>	<u>570,937,115</u>
Net position						
Net investment in capital assets	1,106,799,902	1,109,705,374	214,759,669	229,033,516	1,321,559,571	1,338,738,890
Restricted	73,249,575	70,286,644	75,134	4,514,658	73,324,709	74,801,302
Unrestricted	<u>(9,551,124)</u>	<u>(14,533,877)</u>	<u>87,031,572</u>	<u>73,718,676</u>	<u>77,480,448</u>	<u>59,184,799</u>
Total net position	<u>\$ 1,170,498,353</u>	<u>\$ 1,165,458,141</u>	<u>\$ 301,866,375</u>	<u>\$ 307,266,850</u>	<u>\$ 1,472,364,728</u>	<u>\$ 1,472,724,991</u>

The primary restrictions on the City's net position relate to capital projects (\$37.32 million), community assistance and support programs (\$12.32 million) and public safety programs (\$9.77 million). The City's unrestricted net position totals \$77.48 million. For further details relating to the City's net position and restrictions thereon, please see the Statement of Net Position on pages 27-28 of this document.

The following Summary Statement of Changes in Net Position reflects the City's very slight decrease in net position of \$360,263. The decrease in net position is primarily a result of the operation of the business-type activities, which decreased net position by \$5.04 million or 2%, while the governmental activities increased the City's net position by \$5.40 million.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

The following Summary Statement of Changes in Net Position reflects the City's very slight decrease in net position of \$360,263. The decrease in net position is primarily a result of the operation of the business-type activities, which decreased net position by \$5.04 million or 2%, while the governmental activities increased the City's net position by \$5.40 million.

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 58,705,138	\$ 51,745,682	\$ 96,553,717	\$ 93,220,117	\$ 155,258,855	\$ 144,965,799
Operating grants and contributions	23,491,365	19,871,431	6,209,435	3,116,042	29,700,800	22,987,473
Capital grants and contributions	32,366,318	91,544,553	2,776,902	5,857,325	35,143,220	97,401,878
General revenues						
Property taxes	49,088,718	48,831,490			49,088,718	48,831,490
Residential construction taxes	314,546	332,595			314,546	332,595
Room taxes	422,474	383,888			422,474	383,888
Franchise fees, based on gross receipts	20,788,938	15,769,356			20,788,938	15,769,356
Intergovernmental consolidated taxes	43,976,942	39,434,352			43,976,942	39,434,352
Other local government shared revenues	2,082,929	2,224,996			2,082,929	2,224,996
Unrestricted investment income	1,035,183	679,281	13,586	136,985	1,048,769	816,266
Gain on disposal of capital assets	2,102,479	204,150	12,668		2,115,147	204,150
Miscellaneous	<u>2,281,880</u>	<u>1,767,227</u>	<u>356,096</u>	<u>6,362,108</u>	<u>2,637,976</u>	<u>8,129,335</u>
<b>Total revenues</b>	<u>236,656,910</u>	<u>272,789,001</u>	<u>105,922,404</u>	<u>108,692,577</u>	<u>342,579,314</u>	<u>381,481,578</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

### Summary Statement of Changes in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Expenses						
General government	\$ 56,381,592	\$ 51,855,800	\$	\$	\$ 56,381,592	\$ 51,855,800
Judicial	9,896,150	9,496,348			9,896,150	9,496,348
Public safety	154,787,847	147,724,400			154,787,847	147,724,400
Public works	8,416,102	11,197,298			8,416,102	11,197,298
Culture and recreation	16,347,681	13,295,753			16,347,681	13,295,753
Community support	5,722,271	5,168,774			5,722,271	5,168,774
Interest expense and fiscal charges	4,111,816	4,388,732			4,111,816	4,388,732
Wastewater			46,654,631	38,806,095	46,654,631	38,806,095
Water			37,368,080	33,417,139	37,368,080	33,417,139
Municipal golf courses			3,253,407	2,321,525	3,253,407	2,321,525
Total expenses	255,663,459	243,127,105	87,276,118	74,544,759	342,939,577	317,671,864
Change in net position before transfers	(19,006,549)	29,661,896	18,646,286	34,147,818	(360,263)	63,809,714
Transfers	24,046,761	31,433,990	(24,046,761)	(31,433,990)		
Change in net position	5,040,212	61,095,886	(5,400,475)	2,713,828	(360,263)	63,809,714
Net position, beginning of year	1,165,458,141	1,104,362,255	307,266,850	304,553,022	1,472,724,991	1,408,915,277
Net position, end of year	\$ 1,170,498,353	\$ 1,165,458,141	\$ 301,866,375	\$ 307,266,850	\$ 1,472,364,728	\$ 1,472,724,991

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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Governmental-type program revenues dropped by \$48.60 million during the fiscal year. While charges for services increased by \$6.96 million and operating grants and contributions increased by \$3.62 million for a combined increase of 15%, compared to the prior fiscal year, capital grants and contributions fell by 65%. This is due to a number of significant construction projects that were funded by other granting agencies and completed during the fiscal year, such as Craig Ranch Regional Park for a total of \$34.77 million, the design and construction of pedestrian bridges on the upper Las Vegas wash trail, eliminating vehicle and pedestrian conflicts, a \$23.94 million street improvement project of a major carrier of north-south traffic consisting of the design, acquisition and construction of six travel lanes, drainage, traffic control devices, curb, gutter and sidewalk. Additionally, gain on disposal of capital assets increased by \$1.90 million. The City has been implementing a number of cost saving actions in order to continue its prudent fiscal management, which has included the consolidation of programs and/or departments for further efficiency. As part of that process, during fiscal year 2013-14, the City sold its police facility for the \$1.90 million and relocated the police department function to the City's justice facility, as there was significant vacant space not being utilized.

Governmental type expenses increased by 5% (\$12.54 million). Public safety had the biggest increase in expenses by \$7.06 million, compared to the prior fiscal year. This is primarily due to public safety capital projects pertaining to flood control. The desert southwest is an environment of extremes. Typically thought of as a dry and hot region, the area often experiences intense rainfall and subsequent flash floods resulting in tremendous damages to private property and public facilities. As such, the region has developed and coordinated a comprehensive master plan to solve flooding problems by mostly funding and coordinating the construction of flood control facilities. During the fiscal year 2013-14, the City had eight different flood control projects underway.

General government expenses increased by \$4.52 million, compared to FY 2012-13. Most of the increase in expenses in general government are related to a \$6.3 million settlement agreement that awarded certain landowners for pre-condemnation damages pertaining to an approximately 2.5-acre parcel of vacant property.

Overall business type revenues decreased by \$2.77 million or 3%. Miscellaneous revenue significantly dropped by \$6.71 million this fiscal year due primarily to the non recurring usage of funding related to the Clean Water Coalition being utilized for the expenses of the Sloan Channel agreement with Clark County. Specifically, the Clean Water Coalition funding has been exhausted and now operational revenues are being used for the expenses related to the installation of a required pipeline in the Sloan Channel. Conversely, user fees increased by \$3.33 million, or 4%, compared to FY 2013-14, which is mostly due to the annual 3% rate increase.

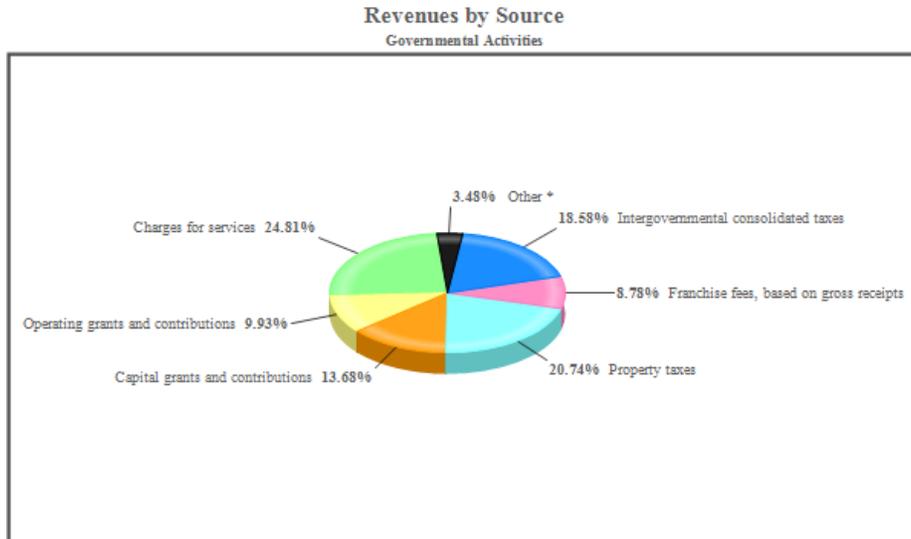
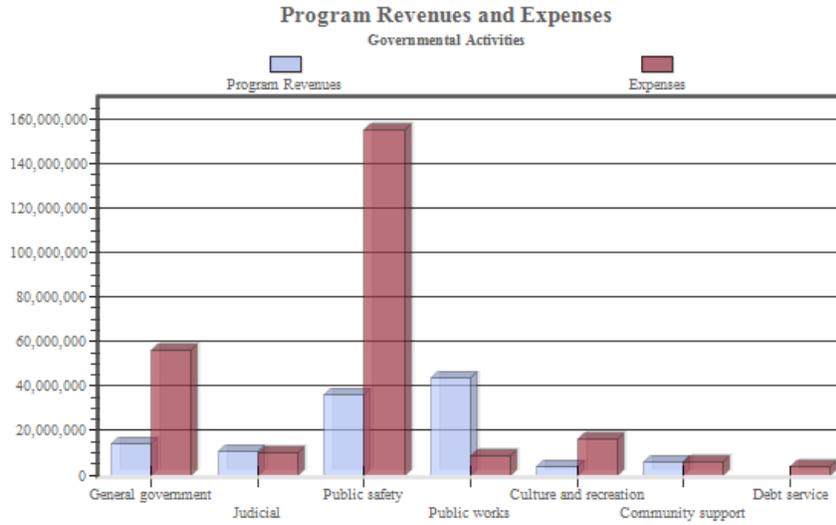
Business type expenses increased by \$12.73 million. This is primarily due to a couple of reasons, including the new cost allocation methodology applied to the utility funds, whereby overhead costs are calculated and paid by the utility funds to the general fund, whereas in the past, an arbitrary transfer out was made from the utility funds to the general fund. This amounted to \$8 million in new costs to the utilities funds. Additionally, depreciation and amortization expenses increased by \$2.42 million, compared to the prior fiscal year, for the wastewater utilities fund. And lastly, purchases of water during the fiscal year from the City's purveyor, Southern Nevada Water Authority, increased by 8.22%, or \$1.07 million.

The following graphs provide expense and program revenue information with regard to the various functions of the City's governmental activities and revenues by source information with regard to the City's governmental activities.

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014



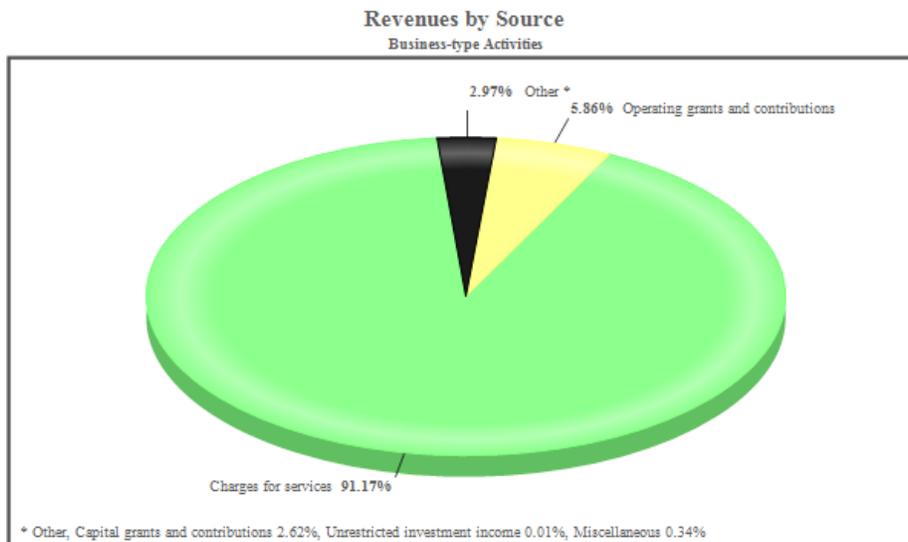
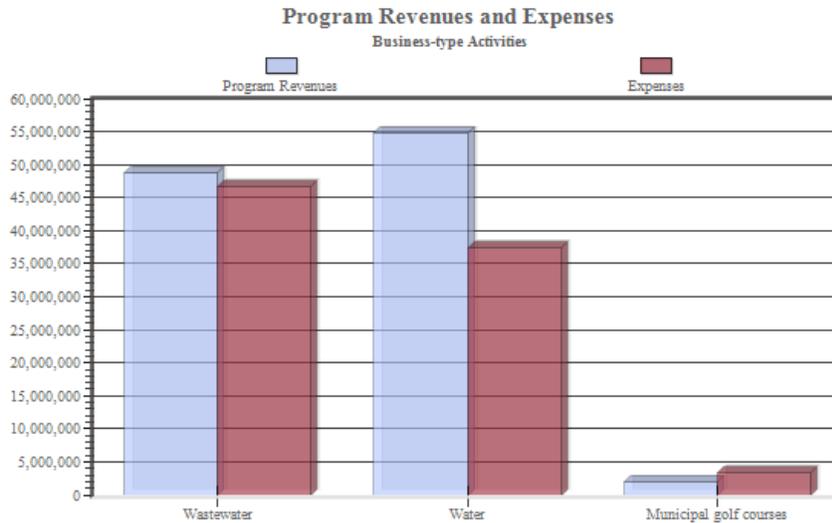
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# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

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



### Financial Analysis of the Government's Funds

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

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# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$89.63 million, an increase of \$3.91 million in comparison with the amount reported for the prior fiscal year. Of the ending fund balance, \$6.74 million is nonspendable as this amount represents land held for resale and prepaid items, which are not in a spendable form; \$70.40 million is restricted as amounts in this classification are restricted for specific purposes by external creditors, such as bondholders, grantors, laws and/or regulations of other governments; \$5 million is committed for specific purposes pursuant to City Council direction; \$4.36 million is assigned with the intent that these funds will be used for a specific purpose, but these funds are not restricted nor committed; and \$7.63 million is unassigned fund balance, which is available for spending at the City Council's discretion.

The City reports both major and nonmajor funds, and as such, major funds are reported in a separate column in the entity-wide statements, while nonmajor 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 in its fund type category, governmental or enterprise.

An individual fund reports at least 5% of the aggregated total for both governmental funds and enterprise funds of one of the items for which it met the 10% criterion.

Following are summaries of key information relating to the City's major funds:

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the general fund's ending fund balance was \$8.08 million. Of this amount, \$0.24 million was nonspendable due to prepaid items and \$0.21 million was committed for the matching component of a number of grant-related programs. Finally, as noted above, \$7.63 million is unassigned. As a measure of the general fund's liquidity, it may also be useful to compare fund balance to total fund expenditures. As such, fund balance represents 7.2% of total general fund expenditures, when excluding transfers out.

The fund balance of the City's general fund decreased by \$1.26 million during the fiscal year. Overall revenues, excluding transfers in, increased by 16% (\$13.7 million) and transfers in decreased by 22%, (\$7 million), compared to the prior fiscal year. These differences are mostly attributable to a change in the approach by which the City transfers funds from its utilities funds to the general fund. Specifically, the City previously transferred \$32 million annually as a payment in-lieu-of taxes with no direct relationship between the amount transferred to the general fund and the goods and services provided to the utilities funds in the normal course of business. Beginning with FY 2013-14, the City developed a cost allocation methodology, whereby overhead costs are calculated and payments for franchise fees, as well as property taxes are collected from the utility funds. Under this new approach, the City collected \$8 million in new revenues from the utilities funds, while reducing transfers in from the utilities funds from \$32 million to \$24 million. Pursuant to Nevada law, effective 2021, arbitrary transfers from utilities funds to the general fund will no longer be permitted.

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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As noted above, general fund revenues increased by \$13.7 million due to the \$8 million in new revenue sources from the utilities funds as well as an increase of 12% (\$4.54 million) in the City's intergovernmental consolidated taxes (consisting primarily of sales taxes). This revenue source is the largest single revenue source in the general fund. In fiscal 2013-14, it accounted for 43.7% of general fund revenue, when excluding transfers in, and 35% when including transfers in. The consolidated tax distribution is collected by the State of Nevada and allocated to local governments based on statutory formulas, with sales and use taxes being the largest component (generally falling between 80% and 90% of the total). The increase in the consolidated tax distribution appears primarily attributable to the increase in consumer spending, as the local economy continues to recover. Nearly 40 million visitors came to the Las Vegas valley in 2013, reaching a five-year high.

Revenues directly related to population and assessed valuation, such as property taxes, decreased by 1% during the current fiscal year. Property values have begun to increase, however, it is expected that dropping property tax revenues are likely to be mitigated in the very near term. The City's population growth continues, albeit more moderately than in the recent past, prior to the most recent recession.

Excluding the new franchise fee revenue from the utility funds, this revenue source rose by \$0.74 million, or 5% in fiscal year 2013-14, growing at a moderate pace. License and permit revenues consists primarily of business license and building and engineering permits. Business licenses dipped by \$0.17 million or 2%, while development-related permitting (building and engineering) experienced a modest increase of \$0.19 million, or 6%.

Excluding the new administrative charges revenue from the utility funds, charges for services revenues grew during fiscal year 2013-14, rising by 9%, which amounted to a \$0.28 million increase. This increase was primarily the result of increased municipal court fees and an increase in development-related fees.

Intergovernmental revenues, excluding consolidated taxes and the new payment in-lieu-of taxes from the utilities funds, consists of grants and room and gaming taxes received from the Las Vegas Convention and Visitors Authority. This revenue source fell 4% (\$0.95 million).

Fines and forfeitures, which consist almost exclusively of municipal court fines (over 98% in fiscal 2013-14) saw a modest increase of \$0.11 million, or 2%, as this court activity remained relatively stable.

Overall expenditures for the general fund, including transfers out, increased by nearly \$10 million, or 8%. This was primarily due to a 15% increase in the culture and recreation function (\$0.95 million), an increase in the public safety function of 1% (\$1.03 million) and a 131% increase in transfers out (\$9.03 million). The \$0.95 million increase in culture and recreation is attributable to the completion of the design and construction of Craig Ranch Regional Park, a \$34.77 million project, which opened to the public in the Fall of 2013. The \$0.95 million is related to operating costs of that Park. The \$1.03 million increase in public safety is mostly due to overtime costs associated with fire services. The \$9.03 million increase in transfers out to the legal liability fund was for settlement agreements with the collective bargaining groups related to salaries and benefits, as well as a large settlement agreement with landowners pertaining to pre-condemnation damages. Of note is that salaries and related benefits accounted for approximately 81% of the general fund's expenditures in the fiscal year 2013-14.

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# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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The public safety tax fund had a total ending fund balance of \$3.31 million at the end of fiscal year 2013-14. Of that balance, \$18,965 was nonspendable as it pertained to prepaid items. The remaining \$3.29 million of ending fund balance was restricted for the expenditure of additional public safety support with respect to police and detention activities pursuant to voter approved tax overrides. Tax revenues for this fund remained relatively flat at \$28.20 million, while expenditures decreased by 7% (\$2.21 million). Primarily contributing to this expenditure reduction is the interlocal agreement with the City of Las Vegas resulting in a combined detention operation between the two cities. This consolidation of services has continued to provide savings to the City in fiscal year 2013-14. Also contributing was attrition, to the extent positions which were voluntarily vacated have not immediately been filled.

### Proprietary Funds

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.

Operating revenues of the City's water and wastewater business-type activities decreased by \$2.84 million, or 2.9% (\$94.84 million in 2014, compared to \$97.68 million in 2013). In 2013, the City recognized a one-time revenue in applying the Clean Water Coalition(CWC) funds that were determined to be used for the Sloan Channel pipeline project in agreement with Clark County. The fees collected were to be used in a regional pipeline which included the pipeline to the City of North Las Vegas' wastewater reclamation facility (WRF). When CWC was dissolved, the remaining cash was returned to the collecting entities. These funds were held by the City as a liability until the agreement with the County was reached and those funds were then re-classed to miscellaneous revenue of \$6.45 million. The water and wastewater utility customers continued to conserve water as billed usage decreased by 1.95% during fiscal year 2014. This decrease was offset by a 1.22% increase in new accounts being opened and a 3% rate increase during the fiscal year.

Likewise, operating expenses, excluding transfers out, increased by \$11.7 million, or 21.0%. Eight million dollars of this increase was due to the change in the allocation of expenses from the City's general fund. These funds are a reduction of the City's transfers to the City's general fund for payment in-lieu-of taxes (PILT). Transfers out to the City's general fund for PILT was reduced from \$31.5 million in fiscal year 2012-2013 to \$24 million in fiscal year 2013-2014. Further information regarding these changes in revenues and expenses for the water and wastewater operations are as follows:

The water enterprise fund had an overall increase in net position of \$0.35 million due to various increases and decreases in this year's operations as noted in the following paragraphs.

Water utility fees increased 3.97%, or \$2.07 million during this fiscal year. Water user fees increased \$1.67 million or 3.54%. This increase is due to a 3% rate increase and an increase in new accounts. However, as noted above, customers still continued conserving water during the year and billed usage during the year decreased in commercial, single and multi-family accounts. These decreases were offset by the addition of commercial and single family accounts during the year and the 3% rate increase. This year the City continued with an increase in new development fees, increasing 24.51% or \$0.24 million. The other operating revenues showed an increase during the year to make up the difference.

Operating expenses of the water enterprise fund increased 12.09% to \$36.31 million, compared to the prior fiscal year, for a total increase of \$3.92 million. As explained above, the City changed the formula in allocating PILT during the year. Those fees that should be allocated for utility expenses were classified as operating expenses this amount is \$3.98 million. Expenses for salaries, related benefits and services and supplies decreased by 8.13%. This decrease is due to a reorganization of the utility department and not filling all vacant positions during the year. Purchases of water during the fiscal year from the City's purveyor, Southern Nevada Water Authority, increased by 8.22% or \$1.07 million. The increase is due to an increase in the wholesale water rate of 3.4% and an increase in water purchased during the year. Expenses for depreciation increased by 0.8%.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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Additionally, capital contributions increased by \$0.18 million and transfers out decreased by \$0.72 million during fiscal year 2013-2014, compared to the prior year. The City's capital contributions consist primarily of infrastructure that's paid and constructed by developers and then contributed to the City, such as water and wastewater pipelines.

The wastewater enterprise fund had an overall decrease in net position of \$3.71 million due to various increases and decreases in this year's operations as noted in the following paragraphs.

Wastewater utility fees increased by \$3.13 million, or 3.6% for the fiscal year. This increase is due to a 3% rate increase during the year and an increase in new service accounts during the year. Since the City's wastewater fee structure is substantially based on actual water consumption, the increase in demand for water services ultimately results in increased wastewater to treat. The City continued to see an increase in new development fees of \$0.43 million, or 28% from the prior year. As discussed above, miscellaneous fees decreased by \$6.66 million. This decrease is due to a one-time revenue of \$6.45 million of CWC connection fees.

Non-operating revenues primarily consist of intergovernmental revenues, which decreased by \$0.30 million as a result of the reduction in the sales and use taxes collected. During fiscal year 2012-2013, the City received a settlement payment of sales taxes from the City of Las Vegas of \$0.39 million due to an allocation error with the cities of Henderson, Las Vegas and Clark County Water Reclamation District. During the year, the City had a net increase of \$0.19 million in sales taxes revenue and investment interest earnings decreased from \$136,695 to \$13,586.

Operating expenses of the wastewater enterprise fund increased by \$7.81 million, or 33.4% to \$31.18 million. Salaries and related benefits expenses increased by 2.4%. This increase is due to the reorganization of the utility department during the year. Services and supplies increased by \$5.26 million, or 76.1% and these increases are mainly due to the change in application of the PILT allocation as explained above. The increase of expense for these changes was \$4.02 million. The WRF had a \$1.36 million increase in electrical power during the year. The City received a power allocation from the Colorado River Commission (CRC) which provided the WRF with a lower electrical charge. The change from NV Energy to the CRC resulted in a lump-sum settlement payment to NV Energy in the amount of \$1.49 million. This change to the CRC will result in a lower energy cost for the WRF operations going forward. Depreciation expenses increased by \$2.42 million.

Non operating expenses consist of interest and bond issuance costs, which decreased by \$.12 million, or 0.8%. This decrease is due to repayment of principal on outstanding bonds.

### General Fund Budget

During the fiscal year, there was a \$0.92 million increase in appropriations between the original and final amended budget. This was due to timing between when the budget was being developed with unfunded vacant positions, while hiring for these vacant positions was underway. The original budget for transfers out was amended by \$5.1 million during the fiscal year mostly due to settlement agreements with the collective bargaining groups related to salaries and benefits and transfers out to the Library District and the Aliante Golf Course for purposes of meeting their shortfalls during the fiscal year.

The original revenue budget was increased by \$11.1 million, of which \$8 million is due to a procedural change in accounting for the allocation of costs to the utilities funds, whereby overhead costs are calculated and payments for franchise fees, as well as property taxes are computed and collected. This increase in revenues was offset by the reduction in transfers in from the utilities funds. The original revenue budget was also increased by \$2 million for intergovernmental consolidated taxes, \$1 million in licenses and permits and \$0.1 million in the categories of refunds and reimbursements and special event revenue, as all these revenue sources trended higher than originally anticipated.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Capital Asset and Debt Administration

#### Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to \$1.41 billion (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, infrastructure, improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the City's investment in capital assets for the current fiscal year was 5%.

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

\$6.28 million expended from the capital projects public safety fund primarily related to the construction improvements of flood control facilities, including pipes, culverts, channels, energy dissipaters, channel structures, channel access, storm drain inlets and laterals and other appurtenances as required.

\$8.51 million in infrastructure capital assets that were paid for and constructed by developers and contributed to the City.

\$9 million expended from the capital projects street improvements fund primarily related to the ongoing construction of the North 5th Street Corridor Project, which will provide for a high volume north south super arterial roadway, and the Simmons Street improvements, which is expected to be a major carrier of north-south traffic.

\$11.73 million expended from the capital projects parks and recreation fund primarily related to the design and construction of the Craig Ranch Regional Park and for other capital improvements to various parks and recreation buildings and facilities within the City limits.

Additional information on the City's capital assets can be found in Note 3 on pages 54-55 of this report.

#### Long-term Debt

At the end of the current fiscal year, the total outstanding bonded debt of the City was \$452.28 million. Of this amount, \$445.27 million comprises debt backed by the full faith and credit of the government and \$7 million is special assessment debt for which the government is liable in the event of default by the property owners subject to the assessment.

The City's total bonded debt outstanding decreased by \$12.48 million, or 0.3% during the current fiscal year due to bond repayments.

The City's rating from Standard & Poor's changed from "BBB+" to "BB+" with a negative outlook. Moody's investors Service downgraded the City's indebtedness from "Ba2" to "Ba3" and Fitch Ratings downgraded the City from "BB" To "B" with a negative outlook. These actions by the rating agencies are primarily due to the City's continued fiscal challenges driven by a steep drop in general fund revenues, coupled with costly long term labor contracts. The City and region's economy were among the hardest hit by the collapse of the housing market, resulting in a combined assessed valuation decline of 55% over the last five years. 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 \$700.41 million, which is significantly in excess of the City's actual outstanding net general obligation debt of \$439.27 million.

Additional information on the City's long term debt can be found in Note 3 on pages 56-61 of this report.

(Continued)

# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Next Year's Budget

As expenditures continue to outpace revenues, the City has been implementing a number of cost saving actions in order to continue its prudent fiscal management and avoid the need to raise taxes or service charges over the next few years. Such actions over the past six years have included: the elimination of vacant positions, implementation of a hiring freeze, budget reduction programs, layoffs and voluntary separation packages, reorganization of the City's departmental structure, consolidating programs for further efficiency and suspending certain elements of collective bargaining agreements.. In addition, a number of capital improvement projects have been delayed, cancelled, or face a reduction in project scope.

In looking to the future, the City has increased the FY 2014-15 general fund budgeted revenues by \$168,356 for a total of \$124.35 million from the FY 2013-14 budget. As most revenues remain flat or show slight declines, intergovernmental consolidated taxes (primarily consisting of sales taxes) is continuing to show gains with an estimated increase of \$1.1 million in FY 2014-15. Additionally, property taxes revenue is projected to increase by almost 2.9% for the fiscal year ending June 30, 2015.

The City has increased the FY 2014-15 budgeted appropriations by \$4.48 million for a total of \$126.12 million. The increase in budgeted appropriations is for services and supplies. The City continues to try to work with its employee bargaining groups in an effort to attain more savings through further employee concessions.

The City's adopted operating budget for FY 2014-15 is currently at \$346.48 million and the adopted capital improvement plan for FY 2014-15 is \$145.78 million; however, a number of capital projects continue to be deferred until such time as the local economy improves.

Property taxes revenue account for approximately 6.1% of general fund revenues. During fiscal year 2005, the State of Nevada enacted legislation that provided for a partial abatement of property taxes going forward. The level of abatement is based on the type and use of the property, but generally, if the property is a primary residence, then the abatement is the amount of taxes that exceeded the prior year's tax bill plus 3%.

### Workers' Compensation Issue

Pursuant to Nevada Revised Statutes, diseases of the lungs and heart are considered occupational diseases for firefighters and police officers. Specifically, the statutes provide 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 of the City's 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.

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# CITY OF NORTH LAS VEGAS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Post-Employment Benefits Other Than Pensions

The City was required on July 1, 2007, to implement GASB (Governmental Accounting Standards Board) Statement No. 45, Accounting and Financial Reporting by Employers for Post employment Benefits Other than Pensions. The purpose of GASB Statement No. 45 is to require the accrual of liabilities and expenses of other post employment benefits, such as healthcare, generally over the working career of plan members, rather than on a pay-as-you-go basis, which was the City's past practice. As such, the City had an actuarial study performed and as of June 30, 2013, the City's net OPEB obligation was \$11.69 million.

### 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, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash, cash equivalents and investments, unrestricted	\$ 98,983,669	\$ 50,973,844	\$ 149,957,513
Cash, cash equivalents and investments, designated for specific purposes	1,618,906		1,618,906
Cash, cash equivalents and investments, restricted	1,917,346	7,938,350	9,855,696
Accounts receivable, net	8,863,333	14,892,740	23,756,073
Grants receivable	2,975,931		2,975,931
Property taxes receivable	2,739,200		2,739,200
Special assessments receivable	253,030		253,030
Interest receivable	38,455		38,455
Due from other governments	10,178,125	662,294	10,840,419
Inventories	258,143	3,141,574	3,399,717
Prepaid land lease, net of amortization		21,625,000	21,625,000
Other prepaid items	359,748	819,147	1,178,895
Refundable deposits		11,941,931	11,941,931
Property held for resale	6,426,980		6,426,980
Internal balances	3,886,671	(3,886,671)	
Capital assets, net of accumulated depreciation and amortization			
Construction in progress	190,719,919	21,561,929	212,281,848
Land	191,153,005	15,514,483	206,667,488
Buildings and building improvements	176,101,535	78,727,577	254,829,112
Improvements other than buildings	52,055,172	44,330,595	96,385,767
Infrastructure	641,618,371	341,530,523	983,148,894
Machinery, equipment and software	9,417,361	4,648,562	14,065,923
<b>Total assets</b>	<b>1,399,564,900</b>	<b>614,421,878</b>	<b>2,013,986,778</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized deferred refunding charges	13,918,516	8,550	13,927,066
<b>LIABILITIES</b>			
Accounts payable and other accrued expenses	9,358,327	3,245,631	12,603,958
Accrued salaries and benefits	12,278,687	504,108	12,782,795
Due to other governments	1,080,738	4,301,136	5,381,874
Customer deposits	55,763	4,175,920	4,231,683
Unearned revenue	2,512,395	40,578	2,552,973
Interest payable	2,842,307	2,423,545	5,265,852
Long-term liabilities, due within one year			
Bonds and notes payable	5,757,700	8,109,000	13,866,700
Compensated absences	4,634,334	412,957	5,047,291
Long-term liabilities, due in more than one year			
Bonds and notes payable, net of unamortized premiums and discounts	159,862,098	286,389,100	446,251,198
Compensated absences	32,914,806	2,962,078	35,876,884
Postemployment benefits other than pensions	11,687,908		11,687,908
<b>Total liabilities</b>	<b>242,985,063</b>	<b>312,564,053</b>	<b>555,549,116</b>

(Continued)

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	1,106,799,902	214,759,669	1,321,559,571
Restricted for			
Debt service	4,624,709		4,624,709
Buildings and facilities projects	4,430,712		4,430,712
Street improvements projects	3,498,490		3,498,490
Other capital projects	15,317,134		15,317,134
Police, fire and other public safety programs and projects	19,701,254		19,701,254
Parks, cultural and other recreational programs	3,778,000		3,778,000
Library district operations	908,045		908,045
Courts and other judicial programs	1,654,714		1,654,714
Community assistance and support programs	12,323,834		12,323,834
Claims and judgements	6,993,580	75,134	7,068,714
Other	19,103		19,103
Unrestricted	(9,551,124)	87,031,572	77,480,448
Total net position	\$ 1,170,498,353	\$ 301,866,375	\$ 1,472,364,728

See notes to basic financial statements.

**CITY OF NORTH LAS VEGAS**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2014**

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	\$ 56,381,592	\$ 13,813,102	\$ 162,971	\$	\$ (42,405,519)	\$	\$ (42,405,519)
Judicial	9,896,150	10,950,414			1,054,264		1,054,264
Public safety	154,787,847	24,235,187	11,422,611	139,047	(118,991,002)		(118,991,002)
Public works	8,416,102	5,375,946	6,339,938	32,081,230	35,381,012		35,381,012
Culture and recreation	16,347,681	3,707,230	151,488	146,041	(12,342,922)		(12,342,922)
Community support	5,722,271	623,259	5,414,357		315,345		315,345
Debt service							
Interest expense and fiscal charges	4,111,816				(4,111,816)		(4,111,816)
Total governmental activities	<u>255,663,459</u>	<u>58,705,138</u>	<u>23,491,365</u>	<u>32,366,318</u>	<u>(141,100,638)</u>		<u>(141,100,638)</u>
Business-type activities							
Wastewater	46,654,631	41,243,489	6,209,435	1,320,110		2,118,403	2,118,403
Water	37,368,080	53,292,819		1,456,792		17,381,531	17,381,531
Municipal golf courses	3,253,407	2,017,409				(1,235,998)	(1,235,998)
Total business-type activities	<u>87,276,118</u>	<u>96,553,717</u>	<u>6,209,435</u>	<u>2,776,902</u>		<u>18,263,936</u>	<u>18,263,936</u>
Total function/program	<u>\$ 342,939,577</u>	<u>\$ 155,258,855</u>	<u>\$ 29,700,800</u>	<u>\$ 35,143,220</u>	<u>\$ (141,100,638)</u>	<u>18,263,936</u>	<u>(122,836,702)</u>

(Continued)

See notes to basic financial statements.

**CITY OF NORTH LAS VEGAS**

**STATEMENT OF ACTIVITIES (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2014**

	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					49,088,718		49,088,718
Residential construction taxes					314,546		314,546
Room taxes					422,474		422,474
Franchise fees, based on gross receipts					20,788,938		20,788,938
Intergovernmental consolidated taxes					43,976,942		43,976,942
Other local government shared revenues					2,082,929		2,082,929
Unrestricted investment income					1,035,183	13,586	1,048,769
Gain on disposal of capital assets					2,102,479	12,668	2,115,147
Miscellaneous					2,281,880	356,096	2,637,976
Total general revenues					<u>122,094,089</u>	<u>382,350</u>	<u>122,476,439</u>
Transfers					<u>24,046,761</u>	<u>(24,046,761)</u>	
CHANGE IN NET POSITION					5,040,212	(5,400,475)	(360,263)
NET POSITION, BEGINNING OF YEAR					<u>1,165,458,141</u>	<u>307,266,850</u>	<u>1,472,724,991</u>
NET POSITION, END OF YEAR					<u>\$ 1,170,498,353</u>	<u>\$ 301,866,375</u>	<u>\$ 1,472,364,728</u>

See notes to basic financial statements.

# **FUND FINANCIAL STATEMENTS**



# CITY OF NORTH LAS VEGAS

## GOVERNMENTAL FUNDS BALANCE SHEET JUNE 30, 2014

	Special Revenue Fund			Total Governmental Funds
	General Fund	Public Safety Tax	Aggregate Other Governmental Funds	
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 4,581,512	\$ 3,471,700	\$ 69,178,729	\$ 77,231,941
Accounts receivable, net	6,406,978	17,765	2,433,696	8,858,439
Grants receivable	5,745		2,970,186	2,975,931
Property taxes receivable	499,553	1,527,177	712,470	2,739,200
Interest receivable			38,455	38,455
Special assessments receivable			253,030	253,030
Prepaid items	234,662	6,920	44,245	285,827
Due from other governments	8,085,799	9,919	2,082,407	10,178,125
Property held for resale			6,426,980	6,426,980
<b>Total assets</b>	<b>\$ 19,814,249</b>	<b>\$ 5,033,481</b>	<b>\$ 84,140,198</b>	<b>\$ 108,987,928</b>
<b>LIABILITIES</b>				
Accounts payable and other accrued liabilities	\$ 460,638	\$ 63,564	\$ 2,432,550	\$ 2,956,752
Accrued salaries and benefits	4,480,406	785,197	589,624	5,855,227
Due to other funds	6,157,425	88,978	101,927	6,348,330
Due to other governments	482,043	444,603	107,755	1,034,401
Customer deposits	43,834		10,443	54,277
Unearned revenue	17,406		2,494,989	2,512,395
<b>Total liabilities</b>	<b>11,641,752</b>	<b>1,382,342</b>	<b>5,737,288</b>	<b>18,761,382</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	93,797	338,949	164,683	597,429
<b>Total liabilities and deferred inflows of resources</b>	<b>11,735,549</b>	<b>1,721,291</b>	<b>5,901,971</b>	<b>19,358,811</b>

(Continued)

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## GOVERNMENTAL FUNDS BALANCE SHEET (CONTINUED) JUNE 30, 2014

	Special Revenue Fund		Aggregate Other Governmental Funds	Total Governmental Funds
	General Fund	Public Safety Tax		
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	238,432	18,965	53,130	310,527
Land held for resale			6,426,980	6,426,980
Restricted for				
Debt service			4,624,709	4,624,709
Buildings and facilities projects			4,430,712	4,430,712
Street improvements projects			3,498,490	3,498,490
Other capital projects			19,459,080	19,459,080
Police, fire and other public safety programs and projects		3,293,225	16,408,029	19,701,254
Parks, cultural and other recreational programs			3,777,999	3,777,999
Library district operations			908,045	908,045
Courts and other judicial programs			1,653,363	1,653,363
Community assistance and support programs			12,323,834	12,323,834
Other			19,103	19,103
Committed to				
Other capital projects			9	9
Police, fire and other public safety programs and projects	207,179			207,179
Community assistance and support programs			292,555	292,555
Assigned to				
Other capital projects			1,003,235	1,003,235
Police, fire and other public safety programs and projects			822,382	822,382
Parks, cultural and other recreational programs			2,517,269	2,517,269
Other			19,303	19,303
Unassigned	<u>7,633,089</u>			<u>7,633,089</u>
Total fund balances	<u>8,078,700</u>	<u>3,312,190</u>	<u>78,238,227</u>	<u>89,629,117</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,814,249</u>	<u>\$ 5,033,481</u>	<u>\$ 84,140,198</u>	<u>\$ 108,987,928</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, 2014

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FUND BALANCES, GOVERNMENTAL FUNDS		\$ 89,629,117
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	\$ 1,708,069,149	
Less accumulated depreciation	<u>(449,567,965)</u>	1,258,501,184
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	(163,181,700)	
Unamortized premiums and discounts	(2,438,098)	
Unamortized deferred refunding charges	13,918,516	
Compensated absences payable	<u>(37,135,902)</u>	(188,837,184)
Other liabilities are not due and payable in the current period; and therefore, are not reported in governmental funds:		
Interest payable	<u>(2,842,307)</u>	(2,842,307)
Unavailable revenue represents amounts that were not available to fund current expenditures; and therefore, are not reported in governmental funds:		
Unavailable revenue	<u>597,429</u>	597,429
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	9,557,759	
Internal service fund balance receivable from business-type activities from cumulative prior years' activity	3,122,248	
Internal service fund balance receivable from business-type activities from current year activity	<u>770,107</u>	13,450,114
NET POSITION, GOVERNMENTAL ACTIVITIES		<u>\$ 1,170,498,353</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, 2014

	Special Revenue Fund			Total Governmental Funds
	General Fund	Public Safety Tax	Aggregate Other Governmental Funds	
<b>REVENUES</b>				
Property taxes	\$ 7,489,422	\$ 28,197,425	\$ 13,410,184	\$ 49,097,031
Residential construction taxes			314,546	314,546
Room taxes			422,474	422,474
Franchise fees	20,788,938			20,788,938
Licenses and permits	10,748,799			10,748,799
Special assessments			2,170,942	2,170,942
Charges for services	4,978,360	101,788	2,493,851	7,573,999
Intergovernmental consolidated taxes	43,976,942			43,976,942
Intergovernmental	4,417,933		44,783,891	49,201,824
Fines and forfeitures	6,905,762		330,282	7,236,044
Contributions	7,654		564,302	571,956
Rents and royalties	498,002		84,760	582,762
Investment income	510,907		131,674	642,581
Miscellaneous	349,003	34,269	1,715,422	2,098,694
<b>Total revenues</b>	<u>100,671,722</u>	<u>28,333,482</u>	<u>66,422,328</u>	<u>195,427,532</u>
<b>EXPENDITURES</b>				
Current				
General government	17,735,087		131,793	17,866,880
Judicial	7,789,274		612,068	8,401,342
Public safety	76,165,469	27,516,484	17,019,563	120,701,516
Public works	2,380,904		7,967,400	10,348,304
Culture and recreation	7,224,691		5,536,254	12,760,945
Community support	1,537,972		2,655,849	4,193,821
<b>Total current</b>	<u>112,833,397</u>	<u>27,516,484</u>	<u>33,922,927</u>	<u>174,272,808</u>
Capital outlay				
General government			829,283	829,283
Judicial			131,000	131,000
Public safety	502		1,129,042	1,129,544
Public works			10,808,018	10,808,018
Culture and recreation	22,855		10,629,074	10,651,929
Community support			250,641	250,641
<b>Total capital outlay</b>	<u>23,357</u>		<u>23,777,058</u>	<u>23,800,415</u>
Debt service				
Principal payments			4,990,000	4,990,000
Interest and fiscal charges			3,035,503	3,035,503
<b>Total debt service</b>			<u>8,025,503</u>	<u>8,025,503</u>
<b>Total expenditures</b>	<u>112,856,754</u>	<u>27,516,484</u>	<u>65,725,488</u>	<u>206,098,726</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<u>(12,185,032)</u>	<u>816,998</u>	<u>696,840</u>	<u>(10,671,194)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital asset disposal	2,034,128	41,172	23,149	2,098,449
Transfers in	24,812,933	285,490	21,259,853	46,358,276
Transfers out	(15,922,273)		(17,949,210)	(33,871,483)
<b>Total other financing sources (uses)</b>	<u>10,924,788</u>	<u>326,662</u>	<u>3,333,792</u>	<u>14,585,242</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, 2014

	<u>General Fund</u>	<u>Special Revenue Fund</u> Public Safety Tax	<u>Aggregate Other Governmental Funds</u>	<u>Total Governmental Funds</u>
CHANGE IN FUND BALANCE	(1,260,244)	1,143,660	4,030,632	3,914,048
FUND BALANCE, BEGINNING OF YEAR	<u>9,338,944</u>	<u>2,168,530</u>	<u>74,207,595</u>	<u>85,715,069</u>
FUND BALANCE, END OF YEAR	<u>\$ 8,078,700</u>	<u>\$ 3,312,190</u>	<u>\$ 78,238,227</u>	<u>\$ 89,629,117</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, 2014

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS	\$	3,914,048
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	\$ 26,921,150	
Less current year depreciation	(42,532,165)	
Gain (loss) on disposal of capital assets	<u>(501,047)</u>	(16,112,062)
Revenues in the statement of activities, which do not provide current financial resources are not reported as revenues in governmental funds:		
Capital asset contributions	8,655,983	
Change in unavailable revenue	<u>(8,313)</u>	8,647,670
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 principal repayments	<u>4,990,000</u>	4,990,000
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	(1,457,655)	
Amortization of debt premiums and discounts	195,682	
Amortization of deferred refunding charges	(635,065)	
Change in accrued interest	<u>(636,930)</u>	(2,533,968)
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	5,364,417	
The internal service funds change in net position related to business-type activities	<u>770,107</u>	<u>6,134,524</u>
CHANGE IN NET POSITION, GOVERNMENTAL ACTIVITIES	\$	<u><u>5,040,212</u></u>

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## PROPRIETARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2014

	Business-type Activities				Governmental Activities
	Wastewater		Aggregate Other		Internal Service Funds
	Utility	Water Utility	Enterprise Funds	Total Enterprise Funds	
<b>ASSETS</b>					
Current assets					
Cash, cash equivalents and investments	\$ 15,247,236	\$ 35,404,084	\$ 322,524	\$ 50,973,844	\$ 21,751,728
Accounts receivable, net	7,083,472	7,786,168	23,100	14,892,740	4,894
Prepaid items	770,264	43,873	5,010	819,147	73,921
Due from other funds		41,133		41,133	6,346,209
Due from other governments	662,294			662,294	
Inventories	297,140	2,772,857	71,577	3,141,574	258,143
Restricted assets					
Cash, cash equivalents and investments	<u>5,047,003</u>	<u>2,891,347</u>		<u>7,938,350</u>	<u>3,536,252</u>
Total current assets	<u>29,107,409</u>	<u>48,939,462</u>	<u>422,211</u>	<u>78,469,082</u>	<u>31,971,147</u>
Noncurrent assets					
Capital assets, net of accumulated depreciation and amortization					
Construction in progress	19,154,530	2,407,399		21,561,929	64,956
Land	12,514,647	2,434,299	565,537	15,514,483	
Buildings and building improvements	73,596,762	3,544,929	1,585,886	78,727,577	264,099
Improvements other than buildings	25,122,283	15,753,642	3,454,670	44,330,595	92,320
Infrastructure	252,279,891	89,250,632		341,530,523	
Machinery, equipment and software	<u>3,954,845</u>	<u>693,717</u>		<u>4,648,562</u>	<u>2,142,804</u>
Total capital assets, net of accumulated depreciation and amortization	<u>386,622,958</u>	<u>114,084,618</u>	<u>5,606,093</u>	<u>506,313,669</u>	<u>2,564,179</u>
Other assets					
Prepaid land lease, net of current portion and amortization	21,625,000			21,625,000	
Refundable deposits	<u>11,936,146</u>		<u>5,785</u>	<u>11,941,931</u>	
Total other assets	<u>33,561,146</u>		<u>5,785</u>	<u>33,566,931</u>	
Total noncurrent assets	<u>420,184,104</u>	<u>114,084,618</u>	<u>5,611,878</u>	<u>539,880,600</u>	<u>2,564,179</u>
Total assets	<u>449,291,513</u>	<u>163,024,080</u>	<u>6,034,089</u>	<u>618,349,682</u>	<u>34,535,326</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized deferred refunding charges		<u>8,550</u>		<u>8,550</u>	
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable and other accrued liabilities	2,056,887	747,464	441,280	3,245,631	6,401,575
Accrued salaries and benefits	201,226	297,870	5,012	504,108	6,423,460
Due to other funds	14,262	20,917	270	35,449	3,563
Due to other governments	309,247	3,985,834	6,055	4,301,136	46,337
Customer deposits	65,540	4,098,715	11,665	4,175,920	1,486
Unearned revenue	1,730		38,848	40,578	
Compensated absences	139,012	273,945		412,957	50,497
Interest payable	2,275,465	148,080		2,423,545	
Bonds and notes payable	<u>4,367,600</u>	<u>3,741,400</u>		<u>8,109,000</u>	
Total current liabilities	<u>9,430,969</u>	<u>13,314,225</u>	<u>503,130</u>	<u>23,248,324</u>	<u>12,926,918</u>

(Continued)

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## PROPRIETARY FUNDS STATEMENT OF NET POSITION (CONTINUED) JUNE 30, 2014

	Business-type Activities			Governmental Activities	
	Wastewater		Aggregate Other		Internal Service
	Utility	Water Utility	Enterprise Funds	Total Enterprise Funds	
Noncurrent liabilities					
Compensated absences	998,729	1,963,349		2,962,078	362,741
Postemployment benefits other than pensions					11,687,908
Bonds and notes payable	273,028,400	10,416,600		283,445,000	
Unamortized bond premiums	2,561,773	382,327		2,944,100	
Total noncurrent liabilities	<u>276,588,902</u>	<u>12,762,276</u>		<u>289,351,178</u>	<u>12,050,649</u>
Total liabilities	<u>286,019,871</u>	<u>26,076,501</u>	<u>503,130</u>	<u>312,599,502</u>	<u>24,977,567</u>
NET POSITION					
Net investment in capital assets	109,226,958	99,926,618	5,606,093	214,759,669	2,564,179
Restricted for					
Other			75,134	75,134	6,993,580
Unrestricted	<u>54,044,684</u>	<u>37,029,511</u>	<u>(150,268)</u>	<u>90,923,927</u>	
Total net position	<u>\$ 163,271,642</u>	<u>\$ 136,956,129</u>	<u>\$ 5,530,959</u>	305,758,730	<u>\$ 9,557,759</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>(3,892,355)</u>	
Net position of business-type activities				<u>\$ 301,866,375</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, 2014

	Business-type Activities				Governmental Activities
	Wastewater		Aggregate Other		Internal Service Funds
	Utility	Water Utility	Enterprise Funds	Total Enterprise Funds	
<b>OPERATING REVENUES</b>					
Utility fees	\$ 37,493,357	\$ 48,776,854	\$	\$ 86,270,211	\$
Construction fees	267,859	336,509		604,368	
User fees			2,017,409	2,017,409	
Connection fees	1,683,360	862,551		2,545,911	
Other charges for services		1,908,640		1,908,640	29,703,633
Fines and forfeitures	600,508	1,465,896		2,066,404	
Miscellaneous	640,835	805,663	50,372	1,496,870	
Total operating revenues	<u>40,685,919</u>	<u>54,156,113</u>	<u>2,067,781</u>	<u>96,909,813</u>	<u>29,703,633</u>
<b>OPERATING EXPENSES</b>					
Salaries and wages	3,999,055	5,820,235	124,376	9,943,666	12,244,561
Employee benefits	1,677,734	2,620,207	22,004	4,319,945	2,287,673
Services and supplies	12,179,299	22,317,929	2,731,956	37,229,184	20,803,714
Depreciation and amortization	13,328,994	5,544,977	226,358	19,100,329	572,755
Total operating expenses	<u>31,185,082</u>	<u>36,303,348</u>	<u>3,104,694</u>	<u>70,593,124</u>	<u>35,908,703</u>
Operating income (loss)	<u>9,500,837</u>	<u>17,852,765</u>	<u>(1,036,913)</u>	<u>26,316,689</u>	<u>(6,205,070)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	13,586			13,586	5,489
Gain on capital asset disposition	751	11,917	(145,668)	(133,000)	4,030
Interest and fiscal charges	(15,171,210)	(596,009)		(15,767,219)	
Intergovernmental	6,209,435			6,209,435	
Total nonoperating revenues (expenses)	<u>(8,947,438)</u>	<u>(584,092)</u>	<u>(145,668)</u>	<u>(9,677,198)</u>	<u>9,519</u>
Income (loss) before capital contributions and transfers	<u>553,399</u>	<u>17,268,673</u>	<u>(1,182,581)</u>	<u>16,639,491</u>	<u>(6,195,551)</u>
<b>CAPITAL CONTRIBUTIONS</b>					
Capital contributions	<u>1,320,110</u>	<u>1,456,792</u>		<u>2,776,902</u>	
<b>TRANSFERS</b>					
Transfers in		46,188	853,220	899,408	12,098,988
Transfers out	(5,579,160)	(18,419,770)	(947,239)	(24,946,169)	(539,020)
Total transfers	<u>(5,579,160)</u>	<u>(18,373,582)</u>	<u>(94,019)</u>	<u>(24,046,761)</u>	<u>11,559,968</u>
<b>CHANGE IN NET POSITION</b>	(3,705,651)	351,883	(1,276,600)	(4,630,368)	5,364,417
<b>NET POSITION, BEGINNING OF YEAR</b>	<u>166,977,293</u>	<u>136,604,246</u>	<u>6,807,559</u>		<u>4,193,342</u>
<b>NET POSITION, END OF YEAR</b>	<u>\$ 163,271,642</u>	<u>\$ 136,956,129</u>	<u>\$ 5,530,959</u>		<u>\$ 9,557,759</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds				<u>(770,107)</u>	
<b>CHANGES IN NET POSITION, BUSINESS-TYPE ACTIVITIES</b>				<u>\$ (5,400,475)</u>	

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## PROPRIETARY FUNDS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2014

	Business-type Activities				Governmental
			Aggregate Other		Internal Service
	Wastewater Utility	Water Utility	Enterprise Funds	Total Enterprise Funds	Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 40,311,954	\$ 53,189,325	\$ 2,016,936	\$ 95,518,215	
Cash received from other sources	643,770	764,530	50,372	1,458,672	
Cash payments for goods and services	(8,557,277)	(22,871,565)	(2,427,980)	(33,856,822)	\$ (22,553,491)
Cash payments for employee services	(5,645,921)	(8,642,638)	(154,937)	(14,443,496)	(7,010,393)
Cash payments for interfund services			(95)	(95)	
Net cash provided by (used in) operating activities	<u>26,752,526</u>	<u>22,439,652</u>	<u>(515,704)</u>	<u>48,676,474</u>	<u>(5,534,083)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers in		46,188	853,220	899,408	12,098,988
Transfers out	(5,579,160)	(18,419,770)	(947,239)	(24,946,169)	(539,020)
Net cash provided by (used in) noncapital financing activities	<u>(5,579,160)</u>	<u>(18,373,582)</u>	<u>(94,019)</u>	<u>(24,046,761)</u>	<u>11,559,968</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>					
Acquisition and construction of capital assets	(5,669,424)	(106,615)	(2)	(5,776,041)	(2,001,359)
Proceeds received from disposal of capital assets	751	11,917		12,668	8,507
Principal payments on debt	(4,168,050)	(3,668,950)		(7,837,000)	
Interest payments on debt	(15,320,200)	(709,474)		(16,029,674)	
Capital grants and subsidies received	5,646,921			5,646,921	
Net cash provided by (used in) capital financing activities	<u>(19,510,002)</u>	<u>(4,473,122)</u>	<u>(2)</u>	<u>(23,983,126)</u>	<u>(1,992,852)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment income received	13,586			13,586	5,489
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,676,950	(407,052)	(609,725)	660,173	4,038,522
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>18,617,289</u>	<u>38,702,483</u>	<u>932,249</u>	<u>58,252,021</u>	<u>21,249,458</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 20,294,239</u>	<u>\$ 38,295,431</u>	<u>\$ 322,524</u>	<u>\$ 58,912,194</u>	<u>\$ 25,287,980</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, 2014

	Business-type Activities				Governmental
			Aggregate Other		Activities
	Wastewater Utility	Water Utility	Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 9,500,837	\$ 17,852,765	\$ (1,036,913)	\$ 26,316,689	\$ (6,205,070)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	13,328,994	5,544,977	226,358	19,100,329	572,755
Provision for uncollectible receivables	(22,993)	58,738		35,745	
(Increase) decrease in operating assets					
Accounts receivable	287,690	(626,952)	(18,904)	(358,166)	257,831
Due from other funds		(41,133)		(41,133)	(5,931,232)
Inventories	2,173	(42,862)	6,179	(34,510)	(22,393)
Prepaid items	325,464	15,323	(4,217)	336,570	98,075
Refundable deposit	2,625,101		(3,355)	2,621,746	
Increase (decrease) in operating liabilities					
Accounts payable	1,516,579	(553,636)	299,314	1,262,257	(1,746,076)
Accrued salaries and benefits	(59,995)	(126,150)	(5,081)	(191,226)	6,128,233
Due to other funds	2,935	2,171	(95)	5,011	(470)
Due to other governments	(845,122)	213,214	6,055	(625,853)	(79,383)
Customer deposits		221,414	10,980	232,394	39
Unearned revenues			7,451	7,451	
Compensated absences	90,863	(78,217)	(3,476)	9,170	(79,945)
Postemployment benefits other than pensions					1,473,553
Total adjustments	<u>17,251,689</u>	<u>4,586,887</u>	<u>521,209</u>	<u>22,359,785</u>	<u>670,987</u>
Net cash provided by (used in) operating activities	<u>\$ 26,752,526</u>	<u>\$ 22,439,652</u>	<u>\$ (515,704)</u>	<u>\$ 48,676,474</u>	<u>\$ (5,534,083)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>					
Contribution of capital assets	<u>\$ 1,320,110</u>	<u>\$ 1,456,792</u>	<u>\$</u>	<u>\$ 2,776,902</u>	<u>\$</u>
Amortization of unamortized bond premiums and discounts	<u>\$ 128,654</u>	<u>\$ 79,252</u>	<u>\$</u>	<u>\$ 207,906</u>	<u>\$</u>

See notes to basic financial statements.

# CITY OF NORTH LAS VEGAS

## FIDUCIARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2014

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	<u>Agency Funds</u>
ASSETS	
Cash, cash equivalents and investments	\$ 10,969,574
Accounts receivable, net	2,881,777
Interest receivable	8,325
Special assessments receivable	<u>51,632</u>
Total assets	<u>13,911,308</u>
LIABILITIES	
Due to other governments	242,386
Due to developers	741,586
Due to others	<u>12,927,336</u>
Total liabilities	<u>13,911,308</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, 2014

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### 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.

GASB Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 39, *Determining Whether Certain Organizations are Component Units* and Statement No. 61, *The Financial Reporting Entity: Omnibus*, 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 complied with GASB Statements Nos. 14, 39 and 61 by examining 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, 2014

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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, 2014

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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.

Capital Projects Funds - Accounts for financial resources that are restricted, committed or assigned to the improvement, acquisition or construction of capital assets.

### 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 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.

### 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, 2014

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Agency Funds - Accounts for assets 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. The fair values of investments are determined using quotations obtained from independent published sources.

#### 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, 2014

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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.

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 estimated fair 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

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### 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.

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)

In accordance with the transition rules of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the City elected to apply its measurement and recognition requirements on a prospective basis and set its beginning net OPEB obligation at zero upon adoption. The annual OPEB cost reported in the accompanying financial statements is equal to the annual required contribution (ARC) of the City, calculated by using an actuarial valuation based upon the same methods and assumptions applied in determining the plan's funding requirements. The net OPEB obligation at year end is determined by adding the annual OPEB cost to the net OPEB obligation at the beginning of the year and deducting any contributions to the plan during the year.

### Deferred Outflows and Inflows of Resources

In addition to assets, a separate section is reported for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred refunding charges (the difference between the reacquisition price and the net carrying amount of the defeased debt) qualifies for reporting in this category.

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# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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In addition to liabilities, a separate section is reported for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Revenues that are unavailable to satisfy current obligations and property taxes received prior to the levy year qualify for reporting in this category.

### **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.

### **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.

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Use of Estimates

Timely preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect reported amounts. Accordingly, these estimates may require revision in future periods. Significant estimates include compensated absences, postemployment benefits other than pensions and useful lives of capital assets.

## 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.

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.

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, effective for periods beginning after June 15, 2014. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. **Management is currently awaiting the completed evaluation from the Public Employees Retirement System to complete its evaluation and determine the effect on the City's basic financial statements.**

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, effective for periods beginning after December 15, 2013. The objective of this statement is to improve financial reporting by addressing accounting and financial reporting for government combinations and disposals of government operations. The term government combinations is used in this statement to refer to a variety of arrangements including mergers and acquisitions. Government combinations also include transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. Transfers of operations may be present in shared service arrangements, reorganizations, redistricting, annexations, and arrangements in which an operation is transferred to a new government created to provide those services. **Management has completed its assessment of this statement and determined that it will not have a material effect on the City's net position, results of operations or cash flows.**

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB Statement No. 68*, to be applied simultaneously with the provisions of GASB Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of GASB Statement No. 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. **Management is currently awaiting the completed evaluation from the Public Employees Retirement System to complete its evaluation and determine the effect on the City's basic financial statements.**

### Note 3. Detailed Notes on all Funds

#### Cash, Cash Equivalents and Investments

At June 30, 2014, the City's cash, cash equivalents and investments (including restricted and designated amounts) were as follows:

Pooled cash on deposit and investments	\$ 172,361,817
Cash on hand	<u>39,872</u>
Total cash, cash equivalents and investments	<u>\$ 172,401,689</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

At June 30, 2014, total cash, cash equivalents and investments were presented in the City's financial statements as follows:

	Unrestricted	Restricted	Designated	Total
Governmental activities	\$ 98,983,669	\$ 1,917,346	\$ 1,618,906	\$ 102,519,921
Business-type activities	50,973,844	7,938,350		58,912,194
Fiduciary Funds		10,969,574		10,969,574
 Total cash, cash equivalents and investments	 \$ 149,957,513	\$ 20,825,270	\$ 1,618,906	\$ 172,401,689

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.

#### 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.

At June 30, 2014, 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	\$ 78,609,012	\$ 9,013,893	\$ 69,595,119
U.S. government-sponsored securities	48,063,577	21,129,930	26,933,647
Money market mutual funds	12,734,039	12,734,039	
Local government investment pool	24,075,242	24,075,242	
Total investments	\$ 163,481,870	\$ 66,953,104	\$ 96,528,766

#### 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.

On August 5, 2011, the credit rating on all investments in U.S. government securities was lowered from AAA to AA+ by Standard & Poor's.

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# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

At June 30, 2014, 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	\$ 78,609,012	\$	\$ 78,609,012	\$
U.S. government-sponsored securities	48,063,577	48,063,577		
Money market mutual funds	12,734,039	12,734,039		
Local government investment pool	<u>24,075,242</u>			<u>24,075,242</u>
Total investments	<u>\$ 163,481,870</u>	<u>\$ 60,797,616</u>	<u>\$ 78,609,012</u>	<u>\$ 24,075,242</u>

#### 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, 2014, the City's cash deposits in financial institutions was \$2,358,343. 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 \$2,108,343 was secured by the State Treasurer's pooled collateral program at 102%.

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, 2014, 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, 2014, were as follows:

	Percentage of Portfolio
U.S. Treasury securities	48.08 %
U.S. government-sponsored securities	29.40 %
Money market mutual funds	7.79 %
Local government investment pool	14.73 %

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

### Capital Assets

For the year ended June 30, 2014, capital asset activity was as follows:

	<u>Balance</u> <u>July 1, 2013</u>	<u>Increases and</u> <u>transfers *</u>	<u>Decreases and</u> <u>transfers *</u>	<u>Balance</u> <u>June 30, 2014</u>
<b>Governmental activities</b>				
Capital assets not being depreciated or amortized				
Construction in progress	\$ 236,293,969	\$ 25,273,442	\$ (70,847,492)	\$ 190,719,919
Land	<u>190,388,973</u>	<u>764,032</u>		<u>191,153,005</u>
Total capital assets not being depreciated or amortized	<u>426,682,942</u>	<u>26,037,474</u>	<u>(70,847,492)</u>	<u>381,872,924</u>
Capital assets being depreciated or amortized				
Buildings and building improvements	214,868,089	3,863,747	(2,435,573)	216,296,263
Improvements other than buildings	79,084,811	308,289		79,393,100
Infrastructure	896,530,315	74,460,352		970,990,667
Machinery, equipment and software	<u>67,817,785</u>	<u>3,776,903</u>	<u>(783,207)</u>	<u>70,811,481</u>
Total capital assets being depreciated or amortized	<u>1,258,301,000</u>	<u>82,409,291</u>	<u>(3,218,780)</u>	<u>1,337,491,511</u>
Accumulated depreciation and amortization				
Buildings and building improvements	(36,563,706)	(5,565,548)	1,934,526	(40,194,728)
Improvements other than buildings	(24,618,484)	(2,719,444)		(27,337,928)
Infrastructure	(297,261,157)	(32,111,139)		(329,372,296)
Machinery, equipment and software	<u>(59,443,270)</u>	<u>(2,708,789)</u>	<u>757,939</u>	<u>(61,394,120)</u>
Total accumulated depreciation and amortization	<u>(417,886,617)</u>	<u>(43,104,920)</u>	<u>2,692,465</u>	<u>(458,299,072)</u>
Total capital assets being depreciated or amortized, net	<u>840,414,383</u>	<u>39,304,371</u>	<u>(526,315)</u>	<u>879,192,439</u>
<b>Total governmental activities</b>	<u>\$ 1,267,097,325</u>	<u>\$ 65,341,845</u>	<u>\$ (71,373,807)</u>	<u>\$ 1,261,065,363</u>
<b>Business-type activities</b>				
Capital assets not being depreciated or amortized				
Construction in progress	\$ 16,987,054	\$ 4,642,858	\$ (67,983)	\$ 21,561,929
Land	<u>15,577,693</u>		<u>(63,210)</u>	<u>15,514,483</u>
Total capital assets not being depreciated or amortized	<u>32,564,747</u>	<u>4,642,858</u>	<u>(131,193)</u>	<u>37,076,412</u>
Capital assets being depreciated or amortized				
Buildings and building improvements	87,055,606			87,055,606
Improvements other than buildings	67,057,496		(3,686)	67,053,810
Infrastructure	469,089,305	2,776,902		471,866,207
Machinery, equipment and software	<u>10,012,598</u>	<u>633,183</u>	<u>(28,578)</u>	<u>10,617,203</u>
Total capital assets being depreciated or amortized	<u>633,215,005</u>	<u>3,410,085</u>	<u>(32,264)</u>	<u>636,592,826</u>

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

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013 (Restated)	Increases and transfers *	Decreases and transfers *	Balance June 30, 2014
Accumulated depreciation and amortization				
Buildings and building improvements	\$ (5,985,056)	\$ (2,342,973)		\$ (8,328,029)
Improvements other than buildings	(20,804,195)	(1,919,917)	897	(22,723,215)
Infrastructure	(116,723,366)	(13,612,318)		(130,335,684)
Machinery, equipment and software	(5,260,412)	(725,121)	16,892	(5,968,641)
Total accumulated depreciation and amortization	(148,773,029)	(18,600,329)	17,789	(167,355,569)
Total capital assets being depreciated or amortized, net	484,441,976	(15,190,244)	(14,475)	469,237,257
Total business-type activities	\$ 517,006,723	\$ (10,547,386)	\$ (145,668)	\$ 506,313,669

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

For the year ended June 30, 2014, charges, by function, for depreciation expense were as follows:

Governmental activities		
General government		\$ 31,900,524
Judicial		37,556
Public safety		2,785,341
Public works		4,540,955
Culture and recreation		3,235,383
Community support		32,406
Internal service fund depreciation expense is charged to specific functions based on asset usage		572,755
Total depreciation expense, governmental activities		\$ 43,104,920
Business-type activities		
Wastewater		\$ 12,828,994
Water		5,544,977
Municipal golf courses		226,358
Total depreciation expense, business-type activities		\$ 18,600,329

#### Due To and From Other Funds

During the course of operations, numerous reimbursable transactions occur between individual funds for goods provided or services rendered. At June 30, 2014, the resulting payables and receivables (reported as due to and from other funds) resulting from the time lag between the dates that reimbursable transactions occur and payments between funds are made, were as follows:

	Receivable	Payable
General Fund	\$	\$ 6,157,425
Public Safety Tax Special Revenue Fund		88,978
Aggregate Other Governmental Funds		101,927
Wastewater Utility Enterprise Fund		14,262
Water Utility Enterprise Fund	41,133	20,917
Aggregate Other Enterprise Funds		270
Internal Service Funds	6,346,209	3,563
	\$ 6,387,342	\$ 6,387,342

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

### 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, 2014, interfund transfers were as follows:

Transfer In Fund	Transfer Out Fund	Amount
General Fund	Aggregate Other Governmental Funds	\$ 814,003
	Wastewater Utility Enterprise Fund	5,579,160
	Water Utility Enterprise Fund	18,419,770
Public Safety Tax Special Revenue Fund	General Fund	285,490
Aggregate Other Governmental Funds	General Fund	4,784,575
	Aggregate Other Governmental Funds	14,989,019
	Aggregate Other Enterprise Funds	947,239
	Internal Service Funds	539,020
Water Utility Enterprise Fund	Aggregate Other Governmental Funds	46,188
Aggregate Other Enterprise Funds	General Fund	853,220
Internal Service Funds	General Fund	9,998,988
	Aggregate Other Governmental Funds	<u>2,100,000</u>
		<u>\$ 59,356,672</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 new 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.

Long-term liabilities activity for the year ended June 30, 2014, was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014	Due Within One Year
Governmental activities					
General obligation bonds					
\$4,915,000 2002 Street Improvement refunding bonds due in annual installments through May 2014; interest varies between 3.7% and 4.5%	\$ 365,000	\$	\$ (365,000)	\$	\$
\$32,500,000 2003 Judicial/Public Safety Facilities bonds due in annual installments through March 2023; interest varies between 3% and 5%	6,855,000			6,855,000	

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014	Due Within One Year
\$105,000,000 2006 Civic Center Facilities bonds due in annual installments through May 2036; interest varies between 4.25% and 5%	\$ 97,135,000		\$ (1,315,000)	\$ 95,820,000	\$ 1,365,000
\$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%	7,630,000			7,630,000	
\$1,530,000 2007B Street Improvement refunding bonds due in annual installments through June 2015; interest varies between 3.76% and 4.02%	487,000		(240,000)	247,000	247,000
\$3,145,000 2010 Library District medium-term refunding bonds due in annual installments through April 2020; interest is at 4.38%	2,810,000		(350,000)	2,460,000	(365,000)
\$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%	17,090,000		(1,000,000)	16,090,000	2,020,000
\$27,070,000 2011 Building Projects refunding bonds due in annual installments beginning June 2016 through June 2036; interest varies between 3% and 5%	<u>27,070,000</u>			<u>27,070,000</u>	
<b>Total general obligation bonds</b>	<u>159,442,000</u>		<u>(3,270,000)</u>	<u>156,172,000</u>	<u>3,267,000</u>
<b>Special assessment bonds</b>					
\$1,289,100 2003 SIAD No. 59 (Craig Road Phase II) improvement bonds due in semi-annual installments through December 2013; interest is at 4%	17,600		(17,600)		
\$3,250,000 2007 SIAD No. 61 (Ann Road) improvement bonds due in semi-annual installments through March 2017; interest is at 3.829%	1,176,000		(281,200)	894,800	284,400
\$1,250,000 2007 SIAD No. 62 (Clayton Street) improvement bonds due in semi-annual installments through March 2017; interest is at 3.829%	556,100		(131,200)	424,900	136,300
\$12,680,000 2007 SIAD No. 63 (Lamb Blvd.) improvement bonds due in semi-annual installments through May 2017; interest varies between 3.4% and 4%	<u>6,980,000</u>		<u>(1,290,000)</u>	<u>5,690,000</u>	<u>1,340,000</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014	Due Within One Year
Total special assessment bonds	\$ 8,729,700	\$ _____	\$ (1,720,000)	\$ 7,009,700	\$ 1,760,700
Unamortized bond premiums	2,925,410		(216,964)	2,708,446	
Unamortized bond discounts	(291,631)		21,281	(270,350)	
Compensated absences	36,171,433	11,750,651	(10,372,945)	37,549,139	4,634,334
Postemployment benefits other than pensions	<u>10,214,352</u>	<u>2,348,777</u>	<u>(875,222)</u>	<u>11,687,907</u>	<u>_____</u>
Total governmental activities	<u>202,637,683</u>	<u>14,099,428</u>	<u>(15,798,784)</u>	<u>200,938,327</u>	<u>9,662,034</u>
Business-type activities					
General obligation/pledged revenue bonds					
\$8,685,000 2003B Water general obligation refunding revenue bonds due in annual installments through November 2015; interest varies between 3% and 5%	1,445,000		(545,000)	900,000	440,000
\$14,365,000 2005A Water/Wastewater general obligation refunding revenue bonds due in annual installments through December 2017; interest is at 5%	7,730,000		(1,540,000)	6,190,000	1,615,000
\$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%	7,425,000		(935,000)	6,490,000	975,000
\$140,000,000 2006 General obligation Wastewater reclamation system bonds due in annual installments through October 2036; interest varies between 4% and 5%	129,145,000		(3,010,000)	126,135,000	3,140,000
\$5,713,000 2007 Water/Wastewater general obligation refunding revenue bonds due in annual installments through September 2014; interest is at 3.885%	1,646,000		(807,000)	839,000	839,000
\$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%	<u>145,000,000</u>	<u>_____</u>	<u>_____</u>	<u>145,000,000</u>	<u>100,000</u>
Total general obligation/pledged revenue bonds	<u>292,391,000</u>	<u>_____</u>	<u>(6,837,000)</u>	<u>285,554,000</u>	<u>7,109,000</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014	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	\$ 7,000,000	\$ _____	\$ (1,000,000)	\$ 6,000,000	\$ 1,000,000
Total notes payable	<u>7,000,000</u>	<u>_____</u>	<u>(1,000,000)</u>	<u>6,000,000</u>	<u>1,000,000</u>
Unamortized bond premiums	3,203,310		(259,210)	2,944,100	
Compensated absences	<u>3,365,865</u>	<u>1,191,990</u>	<u>(1,182,820)</u>	<u>3,375,035</u>	<u>412,957</u>
Total business-type activities	<u>305,960,175</u>	<u>1,191,990</u>	<u>(9,279,030)</u>	<u>297,873,135</u>	<u>8,521,957</u>
Total long-term liabilities	<u>\$ 508,597,858</u>	<u>\$ 15,291,418</u>	<u>\$ (25,077,814)</u>	<u>\$ 498,811,462</u>	<u>\$ 18,183,991</u>

Compensated absences and 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.

At June 30, 2014, annual debt service requirements to maturity were as follows:

For the Year Ended June 30,	Principal	Interest
Governmental activities		
General obligation bonds		
2015	\$ 4,227,000	\$ 7,676,785
2016	2,945,000	7,484,802
2017	4,550,000	7,359,464
2018	9,085,000	7,155,095
2019	9,665,000	6,738,537
2020 - 2024	33,715,000	28,473,648
2025 - 2029	34,175,000	21,050,825
2030 - 2034	43,155,000	11,792,750
2035 - 2039	<u>20,435,000</u>	<u>1,542,250</u>
Total general obligation bonds	<u>161,952,000</u>	<u>99,274,156</u>
Special assessment bonds		
2015	1,760,700	243,655
2016	1,839,700	172,571
2017	1,904,300	99,460
2018	1,505,000	29,159
2019	<u>_____</u>	<u>_____</u>
Total special assessment bonds	<u>7,009,700</u>	<u>544,845</u>
Total governmental activities	<u>\$ 168,961,700</u>	<u>\$ 99,819,001</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

For the Year Ended June 30,	Principal	Interest
Business-type activities		
General obligation/pledged revenue bonds		
2015	\$ 7,109,000	\$ 15,720,277
2016	6,445,000	15,396,875
2017	6,580,000	15,090,837
2018	6,880,000	14,784,896
2019	7,170,000	14,471,443
2020 - 2024	40,825,000	66,547,497
2025 - 2029	50,935,000	54,235,687
2030 - 2034	63,520,000	38,710,877
2035 - 2039	78,430,000	20,031,850
2040 - 2044	<u>17,660,000</u>	<u>1,160,615</u>
Total general obligation/pledged revenue bonds	<u>285,554,000</u>	<u>256,150,854</u>
Notes payable		
2015	1,000,000	
2016	654,875	95,125
2017	668,072	81,928
2018	681,533	68,467
2019	695,267	54,733
2020 - 2024	<u>2,300,253</u>	<u>79,646</u>
Total notes payable	<u>6,000,000</u>	<u>379,899</u>
Total business-type activities	<u>\$ 291,554,000</u>	<u>\$ 256,530,753</u>

### 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

In prior years, the City defeased certain long-term bond obligations by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

At June 30, 2014, \$2,885,000 of 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 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, 2014**

### 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.

Outstanding special assessment debt obligations accounted for in a fiduciary (agency) fund at June 30, 2014, were as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance June 30, 2014</u>
1994 Special Assessment District 54 (Civic Center Drive Development)	May 1, 1994 - February 1, 2014	7.75%	\$ 2,961,790	\$
2006 Special Assessment District 60 (Aliante Development)	May 31, 2006 - December 1, 2022	3.875% - 5.1%	<u>42,180,000</u>	<u>19,960,000</u>
			<u>\$ 45,141,790</u>	<u>\$ 19,960,000</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, 2014. 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, 2014

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At June 30, 2014 the City's construction and other significant commitments were as follows:

	<u>Remaining Commitment</u>
Parks and Recreation Projects	\$ 8,503,646
Public Safety Projects	3,974,595
Municipal Building Facilities	208,459
Capital Projects Street Improvements	<u>23,844,556</u>
	<u>\$ 36,531,256</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.

Over the last few years, the United States has experienced a widespread decline in residential real estate sales, mortgage lending and related construction activity, high unemployment, as well as weakness in the commercial and investment banking systems, which has had, and is likely to continue to have, far-reaching effects on the economic activity in the country. The near- and long-term impact of these factors on the Southern Nevada economy and the City's operating activities cannot be predicted at this time but may be substantial.

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.

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

### **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.

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 \$50,000 per claim for causes of action that occurred on or before September 30, 2007, \$75,000 per claim for causes of action that occurred on or after October 1, 2007, and \$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. Coverage from private insurers is maintained 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, 2012, 2013 and 2014, 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 29, 2012				
Liability insurance	\$ 1,810,107	\$ (1,324,768)	\$ (92,909)	\$ 392,430
Worker's compensation	3,668,633	2,355,888	(1,833,270)	4,191,251
Postemployment benefits other than pensions	7,194,317	1,653,372		8,847,689
Unemployment compensation and employee separation leave benefits		4,703,804	(4,703,804)	
	\$ 12,673,057	\$ 7,388,296	\$ (6,629,983)	\$ 13,431,370
For the year ended June 30, 2013				
Liability insurance	\$ 392,430	\$ 1,656,494	\$ (1,651,810)	\$ 397,114
Worker's compensation	4,191,251	4,385,473	(2,120,178)	6,456,546
Postemployment benefits other than pensions	8,847,689	1,366,666		10,214,355
Unemployment compensation and employee separation leave benefits		6,706,739	(6,706,739)	
	\$ 13,431,370	\$ 14,115,372	\$ (10,478,727)	\$ 17,068,015

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	Claims Liability, Beginning Balance	Claims Incurred and Changes in Estimate	Claims Paid	Claims Liability, Ending Balance
For the year ended June 30, 2014				
Liability insurance	\$ 397,114	\$ 12,837,888	\$ (7,106,426)	\$ 6,128,576
Worker's compensation	6,456,546	2,036,019	(2,076,566)	6,415,999
Postemployment benefits other than pensions	10,214,355	1,473,553		11,687,908
Unemployment compensation and employee separation leave benefits		<u>5,210,792</u>	<u>(5,210,792)</u>	
	<u>\$ 17,068,015</u>	<u>\$ 21,558,252</u>	<u>\$ (14,393,784)</u>	<u>\$ 24,232,483</u>

### Defined Benefit Pension Plan

The City's employees and elected employees are covered by the State's Public Employees' Retirement System (PERS). PERS was established on July 1, 1949, by the State Legislature and is governed by the Public Employees Retirement Board whose seven members are appointed by the Governor. All public employees who meet certain eligibility requirements participate in PERS, which is a cost-sharing multiple employer defined benefit plan. Benefits to which participants in PERS may be entitled include pension, disability, and death benefits.

The City does not exercise any control over PERS. NRS 286.110 states, "respective participating public employers are not liable for any obligation of the system." PERS issues a publicly available financial report that includes financial statements and required supplemental information. This report may be obtained by writing to PERS at 693 West Nye Lane, Carson City, Nevada 89703-1599 or by calling (775) 687-4200.

Retirement benefits, as required by NRS, are determined by the number of years of accredited service at the time of retirement and are equal to 2.67% of the participant's highest average compensation in any 36 consecutive months for each year of credited service up to a maximum of 90% if hired before July 1, 1985, and a maximum of 75% if hired on or after that date. Police or fire employees enrolled in PERS prior to January 1, 2010 who retire at age 65 with five years of service, at age 55 with 10 years of service, at age 50 with 20 years of service or at any age with 30 years of service and all other employees enrolled in PERS prior to January 1, 2010 who retire at age 65, with at least five years of credited service, at age 60 with at least 10 years of credited service, or at any age with 30 years of credited service are entitled to a retirement benefit, payable monthly for life. Vested employees who have the necessary years of credited service, but have not reached the required age, may retire at any age with a benefit reduction for each year the member is under the appropriate retirement age.

Contribution rates are established by the NRS, which are tied to the increase in taxable sales within the State each year and provide for yearly increases until such time as the actuarially determined unfunded liability of PERS is reduced to zero. The City is obligated to contribute all amounts due under PERS. The City's contributions to PERS were as follows:

Contribution rates and amounts contributed, including \$2,165,560 payable to PERS at June 30, 2014, were as follows:

	Contribution Rate		Required Contribution and Amount Contributed
For the Year Ended June 30,	Police and Fire Employees	Other Employees	
2012	39.75 %	23.75 %	\$ 32,964,731
2013	39.75 %	23.75 %	29,426,319
2014	40.50 %	25.75 %	29,100,583

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED JUNE 30, 2014**

### **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, 2014, the City contributed \$880 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 Teamster Plan altogether.

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

<u>For the Year Ended June 30,</u>	<u>Number of Eligible Employees</u>	<u>Annual Covered Payroll</u>	<u>Required Contribution and Amount Contributed</u>
2012	527	\$ 42,581,481	\$ 5,640,873
2013	504	42,073,999	4,916,546
2014	463	38,558,191	4,625,706

### **International Associations of Fire Fighters**

Effective August 1, 2012, the City participates in the North Las Vegas Fire Fighters Union Health and Welfare Trust, a cost-sharing defined benefit plan that covers the City's International Associations of Fire Fighters employees (the Fire Fighters Plan).

The Fire Fighters Plan is available to active employees represented by the International Associations of Fire Fighters. The Fire Fighters Plan provides medical, prescription, dental and vision coverage for participants. Financial statements for the Fire Fighters 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.

The Fire Fighters Plan is financed by employer contributions pursuant to collective bargaining agreements and interest earned on the investment of reserve funds. For the year ended June 30, 2014, the City contributed \$1,000 per month for each active employee represented by the International Associations of Fire Fighters.

No contributing employer has liability, directly or indirectly, to provide the benefits established under the Fire Fighters Plan beyond the obligation to make contributions as stipulated in the respective collective bargaining agreement.

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

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
2013	158	\$ 16,546,453	\$ 1,774,000
2014	158	19,047,992	2,057,000

### **Postemployment Benefits Other Than Pensions (OPEB)**

#### Plan Information

In accordance with NRS, the City provides postemployment benefits to its retirees that are not represented by the International Brotherhood of Teamsters. Eligible retirees receive coverage through a healthcare plan offered by the City (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). In addition to the Healthcare Plan, eligible retirees may receive coverage through the Public Employee Benefit Plan (PEBP). The PEBP is no longer offered to current employees. The City also offers a life insurance plan (Life Insurance Plan) to all employees (active and retired), including those represented by the International Brotherhood of Teamsters and the International Associations of Fire Fighters. Employees are eligible to receive benefits from the plan they were covered under as active employees.

The Healthcare Plan offers its retirees healthcare, dental, vision and life insurance benefits. 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 is an agent multiple-employer defined benefit plan administered by a nine member governing board that provides medical, prescription, dental and vision benefits to retirees. 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 September 1, 2008. The PEBP issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Public Employee Benefit Plan, 901 South Stewart Street, Suite 101, Carson City, NV 89701 or by calling (775) 684-7000.

#### Funding Policy and Annual OPEB Cost

The City is required to provide a subsidy, based on years of service for its retirees that have enrolled in the PEBP. The subsidy is paid on a pay-as-you-go basis and is set by the State Legislature. For the year ended June 30, 2014, this subsidy ranged from \$114 to \$627 per retiree, per month. For FY 2015, those amounts will decrease to \$116 and \$636, respectively.

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

For the year ended June 30, 2014, the average cost borne by the City for employees and retirees enrolled in the Healthcare Plan was \$1,210 per participant, per month. Retirees enrolled in the Healthcare Plan receive no direct subsidy from the City; however, retiree loss experience is pooled with active loss experience for the purpose of setting rates and the difference between the true claims cost and the blended premium creates an implicit rate subsidy from the City. For the year ended June 30, 2014, the City required no contribution from active employees covered under the Healthcare Plan.

Annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

	Public Employee Benefit Program	City of North Las Vegas Healthcare Plan	City of North Las Vegas Life Insurance Plan	Total
Annual required contribution (ARC)	\$ 683,513	\$ 1,541,690	\$ 153,495	\$ 2,378,698
Interest on net OPEB obligation	50,402	328,971	29,202	408,575
Adjustment to ARC	<u>(82,642)</u>	<u>(326,840)</u>	<u>(29,013)</u>	<u>(438,495)</u>
Annual OPEB cost	651,273	1,543,821	153,684	2,348,778
OPEB contributions made	<u>(597,741)</u>	<u>(212,207)</u>	<u>(65,274)</u>	<u>(875,222)</u>
Increase (decrease) in net OPEB obligation	53,532	1,331,614	88,410	1,473,556
Net OPEB obligation, beginning of year	<u>1,260,047</u>	<u>8,224,267</u>	<u>730,041</u>	<u>10,214,355</u>
Net OPEB obligation, end of year	<u>\$ 1,313,579</u>	<u>\$ 9,555,881</u>	<u>\$ 818,451</u>	<u>\$ 11,687,911</u>

Annual OPEB cost, employer contributions, the percentage of annual cost contributed to the plan and the net OPEB obligation for the years ended June 30, 2012, 2013 and 2014 were as follows:

<u>For the Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>OPEB Contributions Made</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
Public Employee Benefit Program				
2012	\$ 594,009	\$ 627,154	105.6 %	\$ 1,252,341
2013	649,345	641,639	98.8 %	1,260,047
2014	651,273	597,741	91.8 %	1,313,579
City of North Las Vegas Healthcare Plan				
2012	1,825,914	264,917	14.5 %	6,953,923
2013	1,455,800	185,456	12.7 %	8,224,267
2014	1,543,821	212,207	13.7 %	9,555,881
City of North Las Vegas Life Insurance Plan				
2012	188,727	63,207	33.5 %	641,425
2013	147,563	58,947	39.9 %	730,041
2014	153,684	65,274	42.5 %	818,451

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

#### Funded Status and Funding Progress

The funded status of the plans as of the most recent actuarial valuation date was as follows:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percent of Covered Payroll
Public Employee Benefit Program June 30, 2013	N/A <sup>1</sup>	\$ 11,038,451	\$ 11,038,451	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
City of North Las Vegas Healthcare Plan June 30, 2013	N/A <sup>1</sup>	13,937,406	13,937,406	0.0 %	82,838,760	16.8 %
City of North Las Vegas Life Insurance Plan June 30, 2013	N/A <sup>1</sup>	2,240,684	2,240,684	0.0 %	82,838,760	2.7 %

1. No assets have been placed in trust.

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

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### Actuarial Methods and Assumptions

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

Significant actuarial methods and assumptions as of the most recent actuarial valuation date were as follows:

	<u>Public Employee Benefit Program</u>	<u>City of North Las Vegas Healthcare Plan</u>	<u>City of North Las Vegas Life Insurance Plan</u>
Actuarial valuation date	June 30, 2013	June 30, 2013	June 30, 2013
Actuarial cost method	Entry age normal, closed	Entry age normal, open	Entry age normal, open
Amortization method	Level dollar	Level percent of pay	Level percent of pay
Amortization period	25 years	30 years	30 years

(Continued)

# CITY OF NORTH LAS VEGAS

## NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED JUNE 30, 2014

	<u>Public Employee Benefit Program</u>	<u>City of North Las Vegas Healthcare Plan</u>	<u>City of North Las Vegas Life Insurance Plan</u>
Asset valuation method	No assets in trust	No assets in trust	No assets in trust
Actuarial assumptions			
Investment rate of return	4%	4%	4%
Inflation rate	3%	3%	3%
Projected salary increase	4%	4%	4%
Number of retirees	181	617	1342
Healthcare inflation rates			
Initial	8.5%	8%	8%
Ultimate	5%	5%	5%

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

The City utilizes the self-insurance reserve internal service fund to allocate OPEB costs. Each fund recognizes its portion of the annual OPEB costs based on each fund's actual salary costs. No governmental funds have been used to liquidate the net OPEB obligation thus far. As of June 30, 2014, the self-insurance reserve internal service fund had \$16,121,300 in unrestricted cash, cash equivalents and investments some of which is intended to fund future OPEB costs. Because these assets are not held in an irrevocable trust, they are not considered plan assets at this time and as such, are not reflected in any OPEB funding schedules. The City is required to have its actuarial valuation study updated every two years and will make funding decisions with regard to OPEB costs accordingly.



**REQUIRED SUPPLEMENTARY  
INFORMATION**



# CITY OF NORTH LAS VEGAS

## POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS SCHEDULE OF FUNDING PROGRESS FOR THE YEAR ENDED JUNE 30, 2014

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percent of Covered Payroll
<b>Public Employee Benefit Program</b>						
July 1, 2009	N/A <sup>1</sup> \$	21,045,976 \$	27,820,834	0.0 %	\$ N/A <sup>2</sup>	N/A <sup>2</sup>
June 30, 2011 <sup>3</sup>	N/A <sup>1</sup>	10,530,961	10,530,961	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
June 30, 2013	N/A <sup>1</sup>	11,038,451	11,038,451	0.0 %	N/A <sup>2</sup>	N/A <sup>2</sup>
<b>City of North Las Vegas Healthcare Plan</b>						
July 1, 2009	N/A <sup>1</sup>	9,946,490	9,946,490	0.0 %	158,854,498	6.3 %
June 30, 2011 <sup>3</sup>	N/A <sup>1</sup>	17,976,859	17,976,859	0.0 %	142,669,047	12.6 %
June 30, 2013	N/A <sup>1</sup>	13,937,406	13,937,406	0.0 %	82,838,760	16.8 %
<b>City of North Las Vegas Life Insurance Plan</b>						
July 1, 2009	N/A <sup>1</sup>	2,203,647	2,203,647	0.0 %	158,854,498	1.4 %
June 30, 2011 <sup>3</sup>	N/A <sup>1</sup>	2,431,608	2,431,608	0.0 %	142,669,047	1.7 %
June 30, 2013	N/A <sup>1</sup>	2,240,684	2,240,684	0.0 %	82,838,760	2.7 %

1. No assets have been placed in trust.
2. The Public Employee Benefit Program is a closed plan; and therefore, there are no current covered employees.
3. During the year ended June 30, 2011, the City reduced staffing levels from 1,820 to 1,269 of eligible employees, and significant reductions occurred in the City's required subsidy for retirees participating in the Nevada Public Employees' Benefits Program. As a result, the actuarial valuation dated June 30, 2011, was reperformed to properly account for these events. The amounts reported above reflect the results of the second June, 30, 2011, actuarial report.



**CITY OF NORTH LAS VEGAS**

**GENERAL FUND**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Property taxes	\$ 7,346,166	\$ 7,346,166	\$ 7,489,422	\$ 143,256
Franchise fees	16,192,800	20,475,300	20,788,938	313,638
Licenses and permits	9,646,607	10,646,607	10,748,799	102,192
Charges for services	3,019,322	4,586,013	4,978,360	392,347
Intergovernmental consolidated taxes	41,156,500	43,156,500	43,976,942	820,442
Intergovernmental	2,700,000	4,870,380	4,417,933	(452,447)
Fines and forfeitures	6,804,500	6,804,500	6,905,762	101,262
Contributions	300	300	7,654	7,354
Rents and royalties	450,000	450,000	498,002	48,002
Investment income	454,000	454,000	510,907	56,907
Miscellaneous	<u>512,210</u>	<u>598,226</u>	<u>349,003</u>	<u>(249,223)</u>
<b>Total revenues</b>	<u>88,282,405</u>	<u>99,387,992</u>	<u>100,671,722</u>	<u>1,283,730</u>
<b>EXPENDITURES</b>				
General government				
Legislative				
Salaries and wages	371,919	496,919	454,300	42,619
Employee benefits	246,599	338,850	307,259	31,591
Services and supplies	<u>112,526</u>	<u>95,576</u>	<u>64,265</u>	<u>31,311</u>
<b>Total legislative</b>	<u>731,044</u>	<u>931,345</u>	<u>825,824</u>	<u>105,521</u>
Executive				
Salaries and wages	516,302	344,893	245,233	99,660
Employee benefits	243,798	216,957	266,388	(49,431)
Services and supplies	<u>315,927</u>	<u>309,432</u>	<u>274,811</u>	<u>34,621</u>
<b>Total executive</b>	<u>1,076,027</u>	<u>871,282</u>	<u>786,432</u>	<u>84,850</u>
City attorney				
Salaries and wages	1,241,236	1,324,023	1,140,940	183,083
Employee benefits	598,761	688,416	797,661	(109,245)
Services and supplies	<u>200,867</u>	<u>167,300</u>	<u>139,384</u>	<u>27,916</u>
<b>Total city attorney</b>	<u>2,040,864</u>	<u>2,179,739</u>	<u>2,077,985</u>	<u>101,754</u>
City clerk				
Salaries and wages	346,946	356,107	301,464	54,643
Employee benefits	158,087	164,536	152,363	12,173
Services and supplies	<u>163,121</u>	<u>149,396</u>	<u>108,526</u>	<u>40,870</u>
<b>Total city clerk</b>	<u>668,154</u>	<u>670,039</u>	<u>562,353</u>	<u>107,686</u>
Finance				
Salaries and wages	1,592,546	1,456,899	1,348,177	108,722
Employee benefits	773,826	990,370	934,917	55,453
Services and supplies	<u>475,395</u>	<u>451,590</u>	<u>388,950</u>	<u>62,640</u>
<b>Total finance</b>	<u>2,841,767</u>	<u>2,898,859</u>	<u>2,672,044</u>	<u>226,815</u>
Planning				
Salaries and wages	801,932	836,155	707,749	128,406
Employee benefits	357,700	368,131	427,999	(59,868)
Services and supplies	<u>146,533</u>	<u>115,700</u>	<u>96,811</u>	<u>18,889</u>
<b>Total planning</b>	<u>1,306,165</u>	<u>1,319,986</u>	<u>1,232,559</u>	<u>87,427</u>
Other				
Salaries and wages	4,276,921	4,416,024	4,039,514	376,510
Employee benefits	1,961,694	2,031,103	2,174,686	(143,583)
Services and supplies	<u>4,551,369</u>	<u>3,892,381</u>	<u>3,363,690</u>	<u>528,691</u>
<b>Total other</b>	<u>10,789,984</u>	<u>10,339,508</u>	<u>9,577,890</u>	<u>761,618</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Total general government	19,454,005	19,210,758	17,735,087	1,475,671
Judicial				
Municipal court				
Salaries and wages	3,265,870	3,081,718	3,078,908	2,810
Employee benefits	1,585,570	1,513,659	1,444,003	69,656
Services and supplies	445,839	503,256	501,334	1,922
Total municipal court	<u>5,297,279</u>	<u>5,098,633</u>	<u>5,024,245</u>	<u>74,388</u>
Marshals				
Salaries and wages	1,166,933	1,179,589	1,143,819	35,770
Employee benefits	793,236	868,507	818,612	49,895
Services and supplies	181,343	181,528	170,302	11,226
Total marshals	<u>2,141,512</u>	<u>2,229,624</u>	<u>2,132,733</u>	<u>96,891</u>
Other				
Salaries and wages		424,564		424,564
Employee benefits		194,515	632,296	(437,781)
Services and supplies		13,217		13,217
Total other		<u>632,296</u>	<u>632,296</u>	
Total judicial	<u>7,438,791</u>	<u>7,960,553</u>	<u>7,789,274</u>	<u>171,279</u>
Public safety				
Police				
Salaries and wages	16,393,437	17,166,234	16,785,292	380,942
Employee benefits	9,414,650	10,287,240	10,325,604	(38,364)
Services and supplies	4,003,387	3,568,878	3,262,079	306,799
Capital outlay			502	(502)
Total police	<u>29,811,474</u>	<u>31,022,352</u>	<u>30,373,477</u>	<u>648,875</u>
Corrections				
Salaries and wages	4,053,398	3,871,447	3,870,248	1,199
Employee benefits	2,496,869	2,553,238	2,472,514	80,724
Services and supplies	5,103,590	5,146,820	5,206,923	(60,103)
Total corrections	<u>11,653,857</u>	<u>11,571,505</u>	<u>11,549,685</u>	<u>21,820</u>
Protective services				
Salaries and wages	1,765,693	1,921,229	1,772,541	148,688
Employee benefits	828,392	849,948	871,895	(21,947)
Services and supplies	2,360,430	1,056,177	966,307	89,870
Total protective services	<u>4,954,515</u>	<u>3,827,354</u>	<u>3,610,743</u>	<u>216,611</u>
Fire				
Salaries and wages	16,815,734	17,471,086	17,197,762	273,324
Employee benefits	10,232,987	10,232,636	10,246,824	(14,188)
Services and supplies	3,405,308	3,173,118	3,187,480	(14,362)
Total fire	<u>30,454,029</u>	<u>30,876,840</u>	<u>30,632,066</u>	<u>244,774</u>
Total public safety	<u>76,873,875</u>	<u>77,298,051</u>	<u>76,165,971</u>	<u>1,132,080</u>
Public works				
Administration				
Salaries and wages	278,596	281,650	354,918	(73,268)
Employee benefits	127,482	137,132	165,068	(27,936)
Services and supplies	25,277	25,323	19,637	5,686
Total administration	<u>431,355</u>	<u>444,105</u>	<u>539,623</u>	<u>(95,518)</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, 2014

	Original Budget	Final Budget	Actual	Variance
Flood control				
Salaries and wages	361,999	380,251	324,356	55,895
Employee benefits	162,033	165,916	133,453	32,463
Services and supplies	32,532	33,080	(43,243)	76,323
Total flood control	<u>556,564</u>	<u>579,247</u>	<u>414,566</u>	<u>164,681</u>
Streets				
Services and supplies			1,035	(1,035)
Total streets			<u>1,035</u>	<u>(1,035)</u>
Engineering				
Salaries and wages	117,331	142,063	128,552	13,511
Employee benefits	47,009	52,271	54,077	(1,806)
Services and supplies	96,112	95,026	70,050	24,976
Total engineering	<u>260,452</u>	<u>289,360</u>	<u>252,679</u>	<u>36,681</u>
Real property				
Salaries and wages	261,243	279,659	283,975	(4,316)
Employee benefits	122,322	126,240	126,422	(182)
Services and supplies	36,459	37,011	20,384	16,627
Total real property	<u>420,024</u>	<u>442,910</u>	<u>430,781</u>	<u>12,129</u>
Construction				
Salaries and wages	281,473	313,230	274,381	38,849
Employee benefits	109,916	116,672	113,639	3,033
Services and supplies	109,411	109,682	65,179	44,503
Total construction	<u>500,800</u>	<u>539,584</u>	<u>453,199</u>	<u>86,385</u>
Survey				
Salaries and wages	123,038	137,073	153,114	(16,041)
Employee benefits	43,887	46,873	60,487	(13,614)
Services and supplies	89,369	89,367	75,420	13,947
Total survey	<u>256,294</u>	<u>273,313</u>	<u>289,021</u>	<u>(15,708)</u>
Total public works	<u>2,425,489</u>	<u>2,568,519</u>	<u>2,380,904</u>	<u>187,615</u>
Culture and recreation				
Administration				
Salaries and wages	200,042	203,096	174,115	28,981
Employee benefits	91,308	96,458	87,315	9,143
Services and supplies	18,126	14,618	13,192	1,426
Total administration	<u>309,476</u>	<u>314,172</u>	<u>274,622</u>	<u>39,550</u>
Participant recreation				
Salaries and wages	827,917	835,266	815,283	19,983
Employee benefits	264,003	262,471	229,205	33,266
Services and supplies	724,761	735,110	644,777	90,333
Total participant recreation	<u>1,816,681</u>	<u>1,832,847</u>	<u>1,689,265</u>	<u>143,582</u>
Parks and grounds				
Salaries and wages	1,332,297	1,479,528	941,777	537,751
Employee benefits	383,243	437,976	600,891	(162,915)
Services and supplies	4,519,825	4,307,382	3,718,136	589,246
Capital outlay			22,855	(22,855)
Total parks and grounds	<u>6,235,365</u>	<u>6,224,886</u>	<u>5,283,659</u>	<u>941,227</u>
Total culture and recreation	<u>8,361,522</u>	<u>8,371,905</u>	<u>7,247,546</u>	<u>1,124,359</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, 2014

	Original Budget	Final Budget	Actual	Variance
Community support				
Housing and neighborhood services				
Salaries and wages	718,252	753,848	638,734	115,114
Employee benefits	334,018	345,890	283,233	62,657
Services and supplies	416,452	385,702	315,985	69,717
Total housing and neighborhood services	1,468,722	1,485,440	1,237,952	247,488
Economic development				
Salaries and wages	101,084	103,624	103,949	(325)
Employee benefits	49,222	52,012	50,970	1,042
Services and supplies	43,104	26,136	9,698	16,438
Total economic development	193,410	181,772	164,617	17,155
Developer agreements				
Services and supplies	75,000	61,000	60,000	1,000
Other				
Salaries and wages		48,058		48,058
Employee benefits		25,929	75,403	(49,474)
Services and supplies		1,416		1,416
Total other		75,403	75,403	
Total community support	1,737,132	1,803,615	1,537,972	265,643
Total expenditures	116,290,814	117,213,401	112,856,754	4,356,647
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(28,008,409)	(17,825,409)	(12,185,032)	5,640,377
OTHER FINANCING SOURCES (USES)				
Contingencies	(500,000)	3,645,000		(3,645,000)
Proceeds from capital asset disposal	25,000	25,000	2,034,128	2,009,128
Transfers in	32,300,000	24,763,930	24,812,933	49,003
Transfers out	(3,418,432)	(8,519,207)	(15,922,273)	(7,403,066)
Total other financing sources (uses)	28,406,568	19,914,723	10,924,788	(8,989,935)
CHANGE IN FUND BALANCE	398,159	2,089,314	(1,260,244)	(3,349,558)
FUND BALANCE, BEGINNING OF YEAR	9,577,266	9,338,944	9,338,944	
FUND BALANCE, END OF YEAR	\$ 9,975,425	\$ 11,428,258	\$ 8,078,700	\$ (3,349,558)

# **CITY OF NORTH LAS VEGAS**

## **MAJOR SPECIAL REVENUE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Property taxes	\$ 27,685,603	\$ 27,685,603	\$ 28,197,425	\$ 511,822
Charges for services	98,000	98,000	101,788	3,788
Miscellaneous	<u>4,970</u>	<u>4,970</u>	<u>34,269</u>	<u>29,299</u>
Total revenues	<u>27,788,573</u>	<u>27,788,573</u>	<u>28,333,482</u>	<u>544,909</u>
<b>EXPENDITURES</b>				
Public safety				
Police				
Salaries and wages	13,109,071	13,719,742	12,661,966	1,057,776
Employee benefits	7,932,285	8,662,606	8,202,144	460,462
Services and supplies	<u>3,287,866</u>	<u>2,974,354</u>	<u>2,529,485</u>	<u>444,869</u>
Total police	<u>24,329,222</u>	<u>25,356,702</u>	<u>23,393,595</u>	<u>1,963,107</u>
Corrections				
Salaries and wages	949,463	719,327	699,248	20,079
Employee benefits	565,642	467,732	428,687	39,045
Services and supplies	<u>2,966,810</u>	<u>2,962,184</u>	<u>2,835,237</u>	<u>126,947</u>
Total corrections	<u>4,481,915</u>	<u>4,149,243</u>	<u>3,963,172</u>	<u>186,071</u>
Protective services				
Salaries and wages	115,908	121,097	102,252	18,845
Employee benefits	57,866	58,970	46,943	12,027
Services and supplies	<u>11,093</u>	<u>11,086</u>	<u>10,522</u>	<u>564</u>
Total protective services	<u>184,867</u>	<u>191,153</u>	<u>159,717</u>	<u>31,436</u>
Total expenditures	<u>28,996,004</u>	<u>29,697,098</u>	<u>27,516,484</u>	<u>2,180,614</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,207,431)</u>	<u>(1,908,525)</u>	<u>816,998</u>	<u>2,725,523</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital asset disposal			41,172	41,172
Transfers in		<u>285,490</u>	<u>285,490</u>	
Total other financing sources (uses)		<u>285,490</u>	<u>326,662</u>	<u>41,172</u>
CHANGE IN FUND BALANCE	(1,207,431)	(1,623,035)	1,143,660	2,766,695
FUND BALANCE, BEGINNING OF YEAR	<u>1,851,780</u>	<u>2,168,530</u>	<u>2,168,530</u>	
FUND BALANCE, END OF YEAR	<u>\$ 644,349</u>	<u>\$ 545,495</u>	<u>\$ 3,312,190</u>	<u>\$ 2,766,695</u>

# CITY OF NORTH LAS VEGAS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2014

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### **Note 1. Postemployment Benefits Other Than Pensions**

During the year ended June 30, 2011, the City reduced staffing levels from 1,820 to 1,269 of eligible employees, and significant reductions occurred in the City's required subsidy for retirees participating in the Nevada Public Employees' Benefits Program. As a result, the actuarial valuation dated June 30, 2011, was reperformed to properly account for these events. The amounts reported in the schedule of funding progress reflect the results of the second June 30, 2011, actuarial report.

For the year ended June 30, 2014, no significant events occurred that would have affected the actuarial valuation; and therefore, would have changed the benefit provision, size or composition of those covered by the postemployment benefit plans, or the actuarial methods and assumptions used in the actuarial valuation reports dated July 1, 2013, July 1, 2011 and July 1, 2009.

The actuarial accrued liability and unfunded actuarial accrued liability involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. These estimates are subject to continual revision.

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

### **Note 2. 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.

**NON-MAJOR  
GOVERNMENTAL FUNDS**



# CITY OF NORTH LAS VEGAS

## NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2014

	Special Revenue	Debt Service	Capital Projects	Aggregate Other Governmental Funds
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 39,442,994	\$ 4,304,712	\$ 25,431,023	\$ 69,178,729
Accounts receivable, net	2,260,957		172,739	2,433,696
Grants receivable	1,122,886		1,847,300	2,970,186
Property taxes receivable	674,402	38,068		712,470
Interest receivable		38,455		38,455
Special assessments receivable		253,030		253,030
Prepaid items	6,951		37,294	44,245
Due from other governments	2,082,407			2,082,407
Property held for resale	<u>6,426,980</u>			<u>6,426,980</u>
<b>Total assets</b>	<u>\$ 52,017,577</u>	<u>\$ 4,634,265</u>	<u>\$ 27,488,356</u>	<u>\$ 84,140,198</u>
<b>LIABILITIES</b>				
Accounts payable and other accrued liabilities	\$ 1,097,576	\$ 80	\$ 1,334,894	\$ 2,432,550
Accrued salaries and benefits	589,624			589,624
Due to other funds	101,927			101,927
Due to other governments	107,755			107,755
Customer deposits	10,443			10,443
Unearned revenue	<u>2,436,701</u>		<u>58,288</u>	<u>2,494,989</u>
<b>Total liabilities</b>	<u>4,344,026</u>	<u>80</u>	<u>1,393,182</u>	<u>5,737,288</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	<u>155,207</u>	<u>9,476</u>		<u>164,683</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>4,499,233</u>	<u>9,556</u>	<u>1,393,182</u>	<u>5,901,971</u>
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items	15,836		37,294	53,130
Land held for resale	6,426,980			6,426,980
Restricted for				
Debt service				
Buildings and facilities projects		4,624,709		4,624,709
Street improvements projects			4,430,712	4,430,712
Other capital projects	14,734,067		4,725,013	19,459,080
Police, fire and other public safety programs and projects	6,473,234		9,934,795	16,408,029
Parks, cultural and other recreational programs	309,138		3,468,861	3,777,999
Library district operations	908,045			908,045
Courts and other judicial programs	1,653,363			1,653,363
Community assistance and support programs	12,323,834			12,323,834
Other	19,103			19,103
Committed to				
Other capital projects			9	9
Community assistance and support programs	292,555			292,555
Assigned to				
Other capital projects	1,003,235			1,003,235
Police, fire and other public safety programs and projects	822,382			822,382
Parks, cultural and other recreational programs	2,517,269			2,517,269
Other	<u>19,303</u>			<u>19,303</u>
<b>Total fund balances</b>	<u>47,518,344</u>	<u>4,624,709</u>	<u>26,095,174</u>	<u>78,238,227</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 52,017,577</u>	<u>\$ 4,634,265</u>	<u>\$ 27,488,356</u>	<u>\$ 84,140,198</u>

# 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, 2014

	Special Revenue	Debt Service	Capital Projects	Aggregate Other Governmental Funds
<b>REVENUES</b>				
Property taxes	\$ 12,731,119	\$ 679,065	\$	\$ 13,410,184
Residential construction taxes	314,546			314,546
Room taxes	422,474			422,474
Special assessments		2,170,942		2,170,942
Charges for services	2,493,851			2,493,851
Intergovernmental	21,073,556		23,710,335	44,783,891
Fines and forfeitures	319,929	10,353		330,282
Contributions	76,651		487,651	564,302
Rents and royalties	84,760			84,760
Investment income	74,798	10,178	46,698	131,674
Miscellaneous	1,712,591		2,831	1,715,422
<b>Total revenues</b>	<b>39,304,275</b>	<b>2,870,538</b>	<b>24,247,515</b>	<b>66,422,328</b>
<b>EXPENDITURES</b>				
Current				
General government	6,492		125,301	131,793
Judicial	611,768		300	612,068
Public safety	16,947,806		71,757	17,019,563
Public works	4,273,778		3,693,622	7,967,400
Culture and recreation	4,400,618		1,135,636	5,536,254
Community support	2,655,849			2,655,849
<b>Total current</b>	<b>28,896,311</b>		<b>5,026,616</b>	<b>33,922,927</b>
Capital outlay				
General government			829,283	829,283
Judicial	131,000			131,000
Public safety	18,898		1,110,144	1,129,042
Public works	381,738		10,426,280	10,808,018
Culture and recreation	32,658		10,596,416	10,629,074
Community support	25,651		224,990	250,641
<b>Total capital outlay</b>	<b>589,945</b>		<b>23,187,113</b>	<b>23,777,058</b>
Debt service				
Principal payments	350,000	4,640,000		4,990,000
Interest and fiscal charges	123,078	2,912,425		3,035,503
<b>Total debt service</b>	<b>473,078</b>	<b>7,552,425</b>		<b>8,025,503</b>
<b>Total expenditures</b>	<b>29,959,334</b>	<b>7,552,425</b>	<b>28,213,729</b>	<b>65,725,488</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,344,941</b>	<b>(4,681,887)</b>	<b>(3,966,214)</b>	<b>696,840</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from capital asset disposal	23,149			23,149
Transfers in	6,560,445	6,021,726	8,677,682	21,259,853
Transfers out	(9,844,310)		(8,104,900)	(17,949,210)
<b>Total other financing sources (uses)</b>	<b>(3,260,716)</b>	<b>6,021,726</b>	<b>572,782</b>	<b>3,333,792</b>
<b>CHANGE IN FUND BALANCE</b>	<b>6,084,225</b>	<b>1,339,839</b>	<b>(3,393,432)</b>	<b>4,030,632</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>41,434,119</b>	<b>3,284,870</b>	<b>29,488,606</b>	<b>74,207,595</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 47,518,344</b>	<b>\$ 4,624,709</b>	<b>\$ 26,095,174</b>	<b>\$ 78,238,227</b>

# **SPECIAL REVENUE FUNDS**



# CITY OF NORTH LAS VEGAS

## NON-MAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

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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, 2014

	Parks and Recreation Support	Redevelopment Agency	Library District	Special Purpose Revenue	More Cops Sales Tax
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 2,811,804	\$ 10,635,690	\$ 923,208	\$ 12,851,306	\$ 1,657,931
Accounts receivable, net	46,279	209,184		978,740	872,729
Grants receivable	116,633		21	19,346	
Property taxes receivable		76,675	132,663	454,583	
Prepaid items			87		
Due from other governments				468,412	1,613,995
Property held for resale					
<b>Total assets</b>	<b>\$ 2,974,716</b>	<b>\$ 10,921,549</b>	<b>\$ 1,055,979</b>	<b>\$ 14,772,387</b>	<b>\$ 4,144,655</b>
<b>LIABILITIES</b>					
Accounts payable and other accrued liabilities	\$ 65,465	\$ 980	\$ 34,425	\$ 767,541	\$ (3)
Accrued salaries and benefits	26,922	20,752	60,334	142,361	298,544
Due to other funds	1,970	1,445	4,159	9,906	38,765
Due to other governments	3,569		19,309	45,426	
Customer deposits	4,443	6,000			
Unearned revenue	45,940	9,775	11	1,797	
<b>Total liabilities</b>	<b>148,309</b>	<b>38,952</b>	<b>118,238</b>	<b>967,031</b>	<b>337,306</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues		22,637	29,609	100,621	
<b>Total liabilities and deferred inflows of resources</b>	<b>148,309</b>	<b>61,589</b>	<b>147,847</b>	<b>1,067,652</b>	<b>337,306</b>
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items			87		
Land held for resale					
Restricted for					
Other capital projects				12,663,094	
Police, fire and other public safety programs and projects					3,807,349
Parks, cultural and other recreational programs	309,138				
Library district operations			908,045		
Courts and other judicial programs					
Community assistance and support programs		10,859,960			
Other				19,103	
Committed to					
Community assistance and support programs					
Assigned to					
Other capital projects				1,003,235	
Police, fire and other public safety programs and projects					
Parks, cultural and other recreational programs	2,517,269				
Other				19,303	
<b>Total fund balances</b>	<b>2,826,407</b>	<b>10,859,960</b>	<b>908,132</b>	<b>13,704,735</b>	<b>3,807,349</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,974,716</b>	<b>\$ 10,921,549</b>	<b>\$ 1,055,979</b>	<b>\$ 14,772,387</b>	<b>\$ 4,144,655</b>

(Continued)

# CITY OF NORTH LAS VEGAS

## NON-MAJOR SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2014

	Park Construction Tax	Public Safety Support	Municipal Court Support	Community Development	Total Special Revenue
<b>ASSETS</b>					
Cash, cash equivalents and investments	\$ 2,070,973	\$ 3,410,863	\$ 1,693,687	\$ 3,387,532	\$ 39,442,994
Accounts receivable, net		134,209		19,816	2,260,957
Grants receivable		170,836		816,050	1,122,886
Property taxes receivable		10,481			674,402
Prepaid items		5,513	1,351		6,951
Due from other governments					2,082,407
Property held for resale				6,426,980	6,426,980
	<u>\$ 2,070,973</u>	<u>\$ 3,731,902</u>	<u>\$ 1,695,038</u>	<u>\$ 10,650,378</u>	<u>\$ 52,017,577</u>
<b>Total assets</b>					
<b>LIABILITIES</b>					
Accounts payable and other accrued liabilities	\$	\$ 89,565	\$ 22,403	\$ 117,200	\$ 1,097,576
Accrued salaries and benefits		17,094	16,758	6,859	589,624
Due to other funds		1,870	1,163	42,649	101,927
Due to other governments				39,451	107,755
Customer deposits					10,443
Unearned revenue		118,368		2,260,810	2,436,701
		<u>226,897</u>	<u>40,324</u>	<u>2,466,969</u>	<u>4,344,026</u>
<b>Total liabilities</b>					
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenues		2,340			155,207
		<u>229,237</u>	<u>40,324</u>	<u>2,466,969</u>	<u>4,499,233</u>
<b>Total liabilities and deferred inflows of resources</b>					
<b>FUND BALANCES</b>					
Nonspendable					
Prepaid items		14,398	1,351		15,836
Land held for resale				6,426,980	6,426,980
Restricted for					
Other capital projects	2,070,973				14,734,067
Police, fire and other public safety programs and projects		2,665,885			6,473,234
Parks, cultural and other recreational programs					309,138
Library district operations					908,045
Courts and other judicial programs			1,653,363		1,653,363
Community assistance and support programs				1,463,874	12,323,834
Other					19,103
Committed to					
Community assistance and support programs				292,555	292,555
Assigned to					
Other capital projects					1,003,235
Police, fire and other public safety programs and projects		822,382			822,382
Parks, cultural and other recreational programs					2,517,269
Other					19,303
	<u>2,070,973</u>	<u>3,502,665</u>	<u>1,654,714</u>	<u>8,183,409</u>	<u>47,518,344</u>
<b>Total fund balances</b>					
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 2,070,973</u>	<u>\$ 3,731,902</u>	<u>\$ 1,695,038</u>	<u>\$ 10,650,378</u>	<u>\$ 52,017,577</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, 2014

	Parks and Recreation Support	Redevelopment Agency	Library District	Special Purpose Revenue	More Cops Sales Tax
<b>REVENUES</b>					
Property taxes	\$	\$ 1,228,237	\$ 2,443,071	\$ 8,866,635	\$
Residential construction taxes				422,474	
Room taxes				422,474	
Charges for services	1,983,002				
Intergovernmental	83,447		8,245	4,167,905	9,515,254
Fines and forfeitures	175		75,327		
Contributions	59,796				
Rents and royalties		84,760			
Investment income	937	42,760		3,149	16,767
Miscellaneous	8,618		60,285	45,827	13,025
<b>Total revenues</b>	<b>2,135,975</b>	<b>1,355,757</b>	<b>2,586,928</b>	<b>13,505,990</b>	<b>9,545,046</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government		5,224		1,268	
Judicial					
Public safety				4,083,267	9,845,282
Public works				4,273,778	
Culture and recreation	1,534,690		2,178,783	687,145	
Community support		652,392			
<b>Total current</b>	<b>1,534,690</b>	<b>657,616</b>	<b>2,178,783</b>	<b>9,045,458</b>	<b>9,845,282</b>
<b>Capital outlay</b>					
Judicial					
Public safety					
Public works				381,738	
Culture and recreation	32,658				
Community support					
<b>Total capital outlay</b>	<b>32,658</b>			<b>381,738</b>	
<b>Debt service</b>					
Principal payments			350,000		
Interest and fiscal charges			123,078		
<b>Total debt service</b>			<b>473,078</b>		
<b>Total expenditures</b>	<b>1,567,348</b>	<b>657,616</b>	<b>2,651,861</b>	<b>9,427,196</b>	<b>9,845,282</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>568,627</b>	<b>698,141</b>	<b>(64,933)</b>	<b>4,078,794</b>	<b>(300,236)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal				2,076	21,073
Transfers in	947,239		760,543	3,864,900	539,020
Transfers out		(300,000)	(530,500)	(5,133,390)	(2,100,000)
<b>Total other financing sources (uses)</b>	<b>947,239</b>	<b>(300,000)</b>	<b>230,043</b>	<b>(1,266,414)</b>	<b>(1,539,907)</b>
<b>CHANGE IN FUND BALANCE</b>	<b>1,515,866</b>	<b>398,141</b>	<b>165,110</b>	<b>2,812,380</b>	<b>(1,840,143)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>1,310,541</b>	<b>10,461,819</b>	<b>743,022</b>	<b>10,892,355</b>	<b>5,647,492</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 2,826,407</b>	<b>\$ 10,859,960</b>	<b>\$ 908,132</b>	<b>\$ 13,704,735</b>	<b>\$ 3,807,349</b>

(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, 2014

	Park Construction Tax	Public Safety Support	Municipal Court Support	Community Development	Total Special Revenue
<b>REVENUES</b>					
Property taxes	\$	\$ 193,176	\$	\$	\$ 12,731,119
Residential construction taxes	314,546				314,546
Room taxes					422,474
Charges for services		38,710	472,139		2,493,851
Intergovernmental		1,884,348		5,414,357	21,073,556
Fines and forfeitures		244,427			319,929
Contributions		16,855			76,651
Rents and royalties					84,760
Investment income	8,285	2,900			74,798
Miscellaneous		711,644	608,357	264,835	1,712,591
<b>Total revenues</b>	<u>322,831</u>	<u>3,092,060</u>	<u>1,080,496</u>	<u>5,679,192</u>	<u>39,304,275</u>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government					6,492
Judicial			611,768		611,768
Public safety		3,019,257			16,947,806
Public works					4,273,778
Culture and recreation					4,400,618
Community support				2,003,457	2,655,849
<b>Total current</b>		<u>3,019,257</u>	<u>611,768</u>	<u>2,003,457</u>	<u>28,896,311</u>
<b>Capital outlay</b>					
Judicial			131,000		131,000
Public safety		18,898			18,898
Public works					381,738
Culture and recreation					32,658
Community support				25,651	25,651
<b>Total capital outlay</b>		<u>18,898</u>	<u>131,000</u>	<u>25,651</u>	<u>589,945</u>
<b>Debt service</b>					
Principal payments					350,000
Interest and fiscal charges					123,078
<b>Total debt service</b>					<u>473,078</u>
<b>Total expenditures</b>		<u>3,038,155</u>	<u>742,768</u>	<u>2,029,108</u>	<u>29,959,334</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>322,831</u>	<u>53,905</u>	<u>337,728</u>	<u>3,650,084</u>	<u>9,344,941</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital asset disposal					23,149
Transfers in		448,743			6,560,445
Transfers out	(261,000)	(107,044)	(765,000)	(647,376)	(9,844,310)
<b>Total other financing sources (uses)</b>	<u>(261,000)</u>	<u>341,699</u>	<u>(765,000)</u>	<u>(647,376)</u>	<u>(3,260,716)</u>
<b>CHANGE IN FUND BALANCE</b>	61,831	395,604	(427,272)	3,002,708	6,084,225
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>2,009,142</u>	<u>3,107,061</u>	<u>2,081,986</u>	<u>5,180,701</u>	<u>41,434,119</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 2,070,973</u>	<u>\$ 3,502,665</u>	<u>\$ 1,654,714</u>	<u>\$ 8,183,409</u>	<u>\$ 47,518,344</u>

# 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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Charges for services	\$ 2,233,774	\$ 2,233,774	\$ 1,983,002	\$ (250,772)
Intergovernmental	91,971	91,971	83,447	(8,524)
Fines and forfeitures			175	175
Contributions	237,200	237,200	59,796	(177,404)
Investment income	800	800	937	137
Miscellaneous	<u>312,375</u>	<u>312,375</u>	<u>8,618</u>	<u>(303,757)</u>
Total revenues	<u>2,876,120</u>	<u>2,876,120</u>	<u>2,135,975</u>	<u>(740,145)</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Administration				
Salaries and wages			2,693	(2,693)
Employee benefits			188	(188)
Services and supplies			<u>1,900</u>	<u>(1,900)</u>
Total administration			<u>4,781</u>	<u>(4,781)</u>
Participant recreation				
Salaries and wages	1,361,816	1,350,088	947,078	403,010
Employee benefits	219,086	220,846	169,240	51,606
Services and supplies	689,181	709,429	301,239	408,190
Capital outlay	<u>295,262</u>	<u>327,920</u>	<u>327,920</u>	<u>327,920</u>
Total participant recreation	<u>2,565,345</u>	<u>2,608,283</u>	<u>1,417,557</u>	<u>1,190,726</u>
Parks and grounds				
Salaries and wages			24,146	(24,146)
Employee benefits			3,244	(3,244)
Services and supplies			44,167	(44,167)
Capital outlay			<u>32,658</u>	<u>(32,658)</u>
Total parks and grounds			<u>104,215</u>	<u>(104,215)</u>
Other				
Salaries and wages			33,582	(33,582)
Employee benefits			7,035	(7,035)
Services and supplies			<u>178</u>	<u>(178)</u>
Total other			<u>40,795</u>	<u>(40,795)</u>
Total culture and recreation	<u>2,565,345</u>	<u>2,608,283</u>	<u>1,567,348</u>	<u>1,040,935</u>
Total expenditures	<u>2,565,345</u>	<u>2,608,283</u>	<u>1,567,348</u>	<u>1,040,935</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in			<u>947,239</u>	<u>947,239</u>
CHANGE IN FUND BALANCE	310,775	267,837	1,515,866	1,248,029
FUND BALANCE, BEGINNING OF YEAR	<u>775,933</u>	<u>1,310,541</u>	<u>1,310,541</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,086,708</u>	<u>\$ 1,578,378</u>	<u>\$ 2,826,407</u>	<u>\$ 1,248,029</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Property taxes	\$ 1,217,970	\$ 1,217,970	\$ 1,228,237	\$ 10,267
Rents and royalties			84,760	84,760
Investment income	<u>39,700</u>	<u>39,700</u>	<u>42,760</u>	<u>3,060</u>
Total revenues	<u>1,257,670</u>	<u>1,257,670</u>	<u>1,355,757</u>	<u>98,087</u>
<b>EXPENDITURES</b>				
General government				
Other				
Salaries and wages	19,342	111,493	3,115	108,378
Employee benefits	7,893	49,406	2,015	47,391
Services and supplies	<u>580</u>	<u>3,343</u>	<u>94</u>	<u>3,249</u>
Total other	<u>27,815</u>	<u>164,242</u>	<u>5,224</u>	<u>159,018</u>
Total general government	<u>27,815</u>	<u>164,242</u>	<u>5,224</u>	<u>159,018</u>
Community support				
Economic development				
Salaries and wages	365,300	286,839	369,943	(83,104)
Employee benefits	166,395	131,845	176,557	(44,712)
Services and supplies	673,399	671,046	88,438	582,608
Capital outlay	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>
Total economic development	<u>1,855,094</u>	<u>1,739,730</u>	<u>634,938</u>	<u>1,104,792</u>
Other				
Salaries and wages			10,724	(10,724)
Employee benefits			6,413	(6,413)
Services and supplies			<u>317</u>	<u>(317)</u>
Total other			<u>17,454</u>	<u>(17,454)</u>
Total community support	<u>1,855,094</u>	<u>1,739,730</u>	<u>652,392</u>	<u>1,087,338</u>
Total expenditures	<u>1,882,909</u>	<u>1,903,972</u>	<u>657,616</u>	<u>1,246,356</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(625,239)</u>	<u>(646,302)</u>	<u>698,141</u>	<u>1,344,443</u>
OTHER FINANCING USES				
Transfers out	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	
CHANGE IN FUND BALANCE	(925,239)	(946,302)	398,141	1,344,443
FUND BALANCE, BEGINNING OF YEAR	<u>7,725,668</u>	<u>10,461,819</u>	<u>10,461,819</u>	
FUND BALANCE, END OF YEAR	<u>\$ 6,800,429</u>	<u>\$ 9,515,517</u>	<u>\$ 10,859,960</u>	<u>\$ 1,344,443</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Property taxes	\$ 2,396,873	\$ 2,396,873	\$ 2,443,071	\$ 46,198
Intergovernmental			8,245	8,245
Fines and forfeitures	64,050	64,050	75,327	11,277
Contributions	20,000	20,000		(20,000)
Miscellaneous	<u>40,440</u>	<u>40,440</u>	<u>60,285</u>	<u>19,845</u>
Total revenues	<u>2,521,363</u>	<u>2,521,363</u>	<u>2,586,928</u>	<u>65,565</u>
<b>EXPENDITURES</b>				
Culture and recreation				
Library district operations				
Salaries and wages	831,505	1,404,641	1,153,788	250,853
Employee benefits	613,135	654,043	539,637	114,406
Services and supplies	<u>409,546</u>	<u>556,045</u>	<u>485,358</u>	<u>70,687</u>
Total library district operations	<u>1,854,186</u>	<u>2,614,729</u>	<u>2,178,783</u>	<u>435,946</u>
Other				
Total culture and recreation	<u>1,854,186</u>	<u>2,614,729</u>	<u>2,178,783</u>	<u>435,946</u>
Debt service				
Principal payments	350,000	350,000	350,000	
Interest and fiscal charges	<u>123,100</u>	<u>123,100</u>	<u>123,078</u>	<u>22</u>
Total debt service	<u>473,100</u>	<u>473,100</u>	<u>473,078</u>	<u>22</u>
Total expenditures	<u>2,327,286</u>	<u>3,087,829</u>	<u>2,651,861</u>	<u>435,968</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>194,077</u>	<u>(566,466)</u>	<u>(64,933)</u>	<u>501,533</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contingencies	(20,000)	(20,000)		20,000
Transfers in		760,543	760,543	
Transfers out	<u>(530,500)</u>	<u>(530,500)</u>	<u>(530,500)</u>	
Total other financing sources (uses)	<u>(550,500)</u>	<u>210,043</u>	<u>230,043</u>	<u>20,000</u>
CHANGE IN FUND BALANCE	(356,423)	(356,423)	165,110	521,533
FUND BALANCE, BEGINNING OF YEAR	<u>472,006</u>	<u>743,022</u>	<u>743,022</u>	
FUND BALANCE, END OF YEAR	<u>\$ 115,583</u>	<u>\$ 386,599</u>	<u>\$ 908,132</u>	<u>\$ 521,533</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, 2014

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Property taxes	\$ 8,248,796	\$ 8,248,796	\$ 8,866,635	\$ 617,839
Room taxes	400,000	400,000	422,474	22,474
Intergovernmental	4,313,710	4,313,710	4,167,905	(145,805)
Investment income			3,149	3,149
Miscellaneous	<u>102,240</u>	<u>102,240</u>	<u>45,827</u>	<u>(56,413)</u>
<b>Total revenues</b>	<u>13,064,746</u>	<u>13,064,746</u>	<u>13,505,990</u>	<u>441,244</u>
<b>EXPENDITURES</b>				
General government				
City attorney				
Salaries and wages			535	(535)
Employee benefits			341	(341)
Services and supplies			<u>16</u>	<u>(16)</u>
<b>Total city attorney</b>			<u>892</u>	<u>(892)</u>
Finance				
Salaries and wages			128	(128)
Employee benefits			64	(64)
Services and supplies			<u>4</u>	<u>(4)</u>
<b>Total finance</b>			<u>196</u>	<u>(196)</u>
Other				
Services and supplies			<u>180</u>	<u>(180)</u>
<b>Total other</b>			<u>180</u>	<u>(180)</u>
<b>Total general government</b>			<u>1,268</u>	<u>(1,268)</u>
Public safety				
Protective services				
Salaries and wages	1,323,870	1,381,429	1,348,988	32,441
Employee benefits	614,305	629,701	592,600	37,101
Services and supplies	<u>1,644,925</u>	<u>2,666,040</u>	<u>2,300,753</u>	<u>365,287</u>
Other				
Services and supplies			<u>(159,074)</u>	<u>159,074</u>
<b>Total other</b>			<u>(159,074)</u>	<u>159,074</u>
<b>Total public safety</b>	<u>3,583,100</u>	<u>4,677,170</u>	<u>4,083,267</u>	<u>593,903</u>
Public works				
Administration				
Salaries and wages			4,865	(4,865)
Employee benefits			3,024	(3,024)
Services and supplies			<u>146</u>	<u>(146)</u>
<b>Total administration</b>			<u>8,035</u>	<u>(8,035)</u>
Flood control				
Salaries and wages			182	(182)
Employee benefits			110	(110)
Services and supplies			<u>1,012</u>	<u>(1,012)</u>
<b>Total flood control</b>			<u>1,304</u>	<u>(1,304)</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Streets				
Salaries and wages	1,354,743	1,422,143	1,418,258	3,885
Employee benefits	649,782	664,122	616,579	47,543
Services and supplies	3,087,504	3,082,415	2,211,958	870,457
Capital outlay			381,738	(381,738)
Total streets	<u>5,092,029</u>	<u>5,168,680</u>	<u>4,628,533</u>	<u>540,147</u>
Engineering				
Salaries and wages			4,488	(4,488)
Employee benefits			2,339	(2,339)
Services and supplies			135	(135)
Total engineering			<u>6,962</u>	<u>(6,962)</u>
Survey				
Salaries and wages			7,201	(7,201)
Employee benefits			3,265	(3,265)
Services and supplies			216	(216)
Total survey			<u>10,682</u>	<u>(10,682)</u>
Total public works	<u>5,092,029</u>	<u>5,168,680</u>	<u>4,655,516</u>	<u>513,164</u>
Culture and recreation				
Parks and grounds				
Services and supplies	<u>853,216</u>	<u>853,216</u>	<u>687,145</u>	<u>166,071</u>
Total culture and recreation	<u>853,216</u>	<u>853,216</u>	<u>687,145</u>	<u>166,071</u>
Community support				
Other				
Services and supplies	<u>100,000</u>	<u>100,000</u>		<u>100,000</u>
Total community support	<u>100,000</u>	<u>100,000</u>		<u>100,000</u>
Total expenditures	<u>9,628,345</u>	<u>10,799,066</u>	<u>9,427,196</u>	<u>1,371,870</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,436,401</u>	<u>2,265,680</u>	<u>4,078,794</u>	<u>1,813,114</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal			2,076	2,076
Transfers in	3,864,900	3,864,900	3,864,900	
Transfers out	<u>(4,983,901)</u>	<u>(5,133,390)</u>	<u>(5,133,390)</u>	
Total other financing sources (uses)	<u>(1,119,001)</u>	<u>(1,268,490)</u>	<u>(1,266,414)</u>	<u>2,076</u>
CHANGE IN FUND BALANCE	2,317,400	997,190	2,812,380	1,815,190
FUND BALANCE, BEGINNING OF YEAR	<u>9,652,680</u>	<u>10,892,355</u>	<u>10,892,355</u>	
FUND BALANCE, END OF YEAR	<u>\$ 11,970,080</u>	<u>\$ 11,889,545</u>	<u>\$ 13,704,735</u>	<u>\$ 1,815,190</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 9,210,000	\$ 9,210,000	\$ 9,515,254	\$ 305,254
Investment income	17,220	17,220	16,767	(453)
Miscellaneous			<u>13,025</u>	<u>13,025</u>
Total revenues	<u>9,227,220</u>	<u>9,227,220</u>	<u>9,545,046</u>	<u>317,826</u>
EXPENDITURES				
Public safety				
Police				
Salaries and wages	5,371,354	5,371,354	5,104,281	267,073
Employee benefits	3,658,065	3,943,815	3,871,647	72,168
Services and supplies	<u>805,749</u>	<u>915,365</u>	<u>869,354</u>	<u>46,011</u>
Total expenditures	<u>9,835,168</u>	<u>10,230,534</u>	<u>9,845,282</u>	<u>385,252</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(607,948)</u>	<u>(1,003,314)</u>	<u>(300,236)</u>	<u>703,078</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital asset disposal			21,073	21,073
Transfers in	539,020	539,020	539,020	
Transfers out		<u>(2,100,000)</u>	<u>(2,100,000)</u>	
Total other financing sources (uses)	<u>539,020</u>	<u>(1,560,980)</u>	<u>(1,539,907)</u>	<u>21,073</u>
CHANGE IN FUND BALANCE	(68,928)	(2,564,294)	(1,840,143)	724,151
FUND BALANCE, BEGINNING OF YEAR	<u>5,036,357</u>	<u>5,647,492</u>	<u>5,647,492</u>	
FUND BALANCE, END OF YEAR	<u>\$ 4,967,429</u>	<u>\$ 3,083,198</u>	<u>\$ 3,807,349</u>	<u>\$ 724,151</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Residential construction taxes	\$ 200,000	\$ 200,000	\$ 314,546	\$ 114,546
Investment income	<u>6,750</u>	<u>6,750</u>	<u>8,285</u>	<u>1,535</u>
Total revenues	<u>206,750</u>	<u>206,750</u>	<u>322,831</u>	<u>116,081</u>
Culture and recreation				
Other				
Services and supplies	<u>113,200</u>	<u>113,200</u>		<u>113,200</u>
Total other	<u>113,200</u>	<u>113,200</u>		<u>113,200</u>
Total culture and recreation	<u>113,200</u>	<u>113,200</u>		<u>113,200</u>
Total expenditures	<u>113,200</u>	<u>113,200</u>		<u>113,200</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>93,550</u>	<u>93,550</u>	<u>322,831</u>	<u>229,281</u>
OTHER FINANCING USES				
Transfers out	<u>(261,000)</u>	<u>(261,000)</u>	<u>(261,000)</u>	
CHANGE IN FUND BALANCE	(167,450)	(167,450)	61,831	229,281
FUND BALANCE, BEGINNING OF YEAR	<u>1,883,469</u>	<u>2,009,142</u>	<u>2,009,142</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,716,019</u>	<u>\$ 1,841,692</u>	<u>\$ 2,070,973</u>	<u>\$ 229,281</u>

# 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, 2014

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Property taxes	\$ 189,628	\$ 189,628	\$ 193,176	\$ 3,548
Charges for services	17,000	17,000	38,710	21,710
Intergovernmental	1,349,465	2,551,291	1,884,348	(666,943)
Fines and forfeitures		177,624	244,427	66,803
Contributions	11,375	16,835	16,855	20
Investment income	1,300	1,599	2,900	1,301
Miscellaneous	100,000	290,983	711,644	420,661
<b>Total revenues</b>	<b>1,668,768</b>	<b>3,244,960</b>	<b>3,092,060</b>	<b>(152,900)</b>
<b>EXPENDITURES</b>				
Public safety				
Police				
Salaries and wages	965,436	1,881,930	1,057,747	824,183
Employee benefits	674,555	932,170	529,503	402,667
Services and supplies	382,048	1,068,381	842,179	226,202
Capital outlay		10,682	18,898	(8,216)
<b>Total police</b>	<b>2,022,039</b>	<b>3,893,163</b>	<b>2,448,327</b>	<b>1,444,836</b>
Corrections				
Services and supplies		161,004	46,041	114,963
<b>Total corrections</b>		<b>161,004</b>	<b>46,041</b>	<b>114,963</b>
Protective services				
Salaries and wages	48,686	160,029	253,864	(93,835)
Employee benefits	26,468	66,860	129,864	(63,004)
Services and supplies	101,461	203,839	159,749	44,090
<b>Total protective services</b>	<b>176,615</b>	<b>430,728</b>	<b>543,477</b>	<b>(112,749)</b>
Fire				
Salaries and wages			272	(272)
Employee benefits			38	(38)
<b>Total fire</b>			<b>310</b>	<b>(310)</b>
<b>Total expenditures</b>	<b>2,198,654</b>	<b>4,484,895</b>	<b>3,038,155</b>	<b>1,446,740</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(529,886)</b>	<b>(1,239,935)</b>	<b>53,905</b>	<b>1,293,840</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	769,607	373,248	448,743	75,495
Transfers out		(58,041)	(107,044)	(49,003)
<b>Total other financing sources</b>	<b>769,607</b>	<b>315,207</b>	<b>341,699</b>	<b>26,492</b>
<b>CHANGE IN FUND BALANCE</b>	<b>239,721</b>	<b>(924,728)</b>	<b>395,604</b>	<b>1,320,332</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>2,205,469</b>	<b>3,107,061</b>	<b>3,107,061</b>	
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 2,445,190</b>	<b>\$ 2,182,333</b>	<b>\$ 3,502,665</b>	<b>\$ 1,320,332</b>

# 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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 350,000	\$ 363,191	\$ 472,139	\$ 108,948
Miscellaneous	<u>675,000</u>	<u>675,000</u>	<u>608,357</u>	<u>(66,643)</u>
Total revenues	<u>1,025,000</u>	<u>1,038,191</u>	<u>1,080,496</u>	<u>42,305</u>
EXPENDITURES				
Judicial				
Municipal court				
Salaries and wages	285,521	299,865	306,223	(6,358)
Employee benefits	146,616	149,667	144,011	5,656
Services and supplies	8,566	955,865	161,534	794,331
Capital outlay			<u>131,000</u>	<u>(131,000)</u>
Total expenditures	<u>440,703</u>	<u>1,405,397</u>	<u>742,768</u>	<u>662,629</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>584,297</u>	<u>(367,206)</u>	<u>337,728</u>	<u>704,934</u>
OTHER FINANCING USES				
Transfers out	<u>(300,000)</u>	<u>(765,000)</u>	<u>(765,000)</u>	
CHANGE IN FUND BALANCE	284,297	(1,132,206)	(427,272)	704,934
FUND BALANCE, BEGINNING OF YEAR	<u>1,322,969</u>	<u>2,081,986</u>	<u>2,081,986</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,607,266</u>	<u>\$ 949,780</u>	<u>\$ 1,654,714</u>	<u>\$ 704,934</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, 2014

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental	\$ 13,022,195	\$ 13,048,978	\$ 5,414,357	\$ (7,634,621)
Miscellaneous	<u>270,000</u>	<u>270,000</u>	<u>264,835</u>	<u>(5,165)</u>
Total revenues	<u>13,292,195</u>	<u>13,318,978</u>	<u>5,679,192</u>	<u>(7,639,786)</u>
EXPENDITURES				
Community support				
Housing and neighborhood services				
Salaries and wages	642,283	662,063	500,116	161,947
Employee benefits	306,535	319,743	223,903	95,840
Services and supplies	11,884,085	8,884,223	1,261,490	7,622,733
Capital outlay	<u>717,900</u>	<u>717,900</u>	<u>717,900</u>	<u>717,900</u>
Total housing and neighborhood services	<u>13,550,803</u>	<u>10,583,929</u>	<u>1,985,509</u>	<u>8,598,420</u>
Other				
Salaries and wages			11,270	(11,270)
Employee benefits			6,348	(6,348)
Services and supplies			330	(330)
Capital outlay			<u>25,651</u>	<u>(25,651)</u>
Total other			<u>43,599</u>	<u>(43,599)</u>
Total expenditures	<u>13,550,803</u>	<u>10,583,929</u>	<u>2,029,108</u>	<u>8,554,821</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(258,608)</u>	<u>2,735,049</u>	<u>3,650,084</u>	<u>915,035</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(5,214,000)</u>	<u>(6,108,397)</u>	<u>(647,376)</u>	<u>5,461,021</u>
Total other financing sources (uses)	<u>(5,214,000)</u>	<u>(6,108,397)</u>	<u>(647,376)</u>	<u>5,461,021</u>
CHANGE IN FUND BALANCE	(5,472,608)	(3,373,348)	3,002,708	6,376,056
FUND BALANCE, BEGINNING OF YEAR	<u>6,725,310</u>	<u>5,180,701</u>	<u>5,180,701</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,252,702</u>	<u>\$ 1,807,353</u>	<u>\$ 8,183,409</u>	<u>\$ 6,376,056</u>

# **DEBT SERVICE FUNDS**



# **CITY OF NORTH LAS VEGAS**

## **NON-MAJOR DEBT SERVICE FUND**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>				
Property taxes	\$ 663,698	\$ 663,698	\$ 679,065	\$ 15,367
Special assessments	2,040,855	2,041,555	2,170,942	129,387
Fines and forfeitures	1,700	1,700	10,353	8,653
Investment income	5,800	5,800	10,178	4,378
Total revenues	<u>2,710,353</u>	<u>2,712,753</u>	<u>2,870,538</u>	<u>157,785</u>
<b>EXPENDITURES</b>				
Debt service				
Principal payments	4,640,000	4,640,000	4,640,000	
Interest and fiscal charges	2,913,837	2,916,237	2,912,425	3,812
Total expenditures	<u>7,553,837</u>	<u>7,556,237</u>	<u>7,552,425</u>	<u>3,812</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(4,843,484)</u>	<u>(4,843,484)</u>	<u>(4,681,887)</u>	<u>161,597</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	4,871,726	4,871,726	6,021,726	1,150,000
CHANGE IN FUND BALANCE	28,242	28,242	1,339,839	1,311,597
FUND BALANCE, BEGINNING OF YEAR	<u>3,353,792</u>	<u>3,284,870</u>	<u>3,284,870</u>	
FUND BALANCE, END OF YEAR	<u>\$ 3,382,034</u>	<u>\$ 3,313,112</u>	<u>\$ 4,624,709</u>	<u>\$ 1,311,597</u>



# **CAPITAL PROJECTS FUNDS**



# **CITY OF NORTH LAS VEGAS**

## **NON-MAJOR CAPITAL PROJECTS FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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.

**Capital Projects Street Improvements**

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

**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

**Public Safety Projects**

Accounts for



# CITY OF NORTH LAS VEGAS

## NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET JUNE 30, 2014

	General Government Improvements	Capital Projects Street Improvements	Municipal Buildings Facilities	Civic Center Facilities
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 151,510	\$ 3,183,234	\$ 6,577,037	\$ 4,439,358
Accounts receivable, net		168,941		
Grants receivable		1,012,822		
Prepaid items			37,294	
Total assets	<u>\$ 151,510</u>	<u>\$ 4,364,997</u>	<u>\$ 6,614,331</u>	<u>\$ 4,439,358</u>
<b>LIABILITIES</b>				
Accounts payable and other accrued liabilities	\$	\$ 808,235	\$ 38,784	\$ 8,646
Unearned revenue		58,272		
Total liabilities	<u></u>	<u>866,507</u>	<u>38,784</u>	<u>8,646</u>
Total liabilities and deferred inflows of resources	<u></u>	<u>866,507</u>	<u>38,784</u>	<u>8,646</u>
<b>FUND BALANCES</b>				
Nonspendable				
Prepaid items			37,294	
Restricted for				
Buildings and facilities projects				4,430,712
Street improvements projects		3,498,490		
Other capital projects	16,501		4,708,512	
Police, fire and other public safety programs and projects	135,000		566,516	
Parks, cultural and other recreational programs			1,263,225	
Committed to				
Other capital projects	9			
Total fund balances	<u>151,510</u>	<u>3,498,490</u>	<u>6,575,547</u>	<u>4,430,712</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 151,510</u>	<u>\$ 4,364,997</u>	<u>\$ 6,614,331</u>	<u>\$ 4,439,358</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## NON-MAJOR CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET (CONTINUED) JUNE 30, 2014

	Parks and Recreation Projects	Public Safety Projects	Total Capital Projects
<b>ASSETS</b>			
Cash, cash equivalents and investments	\$ 1,903,437	\$ 9,176,447	\$ 25,431,023
Accounts receivable, net	(7,716)	11,514	172,739
Grants receivable	605,990	228,488	1,847,300
Prepaid items			37,294
	<u>\$ 2,501,711</u>	<u>\$ 9,416,449</u>	<u>\$ 27,488,356</u>
<b>Total assets</b>			
<b>LIABILITIES</b>			
Accounts payable and other accrued liabilities	\$ 296,059	\$ 183,170	\$ 1,334,894
Unearned revenue	16		58,288
	<u>296,075</u>	<u>183,170</u>	<u>1,393,182</u>
<b>Total liabilities</b>			
<b>Total liabilities and deferred inflows of resources</b>	<u>296,075</u>	<u>183,170</u>	<u>1,393,182</u>
<b>FUND BALANCES</b>			
Nonspendable			
Prepaid items			37,294
Restricted for			
Buildings and facilities projects			4,430,712
Street improvements projects			3,498,490
Other capital projects			4,725,013
Police, fire and other public safety programs and projects		9,233,279	9,934,795
Parks, cultural and other recreational programs	2,205,636		3,468,861
Committed to			
Other capital projects			9
	<u>2,205,636</u>	<u>9,233,279</u>	<u>26,095,174</u>
<b>Total fund balances</b>			
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 2,501,711</u>	<u>\$ 9,416,449</u>	<u>\$ 27,488,356</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, 2014

	General Government Improvements	Capital Projects Street Improvements	Municipal Buildings Facilities	Civic Center Facilities
<b>REVENUES</b>				
Intergovernmental Contributions	\$	\$ 6,845,651	\$	\$
Investment income			30,607	16,091
Miscellaneous		2,831		
<b>Total revenues</b>		<b>6,848,482</b>	<b>30,607</b>	<b>16,091</b>
<b>EXPENDITURES</b>				
Current				
General government	1,759		83,430	26,215
Judicial			300	
Public safety				
Public works	31,178	2,579,364	1,444	
Culture and recreation				
<b>Total current</b>	<b>32,937</b>	<b>2,579,364</b>	<b>85,174</b>	<b>26,215</b>
Capital outlay				
General government			659,602	169,681
Public safety			221,436	
Public works		6,198,262		
Culture and recreation				
Community support		224,990		
<b>Total capital outlay</b>	<b>32,937</b>	<b>6,423,252</b>	<b>881,038</b>	<b>169,681</b>
<b>Total expenditures</b>	<b>32,937</b>	<b>9,002,616</b>	<b>966,212</b>	<b>195,896</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(32,937)</b>	<b>(2,154,134)</b>	<b>(935,605)</b>	<b>(179,805)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in		1,975,182	4,240,000	
Transfers out			(4,240,000)	(3,864,900)
<b>Total other financing sources (uses)</b>		<b>1,975,182</b>	<b>(4,240,000)</b>	<b>(3,864,900)</b>
<b>CHANGE IN FUND BALANCE</b>	(32,937)	(178,952)	(935,605)	(4,044,705)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>184,447</b>	<b>3,677,442</b>	<b>7,511,152</b>	<b>8,475,417</b>
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 151,510</b>	<b>\$ 3,498,490</b>	<b>\$ 6,575,547</b>	<b>\$ 4,430,712</b>

(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, 2014

	Parks and Recreation Projects	Public Safety Projects	Total Capital Projects
<b>REVENUES</b>			
Intergovernmental Contributions	\$ 11,422,606	\$ 5,442,078	\$ 23,710,335
Investment income		487,651	487,651
Miscellaneous			46,698
			2,831
<b>Total revenues</b>	<b><u>11,422,606</u></b>	<b><u>5,929,729</u></b>	<b><u>24,247,515</u></b>
<b>EXPENDITURES</b>			
Current			
General government		13,897	125,301
Judicial			300
Public safety		71,757	71,757
Public works		1,081,636	3,693,622
Culture and recreation	1,135,636		1,135,636
<b>Total current</b>	<b><u>1,135,636</u></b>	<b><u>1,167,290</u></b>	<b><u>5,026,616</u></b>
Capital outlay			
General government			829,283
Public safety		888,708	1,110,144
Public works		4,228,018	10,426,280
Culture and recreation	10,596,416		10,596,416
Community support			224,990
<b>Total capital outlay</b>	<b><u>10,596,416</u></b>	<b><u>5,116,726</u></b>	<b><u>23,187,113</u></b>
<b>Total expenditures</b>	<b><u>11,732,052</u></b>	<b><u>6,284,016</u></b>	<b><u>28,213,729</u></b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b><u>(309,446)</u></b>	<b><u>(354,287)</u></b>	<b><u>(3,966,214)</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	915,000	1,547,500	8,677,682
Transfers out			(8,104,900)
<b>Total other financing sources (uses)</b>	<b><u>915,000</u></b>	<b><u>1,547,500</u></b>	<b><u>572,782</u></b>
<b>CHANGE IN FUND BALANCE</b>	<b>605,554</b>	<b>1,193,213</b>	<b>(3,393,432)</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b><u>1,600,082</u></b>	<b><u>8,040,066</u></b>	<b><u>29,488,606</u></b>
<b>FUND BALANCE, END OF YEAR</b>	<b><u>\$ 2,205,636</u></b>	<b><u>\$ 9,233,279</u></b>	<b><u>\$ 26,095,174</u></b>

# 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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES</b>				
General government				
Finance				
Salaries and wages	\$	\$	\$ 271	\$ (271)
Employee benefits			184	(184)
Services and supplies			8	(8)
Total finance			<u>463</u>	<u>(463)</u>
Other				
Services and supplies			<u>1,296</u>	<u>(1,296)</u>
Public works				
Administration				
Salaries and wages			2,000	(2,000)
Employee benefits			1,591	(1,591)
Services and supplies			60	(60)
Total administration			<u>3,651</u>	<u>(3,651)</u>
Engineering				
Salaries and wages			6,603	(6,603)
Employee benefits			4,053	(4,053)
Services and supplies			198	(198)
Total engineering			<u>10,854</u>	<u>(10,854)</u>
Construction				
Salaries and wages		25,000	9,371	15,629
Employee benefits			5,469	(5,469)
Services and supplies		15,000	281	14,719
Total construction		<u>40,000</u>	<u>15,121</u>	<u>24,879</u>
Survey				
Salaries and wages			946	(946)
Employee benefits			578	(578)
Services and supplies			28	(28)
Total survey			<u>1,552</u>	<u>(1,552)</u>
Total public works		<u>40,000</u>	<u>31,178</u>	<u>8,822</u>
CHANGE IN FUND BALANCE		(40,000)	(32,937)	7,063
FUND BALANCE, BEGINNING OF YEAR	<u>184,447</u>	<u>184,447</u>	<u>184,447</u>	
FUND BALANCE, END OF YEAR	<u>\$ 184,447</u>	<u>\$ 144,447</u>	<u>\$ 151,510</u>	<u>\$ 7,063</u>

# 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, 2014

	Original Budget	Final Budget	Actual	Variance
<b>REVENUES</b>				
Intergovernmental	\$ 30,656,410	\$ 30,656,410	\$ 6,845,651	\$ (23,810,759)
Miscellaneous	546,900	546,900	2,831	(544,069)
<b>Total revenues</b>	<b>31,203,310</b>	<b>31,203,310</b>	<b>6,848,482</b>	<b>(24,354,828)</b>
<b>EXPENDITURES</b>				
Public works				
Administration				
Salaries and wages			11,716	(11,716)
Employee benefits			7,672	(7,672)
Services and supplies			358	(358)
<b>Total administration</b>	<b></b>	<b></b>	<b>19,746</b>	<b>(19,746)</b>
Flood control				
Salaries and wages			1,650	(1,650)
Employee benefits			966	(966)
Services and supplies			260,713	(260,713)
Capital outlay			5,344	(5,344)
<b>Total flood control</b>	<b></b>	<b></b>	<b>268,673</b>	<b>(268,673)</b>
Streets				
Salaries and wages	2,300,727	2,300,727		2,300,727
Employee benefits	996,775	996,775		996,775
Services and supplies	3,095,008	3,244,497	1,082,144	2,162,353
Capital outlay	27,681,900	27,681,900	6,192,918	21,488,982
<b>Total streets</b>	<b>34,074,410</b>	<b>34,223,899</b>	<b>7,275,062</b>	<b>26,948,837</b>
Engineering				
Salaries and wages			282,432	(282,432)
Employee benefits			178,542	(178,542)
Services and supplies			8,637	(8,637)
<b>Total engineering</b>	<b></b>	<b></b>	<b>469,611</b>	<b>(469,611)</b>
Real property				
Salaries and wages			89,120	(89,120)
Employee benefits			55,525	(55,525)
Services and supplies			2,675	(2,675)
<b>Total real property</b>	<b></b>	<b></b>	<b>147,320</b>	<b>(147,320)</b>
Construction				
Salaries and wages			169,029	(169,029)
Employee benefits			146,993	(146,993)
Services and supplies			7,335	(7,335)
<b>Total construction</b>	<b></b>	<b></b>	<b>323,357</b>	<b>(323,357)</b>
Survey				
Salaries and wages			135,776	(135,776)
Employee benefits			84,402	(84,402)
Services and supplies			4,074	(4,074)
<b>Total survey</b>	<b></b>	<b></b>	<b>224,252</b>	<b>(224,252)</b>
Other				
Salaries and wages			28,561	(28,561)
Employee benefits			19,869	(19,869)
Services and supplies			1,175	(1,175)
<b>Total other</b>	<b></b>	<b></b>	<b>49,605</b>	<b>(49,605)</b>
<b>Total public works</b>	<b>34,074,410</b>	<b>34,223,899</b>	<b>8,777,626</b>	<b>25,446,273</b>

(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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Community support				
Developer agreements				
Capital outlay	4,500,000	4,500,000	224,990	4,275,010
Total developer agreements	<u>4,500,000</u>	<u>4,500,000</u>	<u>224,990</u>	<u>4,275,010</u>
Total community support	<u>4,500,000</u>	<u>4,500,000</u>	<u>224,990</u>	<u>4,275,010</u>
Total expenditures	<u>38,574,410</u>	<u>38,723,899</u>	<u>9,002,616</u>	<u>29,721,283</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(7,371,100)</u>	<u>(7,520,589)</u>	<u>(2,154,134)</u>	<u>5,366,455</u>
OTHER FINANCING SOURCES				
Transfers in	<u>6,514,000</u>	<u>6,663,489</u>	<u>1,975,182</u>	<u>(4,688,307)</u>
CHANGE IN FUND BALANCE	(857,100)	(857,100)	(178,952)	678,148
FUND BALANCE, BEGINNING OF YEAR	<u>2,668,901</u>	<u>3,677,442</u>	<u>3,677,442</u>	
FUND BALANCE, END OF YEAR	<u>\$ 1,811,801</u>	<u>\$ 2,820,342</u>	<u>\$ 3,498,490</u>	<u>\$ 678,148</u>

# 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, 2014

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Investment income	\$ 31,000	\$ 31,000	\$ 30,607	\$ (393)
EXPENDITURES				
General government				
Finance				
Salaries and wages			249	(249)
Employee benefits			76	(76)
Services and supplies			3	(3)
Total finance			328	(328)
Other				
Salaries and wages	73,000	73,000	199	72,801
Employee benefits	33,000	33,000	15	32,985
Services and supplies	1,412,125	1,465,288	82,888	1,382,400
Capital outlay		431,237	659,602	(228,365)
Total other	1,518,125	2,002,525	742,704	1,259,821
Total general government	1,518,125	2,002,525	743,032	1,259,493
Judicial				
Other				
Salaries and wages			280	(280)
Employee benefits			20	(20)
Total other			300	(300)
Total judicial			300	(300)
Public safety				
Other				
Salaries and wages	9,125	9,125		9,125
Employee benefits	4,125	4,125		4,125
Services and supplies	26,750	26,750		26,750
Capital outlay		257,515	221,436	36,079
Total other	40,000	297,515	221,436	76,079
Public works				
Other				
Salaries and wages	35,800	35,800	879	34,921
Employee benefits	15,900	15,900	539	15,361
Services and supplies	71,300	71,300	26	71,274
Total other	123,000	123,000	1,444	121,556
Total public works	123,000	123,000	1,444	121,556
Culture and recreation				
Other				
Capital outlay	1,092,000	1,092,000		1,092,000
Total other	1,092,000	1,092,000		1,092,000
Total expenditures	2,773,125	3,515,040	966,212	2,548,828
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,742,125)	(3,484,040)	(935,605)	2,548,435

(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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	4,240,000	4,240,000	4,240,000	
Transfers out	<u>(4,240,000)</u>	<u>(4,240,000)</u>	<u>(4,240,000)</u>	
Total other financing sources (uses)	<u>                    </u>	<u>                    </u>	<u>                    </u>	
CHANGE IN FUND BALANCE	(2,742,125)	(3,484,040)	(935,605)	2,548,435
FUND BALANCE, BEGINNING OF YEAR	<u>6,990,652</u>	<u>7,511,152</u>	<u>7,511,152</u>	
FUND BALANCE, END OF YEAR	<u>\$ 4,248,527</u>	<u>\$ 4,027,112</u>	<u>\$ 6,575,547</u>	<u>\$ 2,548,435</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, 2014

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Investment income	\$ 18,400	\$ 18,400	\$ 16,091	\$ (2,309)
EXPENDITURES				
General government				
Finance				
Salaries and wages			208	(208)
Employee benefits			102	(102)
Services and supplies			6	(6)
Total finance			316	(316)
Other				
Salaries and wages			9,134	(9,134)
Employee benefits			4,473	(4,473)
Services and supplies	1,128,650	1,285,650	12,292	1,273,358
Capital outlay			169,681	(169,681)
Total other	1,128,650	1,285,650	195,580	1,090,070
Total general government	1,128,650	1,285,650	195,896	1,089,754
Total expenditures	1,128,650	1,285,650	195,896	1,089,754
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,110,250)	(1,267,250)	(179,805)	1,087,445
OTHER FINANCING SOURCES				
Transfers out	(3,864,900)	(3,864,900)	(3,864,900)	
CHANGE IN FUND BALANCE	(4,975,150)	(5,132,150)	(4,044,705)	1,087,445
FUND BALANCE, BEGINNING OF YEAR	10,249,360	8,475,417	8,475,417	
FUND BALANCE, END OF YEAR	\$ 5,274,210	\$ 3,343,267	\$ 4,430,712	\$ 1,087,445

# 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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 10,987,587	\$ 17,520,061	\$ 11,422,606	\$ (6,097,455)
Total revenues	<u>10,987,587</u>	<u>17,520,061</u>	<u>11,422,606</u>	<u>(6,097,455)</u>
EXPENDITURES				
Public works				
Other				
Salaries and wages	690,861	690,861		690,861
Employee benefits	301,934	301,934		301,934
Services and supplies	828,971	828,971		828,971
Total other	<u>1,821,766</u>	<u>1,821,766</u>		<u>1,821,766</u>
Total public works	<u>1,821,766</u>	<u>1,821,766</u>		<u>1,821,766</u>
Culture and recreation				
Administration				
Salaries and wages			33,522	(33,522)
Employee benefits			20,409	(20,409)
Services and supplies			642,835	(642,835)
Capital outlay	10,361,821	16,894,295	10,532,902	6,361,393
Total administration	<u>10,361,821</u>	<u>16,894,295</u>	<u>11,229,668</u>	<u>5,664,627</u>
Parks planning and development				
Services and supplies			954	(954)
Capital outlay			63,514	(63,514)
Total parks planning and development			<u>64,468</u>	<u>(64,468)</u>
Other				
Salaries and wages			272,987	(272,987)
Employee benefits			157,245	(157,245)
Services and supplies			7,684	(7,684)
Total other			<u>437,916</u>	<u>(437,916)</u>
Total culture and recreation	<u>10,361,821</u>	<u>16,894,295</u>	<u>11,732,052</u>	<u>5,162,243</u>
Total expenditures	<u>12,183,587</u>	<u>18,716,061</u>	<u>11,732,052</u>	<u>6,984,009</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,196,000)</u>	<u>(1,196,000)</u>	<u>(309,446)</u>	<u>886,554</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	915,000	915,000	915,000	
Total other financing sources (uses)	<u>915,000</u>	<u>915,000</u>	<u>915,000</u>	
CHANGE IN FUND BALANCE	(281,000)	(281,000)	605,554	886,554
FUND BALANCE, BEGINNING OF YEAR	<u>1,259,932</u>	<u>1,600,082</u>	<u>1,600,082</u>	
FUND BALANCE, END OF YEAR	<u>\$ 978,932</u>	<u>\$ 1,319,082</u>	<u>\$ 2,205,636</u>	<u>\$ 886,554</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental Contributions	\$ 5,493,100	\$ 5,493,100	\$ 5,442,078	\$ (51,022)
			<u>487,651</u>	<u>487,651</u>
Total revenues	<u>5,493,100</u>	<u>5,493,100</u>	<u>5,929,729</u>	<u>436,629</u>
EXPENDITURES				
General government				
Other				
Salaries and wages			8,204	(8,204)
Employee benefits			5,445	(5,445)
Services and supplies			248	(248)
Total other			<u>13,897</u>	<u>(13,897)</u>
Total general government			<u>13,897</u>	<u>(13,897)</u>
Public safety				
Protective services				
Salaries and wages			22,567	(22,567)
Employee benefits			13,972	(13,972)
Services and supplies			1,349	(1,349)
Capital outlay			101,034	(101,034)
Total protective services			<u>138,922</u>	<u>(138,922)</u>
Fire				
Services and supplies	878,500	765,000	33,869	731,131
Capital outlay	1,736,000	1,823,676	787,674	1,036,002
Total fire	<u>2,614,500</u>	<u>2,588,676</u>	<u>821,543</u>	<u>1,767,133</u>
Total public safety	<u>2,614,500</u>	<u>2,588,676</u>	<u>960,465</u>	<u>1,628,211</u>
Public works				
Other				
Salaries and wages	330,600	330,600	182,376	148,224
Employee benefits	144,900	144,900	108,805	36,095
Services and supplies	891,500	891,500	790,455	101,045
Capital outlay	4,296,100	4,296,100	4,228,018	68,082
Total other	<u>5,663,100</u>	<u>5,663,100</u>	<u>5,309,654</u>	<u>353,446</u>
Total public works	<u>5,663,100</u>	<u>5,663,100</u>	<u>5,309,654</u>	<u>353,446</u>
Total expenditures	<u>8,277,600</u>	<u>8,251,776</u>	<u>6,284,016</u>	<u>1,967,760</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,784,500)</u>	<u>(2,758,676)</u>	<u>(354,287)</u>	<u>2,404,389</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,547,500	1,547,500	1,547,500	
Total other financing sources (uses)	<u>1,547,500</u>	<u>1,547,500</u>	<u>1,547,500</u>	
CHANGE IN FUND BALANCE	(1,237,000)	(1,211,176)	1,193,213	2,404,389
FUND BALANCE, BEGINNING OF YEAR	<u>7,228,530</u>	<u>8,040,066</u>	<u>8,040,066</u>	
FUND BALANCE, END OF YEAR	<u>\$ 5,991,530</u>	<u>\$ 6,828,890</u>	<u>\$ 9,233,279</u>	<u>\$ 2,404,389</u>

# **PROPRIETARY FUNDS**



# **MAJOR ENTERPRISE FUNDS**



# **CITY OF NORTH LAS VEGAS**

## **MAJOR ENTERPRISE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>				
Utility fees	\$ 38,121,000	\$ 38,121,000	\$ 37,493,357	\$ (627,643)
Construction fees	211,000	211,000	267,859	56,859
Connection fees	900,000	900,000	1,683,360	783,360
Fines and forfeitures	839,000	839,000	600,508	(238,492)
Miscellaneous	271,000	271,000	640,835	369,835
Total operating revenues	<u>40,342,000</u>	<u>40,342,000</u>	<u>40,685,919</u>	<u>343,919</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	4,448,046	5,160,179	3,999,055	1,161,124
Employee benefits	2,082,265	2,308,840	1,677,734	631,106
Services and supplies	13,695,261	16,845,226	12,179,299	4,665,927
Depreciation and amortization	19,973,200	19,973,200	13,328,994	6,644,206
Total operating expenses	<u>40,198,772</u>	<u>44,287,445</u>	<u>31,185,082</u>	<u>13,102,363</u>
Operating income	<u>143,228</u>	<u>(3,945,445)</u>	<u>9,500,837</u>	<u>13,446,282</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment income			13,586	13,586
Gain on capital asset disposition			751	751
Interest and fiscal charges	(15,321,000)	(15,321,000)	(15,171,210)	149,790
Intergovernmental	5,657,754	5,657,754	6,209,435	551,681
Total nonoperating revenues (expenses)	<u>(9,663,246)</u>	<u>(9,663,246)</u>	<u>(8,947,438)</u>	<u>715,808</u>
Income before capital contributions and transfers	<u>(9,520,018)</u>	<u>(13,608,691)</u>	<u>553,399</u>	<u>14,162,090</u>
<b>CAPITAL CONTRIBUTIONS</b>				
Capital contributions			1,320,110	1,320,110
<b>TRANSFERS</b>				
Transfers out	<u>(9,600,000)</u>	<u>(5,579,160)</u>	<u>(5,579,160)</u>	
CHANGE IN NET POSITION	<u>\$ (19,120,018)</u>	<u>\$ (19,187,851)</u>	<u>(3,705,651)</u>	<u>\$ 15,482,200</u>
NET POSITION, BEGINNING OF YEAR			<u>166,977,293</u>	
NET POSITION, END OF YEAR			<u>\$ 163,271,642</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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>				
Utility fees	\$ 47,529,000	\$ 47,529,000	\$ 48,776,854	\$ 1,247,854
Construction fees	166,000	166,000	336,509	170,509
Connection fees	2,918,000	2,918,000	862,551	(2,055,449)
Other charges for services			1,908,640	1,908,640
Fines and forfeitures	1,066,000	1,066,000	1,465,896	399,896
Miscellaneous	656,000	656,000	805,663	149,663
Total operating revenues	<u>52,335,000</u>	<u>52,335,000</u>	<u>54,156,113</u>	<u>1,821,113</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	6,156,774	6,760,115	5,820,235	939,880
Employee benefits	2,931,347	3,143,401	2,620,207	523,194
Services and supplies	21,044,150	24,781,979	22,317,929	2,464,050
Depreciation and amortization	5,592,000	5,592,000	5,544,977	47,023
Total operating expenses	<u>35,724,271</u>	<u>40,277,495</u>	<u>36,303,348</u>	<u>3,974,147</u>
Operating income	<u>16,610,729</u>	<u>12,057,505</u>	<u>17,852,765</u>	<u>5,795,260</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Gain on capital asset disposition			11,917	11,917
Interest and fiscal charges	(709,500)	(709,500)	(596,009)	113,491
Income before capital contributions and transfers	<u>15,901,229</u>	<u>11,348,005</u>	<u>17,268,673</u>	<u>5,920,668</u>
<b>CAPITAL CONTRIBUTIONS</b>				
Capital contributions			1,456,792	1,456,792
<b>TRANSFERS</b>				
Transfers in		894,397	46,188	(848,209)
Transfers out	(22,400,000)	(18,419,770)	(18,419,770)	
CHANGE IN NET POSITION	<u>\$ (6,498,771)</u>	<u>\$ (6,177,368)</u>	351,883	<u>\$ 6,529,251</u>
NET POSITION, BEGINNING OF YEAR			<u>136,604,246</u>	
NET POSITION, END OF YEAR			<u>\$ 136,956,129</u>	

# **NON-MAJOR ENTERPRISE FUNDS**



**CITY OF NORTH LAS VEGAS**

**NON-MAJOR ENTERPRISE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>				
User fees	\$ 1,739,414	\$ 1,739,414	\$ 2,017,409	\$ 277,995
Miscellaneous	444,836	444,836	50,372	(394,464)
Total operating revenues	<u>2,184,250</u>	<u>2,184,250</u>	<u>2,067,781</u>	<u>(116,469)</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	205,711	208,215	124,376	83,839
Employee benefits	60,803	61,336	22,004	39,332
Services and supplies	2,200,471	2,563,766	2,731,956	(168,190)
Depreciation and amortization	9,500	9,500	226,358	(216,858)
Total operating expenses	<u>2,476,485</u>	<u>2,842,817</u>	<u>3,104,694</u>	<u>(261,877)</u>
Operating loss	<u>(292,235)</u>	<u>(658,567)</u>	<u>(1,036,913)</u>	<u>(378,346)</u>
<b>NONOPERATING REVENUES</b>				
Gain on capital asset disposition	<u>                    </u>	<u>                    </u>	(145,668)	(145,668)
Loss before transfers	<u>(292,235)</u>	<u>(658,567)</u>	<u>(1,182,581)</u>	<u>(524,014)</u>
<b>TRANSFERS</b>				
Transfers in	90,000	453,220	853,220	400,000
Transfers out	<u>                    </u>	<u>                    </u>	(947,239)	(947,239)
CHANGE IN NET POSITION	<u>\$ (202,235)</u>	<u>\$ (205,347)</u>	(1,276,600)	<u>\$ (1,071,253)</u>
NET POSITION, BEGINNING OF YEAR			<u>6,807,559</u>	
NET POSITION, END OF YEAR			<u>\$ 5,530,959</u>	



# **INTERNAL SERVICE FUNDS**



# **CITY OF NORTH LAS VEGAS**

## **INTERNAL SERVICE FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2014**

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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, 2014

	<u>Motor Equipment</u>	<u>Self-insurance Reserve</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>			
Current assets			
Cash, cash equivalents and investments	\$ 1,627,521	\$ 20,124,207	\$ 21,751,728
Accounts receivable, net	4,725	169	4,894
Prepaid items		73,921	73,921
Due from other funds		6,346,209	6,346,209
Inventories	258,143		258,143
Restricted assets			
Cash, cash equivalents and investments	<u>1,618,906</u>	<u>1,917,346</u>	<u>3,536,252</u>
Total current assets	<u>3,509,295</u>	<u>28,461,852</u>	<u>31,971,147</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation and amortization			
Construction in progress	64,956		64,956
Buildings and building improvements	264,099		264,099
Improvements other than buildings	92,320		92,320
Machinery, equipment and software	<u>2,142,804</u>		<u>2,142,804</u>
Total noncurrent assets	<u>2,564,179</u>		<u>2,564,179</u>
Total assets	<u>6,073,474</u>	<u>28,461,852</u>	<u>34,535,326</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable and other accrued liabilities	245,040	6,156,535	6,401,575
Accrued salaries and benefits	6,861	6,416,599	6,423,460
Due to other funds	2,116	1,447	3,563
Due to other governments	84	46,253	46,337
Customer deposits		1,486	1,486
Compensated absences	<u>30,564</u>	<u>19,933</u>	<u>50,497</u>
Total current liabilities	<u>284,665</u>	<u>12,642,253</u>	<u>12,926,918</u>
Noncurrent liabilities			
Compensated absences	219,554	143,187	362,741
Postemployment benefits other than pensions		<u>11,687,908</u>	<u>11,687,908</u>
Total noncurrent liabilities	<u>219,554</u>	<u>11,831,095</u>	<u>12,050,649</u>
Total liabilities	<u>504,219</u>	<u>24,473,348</u>	<u>24,977,567</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,564,179		2,564,179
Restricted			
Other	<u>3,005,076</u>	<u>3,988,504</u>	<u>6,993,580</u>
Total net position	<u>\$ 5,569,255</u>	<u>\$ 3,988,504</u>	<u>\$ 9,557,759</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, 2014

	<u>Motor Equipment</u>	<u>Self-insurance Reserve</u>	<u>Total Internal Service Funds</u>
OPERATING REVENUES			
Other charges for services	\$ 6,590,218	\$ 23,113,415	\$ 29,703,633
OPERATING EXPENSES			
Salaries and wages	771,377	11,473,184	12,244,561
Employee benefits	314,816	1,972,857	2,287,673
Services and supplies	2,750,363	18,053,351	20,803,714
Depreciation and amortization	572,755		572,755
Total operating expenses	<u>4,409,311</u>	<u>31,499,392</u>	<u>35,908,703</u>
Operating income (loss)	<u>2,180,907</u>	<u>(8,385,977)</u>	<u>(6,205,070)</u>
NONOPERATING REVENUES			
Investment income		5,489	5,489
Gain on capital asset disposition	4,030		4,030
Total nonoperating revenues	<u>4,030</u>	<u>5,489</u>	<u>9,519</u>
Loss before transfers	<u>2,184,937</u>	<u>(8,380,488)</u>	<u>(6,195,551)</u>
TRANSFERS			
Transfers in		12,098,988	12,098,988
Transfers out	(539,020)		(539,020)
Total transfers	<u>(539,020)</u>	<u>12,098,988</u>	<u>11,559,968</u>
CHANGE IN NET POSITION	1,645,917	3,718,500	5,364,417
NET POSITION, BEGINNING OF YEAR	<u>3,923,338</u>	<u>270,004</u>	<u>4,193,342</u>
NET POSITION, END OF YEAR	<u>\$ 5,569,255</u>	<u>\$ 3,988,504</u>	<u>\$ 9,557,759</u>

# CITY OF NORTH LAS VEGAS

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2014

	<u>Motor Equipment</u>	<u>Self-insurance Reserve</u>	<u>Total Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from interfund services	\$ 6,585,059	\$ 17,444,742	\$ 24,029,801
Cash payments for goods and services	(2,864,542)	(19,688,949)	(22,553,491)
Cash payments for employee services	(1,159,502)	(5,850,891)	(7,010,393)
Net cash provided by operating activities	<u>2,561,015</u>	<u>(8,095,098)</u>	<u>(5,534,083)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in		12,098,988	12,098,988
Transfers out	(539,020)		(539,020)
Net cash provided by noncapital financing activities	<u>(539,020)</u>	<u>12,098,988</u>	<u>11,559,968</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(2,001,359)		(2,001,359)
Proceeds received from disposal of capital assets	8,507		8,507
Net cash used in capital financing activities	<u>(1,992,852)</u>		<u>(1,992,852)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income received		5,489	5,489
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
	29,143	4,009,379	4,038,522
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>			
	<u>3,217,284</u>	<u>18,032,174</u>	<u>21,249,458</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>			
	<u>\$ 3,246,427</u>	<u>\$ 22,041,553</u>	<u>\$ 25,287,980</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 2,180,907	\$ (8,385,977)	\$ (6,205,070)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation	572,755		572,755
(Increase) decrease in operating assets			
Accounts receivable	(4,725)	262,556	257,831
Due from other funds		(5,931,232)	(5,931,232)
Inventories	(22,393)		(22,393)
Prepaid items		98,075	98,075
Increase (decrease) in operating liabilities			
Accounts payable	(91,604)	(1,654,472)	(1,746,076)
Accrued salaries and benefits	(49,626)	6,177,859	6,128,233
Due to other funds	(434)	(36)	(470)
Due to other governments	(182)	(79,201)	(79,383)
Customer deposits		39	39
Compensated absences	(23,683)	(56,262)	(79,945)
Postemployment benefits other than pensions		1,473,553	1,473,553
Total adjustments	<u>380,108</u>	<u>290,879</u>	<u>670,987</u>
Net cash provided by operating activities	<u>\$ 2,561,015</u>	<u>\$ (8,095,098)</u>	<u>\$ (5,534,083)</u>

# CITY OF NORTH LAS VEGAS

## MOTOR EQUIPMENT ENTERPRISE FUND

### SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Other charges for services	\$ 6,328,969	\$ 6,460,202	\$ 6,590,218	\$ 130,016
OPERATING EXPENSES				
Salaries and wages	799,383	899,750	771,377	128,373
Employee benefits	321,780	361,086	314,816	46,270
Services and supplies	3,299,909	3,202,920	2,750,363	452,557
Depreciation and amortization	960,000	960,000	572,755	387,245
Total operating expenses	<u>5,381,072</u>	<u>5,423,756</u>	<u>4,409,311</u>	<u>1,014,445</u>
Operating loss	<u>947,897</u>	<u>1,036,446</u>	<u>2,180,907</u>	<u>1,144,461</u>
NONOPERATING REVENUES				
Gain on capital asset disposition			4,030	4,030
Income (loss) before transfers	<u>947,897</u>	<u>1,036,446</u>	<u>2,184,937</u>	<u>1,148,491</u>
TRANSFERS				
Transfers out	<u>(539,020)</u>	<u>(539,020)</u>	<u>(539,020)</u>	
Total transfers	<u>(539,020)</u>	<u>(539,020)</u>	<u>(539,020)</u>	
CHANGE IN NET POSITION	<u>\$ 408,877</u>	<u>\$ 497,426</u>	1,645,917	<u>\$ 1,148,491</u>
NET POSITION, BEGINNING OF YEAR			<u>3,923,338</u>	
NET POSITION, END OF YEAR			<u>\$ 5,569,255</u>	

# CITY OF NORTH LAS VEGAS

## SELF-INSURANCE RESERVE ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET TO ACTUAL FOR THE YEAR ENDED JUNE 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Other charges for services	\$ 19,295,000	\$ 21,370,400	\$ 23,113,415	\$ 1,743,015
OPERATING EXPENSES				
Salaries and wages	474,090	11,686,038	11,473,184	212,854
Employee benefits	209,372	521,192	1,972,857	(1,451,665)
Services and supplies	20,486,845	15,230,116	18,053,351	(2,823,235)
Total operating expenses	<u>21,170,307</u>	<u>27,437,346</u>	<u>31,499,392</u>	<u>(4,062,046)</u>
Operating loss	<u>(1,875,307)</u>	<u>(6,066,946)</u>	<u>(8,385,977)</u>	<u>(2,319,031)</u>
NONOPERATING REVENUES				
Investment income			5,489	5,489
Loss before transfers	<u>(1,875,307)</u>	<u>(6,066,946)</u>	<u>(8,380,488)</u>	<u>(2,313,542)</u>
TRANSFERS				
Transfers in		6,245,922	12,098,988	5,853,066
CHANGE IN NET POSITION	<u>\$ (1,875,307)</u>	<u>\$ 178,976</u>	3,718,500	<u>\$ 3,539,524</u>
NET POSITION, BEGINNING OF YEAR			270,004	
NET POSITION, END OF YEAR			<u>\$ 3,988,504</u>	



# **FIDUCIARY FUNDS**



# CITY OF NORTH LAS VEGAS

## AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2014

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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.



# CITY OF NORTH LAS VEGAS

## AGENCY FUNDS COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES JUNE 30, 2014

	Bail Deposits	Non-forfeiture Holding	Other Deposits	Business Cleanup Deposits	Special Trust Reward	Employee Insurance Deposits	Workers' Compensation Retention	Contractor Retention Accounts
<b>ASSETS</b>								
Cash, cash equivalents and investments	\$ 249,328	\$ 356,654	\$ 2,641,749	\$ 13,549	\$ 15,000	\$ 91,661	\$ 258	\$ 741,648
Accounts receivable, net				(50)		394		
Interest receivable								
Special assessments receivable								
Total assets	\$ 249,328	\$ 356,654	\$ 2,641,749	\$ 13,499	\$ 15,000	\$ 92,055	\$ 258	\$ 741,648
<b>LIABILITIES</b>								
Due to other governments	\$	\$	\$	\$	\$	\$	\$	\$
Due to developers								741,586
Due to others	249,328	356,654	2,641,749	13,499	15,000	92,055	258	62
Total liabilities	\$ 249,328	\$ 356,654	\$ 2,641,749	\$ 13,499	\$ 15,000	\$ 92,055	\$ 258	\$ 741,648

(Continued)

**CITY OF NORTH LAS VEGAS**

**AGENCY FUNDS  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES (CONTINUED)  
JUNE 30, 2014**

	<u>New Construction Privilege Tax</u>	<u>Convention Authority Tax</u>	<u>Garbage Company Collection</u>	<u>Inmate Deposits</u>	<u>SIAD No. 54 (Civic Center Drive Development)</u>	<u>SIAD No. 60 (Aliante Development)</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>							
Cash, cash equivalents and investments	\$ 68,618	\$ 172,816	\$ 1,657,055	\$ 5,015	\$ 468,796	\$ 4,487,427	\$ 10,969,574
Accounts receivable, net		952	2,880,481				2,881,777
Interest receivable						8,325	8,325
Special assessments receivable						51,632	51,632
Total assets	<u>\$ 68,618</u>	<u>\$ 173,768</u>	<u>\$ 4,537,536</u>	<u>\$ 5,015</u>	<u>\$ 468,796</u>	<u>\$ 4,547,384</u>	<u>\$ 13,911,308</u>
<b>LIABILITIES</b>							
Due to other governments	\$ 68,618	\$ 173,768		\$	\$	\$	\$ 242,386
Due to developers							741,586
Due to others			4,537,536	5,015	468,796	4,547,384	12,927,336
Total liabilities	<u>\$ 68,618</u>	<u>\$ 173,768</u>	<u>\$ 4,537,536</u>	<u>\$ 5,015</u>	<u>\$ 468,796</u>	<u>\$ 4,547,384</u>	<u>\$ 13,911,308</u>

# CITY OF NORTH LAS VEGAS

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
<b>BAIL DEPOSITS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 209,513	\$ 483,308	\$ 443,493	\$ 249,328
<b>LIABILITIES</b>				
Due to others	\$ 209,513	\$ 1,571,210	\$ 1,531,395	\$ 249,328
<b>NON-FORFEITURE HOLDING</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 427,407	\$ 58,271	\$ 129,024	\$ 356,654
<b>LIABILITIES</b>				
Due to others	\$ 427,407	\$ 61,708	\$ 132,461	\$ 356,654
<b>OTHER DEPOSITS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 2,532,813	\$ 1,586,791	\$ 1,477,855	\$ 2,641,749
<b>LIABILITIES</b>				
Due to others	\$ 2,532,813	\$ 2,675,853	\$ 2,566,917	\$ 2,641,749
Total liabilities	\$ 2,532,813	\$ 2,675,853	\$ 2,566,917	\$ 2,641,749
<b>BUSINESS CLEANUP DEPOSITS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 11,749	\$ 3,350	\$ 1,550	\$ 13,549
Accounts receivable, net		5,200	5,250	(50)
Total assets	\$ 11,749	\$ 8,550	\$ 6,800	\$ 13,499
<b>LIABILITIES</b>				
Due to others	\$ 11,749	\$ 3,650	\$ 1,900	\$ 13,499
<b>SPECIAL TRUST REWARD</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 15,000			\$ 15,000
<b>LIABILITIES</b>				
Due to others	\$ 15,000			\$ 15,000
<b>EMPLOYEE INSURANCE DEPOSITS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 284,677	\$ 34,460,118	\$ 34,653,134	\$ 91,661
Accounts receivable, net	\$	\$ 394	\$	\$ 394
<b>LIABILITIES</b>				
Due to others	\$ 284,677	\$ 37,757,597	\$ 37,950,219	\$ 92,055
<b>WORKERS' COMPENSATION RETENTION</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$	\$ 258	\$	\$ 258
<b>LIABILITIES</b>				
Due to 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, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
<b>CONTRACTOR RETENTION ACCOUNTS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 3,615,120	\$ 847,502	\$ 3,720,974	\$ 741,648
<b>LIABILITIES</b>				
Due to developers	\$ 3,615,058	\$ 4,497,986	\$ 7,371,458	\$ 741,586
Due to others	<u>62</u>	<u>                    </u>	<u>                    </u>	<u>62</u>
Total liabilities	<u>\$ 3,615,120</u>	<u>\$ 4,497,986</u>	<u>\$ 7,371,458</u>	<u>\$ 741,648</u>
<b>NEW CONSTRUCTION PRIVILEGE TAX</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 53,950	\$ 1,147,809	\$ 1,133,141	\$ 68,618
<b>LIABILITIES</b>				
Due to other governments	\$ 53,950	\$ 2,476,494	\$ 2,461,826	\$ 68,618
<b>CONVENTION AUTHORITY TAX</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 133,516	\$ 2,072,418	\$ 2,033,117	\$ 172,816
Accounts receivable, net	<u>23,595</u>	<u>100,717</u>	<u>123,361</u>	<u>952</u>
Total assets	<u>\$ 157,111</u>	<u>\$ 2,173,135</u>	<u>\$ 2,156,478</u>	<u>\$ 173,768</u>
<b>LIABILITIES</b>				
Due to other governments	<u>\$ 157,111</u>	<u>\$ 4,746,598</u>	<u>\$ 4,729,941</u>	<u>\$ 173,768</u>
<b>GARBAGE COMPANY COLLECTION</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 1,519,146	\$ 19,830,938	\$ 19,693,029	\$ 1,657,055
Accounts receivable, net	<u>2,728,710</u>	<u>21,718,610</u>	<u>21,566,839</u>	<u>2,880,481</u>
Total assets	<u>\$ 4,247,856</u>	<u>\$ 41,549,548</u>	<u>\$ 41,259,868</u>	<u>\$ 4,537,536</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 4,247,856</u>	<u>\$ 41,412,219</u>	<u>\$ 41,122,539</u>	<u>\$ 4,537,536</u>
<b>INMATE DEPOSITS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	<u>\$ 5,015</u>	<u>                    </u>	<u>                    </u>	<u>\$ 5,015</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 5,015</u>	<u>                    </u>	<u>                    </u>	<u>\$ 5,015</u>

(Continued)

# CITY OF NORTH LAS VEGAS

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2014

	Balance July 1, 2013	Additions	Deductions	Balance June 30, 2014
<b>SIAD NO. 54 (CIVIC CENTER DRIVE DEVELOPMENT)</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 584,957	\$ 79,212	\$ 195,373	\$ 468,796
Interest receivable	5,317		5,317	
Special assessments receivable	<u>39,668</u>		<u>39,668</u>	
<b>Total assets</b>	<u>\$ 629,942</u>	<u>\$ 79,212</u>	<u>\$ 240,358</u>	<u>\$ 468,796</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 629,942</u>	<u>\$ 230,483</u>	<u>\$ 391,629</u>	<u>\$ 468,796</u>
<b>Total liabilities</b>	<u>\$ 629,942</u>	<u>\$ 230,483</u>	<u>\$ 391,629</u>	<u>\$ 468,796</u>
<b>SIAD NO. 60 (ALIANTE DEVELOPMENT)</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 4,341,000	\$ 4,003,936	\$ 3,857,509	\$ 4,487,427
Interest receivable	11,157		2,832	8,325
Special assessments receivable	<u>70,889</u>		<u>19,257</u>	<u>51,632</u>
<b>Total assets</b>	<u>\$ 4,423,046</u>	<u>\$ 4,003,936</u>	<u>\$ 3,879,598</u>	<u>\$ 4,547,384</u>
<b>LIABILITIES</b>				
Due to others	<u>\$ 4,423,046</u>	<u>\$ 12,762,825</u>	<u>\$ 12,638,487</u>	<u>\$ 4,547,384</u>
<b>Total liabilities</b>	<u>\$ 4,423,046</u>	<u>\$ 12,762,825</u>	<u>\$ 12,638,487</u>	<u>\$ 4,547,384</u>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Cash, cash equivalents and investments	\$ 13,733,863	\$ 64,573,911	\$ 67,338,199	\$ 10,969,574
Accounts receivable, net	2,752,305	21,824,921	21,695,450	2,881,777
Interest receivable	16,474		8,149	8,325
Special assessments receivable	<u>110,557</u>		<u>58,925</u>	<u>51,632</u>
<b>Total assets</b>	<u>\$ 16,613,199</u>	<u>\$ 86,398,832</u>	<u>\$ 89,100,723</u>	<u>\$ 13,911,308</u>
<b>LIABILITIES</b>				
Due to other governments	\$ 211,061	\$ 7,223,092	\$ 7,191,767	\$ 242,386
Due to developers	3,615,058	4,497,986	7,371,458	741,586
Due to others	<u>12,787,080</u>	<u>96,475,803</u>	<u>96,335,547</u>	<u>12,927,336</u>
<b>Total liabilities</b>	<u>\$ 16,613,199</u>	<u>\$ 108,196,881</u>	<u>\$ 110,898,772</u>	<u>\$ 13,911,308</u>

P B T K

PIERCY BOWLER  
TAYLOR & KERN

Certified Public Accountants  
Business Advisors

**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**

Honorable Mayor and 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, 2014, 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 February 6, 2015.

**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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014 - 001, to be a material weakness.

**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 Response to Findings.** The City's response to the findings identified in our audit is described in the

accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

We noted certain matters that we reported to management of the City in a separate letter dated February 6, 2015.

**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.

*Piercy Bowler Taylor & Kern*

Las Vegas, Nevada  
February 6, 2015



# **STATISTICAL SECTION**



# CITY OF NORTH LAS VEGAS

## STATISTICAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2014

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### 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.

- City 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<sup>(1)</sup> (UNAUDITED)

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
<b>Governmental activities</b>										
Net investment in capital assets	\$ 512,031,593	\$ 426,076,443	\$ 686,823,759	\$ 647,951,709	\$ 931,368,784	\$ 1,015,611,134	\$ 1,008,326,661 <sup>14</sup>	\$ 1,035,550,177	\$ 1,109,705,374	\$ 1,106,799,902
Restricted	52,742,169	219,962,997	170,062,533	175,099,469	822,415	25,463,718	74,650,721	70,286,644	73,249,575	73,249,575
Unrestricted	54,827,804	90,089,008	(17,102,203)	134,661,363	126,254,419	65,197,112	49,244,494	(5,838,643)	(14,533,877)	(9,551,124)
<b>Total governmental activities</b>	<u>619,601,566</u>	<u>736,128,448</u>	<u>839,784,089</u>	<u>957,712,541</u>	<u>1,058,445,618</u>	<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>1,170,498,353</u>
<b>Business-type activities</b>										
Net investment in capital assets	122,505,881	148,354,185	143,131,044	38,022,471	198,618,584	213,075,462	181,912,347	226,097,835	229,033,516	214,759,669
Restricted	5,542,657	6,299,601	135,082,528	159,367,463	10,945,118	13,317,115	47,537,496	7,132,932	4,514,658	75,134
Unrestricted	85,777,494	93,561,682	(9,672,204)	81,888,662	84,546,345	66,022,121	57,830,202	71,322,255	73,718,676	87,031,572
<b>Total business-type activities</b>	<u>213,826,032</u>	<u>248,215,468</u>	<u>268,541,368</u>	<u>279,278,596</u>	<u>294,110,047</u>	<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>
<b>Primary government</b>										
Net investment in capital assets	634,537,474	574,430,628	829,954,803	685,974,180	1,129,987,368	1,228,686,596	1,190,239,008	1,261,648,012	1,338,738,890	1,321,559,571
Restricted	58,284,826	226,262,598	305,145,061	334,466,932	11,767,533	13,317,115	73,001,214	81,783,653	74,801,302	73,324,709
Unrestricted	140,605,298	183,650,690	(26,774,407)	216,550,025	210,800,764	131,219,233	107,074,696	65,483,612	59,184,799	77,480,448
<b>Total primary government</b>	<u>\$ 833,427,598</u>	<u>\$ 984,343,916</u>	<u>\$ 1,108,325,457</u>	<u>\$ 1,236,991,137</u>	<u>\$ 1,352,555,665</u>	<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>\$ 1,472,364,728</u>

1. Fiscal year 2012 amounts were retroactively restated in fiscal year 2013.

# CITY OF NORTH LAS VEGAS

## CHANGES IN NET POSITION LAST TEN FISCAL YEARS<sup>(1)</sup> (UNAUDITED)

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012 <sup>2</sup>	June 30, 2013	June 30, 2014
<b>Expenses</b>										
Governmental activities										
General government	\$ 35,327,956	\$ 35,392,023	\$ 44,525,088	\$ 77,831,201	\$ 79,790,759	\$ 81,909,186	\$ 81,162,689	\$ 49,229,276	\$ 51,855,800	\$ 56,381,592
Judicial	6,354,035	7,867,369	11,798,220	13,226,034	14,153,887	10,780,531	10,125,028	10,521,037	9,496,348	9,896,150
Public safety	105,135,075	116,315,250	141,118,701	149,836,872	160,483,422	172,629,424	149,867,948	160,705,260	147,724,400	154,787,847
Public works	27,326,160	29,476,778	36,982,106	30,407,379	26,999,830	16,794,794	13,694,463	10,164,862	11,197,298	8,416,102
Culture and recreation	13,155,432	14,661,434	18,112,226	17,040,617	19,585,869	18,044,295	14,177,795	15,245,421	13,295,753	16,347,681
Community support	5,187,904	4,719,421	5,230,808	5,527,004	7,897,550	15,363,130	8,239,825	7,807,086	5,168,774	5,722,271
Interest on long-term debt	2,487,971	3,374,753	10,021,271	9,751,729	9,417,258	8,846,315	8,775,931	3,106,240	4,388,732	4,111,816
Total governmental activities	<u>194,974,533</u>	<u>211,807,028</u>	<u>267,788,420</u>	<u>303,620,836</u>	<u>318,328,575</u>	<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>
Business-type activities										
Wastewater	15,369,965	16,674,919	24,549,809	27,885,130	29,181,700	31,443,978	36,986,026	26,615,574	38,806,095	46,654,631
Water	28,626,134	32,392,345	36,406,905	38,491,805	34,652,481	33,198,374	32,402,016	33,863,783	33,417,139	37,368,080
Municipal golf courses	882,148	1,661,367	1,696,700	1,865,239	1,806,068	1,198,958	1,116,228	2,422,211	2,321,525	3,253,407
Total business-type activities	<u>44,878,247</u>	<u>50,728,631</u>	<u>62,653,414</u>	<u>68,242,174</u>	<u>65,640,249</u>	<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>
Total primary government expenses	<u>\$ 239,852,780</u>	<u>\$ 262,535,659</u>	<u>\$ 330,441,834</u>	<u>\$ 371,863,010</u>	<u>\$ 383,968,824</u>	<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>
<b>Program revenues</b>										
Governmental activities										
Charges for services										
General government	\$ 6,708,886	\$ 7,538,821	\$ 7,624,085	\$ 7,808,363	\$ 8,557,114	\$ 10,911,870	\$ 8,635,975	\$ 11,467,970	\$ 12,001,422	\$ 13,813,102
Judicial	9,246,994	9,435,382	11,631,052	2,208,306	2,515,779	3,098,548	12,222,293	10,412,316	10,446,582	10,950,414
Public safety	23,466,784	27,777,824	23,849,055	30,131,176	28,995,220	29,888,956	10,631,966	20,574,051	21,124,279	24,235,187
Public works	5,611,844	5,282,467	5,622,943	2,548,356	1,297,430	1,883,015	2,702,747	4,876,338	4,751,577	5,375,946
Culture and recreation	1,959,245	2,184,512	2,382,876	2,568,030	2,354,508	1,866,740	1,945,886	2,787,964	2,874,363	3,707,230
Community support							261,485	530,174	547,459	623,259
Operating grants and contributions	17,465,498	4,993,866	4,877,620	5,423,876	6,591,191	11,811,707	9,654,245	23,609,657	19,871,431	23,491,365
Capital grants and contributions	121,133,280	74,204,852	79,897,469	98,079,100	127,600,370	79,156,147	56,049,152	65,538,503	91,544,553	32,366,318
Total governmental activities	<u>185,592,531</u>	<u>131,417,724</u>	<u>135,885,100</u>	<u>148,767,207</u>	<u>177,911,612</u>	<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>
Business-type activities										
Charges for services										
Wastewater	35,074,181	44,914,104	39,620,242	39,129,724	36,035,962	34,444,912	37,163,386	39,614,919	40,239,867	41,243,489
Water	61,522,301	55,682,008	52,539,912	51,576,234	45,697,439	47,074,546	48,561,691	48,563,211	51,188,315	53,292,819
Municipal golf courses	1,001,098	2,239,586	2,019,026	1,719,315	1,425,561	335,745	257,839	1,993,004	1,791,935	2,017,409
Operating grants and contributions		477,392	50,511					6,127,457	3,116,042	3,023,196
Capital grants and contributions	8,491,527	14,305,840	12,601,983	8,504,641	19,002,302	19,871,057	9,420,345	7,460,413	5,857,325	5,963,141
Total business-type activities	<u>106,089,107</u>	<u>117,618,930</u>	<u>106,831,674</u>	<u>100,929,914</u>	<u>102,161,264</u>	<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>
Total primary government program revenues	<u>\$ 291,681,638</u>	<u>\$ 249,036,654</u>	<u>\$ 242,716,774</u>	<u>\$ 249,697,121</u>	<u>\$ 280,072,876</u>	<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>
<b>Net (expenses) program revenues</b>										
Governmental activities	\$ (9,382,002)	\$ (80,389,304)	\$ (131,903,320)	\$ (154,853,629)	\$ (140,416,963)	\$ (185,750,692)	\$ (183,939,930)	\$ (116,982,209)	\$ (79,965,439)	\$ (141,100,638)
Business-type activities	61,210,860	66,890,299	44,178,260	32,687,740	36,521,015	35,884,950	24,898,991	40,857,436	27,648,725	18,263,936
Primary government	<u>\$ 51,828,858</u>	<u>\$ (13,499,005)</u>	<u>\$ (87,725,060)</u>	<u>\$ (122,165,889)</u>	<u>\$ (103,895,948)</u>	<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>

(Continued)

# CITY OF NORTH LAS VEGAS

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

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012 <sup>2</sup>	June 30, 2013	June 30, 2014
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 47,336,337	\$ 56,697,663	\$ 71,404,630	\$ 82,250,980	\$ 87,102,142	\$ 77,024,811	\$ 57,540,748	\$ 55,137,022	\$ 48,831,490	\$ 49,088,718
Residential construction taxes	3,088,277	4,629,375	1,802,497	1,519,802	467,995	499,417	362,850	382,353	332,595	314,546
Room taxes	279,089	337,299	357,956	345,952	300,678	330,333	331,768	358,753	383,888	422,474
Franchise fees, based on gross receipts	11,761,981	13,778,783	15,773,376	18,989,378	17,083,699	16,717,339	16,224,681	16,142,005	15,769,356	20,788,938
Intergovernmental consolidated taxes	47,361,646	53,720,737	52,955,745	50,199,861	39,642,953	34,179,293	36,538,629	37,565,290	39,434,352	43,976,942
Other local government shared revenues	7,701,591	13,827,809	17,359,378	17,403,712	14,485,904	9,906,795	13,937,837	2,124,392	2,224,996	2,082,929
Unrestricted investment income	4,435,080	6,881,978	22,604,399	28,054,514	18,224,615	7,727,611	2,610,156	1,378,592	679,281	1,035,183
Gain on disposal of capital assets								316,407	204,150	2,102,479
Miscellaneous	15,507,025	16,193,249	21,618,036	42,097,298	28,479,414	23,144,183	28,064,262	2,199,961	1,767,227	2,281,880
Transfers	24,638,772	31,246,139	31,682,943	31,966,320	30,914,915	41,365,458	31,318,875	31,958,855	31,433,990	24,046,761
<b>Total governmental activities</b>	<b>162,109,798</b>	<b>197,313,032</b>	<b>235,558,960</b>	<b>272,827,817</b>	<b>236,702,315</b>	<b>210,895,240</b>	<b>186,929,806</b>	<b>147,563,630</b>	<b>141,061,325</b>	<b>146,140,850</b>
Business-type activities										
Other local government shared revenues	137,748	174,764	3,189,017	538,471						
Unrestricted investment income	108,404	51,471	90	7,060,164	5,671,124	1,455,994	356,115	72,721	136,985	13,586
Gain on disposal of capital assets								23,860		12,668
Miscellaneous	592	5,157	4,641,476	2,417,173	3,554,227	2,329,165	3,055,358	36,782	6,362,108	356,096
Transfers	(24,638,772)	(31,246,139)	(31,682,943)	(31,966,320)	(30,914,915)	(41,365,458)	(31,318,875)	(31,958,855)	(31,433,990)	(24,046,761)
<b>Total business-type activities</b>	<b>(24,392,028)</b>	<b>(31,014,747)</b>	<b>(23,852,360)</b>	<b>(21,950,512)</b>	<b>(21,689,564)</b>	<b>(37,580,299)</b>	<b>(27,907,402)</b>	<b>(31,825,492)</b>	<b>(24,934,897)</b>	<b>(23,664,411)</b>
<b>Total primary government general revenues and other changes in net position</b>	<b>\$ 137,717,770</b>	<b>\$ 166,298,285</b>	<b>\$ 211,706,600</b>	<b>\$ 250,877,305</b>	<b>\$ 215,012,751</b>	<b>\$ 173,314,941</b>	<b>\$ 159,022,404</b>	<b>\$ 115,738,138</b>	<b>\$ 116,126,428</b>	<b>\$ 122,476,439</b>
Change in net position										
Governmental activities	\$ 152,727,796	\$ 116,923,728	\$ 103,655,640	\$ 117,974,188	\$ 96,285,352	\$ 25,144,548	\$ 2,989,876	\$ 30,581,421	\$ 61,095,886	\$ 5,040,212
Business-type activities	36,818,832	35,875,552	20,325,900	10,737,228	14,831,451	(1,695,349)	(3,008,411)	9,031,944	2,713,828	(5,400,475)
<b>Primary government</b>	<b>\$ 189,546,628</b>	<b>\$ 152,799,280</b>	<b>\$ 123,981,540</b>	<b>\$ 128,711,416</b>	<b>\$ 111,116,803</b>	<b>\$ 23,449,199</b>	<b>\$ (18,535)</b>	<b>\$ 39,613,365</b>	<b>\$ 63,809,714</b>	<b>\$ (360,263)</b>

1. Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.
2. FY 2012 amounts were retroactively restated in FY 2013.

# CITY OF NORTH LAS VEGAS

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

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012 <sup>1</sup>	June 30, 2013	June 30, 2014
General fund										
Reserved	\$ 1,139,400	\$ 3,245,348	\$ 542,793	\$ 758,891	\$ 39,361,193	\$ 22,953,382	\$	\$	\$	\$
Unreserved	25,542,347	28,983,463	36,567,167	45,336,045						
Nonspendable							384,375	287,203	231,430	238,432
Restricted for							101,642	26,257	170,576	
Committed for								274,200	596,200	207,179
Unassigned							7,238,181	11,302,907	8,340,738	7,633,089
Total general fund	<u>\$ 26,681,747</u>	<u>\$ 32,228,811</u>	<u>\$ 37,109,960</u>	<u>\$ 46,094,936</u>	<u>\$ 39,361,193</u>	<u>\$ 22,953,382</u>	<u>\$ 7,724,198</u>	<u>\$ 11,890,567</u>	<u>\$ 9,338,944</u>	<u>\$ 8,078,700</u>
Other governmental funds										
Reserved	\$ 2,195,919	\$ 1,810,042	\$ 904,655	\$ 1,256,971	\$	\$	\$	\$	\$	\$
Unreserved										
Special revenue funds	46,753,408	55,601,940	54,625,345	57,249,895	54,590,729	48,388,767				
Debt service funds	4,851,562	6,264,884	6,926,512	7,316,194	4,684,177	3,278,094				
Capital projects funds	34,025,885	211,893,685	208,120,685	189,433,342	155,724,644	111,345,725				
Nonspendable							87,162	224,923	2,655,236	6,499,075
Restricted for							84,687,535	74,624,464	70,116,032	70,396,589
Committed for							1,377,827	1,327,188	1,250,166	292,564
Assigned to							1,430,753	1,859,516	2,354,991	4,362,189
Total other governmental funds	<u>\$ 87,826,774</u>	<u>\$ 275,570,551</u>	<u>\$ 270,577,197</u>	<u>\$ 255,256,402</u>	<u>\$ 214,999,550</u>	<u>\$ 163,012,586</u>	<u>\$ 87,583,277</u>	<u>\$ 78,036,091</u>	<u>\$ 76,376,425</u>	<u>\$ 81,550,417</u>

1. FY 2012 amounts were retroactively restated in FY 2013.

# CITY OF NORTH LAS VEGAS

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

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
<b>REVENUES</b>										
Property taxes	\$ 47,336,337	\$ 56,697,663	\$ 71,404,630	\$ 82,250,980	\$ 87,102,142	\$ 77,024,811	\$ 57,540,748	\$ 55,137,022	\$ 49,160,817	\$ 49,097,031
Residential construction taxes	3,088,277	4,629,375	1,802,497	1,519,802	467,995	499,417	362,850	382,353	332,595	314,546
Room taxes	279,088	337,299	357,956	345,952	300,678	330,333	331,768	358,753	383,888	422,474
Franchise fees								16,142,005	15,769,356	20,788,938
Licenses and permits	31,329,077	35,431,853	33,416,360	32,347,464	28,734,711	26,062,330	26,271,308	10,132,978	10,722,526	10,748,799
Special assessments								2,202,745	2,202,185	2,170,942
Charges for services	19,859,653	22,249,296	20,397,993	21,033,088	22,240,756	23,296,938	14,280,489	6,023,699	5,369,223	7,573,999
Intergovernmental consolidated taxes								37,565,290	39,434,352	43,976,942
Intergovernmental	167,438,712	105,703,977	113,541,467	140,003,233	142,978,208	116,132,627	102,027,017	67,518,671	106,630,804	49,201,824
Fines and forfeitures	5,761,207	6,243,247	6,816,569	9,358,465	10,173,893	9,905,464	10,197,087	7,195,757	7,535,551	7,236,044
Contributions								219,350	106,332	571,956
Rents and royalties								513,578	557,856	582,762
Investment income								806,229	195,524	642,581
Miscellaneous	<u>16,722,742</u>	<u>16,559,701</u>	<u>34,322,266</u>	<u>43,852,373</u>	<u>29,035,648</u>	<u>15,050,513</u>	<u>9,507,120</u>	<u>2,871,657</u>	<u>1,760,617</u>	<u>2,098,694</u>
<b>Total revenues</b>	<u>291,815,093</u>	<u>247,852,411</u>	<u>282,059,738</u>	<u>330,711,357</u>	<u>321,034,031</u>	<u>268,302,433</u>	<u>220,518,387</u>	<u>207,070,087</u>	<u>240,161,626</u>	<u>195,427,532</u>
<b>EXPENDITURES</b>										
General government	23,878,017	25,960,959	37,255,958	55,369,189	44,557,977	67,149,968	64,597,945	24,346,198	20,954,097	18,696,163
Judicial	19,237,253	8,176,793	10,422,419	13,002,378	13,857,493	10,589,039	10,415,468	8,995,929	8,501,665	8,532,342
Public safety	111,957,340	123,202,142	145,738,363	151,348,964	166,332,695	165,279,861	151,511,917	136,959,835	153,567,436	121,831,060
Public works	78,974,918	51,614,517	67,046,155	103,964,900	105,808,278	55,421,439	31,517,296	36,683,544	21,626,361	21,156,322
Culture and recreation	70,332,727	21,298,887	26,652,050	29,009,898	36,289,596	45,258,925	38,247,284	23,051,356	52,141,269	23,412,874
Community support	5,837,951	6,931,645	7,425,578	9,821,305	11,413,230	15,513,020	8,165,001	7,395,157	6,962,391	4,444,462
	<u>310,218,206</u>	<u>237,184,943</u>	<u>294,540,523</u>	<u>362,516,634</u>	<u>378,259,269</u>	<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>
Debt service										
Principal payments	4,538,583	5,245,135	10,613,800	11,145,300	11,374,500	11,547,700	6,307,800	5,277,600	5,928,600	4,990,000
Interest and fiscal charges	2,656,634	2,496,086	9,184,281	9,774,489	9,601,384	9,095,696	20,000,000	3,076,503	3,246,669	3,035,503
Payment to current bond refunding agent							20,000,000			
Debt issuance costs			154,338	284,504			143,438	200,286		
Total debt service	<u>7,195,217</u>	<u>7,741,221</u>	<u>19,952,419</u>	<u>21,204,293</u>	<u>20,975,884</u>	<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>
<b>Total expenditures</b>	<u>317,413,423</u>	<u>244,926,164</u>	<u>314,492,942</u>	<u>383,720,927</u>	<u>399,235,153</u>	<u>379,855,648</u>	<u>338,432,234</u>	<u>245,986,408</u>	<u>272,928,488</u>	<u>206,098,726</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(25,598,330)</u>	<u>2,926,247</u>	<u>(32,433,204)</u>	<u>(53,009,570)</u>	<u>(78,201,122)</u>	<u>(111,553,215)</u>	<u>(117,913,847)</u>	<u>(38,916,321)</u>	<u>(32,766,862)</u>	<u>(10,671,194)</u>

(Continued)

# CITY OF NORTH LAS VEGAS

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

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012 <sup>1</sup>	June 30, 2013	June 30, 2014
OTHER FINANCING SOURCES (USES)										
Contingencies		(10,000)			(49,395)					
Debt issuance proceeds		160,000,000	4,500,000	12,680,000		3,145,000	17,090,000	27,070,000		
Debt issuance premiums		4,143,946	9,160,000	160,380						
Payment to advance refunding bond agent			(9,116,037)			(3,071,110)	(16,922,300)	(26,573,920)		
Debt issuance discounts		(1,494,180)	(15,000)	(15,750)		(52,183)		(257,999)		
Transfers in	56,791,980	68,284,156	73,826,205	75,287,726	79,675,504	88,126,189	52,280,115	43,764,721	46,423,036	46,358,276
Transfers out	(28,591,529)	(41,038,018)	(46,059,162)	(41,438,606)	(48,415,589)	(42,207,531)	(25,192,464)	(10,809,831)	(18,049,079)	(33,871,483)
Other		875,540	25,000					342,533	181,316	2,098,449
Total other financing sources (uses)	<u>28,200,451</u>	<u>190,761,444</u>	<u>32,321,006</u>	<u>46,673,750</u>	<u>31,210,520</u>	<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>
CHANGE IN FUND BALANCE	<u>\$ 2,602,121</u>	<u>\$ 193,687,691</u>	<u>\$ (112,198)</u>	<u>\$ (6,335,820)</u>	<u>\$ (46,990,602)</u>	<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>
Capital expenditures included in expenditures above	<u>\$ 147,702,622</u>	<u>\$ 59,888,265</u>	<u>\$ 78,408,888</u>	<u>\$ 121,827,730</u>	<u>\$ 118,033,178</u>	<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>
Debt service as a percentage of noncapital expenditures	<u>4.20 %</u>	<u>4.20 %</u>	<u>8.40 %</u>	<u>8.00 %</u>	<u>7.50 %</u>	<u>7.70 %</u>	<u>5.70 %</u>	<u>4.20 %</u>	<u>5.20 %</u>	<u>4.69 %</u>

1. FY 2012 amounts were retroactively restated in FY 2013.

# CITY OF NORTH LAS VEGAS

## ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY<sup>1</sup> 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 <sup>2</sup>
2005	\$ 1,795,261,000	\$ 498,190,000	\$ 312,674,000	\$ 1,336,537,000	\$ (978,617,000)	\$ 2,964,045,000	1.1987	\$ 8,467,870,000	35.00 %
2006	2,831,615,000	640,304,000	365,053,000	2,035,717,000	(1,407,739,000)	4,464,950,000	1.1837	12,757,000,000	35.00 %
2007	4,451,125,000	831,875,000	442,427,000	2,609,030,000	(1,565,997,000)	6,768,460,000	1.1637	19,338,454,000	35.00 %
2008	5,479,828,000	1,041,647,000	580,796,000	3,401,267,000	(2,298,842,000)	8,204,696,000	1.1587	23,441,991,000	35.00 %
2009	5,572,985,000	1,281,806,000	669,317,000	3,239,635,000	(2,475,324,000)	8,288,419,000	1.1587	23,681,197,000	35.00 %
2010	3,709,241,000	1,360,037,000	691,913,000	2,509,269,000	(2,144,624,000)	6,125,836,000	1.1587	17,502,381,000	35.00 %
2011	2,646,355,000	1,022,464,000	525,474,000	1,059,048,000	(1,108,378,000)	4,144,963,000	1.1587	11,842,751,000	35.00 %
2012	2,674,770,000	995,708,000	423,800,000	647,713,000	(869,661,000)	3,872,330,000	1.1587	11,063,797,000	35.00 %
2013	2,416,735,000	941,804,000	382,696,000	492,391,000	779,884,000	5,013,510,000	1.1587	9,867,835,000	50.81 %
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 %

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 RATES<sup>1</sup> - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$100 OF ASSESS VALUE<sup>2</sup>) 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
2005	0.1975	0.0622	0.9390	1.1987	0.1700	0.6652	1.3034	0.0050	0.0016
2006	0.2014	0.0622	0.9201	1.1837	0.1700	0.6575	1.3034	0.0050	0.0013
2007	0.1937	0.0300	0.9400	1.1637	0.1700	0.6566	1.3034	0.0050	0.0009
2008	0.1901	0.0250	0.9436	1.1587	0.1700	0.6541	1.3034	0.0050	0.0008
2009	0.1901	0.0250	0.9436	1.1587	0.1700	0.6541	1.3034	0.0050	0.0008
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	0.0250	0.9400	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	

For the Year Ended June 30,	Overlapping Rates		Total Overlapping Rates	Total Direct and Overlapping Rates
	Las Vegas - Clark County Library District	City of North Las Vegas Library District		
2005	0.0215	0.0632	2.2299	3.4286
2006	0.0123	0.0632	2.2127	3.3964
2007	0.0123	0.0632	2.2114	3.3751
2008	0.0123	0.0632	2.2088	3.3675
2009	0.0086	0.0632	2.2051	3.3638
2010	0.0100	0.0632	2.2068	3.3655
2011	0.0070	0.0632	2.2042	3.3629
2012		0.0632	2.1957	3.3544
2013		0.0632	2.1957	3.3544
2014		0.0632	2.1957	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<sup>1, 2</sup> CURRENT AND NINE YEARS AGO (UNAUDITED)

Taxpayer	2014			2005		
	Taxable Assessed	Rank	Percentage of	Taxable Assessed	Rank	Percentage of
	Value <sup>3</sup>		Taxable Assess	Value <sup>3</sup>		Taxable Assess
Golden Triangle Industrial Park	\$ 46,117,062	1	1.32 %	\$		%
Picerne Real Estate Group	40,196,163	2	1.15 %			%
Cannery Casino Resorts	38,618,712	3	1.10 %	20,023,000	10	0.68 %
Southwest Generation	37,561,998	4	1.07 %			%
Station Casinos Incorporated	28,210,006	5	0.81 %			%
Alliance Residential Company	26,874,382	6	0.77 %			%
Aliante Gaming Limited Liability Co.	25,978,564	7	0.74 %			%
Wal-Mart Stores Incorporated	23,384,958	8	0.67 %			%
National Security Technologies	23,340,814	9	0.67 %			%
Las Vegas Paving Corporation	22,592,636	10	0.65 %			%
Station Casinos Incorporated				73,782,000	1	2.49 %
Black Hills Corporation				52,134,000	2	1.76 %
Greenspun Companies				44,474,000	3	1.50 %
Operating Engineers Pension Trust				41,168,000	4	1.39 %
Potlatch Corporation				30,440,000	5	1.03 %
Pardee Construction Company of Nevada				26,978,000	6	0.91 %
Mendenhall Family Trust				25,107,000	7	0.85 %
Centex Homes				24,165,000	8	0.82 %
Meldrum Family Trust				23,023,000	10	0.78 %
	<u>\$ 312,875,295</u>		<u>8.95 %</u>	<u>\$ 361,294,000</u>		<u>12.21 %</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 COLLECTIONS<sup>1</sup>**  
**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>
2005	\$ 41,613,896	\$ 41,352,020	99.3707 %	\$ 261,715	\$ 41,613,735	99.9996 %
2006	50,957,310	50,570,826	99.2416 %	286,303	50,857,129	99.8034 %
2007	65,307,155	64,545,683	98.8340 %	761,287	65,306,970	99.9997 %
2008	75,518,219	74,309,000	98.3988 %	1,204,478	75,513,478	99.9937 %
2009	80,728,503	78,928,443	97.7702 %	1,782,248	80,710,691	99.9779 %
2010	71,204,380	68,995,648	96.8980 %	2,164,910	71,160,558	99.9385 %
2011	51,409,059	49,881,300	97.0282 %	1,430,459	51,311,759	99.8107 %
2012	47,624,187	46,781,680	98.2309 %	600,963	47,382,643	99.4928 %
2013	42,824,473	42,336,988	98.8617 %	182,336	42,519,324	99.2874 %
2014	42,179,362	41,711,002	98.8896 %	207,124 <sup>2</sup>	41,918,126	99.3807 %

1. Source - Clark County Comptroller's Office.
2. Collections July 1 through September 30 of the subsequent year.

# CITY OF NORTH LAS VEGAS

## RATIOS OF OUSTANDING DEBT<sup>1</sup> BY TYPE LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

For the Year Ended June 30,	Governmental Activities			Business-type Activities		Total Primary Government <sup>3</sup>	Percentage of Clark County Personal Income <sup>4</sup>	City of North Las Vegas Per Capita <sup>4</sup>
	General Obligation Bonds	Special Assessment Bonds	Capital Leases	General Obligation/Pledged Revenue Bonds	Other			
2006	\$ 212,150,000	\$ 2,612,000	\$	\$ 42,510,000	\$	\$ 257,272,000	0.37 %	\$ 1,381
2007	198,940,000	6,753,200		179,634,000		385,327,200	0.53 %	1,954
2008	189,600,000	17,512,900		176,439,000		383,551,900	0.52 %	1,862
2009	180,330,000	15,993,400		173,090,000		369,413,400	0.54 %	1,735
2010	170,395,641	14,273,700	46,359	312,033,000		496,748,700	0.71 %	2,290
2011	147,435,033	12,532,900	34,967	305,588,000		465,590,900	0.66 %	2,123
2012	160,223,349	10,715,300	16,651	299,136,000		470,091,300	0.63 % <sup>5</sup>	2,103
2013	156,632,000	8,729,700		292,391,000	7,000,000	464,752,700	0.61 %	
2014	153,712,000	7,009,700		285,554,000	6,000,000	452,275,700	% <sup>5</sup>	<sup>5</sup>

1. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
2. Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.
3. Excludes debt issued by the City's blended component units.
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 DEBT<sup>1</sup> OUTSTANDING LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

For the Year Ended June 30,	General Obligation Bonds	General Obligation/Pledged Revenue Bonds	Total General Bonded Debt <sup>3</sup>	Percentage of Estimated Actual Property Value <sup>4</sup>	City of North Las Vegas Per Capita <sup>5</sup>	Amounts Available to Repay General Bonded Debt	Net General Bonded Debt
2006	\$ 212,150,000	\$ 42,510,000	\$ 254,660,000	2.00 %	\$ 1,367	\$ 3,479,930	\$ 251,180,070
2007	198,940,000	179,634,000	378,574,000	1.96 %	1,919	4,276,162	374,297,838
2008	189,600,000	176,439,000	366,039,000	1.56 %	1,777	5,095,859	360,943,141
2009	180,330,000	173,090,000	353,420,000	1.49 %	1,660	4,892,967	348,527,033
2010	170,395,641	312,033,000	482,428,641	2.76 %	2,224	1,960,788	480,467,853
2011	147,435,033	305,588,000	453,023,033	3.83 %	2,066	432,004	452,591,029
2012	160,223,349	299,136,000	459,359,349	4.15 %	2,055	25,062	459,334,287
2013	156,632,000	292,391,000	449,023,000	4.55 %		243,501	448,779,499
2014	153,712,000	285,554,000	439,266,000	4.39 %	6	389,316	438,876,684

1. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
2. Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.
3. Excludes debt issued by the City's blended component units.
4. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
5. See the "Demographic and Economic Statistics" table for the City's population data.
6. Information not available at time of printing.

**CITY OF NORTH LAS VEGAS**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2014  
In Thousands  
(Unaudited)**

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<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to City of North Las Vegas</u>	<u>Amount Applicable to City of North Las Vegas</u>
Direct:			
City of North Las Vegas	\$ 15,986	100.00%	\$ 15,986
Overlapping:			
Clark County	42,852	7.36%	3,154
Clark County School District	2,245,520	7.36%	165,270
Las Vegas/Clark County Library	33,000	8.88%	2,930
State of Nevada	<u>1,339,395</u>	4.85%	<u>64,961</u>
Subtotal overlapping debt	<u>3,660,767</u>		<u>236,315</u>
Total direct and overlapping debt	<u>\$ 3,676,753</u>		<u>\$ 252,301</u>

<sup>1</sup> Source - Zions Bank Public Finance

# CITY OF NORTH LAS VEGAS

## LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS<sup>1</sup> (UNAUDITED)

	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Total taxable assessed property value	<sup>2</sup> \$ <u>2,964,045,000</u>	<u>4,464,950,000</u>	<u>6,768,460,000</u>	<u>8,204,696,000</u>	<u>8,288,419,000</u>	<u>6,125,836,000</u>	<u>4,144,963,000</u>	<u>3,872,330,000</u>	<u>5,013,510,000</u>	<u>3,502,041,941</u>
Legal debt Margin										
Legal debt limit (20% of taxable assessed property value)	\$ 592,809,000	\$ 892,990,000	\$ 1,353,692,000	\$ 1,640,939,200	\$ 1,657,683,800	\$ 1,225,167,200	\$ 828,992,600	\$ 774,466,000	\$ 1,002,702,000	\$ 700,408,388
Debt applicable to debt limit Net general bonded debt	<sup>3</sup> <u>257,679,000</u>	<u>251,180,070</u>	<u>374,297,838</u>	<u>360,943,141</u>	<u>348,527,033</u>	<u>480,467,853</u>	<u>452,591,029</u>	<u>459,334,287</u>	<u>448,779,499</u>	<u>438,876,684</u>
Legal debt margin	<u>\$ 335,130,000</u>	<u>\$ 641,809,930</u>	<u>\$ 979,394,162</u>	<u>\$ 1,279,996,059</u>	<u>\$ 1,309,156,767</u>	<u>\$ 744,699,347</u>	<u>\$ 376,401,571</u>	<u>\$ 315,131,713</u>	<u>\$ 553,922,501</u>	<u>\$ 261,531,704</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>43.47 %</u>	<u>28.13 %</u>	<u>27.65 %</u>	<u>22.00 %</u>	<u>21.02 %</u>	<u>39.22 %</u>	<u>54.60 %</u>	<u>59.31 %</u>	<u>44.76 %</u>	<u>62.66 %</u>

1. Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.
2. See the "Assessed and Estimated Actual Value of Taxable Property" table for estimated actual property value data.
3. 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 STATISTICS<sup>1</sup>**  
**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>
2005	174,456	\$ 64,181,422,000	\$ 1,729,552	\$ 37,109	4.70 %
2006	186,350	68,874,056,000	1,803,774	38,183	4.30 %
2007	197,233	73,040,160,000	1,867,817	39,105	4.70 %
2008	206,044	74,279,798,000	1,912,349	38,842	7.00 %
2009	212,863	68,791,192,000	1,939,407	35,470	11.90 %
2010	216,961	69,800,237,000	1,951,269	35,772	14.20 %
2011	219,275	70,289,097,000	1,969,975	35,680	13.50 %
2012	223,491	74,886,428,000	2,000,759	37,429	11.20 %
2013		75,957,334,000 <sup>2</sup>	2,027,868	37,457 <sup>2</sup>	9.70 %
2014		<sup>2</sup>	<sup>2</sup>	<sup>2</sup>	5.10 %

1. Source - Nevada Workforce Informer, Data Analysis (<http://www.nevadaworkforce.com/cgi/dataanalysis/dataTypeSelection.asp?tableName=notable>)
2. Information not available at time of printing.

# CITY OF NORTH LAS VEGAS

## PRINCIPAL EMPLOYERS<sup>(1)</sup> CURRENT AND NINE YEARS AGO (UNAUDITED)

Clark County Employer	2014			2005		
	Employees	Rank	Percentage of Total Clark County Employment	Employees	Rank	Percentage of Total Clark County Employment
Clark County School District	30,000-39,999	1	4.04 %	30,000-39,999	1	4.13 %
Clark County, Nevada	8000-8499	2	.95 %	8000-8499	3	.97 %
Wynn Las Vegas	8000-8499	3	.95 %			%
Bellagio, LLC	7500-7999	4	.90 %	9500-9999	2	1.15 %
MGM Grand Hotel and Casino	7500-7999	5	.90 %	7500-7999	4	.91 %
Aria Resort and Casino, LLC	7000-7499	6	.83 %			%
Mandalay Bay Resort and Casino	7000-7499	7	.83 %	7500-7999	5	.91 %
Caesars Palace	6000-6499	8	.72 %	4500-4999	9	.56 %
University of Nevada, Las Vegas	5000-5499	9	.61 %	5500-5999	6	.68 %
Las Vegas Metropolitan Police Department	4500-4999	10	.55 %	4500-4999	8	.56 %
Mirage Hotel and Casino				5500-5999	7	.68 %
Rio Suite Hotel and Casino				4000-4500	10	.51 %

1. Source - Nevada Workforce Informer, Data Analysis (<http://www.nevadaworkforce.com/?PAGEID=67&SUBID=167> and <http://www.nevadaworkforce.com/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE>).

# CITY OF NORTH LAS VEGAS

## FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS (UNAUDITED)

Function/program	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Governmental activities										
General government	182	186	204	259	272	277	258	193	163	127
Judicial	49	59	82	87	91	98	99	98	85	72
Public safety	816	887	972	1,133	1,232	1,269	1,264	1,226	1,141	915
Public works	122	124	156	167	167	168	143	100	80	51
Culture and recreation	183	184	205	220	234	251	235	166	152	129
Community support	13	15	29	40	42	44	40	33	29	25
Total governmental activities	<u>1,365</u>	<u>1,455</u>	<u>1,648</u>	<u>1,906</u>	<u>2,038</u>	<u>2,107</u>	<u>2,039</u>	<u>1,816</u>	<u>1,650</u>	<u>1,319</u>
Business-type activities										
Wastewater	28	28	36	44	46	48	63	52	55	55
Water	68	68	73	91	96	97	84	96	95	93
Municipal golf courses	10	14	14	13	14	9	8	7	8	7
Total business-type activities	<u>106</u>	<u>110</u>	<u>123</u>	<u>148</u>	<u>156</u>	<u>154</u>	<u>155</u>	<u>155</u>	<u>158</u>	<u>155</u>
Total full-time equivalent employees	<u><u>1,471</u></u>	<u><u>1,565</u></u>	<u><u>1,771</u></u>	<u><u>2,054</u></u>	<u><u>2,194</u></u>	<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>

1. Source - City of North Las Vegas, Finance Department, Budget Division.

# CITY OF NORTH LAS VEGAS

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

Function/program	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Police									
Calls for service									
Officer initiated	180,000	184,000	166,364	194,527	190,668	211,130	207,019	113,946	106,247
Community generated	117,000	135,000	139,132	136,089	96,897	108,908	92,588	106,385	98,452
Neighborhood watch meetings	2	25	80	113	72	102	37	47	31
Detention									
Bookings	8,250	14,300	14,500	17,726	19,842	20,662	20,662	10,058	9,037
Average daily population	817	802	807	885	906	928	523	237	220
Daily meals service	639,200	945,000	850,000	1,045,686	900,000	1,171,704	532,888	276,122	
Fire									
Number of calls	20,499	23,270	24,500	25,986	26,351	27,016	27,828	28,540	30,187
EMS responses	10,269	12,104	12,400	17,895	15,588	18,983	24,309	24,766	24,831
Non-fire Incidents	9,365	10,228	11,150	5,750	6,040	3,673	1,170	509	2,448
Fire Incidents	865	938	950	2,142	1,839	4,346	2,330	1,954	2,191
Structure fires	99	108	89	667	543	673	643	516	717
Library facilities									
Circulation	220,000	226,771	416,494	465,304	613,658	793,000	725,905	710,415	649,445
Holdings	114,860	139,596	152,139	153,436	212,074	225,404	234,725	243,629	251,543
Library traffic	215,000	243,800	417,431	446,336	557,694	754,000	536,085	490,128	442,688
Culture and recreation									
Golf Courses									
Number of rounds of golf	47,301	104,891	94,738	86,670	74,474	68,000	63,565	64,297	61,102
Cost of operation per round (Municipal Course)	\$ 9	\$ 8	\$ 12	\$ 12	\$ 12	\$ 8	\$ 11	\$ 11	\$ 12
Cost of operation per round (Craig Ranch Course)	\$	\$ 21	\$ 21	\$ 26	\$	\$	\$	\$	\$
Cost of operation per round (Aliante Course)	\$	\$	\$	\$	\$ 54	\$ 75	\$ 54	\$ 47	\$ 49
Parks/Recreation									
Program participation visits	930,803	1,517,745	1,618,451	194,443	1,271,769	1,300,000	1,435,852	1,154,162	1,197,216
Annual cost per acre to maintain	\$ 7,235	\$ 19,626	\$ 20,513	\$ 19,971	\$ 22,776	\$ 18,000	\$ 9,906	\$ 7,300	\$ 7,001
Number of stage rentals	16	15	18	11	13	10	21	17	12
Public works									
Building safety-permits issued	13,380	17,009	11,470	9,616	6,693	6,044	6,480	6,285	5,586
Survey									
Technical reviews completed (maps, documents)	300	303	279	279	118	60	31	25	24
GPS features collected	80,000	109,189	66,370	66,371	75,327	55,000	5,851	9,543	1,253
Engineering services-active capital projects	58	55	64	57	64	72	65	47	50
Construction services-number of inspections	26,000	20,339	14,179	12,072	5,020	8,090	4,142	2,423	
Development and Flood Control-permits issued	1,200	824	1,055	1,100	699	500	309	322	275
Real property services									
Maps reviewed and processed	111	117	59	49	181	23	19	13	15
Planning Commission items reviewed	700	606	491	47	94	150	149	111	138
Addresses assigned	11,100	5,607	3,014	806	758	500	356	151	303

(Continued)

# CITY OF NORTH LAS VEGAS

## OPERATING INDICATORS BY FUNCTION/PROGRAM<sup>1</sup> (CONTINUED) LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Water									
Valves exercised	2,202	1,283	2,760	1,933	3,104	1,970	2,588	1,773	1,486
Water repairs	143	215	290	226	250	233	276	250	218
Service requests	1,505	2,054	2,344	90,717	82,644	76,462	69,700	76,731	70,423
Number of bills	804,780	910,679	974,142	994,641	970,590	974,406	980,797	1,079,258	1,006,250
Number of meters read	786,042	886,203	956,892	993,013	1,001,336	1,007,205	1,017,682	1,025,417	1,030,452

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

2. Information was not available for ten years' reporting, but will be accumulated over time as it becomes available.

# CITY OF NORTH LAS VEGAS

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM<sup>1</sup> LAST TEN FISCAL YEARS<sup>2</sup> (UNAUDITED)

Function/program	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Police stations	1	2	2	2	2	2	3	2	2	2
Fire stations	6	6	6	7	7	7	8	8	8	8
Library facilities	2	2	3	2	2	3	3	3	3	3
Culture and recreation										
Community centers	2	2	2	2	2	2	2	3	3	3
Parks	26	27	31	31	31	31	34	34	34	34
Park acreage	379	390	482	493	493	493	474	474	474	474
Golf courses	1	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	12	12	12	12	12	12
Public works										
Lane miles of paved street	1,699	1,748	2,150	1,925	1,971	2,150	2,150	2,167	2,171	2,489
Lane miles of unpaved street						630	700	698	698	698
Traffic signal intersections	78	82	85	105	120	138	141	143	152	155
Street lights	27,840	29,500	29,600	32,000	35,000	35,000	35,000	35,000	35,104	35,000
Water										
Miles of water main	896	1,000	1,048	1,072	1,096	1,110	1,127	1,130	1,117	1,119
Residential service connections	57,136	60,006	73,962	76,473	75,375	73,048	73,642	74,191	76,367	76,988
Commercial service connections	3,526	3,239	4,665	5,001	5,350	5,256	5,258	5,305	5,403	5,439
Average daily consumption in million gallons	44	45	44	50	49	47	46	46	45	44
Peak demand day in million gallons	74	78	68	75	74	76	75	74	66	69
Wastewater										
Miles of sewer wastewater main	527	581	595	609	625	641	657	659	660	752
Miles of storm wastewater main	127	129	129	147	175	180	183	193	263	266

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

# **BUSINESS LICENSE FEES**



# CITY OF NORTH LAS VEGAS

## SCHEDULE OF BUSINESS LICENSE FEES

### FOR THE YEAR ENDED JUNE 30, 2014

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, 2014		\$	2,596,020
Business license revenue for the year ended June 30, 2013 (base year)		\$	2,332,545
Adjustment to base year			
Percentage change in Consumer Price Index			<u>3.45 %</u>
Total adjustment to base year			<u>80,473</u>
Adjusted business license revenue base for the year ended June 30, 2014			<u>2,413,018</u>
Amount under allowable maximum		\$	<u>183,002</u>

#### FEES CALCULATED ON A FLAT OR FIXED RATE

Business license revenue for the year ended June 30, 2014		\$	1,578,290
Business license revenue for the year ended June 30, 2013 (base year)		\$	1,434,553
Adjustment to base year			
Percentage change in local government population	(1.90)%		
Percentage change in Consumer Price Index	<u>3.45 %</u>		
Total adjustment to base year			<u>22,236</u>
Adjusted business license revenue base for the year ended June 30, 2014			<u>1,456,789</u>
Amount under allowable maximum		\$	<u>121,501</u>



# **SINGLE AUDIT INFORMATION**

P B T K

PIERCY BOWLER  
TAYLOR & KERN

Certified Public Accountants  
Business Advisors

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL  
EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133  
AND SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Honorable Mayor and 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) *Circular A-133 Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2014. The City's major federal program is 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 the City's major federal program 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 the major federal program. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on 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 the City's major federal program for the year ended June 30, 2014.

**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 the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned

functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or 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. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133.** 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, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 6, 2015, 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 OMB Circular A-133 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.

*Piercy Bowler Taylor & Kern*

Las Vegas, Nevada  
February 6, 2015

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal or Pass-through Grantor Number	Expenditures
U.S. Department of the Interior			
Passed through State of Nevada, Bureau of Land Management Southern Nevada Public Land Management	15.235*	L05AC13499 L07AC12952 L07AC14012 L08AC14594 L09AC15510 L10AC20273 L11AC20228 L12AC20493	\$ 159,872 1,134,005 170,191 4,586,726 842,996 4,479,040 12,814 <u>35,305</u>
Total U.S. Department of the Interior			<u>11,420,949</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Special Purpose Grants	14.225	HN NV44SPG502	53,975
Passed through Clark County, Nevada, Department of Finance Community Development Block Grants/Entitlement Grants	14.218	B-03-UC-32-0001 B-08-UC-32-0001 B-10-UC-32-0001 B-11-UC-32-0001 B-12-UC-32-0001 B-13-UC-32-0001	5,023 64,033 18,810 146,084 587,832 724,017
Home Investment Partnerships Program	14.239	M-09-DC-32-0224 M-12-DC-32-0001 M-13-DC-32-0001	185,474 35,827 176
Neighborhood Stabilization Program	14.264	B-08-DN-32-0001 B-08-UN-32-0001 B-11-UN-32-0001	46,613 169,193 3,192,114
Total U.S. Department of Housing and Urban Development			<u>5,229,171</u>
U.S. Department of Homeland Security			
Passed through Clark County, Nevada, Fire Department National Urban Search and Rescue Response System	97.025	EMW-2013-CA-K00016 EMW-2008-CA-1494 EMW-2012-CA-K00029	24,468 132,285 10,152
Passed through State of Nevada, Department of Public Safety Emergency Management Performance Grants	97.042	9704213 EMW-2013-EP-00022-S01 EMW-2014-EP-00003-S01	26,132 34,073 56,247
Homeland Security Grant Program	97.067	97067U11 97067U12 97067.11-U11	13,000 72,719 <u>35,740</u>
Total U.S. Department of Homeland Security			<u>404,816</u>
U.S. Department of Transportation			
Passed through State of Nevada, Department of Transportation Highway Planning and Construction	20.205*	PR311-10-063 PR110-14-063	480,446 737

(Continued)

**CITY OF NORTH LAS VEGAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2014**

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Federal or Pass-through Grantor Number	Expenditures
		P348-10-063	19,755
		PR395-11-063	52,451
		P437-12-063	59,368
		PR573-13-063	6,141
		P040-12-063	155,152
		P042-12-063	60,762
Passed through State of Nevada, Department of Public Safety Highway Planning and Construction	20.205*	JF-2014-NLVPD-00048 TS-2014-NLVPD-00041	15,821 35,981
State and Community Highway Safety	20.600	LFD-2014-NLVPD-00008 23-JF-1-1.18 JF-2014-NLVPD-00048 23-PS-3	5,000 9,402 21,241 26,316
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	23-JF-1.18	6,426
Occupant Protection Incentive Grants	20.602	JF-2014-NLVPD-00048	12,395
Alcohol Open Container Requirements	20.607	23-JF-1.18 JF-2014-NLVPD-00048	18,544 32,619
National Priority Safety Programs	20.616	JF-2014-NLVPD-00048	<u>5,382</u>
Total U.S. Department of Transportation			<u>1,023,939</u>
U.S. Department of Justice			
State Criminal Alien Assistance Program	16.606	2012-AP-BX-0533	42,714
Bulletproof Vest Partnership Program	16.607	2012 BVP	1,387
Public Safety Partnership and Community Policing Grants (ARRA)	16.710	2010-CK-WX-0219 2010-UL-WX-0031	19,228 815,233
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2010-DJ-BX-1136 2012-DJ-BX-1077 2013-DJ-BX-0953	57,059 26,563 113,326
Passed through State of Nevada, Department of Health and Human Services Crime Victim Assistance	16.575	2011-VAGX-0030	88,000
Enforcing Underage Drinking Laws Program	16.727	2011-AH-FX-0010	26,679
Passed through Las Vegas Metropolitan Police Department Missing Children's Assistance	16.543	2011-MC-CX-K002	<u>8,839</u>
Total U.S. Department of Justice			<u>1,199,028</u>
U.S. Department of Agriculture			
Passed through State of Nevada, Department of Education Special Milk Program for Children	10.556	N/A	<u>18,573</u>
U.S. Department of Health and Human Services			
Passed through Southern Nevada Health District Centers for Disease Control and Prevention - Affordable Care Act Communities Putting Prevention to Work	93.520	C-7655	<u>53,871</u>

(Continued)

**CITY OF NORTH LAS VEGAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2014**

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<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal or Pass-through Grantor Number</u>	<u>Expenditures</u>
Total federal expenditures			\$ <u>19,350,347</u>

\* A major program

# CITY OF NORTH LAS VEGAS

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2014

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### Note 1. Reporting Entity

The accompanying supplementary schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the City of North Las Vegas (the City). The reporting entity is defined in Note 1 to the basic financial statements. The schedule includes federal financial assistance received directly from federal agencies as well as passed through other government agencies.

### Note 2. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### Note 3. Subrecipients

During the year ended June 30, 2014, the following awards (including amendments) were given to subrecipients:

	<u>Award Amount</u>
U.S. Department of Housing and Urban Development	
Community Development Block Grants/Entitlement Grants (CFDA # 14.218)	\$ 1,159,828
Home Investment Partnerships Program (CFDA # 14.239)	370,740
Neighborhood Stabilization Program (CFDA # 14.264)	<u>145,675</u>
	<u>\$ 1,676,243</u>

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2014

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### Section I - Summary of Auditors' Results

#### Financial Statements

Type of auditors' report issued	Unqualified
Internal control over financial reporting	
Material weaknesses identified	Yes
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Noncompliance material to financial statements	No

#### Federal Awards

Internal control over major programs	
Material weaknesses identified	No
Significant deficiencies identified that are not considered to be material weaknesses	None reported
Type of auditors' report issued on compliance for major programs	Unqualified
Audit findings required to be reported in accordance with Circular A-133, Section .510(a)	Yes

#### Identification of major programs

CFDA number	15.235
Name of federal program or cluster	U.S. Department of the Interior, Southern Nevada Public Land Management
CFDA number	20.205
Name of federal program or cluster	U.S. Department of Transportation, Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs	\$580,510
Auditee qualified as low-risk auditee	Yes

(Continued)

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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**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***

2014 - 001		
Criteria		There should be a sufficient level of qualified accounting staff to 1) allow for proper segregation of duties, 2) ensure appropriate accounting recognition of transactions and journal entries, and 3) ensure that errors are detected and corrected timely during financial close procedures prior to commencement of audit procedures.
Condition		Due to staff reductions and the time period for financial close, there is a lack of adequate accounting staff available to review transactions and ensure that journal entries are appropriately recorded, reviewed and reconciled to supporting documentation prior to commencement of audit procedures.
Effect		Numerous adjustments were proposed by the auditor which should be made prior to audit procedures.
Cause		There is not adequate staff to perform financial close and analyze all accounts and transactions prior to commencement of the audit.
Recommendation		While we recognize the difficulties inherent in the allocation of limited resources, particularly in today's economic environment, we recommend that consideration be given to allocating resources for additional qualified accounting staff.
Management's response		Management informed us that it will continue to evaluate the adequacy of staffing levels and segregation of duties in order to prioritize and focus limited resources on the areas and functions of greatest need and that automated reporting tools in the accounting system are currently being developed, which are expected to facilitate more timely review of information and exception based reporting while requiring less preparation time, allowing for more time to be focused on oversight and systemic improvements.

(Continued)

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a)

2014 - 002	
Program	Southern Nevada Public Land Management (CFDA #15.235)
Specific requirements	Federal awards are required to be recorded and expensed within the compliance requirements set forth by the awarding agency.
Condition and context	Four disbursements, out of the 73 tested, included expenditures which were incurred after the period of availability of funds. The modified agreement extended the period of performance to March 31, 2014 and the related expenses were for services performed after that period.
Questioned costs	\$20,780.75
Effect	Costs were charged to the grant that were incurred after the period of performance.
Cause	A thorough review of invoices received after the period of performance was not performed by someone with the requisite skills, knowledge and expertise required to identify such expenditures.
Recommendation	Management should adopt, implement and monitor compliance with policies and procedures designed to provide reasonable assurance that all applicable federal grant requirements are appropriately applied and complied with. In addition, resources should be made available to provide appropriate training and other resources to those delegated with the primary responsibility for compliance with federal grant requirements.
Management's response	Management informed us that they will obtain/provide the necessary training to assigned personnel in order to ensure they have the appropriate level of accounting knowledge and skill (with an emphasis on the specific requirements unique to a governmental entity with federal grant awards) to monitor compliance with such policies and procedures to provide reasonable assurance that all applicable federal grant requirements are appropriately applied and complied with.

(Continued)

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2014

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### Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a) (continued)

2014 - 003 Program	Southern Nevada Public Land Management (CFDA #15.235) Highway Planning and Construction (CFDA #20.205)
Specific requirements	Local 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. Specifically, no employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
Condition and context	The current Purchasing Guidelines does 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.
Questioned costs	N/A
Effect	The City could enter into transactions which may create a conflict of interest resulting in questioned costs.
Cause	The City did not have policies in place to adequately address the appropriate eligibility guidelines of the grant awards.
Recommendation	Management should implement policies and procedures to address the conduct of those involved in making procurement decisions.
Management's response	Management informed us that it will incorporate within its purchasing policy procurement procedures that conform to applicable Federal laws, regulations, and standards identified in the A-102 Common Rule or OMB Circular A-110 (2 CFR Part 215), as applicable.

# CITY OF NORTH LAS VEGAS

## SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2013

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**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***

2013 - 001

Criteria

There should be a sufficient level of qualified accounting staff to 1) allow for proper segregation of duties, 2) ensure appropriate accounting recognition of transactions and journal entries, and 3) ensure that errors are detected and corrected timely during financial close procedures prior to commencement of audit procedures.

Condition

Due to staff reductions and the time period for financial close, there is a lack of adequate accounting staff available to review transactions and ensure that journal entries are appropriately recorded, reviewed and reconciled to supporting documentation prior to commencement of audit procedures.

Effect

Numerous adjustments were proposed by the auditor which should be made prior to audit procedures.

Cause

There is not adequate staff to perform financial close and analyze all accounts and transactions prior to commencement of the audit.

Current status

This finding has not been remediated and will be reported as part of the current year audit.

(Continued)

**CITY OF NORTH LAS VEGAS**

**SCHEDULE OF PRIOR FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2013**

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**Section III – Findings and questioned costs for federal awards, including audit findings as defined in Circular A-133 Section .510(a)**

None reported