

CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
AND
INDEPENDENT AUDITOR'S REPORTS

CLARK COUNTY, NEVADA
 FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
 PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2018

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION:</u>	
Independent Auditor's Report	1
Management's Discussion and Analysis	5
<u>Basic Financial Statements:</u>	
Government-Wide Financial Statements	
Statement of Net Position	16
Statement of Activities	18
Fund Financial Statements:	
Governmental Funds - Balance Sheet	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances	22
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Proprietary Funds - Statement of Net Position	24
Proprietary Funds - Statement of Revenues, Expenses and Changes in Net Position	28
Proprietary Funds - Statement of Cash Flows	30
Fiduciary Funds - Statement of Net Position	34
Fiduciary Funds - Statement of Changes in Net Position	35
Notes to Financial Statements	36
<u>Required Supplementary Information:</u>	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	146
Reconciliation of General Fund (Budgetary Basis) to the General Fund (Modified Accrual Basis) Statement of Revenues, Expenditures and Changes in Fund Balance	147
Las Vegas Metropolitan Police Department	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	148
Other Post-Employment Benefits Required Supplementary Information	
Schedule of Contributions	149-150
Schedule of Changes in the Net OPEB Liability and Related Ratios	151-160
Pension Plan Required Supplementary Information	
Schedule of Proportionate Share of Net Pension Liability	161-165
Schedule of Defined Benefit Plan Contributions	166-170
Las Vegas Valley Water District Pension Trust - Defined Benefit	
Pension Plan Required Supplementary Information	
Schedule of Changes in Net Pension Liability	171
Schedule of Defined Benefit Plan Contributions	172
Schedule of Defined Benefit Plan Investment Returns	173
Notes to Required Supplementary Information	174-176

CLARK COUNTY, NEVADA
FINANCIAL STATEMENTS WITH ACCOMPANYING INFORMATION
PERTAINING TO EXPENDITURES OF FEDERAL AWARDS

For the Fiscal Year Ended June 30, 2018

TABLE OF CONTENTS

	<u>Page</u>
<u>COMMENTS OF INDEPENDENT AUDITOR:</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	177-178
<u>ACCOMPANYING INFORMATION - EXPENDITURES OF FEDERAL AWARDS:</u>	
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	179-181
Schedule of Expenditures of Federal Awards	182-188
Notes to Schedule of Expenditures of Federal Awards	189
Schedule of Findings and Questioned Costs	190-193
Management's Response to Auditor's Findings	194-197

FINANCIAL SECTION



Independent Auditor's Report

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Clark County, Nevada, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following:

- The financial statements of University Medical Center of Southern Nevada and Clark County Water Reclamation District, which are major funds and which, when combined, represent 33 percent of the assets, 50 percent of net position, and 51 percent of the revenues of the business-type activities;
- The financial statements of Las Vegas Valley Water District, Big Bend Water District, and Regional Transportation Commission of Southern Nevada which are discretely presented component units and which, when combined, represent 81 percent, 110 percent, and 74 percent, respectively, of the assets, net position, and revenues of the discretely presented component units.

Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the above-mentioned funds and entities is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County as of June 30, 2018, 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.

Adoption of New Accounting Standard

As discussed in Note I to the financial statements, the County has adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which has resulted in a restatement of the net position as of July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the general fund and major special revenue fund, and schedules of OPEB and pension contributions, changes in OPEB and pension liabilities, and related ratios on pages 5 through 15 and 146 through 176 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 and other auditors have applied certain limited procedures to the management's discussion and analysis and pension and OPEB trend data, 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.

The budgetary comparison information, reconciliations, and related notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Clark County, Nevada's basic financial statements. The introductory section, combining and individual fund statements and schedules, schedule of business license fees, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and schedule of business license fees are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual fund financial statements and schedules and schedule of business license fees are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Prior Year Comparative Information

The financial statements of Clark County, Nevada as of and for the year ended June 30, 2017, were audited by Eide Bailly LLP, whose report dated February 5, 2018, expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information.

The individual fund schedules related to the 2017 financial statements are presented for purposes of additional analysis and were derived from and relate directly to the underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The individual fund schedules are consistent in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2019 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial

reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Eide Bailly LLP

Las Vegas, Nevada
January 25, 2019

Clark County, Nevada

Management's Discussion and Analysis
June 30, 2018

The discussion and analysis of Clark County, Nevada (the County) is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the County's financial activities, (c) identify changes in the County's financial position (its ability to address subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

We encourage readers to read this information in conjunction with the transmittal letter, financial statements and accompanying notes to gain a more complete picture of the information presented.

Financial Highlights - Primary Government

- The independent auditor's report offers an unmodified opinion that the County's financial statements are presented fairly in all material respects.
- Government-wide net position totaled \$8,592,646,275. Net position of governmental activities totaled \$5,772,132,697 and those of business-type activities totaled \$2,820,513,578.
- The County's total net position increased by \$ 243,462,758 before the impact of prior period adjustments. Net position from governmental activities increased by \$112,717,874 and net position from business-type activities increased by \$130,744,884 before the impact of prior period adjustments. Net position from governmental activities increased mainly because of increased general revenues and decreased losses on disposal of capital assets related to annexations. Net position from business-type activities increased largely due to UMC, Clark County Water Reclamation, and Department of Aviation surpluses. In addition, beginning governmental and business-type activities net positions were reduced by \$272,874,520 and \$143,264,801, respectively, primarily due to the implementation of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of GASB 75 resulted in a decrease of net position from governmental activities at July 1, 2017 of \$262,865,858 to restate the net OPEB liability and recognize deferred outflows of resources. Additionally, governmental activities net position was decreased by \$10,008,662 to restate the receivable balance from the City of Las Vegas for their funding share of the Las Vegas Metropolitan Police Department's net OPEB liability at July 1, 2017. The implementation of GASB 75 resulted in a decrease of net position from business-type activities at July 1, 2017 of \$145,847,832 to restate the net OPEB liability and recognize deferred outflows of resources. Additionally, business-type activities net position was increased by \$2,583,031 due to the identification of unrecorded Clark County Water Reclamation District accounts receivable, donated capital assets, and impaired capital assets. The County's total net position decreased \$416,139,321 including the impact of prior period adjustments.
- Unrestricted net position was (\$878,698,799), with (\$880,767,370) resulting from governmental activities and \$2,068,571 from business-type activities. Unrestricted net position from governmental activities decreased by 38 percent from the prior year, and unrestricted net position from business-type activities decreased by 94 percent from the prior year.
- Net capital assets were \$12,973,135,204 of which \$6,390,283,332 was from governmental activities and \$6,582,851,872 was from business-type activities. Major additions for governmental activities during the year included \$140 million toward beltways, roadways, and streets, \$54 million toward flood control projects. Major additions for business-type activities during the year included \$48 million in Department of Aviation capital expenditures, the eighth largest airport in the United States, and \$331 million in sewer system and related equipment additions. Depreciation expense attributable to assets of governmental activities amounted to \$299,484,336 for the year, and \$312,703,173 for business-type activities.
- Bonds and loans payable totaled \$6,181,859,733. The following new debt was issued during the fiscal year:

Governmental activities:

General obligation bonds

\$66,240,000 in bonds for Special Improvement Districts

- On July 11, 2017, the County issued \$12,130,000 in Special Improvement District No. 158 (Las Vegas Boulevard -St. Rose Parkway to Pyle Avenue) Local Improvement Bonds with an interest rate of 5 percent. The bond proceed totaled \$14,523,860. The proceeds are being used to: (i) finance the cost of certain local improvements; (ii) fund a debt service reserve fund for the Bonds; and (iii) pay the costs of issuing the Bonds. Principal is paid annually beginning August 1, 2018 and interest is paid semiannually on August 1 and February 1. The bonds mature on August 1, 2037.
- On August 24, 2017, the County issued \$54,110,000 Special Improvement District No. 112 (Flamingo Underground) Local Improvement Refunding Bonds Series 2017 to refund all the outstanding \$56,495,000 Special Improvement District No. 112 (Flamingo Underground) Local Improvement Bonds, Series 2008, fund the Reserve Fund, and to pay certain costs of issuance thereof. The series 2017 bonds have stated interest ranging from 2.00 to 4.00 percent, with principal paid annually August 1 and February 1, and a maturity date of August 1, 2037. On August 24, 2017, the County created an escrow account (\$56,671,232) in an amount sufficient to pay the principal of and accrued interest on the Refunded Bonds on August 25, 2017. This transaction resulted in the defeasance of the 2008 issue and the related liability has been removed from the financial statements of the County. The refunding resulted in a gain of \$350,352, which represents the difference between the defeased bonds and the amount placed in escrow. The refunding also resulted in future cash flow savings of \$13,329,228 and an economic gain (difference between the present value of the old and new debt service payments) of \$10,221,169.

Business-type activities:

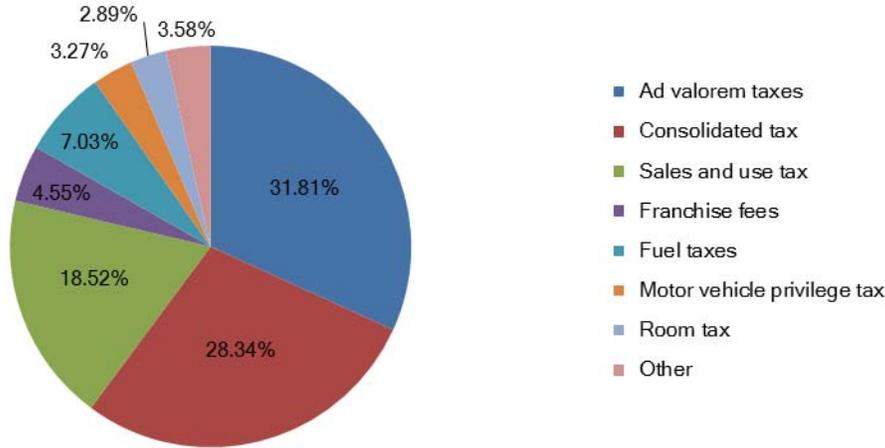
Revenue bonds

\$188,010,000 in bonds for the Department of Aviation

- On December 6, 2017, the County issued the Series 2017D Airport System Subordinate Lien Refunding Revenue Bonds (Series 2017D Bonds) for \$92,465,000 to mature on July 1, 2022. The Series 2017D is issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A. The Series 2017D Bonds was issued to refund Series 2011B-2 Bonds and then Banc of America Preferred Funding Corporation has agreed to purchase the bonds pursuant to the terms and provisions of a floating rate Direct Purchase Agreement. Interest payments are due on the first business day of each month and scheduled principal payments are due on July 1 of each year. The Indenture and Direct Purchase Agreement contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.
- On June 29, 2018, the County issued the Series 2018A Junior Subordinate Lien Revenue Notes (Series 2018A Note) for \$95.5 million. The net proceeds of \$103.4 million, along with a \$2.5 million contribution from the Series 2014B Notes sinking fund, were used to refund the outstanding principal and interest on the Series 2014B Notes. The Series 2018A Notes have a fixed interest rate of 5.00% and a yield of 1.98%. Interest payments are due on January 1 and July 1 of each year, and scheduled principal payments are due on July 1 of each year until the scheduled maturity on July 1, 2021. The present value over the three-year life of the aggregate debt service payments for the Series 2018A Notes is \$103.9 million. There is no aggregate debt to service on the refunding transaction between the refunding notes and the refunded notes due to the fact that the Series 2014B Notes matured on July 1, 2018. As of June 30, 2018, the aggregate debt service balance of defeased bonds in escrow was \$105.9 million

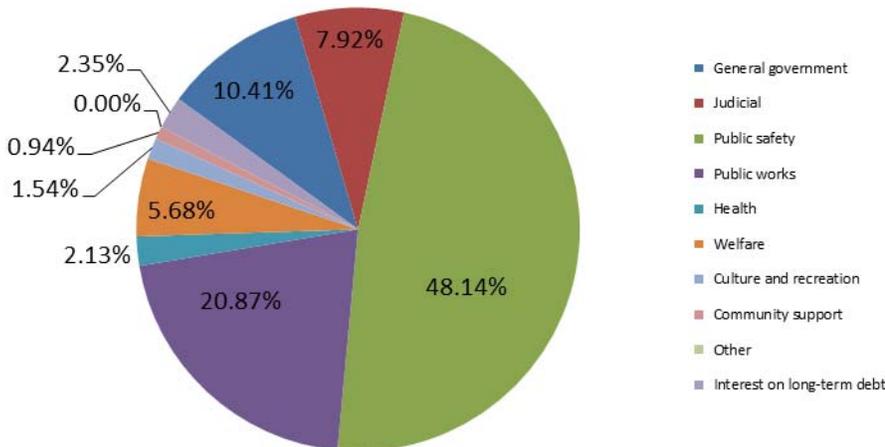
- The County's primary general revenue sources for governmental activities were ad valorem taxes in the amount of \$653,736,333, consolidated taxes in the amount of \$582,444,785, and sales and use taxes of \$380,470,034. These three revenue sources comprised 32 percent, 28 percent, and 19 percent, respectively, or 79 percent of total governmental activities general revenues.

General Revenues - Governmental Activities:



- The County's total expenses were \$4,427,550,423. Governmental activities comprised \$2,893,392,154 of total expenses, the largest functional expenses being public safety in the amount of \$1,393,176,958 and public works in the amount of \$604,077,714. Business-type activities accounted for \$1,534,158,269 of total expenses, the largest components being for hospital expense in the amount of \$672,683,257 and airport in the amount of \$608,661,056.

Expenses - Governmental Activities:



- General government expenses totaled \$301,208,753 or 5% more than the prior year.
- Public safety expenses totaled \$1,393,176,958 or 6% more than the prior year.
- Public works expenses totaled \$604,077,714 or 16% less than the prior year due to a decrease in the loss on disposal of capital assets related to annexations.
- Health expenses totaled \$61,716,234 or 7% less than the prior year.
- Welfare expenses totaled \$164,305,864 or 10% more than the prior year due to increase in IGT and uncompensated care payments.

- At the end of the fiscal year, the unassigned fund balance for the General Fund was \$227,543,963 or 12% of total General Fund expenditures and transfers out.

Overview of the Financial Statements

- This discussion and analysis is intended to serve as an introduction to the County's basic financial statements which are composed of government-wide financial statements, fund financial statements, and accompanying notes. This report also contains required supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

- o The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.
- o The statement of net position presents information on all of the County's assets, deferred outflows, liabilities, and deferred inflows. The difference between assets and deferred outflows less liabilities and deferred inflows is 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 County is improving or deteriorating.
- o The statement of activities presents information showing how the County'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).
- o The government-wide financial statements report three types of activities: governmental activities, business-type activities, and discretely presented component units. The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health, welfare, culture and recreation, community support, other, and interest on long-term debt. The business-type activities of the County include operations of its hospital, airports, and sewer utilities, and other operations. Discretely presented component units account for functions of legally separate entities for whom the County is financially accountable or whose governing bodies are not substantially the same as the County. The activities of the discretely presented component units include regional transportation, flood control planning and water districts. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.
- o The government-wide financial statements include not only the governmental and business-type activities of the County itself (known as the primary government), but also those of the legally separate entities for whom the County is financial accountable and whose governing bodies are substantially the same as the County: University Medical Center (UMC) and the Clark County Water Reclamation District. The Board of County Commissioners acts as the governing board for each of these component units whose activities are blended with those of the primary government because they function as part of the County government. Complete financial statements of the individual component units can be obtained from their respective administrative offices. Contact information is included in The Reporting Entity section of Note I, Summary of Significant Accounting Policies.

Fund Financial Statements

- o A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

- Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financial 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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.
- The County maintains 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 Las Vegas Metropolitan Police Department fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the combining and individual fund statements and schedules. In accordance with

Governmental Accounting Standards Board (GASB) Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions* certain special revenue funds have been included in the General Fund for financial reporting purposes as shown in the Major Governmental Funds section. These funds are not included for budgetary comparison purposes described below.

- The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement is provided for each of the County's governmental funds to demonstrate compliance with the budget. The budgetary comparison statements for the major governmental funds are presented as required supplementary information; the budgetary comparison statements for all other governmental funds are included in the fund financial schedules and accompanying supplementary information.

Proprietary Funds

- The County maintains two distinct 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 County uses enterprise funds to account for its hospital, airport, sewer, and other activities.
 - ◆ Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County uses internal service funds to account for the following activities:
 - * Construction management
 - * Fleet maintenance
 - * Investment pool operations
 - * Employee benefits
 - * Central printing and mailing
 - * Information systems development
 - * Self-insurance activities, including:
 - + Liability insurance
 - + Workers' compensation
 - + Group insurance
 - + Other post-employment benefits (fund closed 6/30/17)
- Proprietary funds provide the same type of information as the government-wide financial statements, but with more detail. The proprietary fund financial statements provide separate information for UMC, and Clark County Water Reclamation District, each of which is a blended component unit and reported as a major fund within the fund financial statements. In addition, separate information is provided for an additional major fund, the Department of Aviation. Conversely, the 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 combining and individual fund statements and schedules.

Fiduciary Funds

- The County's fiduciary funds consist of two (2) employee benefit funds, one (1) pension fund, one (1) investment trust fund, and 39 agency funds. The employee benefit funds are the Medical Insurance Premium Retirement Plan and the County Section 125 Plan. The pension fund is the Las Vegas Valley Water District Pension Plan. The investment trust funds is to account for the net position of the County's external investment pool. The agency funds are used to hold monies for other entities or individuals until disposition.

Notes to Financial Statements

- 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.

Other Information

- In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Las Vegas Valley Water District's progress in funding its obligation to provide pension benefits to its employees. It also includes a schedule of budgetary comparisons for the following major governmental funds:
 - ♦ General Fund
 - ♦ Las Vegas Metropolitan Police Department Special Revenue Fund
- The combining statements and individual fund budgetary schedules are presented immediately following the required supplementary information.
- Unaudited statistical information is provided on a ten-year basis for trend and historical analysis.

Government-Wide Financial Analysis

- Net position of the County as of June 30, 2018, and June 30, 2017, are summarized and analyzed below:

Clark County, Nevada Net Position - Primary Government

	Governmental Activities		Business -type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 4,278,276,344	\$ 4,280,870,493	\$ 2,274,794,623	\$ 2,073,611,244	\$ 6,553,070,967	\$ 6,354,481,737
Net capital assets	6,390,283,332	6,370,277,894	6,582,851,872	6,723,714,241	12,973,135,204	13,093,992,135
Total assets	<u>10,668,559,676</u>	<u>10,651,148,387</u>	<u>8,857,646,495</u>	<u>8,797,325,485</u>	<u>19,526,206,171</u>	<u>19,448,473,872</u>
Deferred outflows	366,520,958	390,966,892	228,289,313	246,000,117	594,810,271	636,967,009
Liabilities						
Long-term liabilities	4,348,287,686	4,247,993,071	5,607,209,182	5,662,473,755	9,955,496,868	9,910,466,826
Other liabilities	653,981,142	672,491,593	516,842,703	458,071,281	1,170,823,845	1,130,562,874
Total liabilities	<u>5,002,268,828</u>	<u>4,920,484,664</u>	<u>6,124,051,885</u>	<u>6,120,545,036</u>	<u>11,126,320,713</u>	<u>11,041,029,700</u>
Deferred Inflows	260,679,109	189,341,272	141,370,345	89,747,071	402,049,454	279,088,343
Net Position						
Net investment in capital assets	5,746,137,281	5,702,560,978	2,360,701,467	2,415,916,940	8,106,838,748	8,118,477,918
Restricted	906,762,786	866,516,055	457,743,540	384,560,231	1,364,506,326	1,251,076,286
Unrestricted	(880,767,370)	(636,787,690)	2,068,571	32,556,324	(878,698,799)	(604,231,366)
Total net position	<u>\$ 5,772,132,697</u>	<u>\$ 5,932,289,343</u>	<u>\$ 2,820,513,578</u>	<u>\$ 2,833,033,495</u>	<u>\$ 8,592,646,275</u>	<u>\$ 8,765,322,838</u>

- As noted earlier, net position may serve over time as a useful indicator of the County's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by \$8,592,646,275 as of June 30, 2018 and by \$8,765,322,838 as of June 30, 2017, a net decrease of \$172,676,563 or 2%.
- 94% of the County's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.); less any related debt outstanding used to acquire those assets (unspent proceeds from long-term debt issues). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County'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 the debt.
- 16% of the County's net position is restricted due to resources that are subject to external restrictions on how they may be used. Of restricted net position, 32% is for construction of capital assets, 32% is for repayment of long-term debt, 15% is for public safety, 6% is restricted for Airport Passenger Facility Charges, and the remaining balance is restricted for the County's special revenue funds or other purposes.
- The remaining portion of the County's net position is unrestricted, but is negative at (\$878,698,799) due to the recognition of the long-term net pension liability and net OPEB liability.
- At June 30, 2018, the County had positive balances in all three categories of net position for business type activities, but unrestricted net position for the government as a whole, as well as for governmental activities is negative.

Clark County, Nevada Changes in Net Position - Primary Government

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for services	\$ 450,885,512	\$ 438,366,707	\$ 1,515,722,135	\$ 1,483,607,147	\$ 1,966,607,647	\$ 1,921,973,854
Operating grants and contributions	415,133,744	371,232,362	-	19,080	415,133,744	371,251,442
Capital grants and contributions	129,027,166	199,674,371	70,480,034	112,628,538	199,507,200	312,302,909
General revenues						
Ad valorem taxes	653,736,333	622,066,256	-	-	653,736,333	622,066,256
Consolidated tax	582,444,785	553,377,199	-	-	582,444,785	553,377,199
Sales and use tax	380,470,034	334,726,553	19,623,239	18,544,504	400,093,273	353,271,057
Franchise fees	93,461,490	95,436,976	-	-	93,461,490	95,436,976
Fuel taxes	144,492,230	136,480,612	-	-	144,492,230	136,480,612
Motor vehicle privilege tax	67,255,798	62,688,330	-	-	67,255,798	62,688,330
Room tax	59,460,118	58,981,471	-	-	59,460,118	58,981,471
Other	62,361,734	34,296,296	-	-	62,361,734	34,296,296
Gain on sale or disposition of assets	3,841,676	2,191,234	1,054,707	12,620	4,896,383	2,203,854
Interest income (loss)	7,331,882	1,064,089	14,230,564	30,900,506	21,562,446	31,964,595
Total revenues	3,049,902,502	2,910,582,456	1,621,110,679	1,645,712,395	4,671,013,181	4,556,294,851
Expenses						
General government	301,208,753	288,059,649	-	-	301,208,753	288,059,649
Judicial	229,206,684	226,100,942	-	-	229,206,684	226,100,942
Public safety	1,393,176,958	1,316,604,127	-	-	1,393,176,958	1,316,604,127
Public works	604,077,714	722,278,543	-	-	604,077,714	722,278,543
Health	61,716,234	66,601,476	-	-	61,716,234	66,601,476
Welfare	164,305,861	148,900,680	-	-	164,305,861	148,900,680
Culture and recreation	44,564,185	50,761,817	-	-	44,564,185	50,761,817
Community support	27,124,465	26,635,103	-	-	27,124,465	26,635,103
Other	-	-	-	-	-	-
Interest on long-term debt	68,011,300	79,454,714	-	-	68,011,300	79,454,714
Hospital	-	-	672,683,257	631,223,871	672,683,257	631,223,871
Airport	-	-	608,661,056	628,926,285	608,661,056	628,926,285
Sewer	-	-	203,967,829	189,048,443	203,967,829	189,048,443
Other	-	-	48,846,127	42,295,287	48,846,127	42,295,287
Total expenses	2,893,392,154	2,925,397,051	1,534,158,269	1,491,493,886	4,427,550,423	4,416,890,937
Increase (decrease) in net position before transfers	156,540,348	(14,814,595)	86,952,410	154,218,509	243,462,758	139,403,914
Transfers	(43,792,474)	(44,996,352)	43,792,474	44,996,352	-	-
Increase (decrease) in net position	112,717,874	(59,810,947)	130,744,884	199,214,861	243,462,758	139,403,914
Net position - beginning	5,932,289,343	6,151,627,021	2,833,033,495	2,692,924,299	8,765,322,838	8,844,551,320
Prior period adjustment	(272,874,520)	(159,526,731)	(143,264,801)	(59,105,665)	(416,139,321)	(218,632,396)
Net position - beginning, restated	5,659,414,823	5,992,100,290	2,689,768,694	2,633,818,634	8,349,183,517	8,625,918,924
Net position - ending	\$ 5,772,132,697	\$ 5,932,289,343	\$ 2,820,513,578	\$ 2,833,033,495	\$ 8,592,646,275	\$ 8,765,322,838

- Program revenues included charges for services, fines and forfeitures, certain licenses and permits, special assessments, and both operating and capital grants and contributions. Program revenues from governmental activities decreased by \$14,227,018, or 1 percent, due to a decrease in capital grants and contributions for road, flood and other infrastructure projects. Program revenues from business-type activities decreased by \$10,052,596, or 1 percent, primarily due to decreases in airport capital grants and contributions from the TSA, the prior year revenue included a non-recurring grant for the reconfiguration of the checked baggage system in Terminal 1.
- General revenues consisted of taxes and interest not allocable to specific programs. For governmental activities, the largest of these revenues, ad valorem taxes, increased by \$31,670,077 or 5 percent. This increase reflects the recovery of assessed values during the fiscal year. Consolidated tax increased by \$29,067,586, or 5 percent, and sales and use tax increased in governmental activities by \$45,743,481, or 14 percent, both due to a continued increased in economic activity during fiscal year 2018. Fuel tax revenue increased \$8,011,618 or 6 percent primarily due to the increase in fuel index revenue in fiscal year 2018. Interest income decreased \$10,402,149 or 33% primarily due to an increase in unrealized losses on investments.

- County governmental activity expenses decreased by 1% in fiscal year 2018. Significant changes from the prior year are as follows:
 - General government expenses increased by \$ 13,149,104 or 5 percent due to increases in postemployment benefit costs.
 - Public Safety expenses increased \$76,572,831 or 6 percent due to increases in salaries and benefits for the hiring of additional police officers and staff.
 - Public works expenses decreased \$118,200,829 or 16% due to a decrease in loss on disposal of capital assets from annexations of land and infrastructure to other jurisdictions.
 - Welfare expenses increased \$15,405,181 or 10 percent due to a reclassification of expenses from health to welfare and increases in Upper Payment Limit IGT and uncompensated care costs.

Financial Analysis of the County's Funds

- The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

- The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements.
- As of the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$2,174,477,086, an increase of \$89,294,675, or 4 percent. Fund balance components have been classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of fund.
- Nonspendable fund balance is \$354,359 and consists of \$323,846 of inventory for Las Vegas Metropolitan Police Department, \$629 of prepaid expenses for the County Grant Fund and \$29,884 of inventory for the Forensic Fund.
- Restricted fund balance is \$906,762,786 or 42% of the total. Spending of these resources is constrained by externally imposed (statutory, bond covenant, or grantors) limitations on their use. Restricted fund balances include \$346,752,147 for capital projects, \$204,906,975 for public safety activities and \$156,771,703 for debt service.
- Committed and assigned fund balances combined represent 48% of total fund balance with spending constrained either by the Board of County Commissioners (BCC) (for committed) or senior management (for assigned). Committed balances are primarily a result of direction from the BCC to commit funds for the payment of expenditures for specific programs or projects.
- Unassigned fund balance represents the General Fund remaining fund balance and is available to support general operations of the County.
- The General Fund is the main operating fund of the County. Restricted fund balance of \$96,049,583 includes restricted cash and unspent proceeds from legislatively mandated ad valorem taxes. Unrestricted fund balance, which includes committed, assigned, and unassigned balances, totaled \$408,019,609 at June 30, 2018. Unrestricted fund balance was 22% of expenditures and other financing uses and includes amounts committed and assigned of \$6,332,539 and \$174,143,107 respectively. Unassigned fund balance is \$227,543,963, or 12% of expenditures and other financing uses.
- Key factors in the change in fund balance in the General Fund as reported for budget purposes are as follows:
 - Revenues and transfers-in increased by \$61,861,450, or 5 percent.

General fund revenues increased by \$52,854,982, or 5 percent. Ad valorem tax revenues increased by \$14,896,547, or 5 percent due to increases in new construction and property assessed values. Intergovernmental revenue, the largest component of which is the consolidated tax, increased by \$20,337,379, or 5 percent, due to the increased economic activity in the local economy.

Transfers-in increased by \$9,006,468, or 3 percent, primarily due to increases in transfers from the various town funds for town services.
 - Expenditures and transfers out increased by \$34,297,815, or 3 percent.

General fund expenditures increased by \$25,298,612 or 4 percent primarily due to increases in Welfare and Other General expenditures. Transfers out increased by \$8,999,203, or 2 percent.
- Other major fund activity is as follows:
 - The Las Vegas Metropolitan Police Department operates from current year resources and it typically budgets for a lower fund balance than other governmental units. However, it ended the year with a total unrestricted fund balance of \$11,930,997. Total

revenues and transfers in were \$575,828,890, which was an increase of \$24,170,208 or 4 percent, over the prior year. Expenditures and transfers out, which consist primarily of personnel costs, increased \$18,174,842 or 3 percent largely due to the addition of 114 full-time positions and an aggressive hiring plan to fill vacant Police Officer positions.

- The non-major governmental funds reported a fund balance of \$1,658,153,051 of which \$810,713,203 or 49% was restricted. All funds have the resources to meet their commitments.

Enterprise Funds

- The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Minor differences arise between the enterprise funds and the business-type activities in the government-wide statements due to the effects of consolidation of internal service fund activities related to the enterprise funds. Total net position for these funds decreased 23,102,207 or 1% percent from the prior year. Unrestricted net position of the enterprise funds totaled \$2,322,153, a decrease of \$41,070,043 or 95% primarily due to the prior period adjustment related to the implementation of GASB No. 75.

Internal Service Funds

- The County's internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Other factors concerning the finances of the internal service funds have already been addressed in the discussion of the County's governmental activities.

Budgetary Highlights

- The General Fund's legal level of budgetary control is the function level. The final amended budget for expenditures and other financing uses was \$1,382,267,659, increased through augmentation by \$53,818,161 from the original budget. Actual expenditures and other financing uses were \$1,340,052,861, or 3 percent less than the final budget, primarily due to staff vacancy savings, and the reduction of intergovernmental transfers.
- Revenues and other transfers from other financing sources of the general fund exceeded the final budget by \$52,450,234, or 4 percent due to an increase in consolidated tax revenue, business licenses, and charges for services.

Capital Assets and Debt Administration

Primary Government

• Capital Assets

- o The County's investment in capital assets, net of accumulated depreciation at June 30, 2018, was \$12,973,135,204, a decrease of \$120,856,931, or 1 percent. Detail by type of activity and asset is summarized in the table below.

Major additions for this fiscal year are as follows:

<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
Roadways and streets	\$ 79 million	Airport improvements and additions	\$ 48 million
Flood control projects	\$ 54 million	Sewer system additions	\$ 331 million

Clark County, Nevada Capital Assets - Primary Government
(Net of Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land and improvements	\$ 1,579,489,724	\$ 1,581,641,174	\$ 2,733,179,719	\$ 2,696,866,883	\$ 4,312,669,443	\$ 4,278,508,057
Buildings	1,283,450,285	1,153,372,506	3,278,840,652	3,239,559,311	4,562,290,937	4,392,931,817
Machinery and equipment	115,448,326	107,326,648	433,937,274	432,093,418	549,385,600	539,420,066
Infrastructure	3,163,973,716	3,159,522,116	-	-	3,163,973,716	3,159,522,116
Construction in progress	247,921,281	368,415,450	136,894,227	357,424,051	384,815,508	725,839,501
Total	\$ 6,390,283,332	\$ 6,370,277,894	\$ 6,582,851,872	\$ 6,725,943,663	\$ 12,973,135,204	\$ 13,096,221,557

- o For additional information on the County's capital assets see note 4 in the accompanying financial statements.

Long-Term Debt

Primary Government

- At June 30, 2018, the County had total outstanding bonds and loans of \$6,181,859,733, a decrease of \$221,004,482, or 3 percent, from the prior year. Of this amount, \$1,353,253,855 comprised general obligation debt backed by the full faith and credit of the County, \$606,436,472 of general obligation bonds additionally secured by specified revenue sources, \$3,886,661,351 of revenue bonds secured by pledges of various revenue sources, \$149,567,590 in special assessment debt for which the County is liable in the event of default by the property owners subject to assessment, and \$185,940,465 in capital leases.

Clark County, Nevada Outstanding Debt - Primary Government

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
General obligation bonds	\$ 1,353,253,855	\$ 1,436,379,313	\$ -	\$ -	\$ 1,353,253,855	\$ 1,436,379,313
Revenue backed general obligation bonds	-	-	606,436,472	626,149,989	606,436,472	626,149,989
Revenue bonds	10,000	10,000	3,886,651,351	4,000,474,993	3,886,661,351	4,000,484,993
Special assessment bonds	149,567,590	153,467,887	-	-	149,567,590	153,467,887
Capital leases	185,940,465	186,382,033	-	-	185,940,465	186,382,033
Total	\$ 1,688,771,910	\$ 1,776,239,233	\$ 4,493,087,823	\$ 4,626,624,982	\$ 6,181,859,733	\$ 6,402,864,215

- o For additional information on the County's debt, see note 6 in the accompanying financial statements.

Economic Factors

- UMC continues to deal with the impact of uninsured patients. UMC's operating profit was \$15,939,581 for the fiscal year 2017 compared to an operating loss of \$21,082,790 in fiscal year 2018. The operating loss is due primarily to increases in operating expenses. Salaries and benefits increased due to an increase in the number of FTEs and OPEB expense.
- The County has positioned itself to meet the needs of its citizens. The taxable values have begun to increase and the remaining tax base will generate adequate revenues to provide basic services. A cost containment program continues to be in place, enforcing a reasonable pace of salary growth and position savings. The County's general fund unassigned ending fund balance remains healthy. Together, these factors have placed the County in an acceptable financial position to mitigate the current economic uncertainty. However, continued economic uncertainty could ultimately result in a deterioration of the County's financial condition.

Requests for Information

- This report is designed to provide a general overview of the County's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Anna Danchik, Comptroller, at 500 South Grand Central Parkway, Las Vegas, NV 89155.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Clark County, Nevada
Statement of Net Position
June 30, 2018

	Primary Government			Component Units				
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts	Clark County Stadium Authority
Assets								
Unrestricted assets								
Cash and investments								
In custody of the County Treasurer	\$ 2,420,041,798	\$ 712,675,206	\$ 3,132,717,004	\$ 160,411,697	\$ 119,919,478	\$ -	\$ 167,559	\$ 7,403,039
In custody of other officials	9,198,006	81,854,776	91,052,782	500	15,845,869	5,025,927	875,381	150,000
With fiscal agent	45,972,928	-	45,972,928	126,784,387	-	-	-	762,023,151
Investments in custody of other officials	-	274,049,675	274,049,675	-	-	345,499,717	-	-
Accounts receivable (net of provision for doubtful accounts)	24,530,914	182,337,551	206,868,465	342,641	41,202,007	71,902,514	521,193	17,341,514
Interest receivable	7,949,788	8,362,700	16,312,488	523,831	1,606,124	1,066,459	547	1,039,153
Taxes receivable, delinquent	10,464,645	-	10,464,645	-	-	-	-	-
Penalties receivable on delinquent taxes	10,810,700	-	10,810,700	-	-	-	-	-
Special assessments receivable	150,358,023	-	150,358,023	-	-	-	-	-
Internal balances	(23,055,181)	23,055,181	-	-	-	-	-	-
Due from other governmental units	266,618,763	6,881,887	273,500,650	18,239,456	92,446,563	-	1,724	8,387,727
Inventories	499,277	23,315,663	23,814,940	1,626	745,970	-	10,674	10,641
Prepaid items and other current assets	1,032,779	5,433,307	6,466,086	-	-	-	-	-
Unearned charges and other assets	350,458,904	12,800,860	363,259,764	-	-	84,133,232	-	-
Restricted assets								
Cash and investments								
In custody of the County Treasurer	-	378,056,999	378,056,999	-	372,360,821	-	-	-
In custody of other officials	-	66,247,563	66,247,563	-	1,168,451	8,792,722	1,770,966	-
With fiscal agent	-	303,096,096	303,096,096	-	53,586,144	-	-	-
Investments with fiscal agent	-	192,923,278	192,923,278	-	-	145,242,952	-	-
Accounts receivable	-	3,703,881	3,703,881	-	-	418,998,255	-	-
Bond bank receivable, current	40,760,000	-	40,760,000	-	-	72,605,000	-	-
Bond bank receivable, noncurrent	962,635,000	-	962,635,000	-	-	1,851,015,000	-	-
Capital assets not being depreciated	1,515,428,203	1,087,496,264	2,602,924,467	282,717	38,309,212	47,833,923	-	293,603,336
Capital assets being depreciated, net of accumulated depreciation	4,874,855,129	5,495,355,608	10,370,210,737	2,178,093	400,390,091	1,598,846,971	32,616,520	-
Total assets	10,668,559,676	8,857,646,495	19,526,206,171	308,764,948	1,137,580,730	4,663,074,863	35,964,564	1,089,958,561
Deferred Outflows of Resources								
Bond refundings	30,700,772	71,585,828	102,286,600	5,981,490	15,775,583	1,082,091	-	-
Hedging derivative instruments	-	26,924,617	26,924,617	-	-	-	-	-
Related to other post employment benefits	16,684,006	6,321,390	23,005,396	52,064	206,730	-	-	-
Related to pensions	319,136,180	123,457,478	442,593,658	691,284	11,030,595	48,530,076	-	-
Total deferred outflows of resources	366,520,958	228,289,313	594,810,271	6,724,838	27,012,908	49,612,167	-	-

The accompanying notes are an integral part of these financial statements.

(Continued)

	Primary Government			Component Units				
	Governmental Activities	Business-Type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts	Clark County Stadium Authority
Liabilities								
Current liabilities (payable from current assets)								
Accounts payable	235,805,830	115,147,085	350,952,915	9,698,401	68,690,525	92,295,930	181,998	46,996,058
Accrued payroll and other accrued liabilities	188,898,440	72,440,121	261,338,561	134,223	3,727,484	40,227,759	-	-
Accrued interest	22,695,202	-	22,695,202	4,924,947	20,403,668	15,279,415	49,906	5,374,425
Due to other governmental units	79,911,159	-	79,911,159	483,971	-	-	1,608,602	123,508
Unearned revenue and other liabilities	35,658,734	22,015,096	57,673,830	-	-	5,538,038	91,801	-
Liabilities payable from restricted assets								
Current maturities of long-term debt	-	145,171,701	145,171,701	-	-	-	-	-
Accounts payable	-	62,394,819	62,394,819	-	-	-	-	-
Customer deposits	-	-	-	-	-	24,913,879	-	-
Accrued expenses	-	93,566,881	93,566,881	-	-	-	-	-
Unearned revenue and other liabilities	-	-	-	-	-	2,645,747	-	-
Bonds and loans payable, due within one year	91,011,777	6,107,000	97,118,777	14,140,000	48,705,000	506,003,146	420,847	1,070,000
Bonds and loans payable, due after one year	1,597,760,133	4,341,809,122	5,939,569,255	628,836,845	905,338,657	2,697,095,428	2,703,459	742,298,392
Other post employment benefits	601,883,994	400,987,351	1,002,871,345	2,936,134	18,002,164	45,901,520	-	-
Net pension liability	2,053,191,900	735,191,315	2,788,383,215	4,382,337	46,940,485	206,072,465	-	-
Other non-current liabilities, due after one year	95,451,659	129,221,394	224,673,053	767,951	2,083,694	1,598,185	-	-
Total liabilities	5,002,268,828	6,124,051,885	11,126,320,713	666,304,809	1,113,891,677	3,637,571,512	5,056,713	795,862,383
Deferred Inflows of Resources								
Bond refundings	2,166,357	8,326,540	10,492,897	-	1,657,397	7,813,191	-	-
Hedging derivative instruments	-	23,399,997	23,399,997	-	-	-	-	-
Related to other post employment benefits	67,494,654	47,428,795	114,923,449	306,268	2,222,897	1,231,843	-	-
Related to pensions	191,018,098	62,215,013	253,233,111	383,339	3,080,245	26,070,093	-	-
Personal Seat Licenses	-	-	-	-	-	-	-	40,150,000
Total deferred outflows of resources	260,679,109	141,370,345	402,049,454	689,607	6,960,539	35,115,127	-	40,150,000
Net position								
Net investment in capital assets	5,746,137,281	2,360,701,467	8,106,838,748	2,460,810	435,584,659	836,946,681	29,492,114	275,426,337
Restricted for:								
Capital projects	346,752,147	86,456,667	433,208,814	-	305,783,508	146,975	1,770,966	-
Debt service	156,771,703	283,291,331	440,063,034	9,098,392	142,854,999	10,498,909	-	26,363,815
Public safety	204,906,975	-	204,906,975	-	-	-	-	-
Passenger Facility Charge	-	82,216,882	82,216,882	-	-	-	-	-
Other purposes	198,331,961	5,778,660	204,110,621	-	-	-	-	-
Unrestricted	(880,767,370)	2,068,571	(878,698,799)	(363,063,832)	(840,481,744)	192,407,826	(355,229)	(47,843,974)
Total net position	\$ 5,772,132,697	\$ 2,820,513,578	\$ 8,592,646,275	\$ (351,504,630)	\$ 43,741,422	\$ 1,040,000,391	\$ 30,907,851	\$ 253,946,178

Clark County, Nevada
Statement of Activities
For the Fiscal Year Ended June 30, 2018

	Net (Expenses) Revenues and Changes in Net Position														
	Program Revenues					Primary Government					Component Units				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Clark County Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts	Clark County Stadium Authority			
Governmental activities:															
General government	\$ 301,208,753	\$ 255,719,252	\$ 59,731,140	\$ -	\$ 14,241,639	\$ -	\$ 14,241,639	\$ -	\$ -	\$ -	\$ -	\$ -			
Judicial	229,206,684	67,121,841	24,568,210	-	(137,516,633)	-	(137,516,633)	-	-	-	-	-			
Public safety	1,393,176,958	68,988,028	302,712,426	-	(1,021,476,504)	-	(1,021,476,504)	-	-	-	-	-			
Public works	604,077,714	32,232,543	-	129,027,166	(442,818,005)	-	(442,818,005)	-	-	-	-	-			
Health	61,716,234	9,306,931	-	-	(51,048,206)	-	(51,048,206)	-	-	-	-	-			
Welfare	164,305,861	-	1,361,097	-	(151,560,407)	-	(151,560,407)	-	-	-	-	-			
Culture and recreation	44,564,185	17,516,917	12,745,454	-	(26,309,465)	-	(26,309,465)	-	-	-	-	-			
Community support	27,124,465	-	737,803	-	(13,846,851)	-	(13,846,851)	-	-	-	-	-			
Interest on long-term debt	68,011,300	-	13,277,614	-	(68,011,300)	-	(68,011,300)	-	-	-	-	-			
Total governmental activities	2,893,392,154	450,885,512	415,133,744	129,027,166	(1,898,345,732)	-	(1,898,345,732)	-	-	-	-	-			
Business-type activities:															
Hospital	672,683,257	659,392,580	-	-	-	(13,290,677)	(13,290,677)	-	-	-	-	-			
Airport	608,661,056	653,915,125	-	7,517,061	-	52,771,130	52,771,130	-	-	-	-	-			
Sewer	203,967,829	149,251,429	-	62,962,973	-	8,246,573	8,246,573	-	-	-	-	-			
Other	48,846,127	53,163,001	-	-	-	4,316,874	4,316,874	-	-	-	-	-			
Total business-type activities	1,534,158,269	1,515,722,135	-	70,480,034	-	52,043,900	52,043,900	-	-	-	-	-			
Total primary government	\$ 4,427,550,423	\$ 1,966,607,647	\$ 415,133,744	\$ 199,507,200											

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Statement of Activities
For the Fiscal Year Ended June 30, 2018
(Continued)

	Program Revenues				Primary Government				Component Units			
	Net (Expenses) Revenues and Changes in Net Position				Clark County				Clark County			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Regional Flood Control District	Regional Transportation Commission of Southern Nevada	Las Vegas Valley Water District	Other Water Districts	Clark County Stadium Authority
Clark County Regional Flood Control District	\$ 119,603,023	\$ -	\$ 8,308	\$ 2,758,832	653,736,333	-	653,736,333	\$ (116,835,883)	\$ -	\$ -	\$ -	\$ -
Regional Transportation Commission of Southern Nevada	502,525,182	80,288,981	3,620,770	106,948,944	582,444,785	-	582,444,785	-	(311,666,487)	-	-	-
Las Vegas Valley Water District	366,708,086	372,308,125	-	32,863,453	380,470,034	19,623,239	400,093,273	103,428,054	206,850,487	-	10,346	-
Other Water Districts	5,641,195	3,909,389	-	1,078,388	93,461,490	-	93,461,490	-	-	38,463,492	(653,418)	-
Clark County Stadium Authority	7,383,734	-	-	193,482,364	144,492,230	-	144,492,230	-	174,422,619	-	-	-
Total component units	\$ 1,001,861,220	\$ 456,506,495	\$ 3,629,078	\$ 337,131,981	59,460,118	-	59,460,118	\$ (116,835,883)	\$ (311,666,487)	\$ 38,463,492	\$ (653,418)	\$ 186,098,630
General revenues:												
Ad valorem taxes					653,736,333		653,736,333					
Unrestricted intergovernmental revenues:												
Consolidated tax					582,444,785		582,444,785					
Sales and use tax					380,470,034	19,623,239	400,093,273	103,428,054	206,850,487		10,346	
Franchise fees					93,461,490		93,461,490					
Fuel taxes					144,492,230		144,492,230		174,422,619			
Motor vehicle privilege tax					67,255,798		67,255,798					
Room tax					59,460,118		59,460,118					48,574,018
Other					62,361,734		62,361,734	509,598	9,137,265	2,769,822		
Gain on sale of capital assets					3,841,676	1,054,707	4,896,383					
Interest income					7,331,882	14,230,564	21,562,446	330,695	1,912,620	2,697,065	33,161	2,665,144
Transfers					(43,792,474)	43,792,474	-					
Total general revenues and transfers					2,011,063,606	78,700,984	2,089,764,590	104,268,347	392,322,991	5,468,887	86,408	51,239,162
Change in net position					112,717,874	130,744,884	243,462,758	(12,567,536)	80,656,504	43,930,379	(567,010)	237,337,792
Net position - beginning					5,932,289,343	2,833,033,495	8,765,322,838	(337,150,899)	(31,294,443)	1,013,458,823	31,572,676	16,608,386
Prior period adjustment					(272,874,520)	(143,264,801)	(416,139,321)	(1,786,195)	(6,620,639)	(17,388,811)	(97,815)	-
Net position - beginning as restated					5,659,414,823	2,689,768,694	8,349,183,517	(338,937,094)	(36,915,082)	996,070,012	31,474,861	16,608,386
Net position - ending					\$ 5,772,132,697	\$ 2,820,513,578	\$ 8,592,646,275	\$ (351,504,630)	\$ 43,741,422	\$ 1,040,000,391	\$ 30,907,851	\$ 253,946,178

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

Clark County, Nevada
Governmental Funds
Balance Sheet
June 30, 2018

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and investments:				
In custody of the County Treasurer	\$ 553,490,014	\$ 38,388,210	\$ 1,523,490,651	\$ 2,115,368,875
In custody of other officials	3,777,762	240,800	1,077,444	5,096,006
With fiscal agent	-	-	45,972,928	45,972,928
Accounts receivable	21,020,457	963,070	593,228	22,576,755
Interest receivable	1,807,692	118,970	5,028,244	6,954,906
Taxes receivable, delinquent	7,039,486	1,789,220	1,635,939	10,464,645
Penalties receivable on delinquent taxes	10,810,700	-	-	10,810,700
Special assessments receivable	-	-	150,358,023	150,358,023
Due from other funds	13,122,823	23,917	145,559,517	158,706,257
Due from other governmental units	171,159,246	2,849,142	91,581,950	265,590,338
Prepaid items	-	323,846	30,513	354,359
Total assets	<u>\$ 782,228,180</u>	<u>\$ 44,697,175</u>	<u>\$ 1,965,328,437</u>	<u>\$ 2,792,253,792</u>
Liabilities				
Accounts payable	\$ 20,579,953	\$ 6,380,160	\$ 58,060,503	\$ 85,020,616
Accrued payroll	23,785,420	18,587,050	9,454,262	51,826,732
Due to other funds	154,827,645	888,802	34,019,668	189,736,115
Due to other governmental units	60,300,644	76,347	19,534,168	79,911,159
Interfund advances payable	-	-	1,631,172	1,631,172
Unearned revenue and other liabilities	2,012,660	4,973,730	28,661,041	35,647,431
Total liabilities	<u>261,506,322</u>	<u>30,906,089</u>	<u>151,360,814</u>	<u>443,773,225</u>
Deferred Inflows of Resources				
Unavailable grant revenue	-	-	2,569,478	2,569,478
Unavailable property taxes	16,039,729	1,536,243	1,423,642	18,999,614
Unavailable special assessments	-	-	150,282,451	150,282,451
Unavailable other revenue	612,937	-	1,539,001	2,151,938
Total deferred inflows of resources	<u>16,652,666</u>	<u>1,536,243</u>	<u>155,814,572</u>	<u>174,003,481</u>
Fund Balances				
Nonspendable	-	323,846	30,513	354,359
Restricted	96,049,583	-	810,713,203	906,762,786
Committed	6,332,539	3,933,577	48,769,446	59,035,562
Assigned	174,143,107	7,997,420	798,639,889	980,780,416
Unassigned	227,543,963	-	-	227,543,963
Total fund balances	<u>504,069,192</u>	<u>12,254,843</u>	<u>1,658,153,051</u>	<u>2,174,477,086</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 782,228,180</u>	<u>\$ 44,697,175</u>	<u>\$ 1,965,328,437</u>	<u>\$ 2,792,253,792</u>

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position
 June 30, 2018

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - governmental funds		\$ 2,174,477,086
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:		
Governmental capital assets	\$ 10,348,103,962	
Less accumulated depreciation	<u>(3,957,820,630)</u>	6,390,283,332
Long-term liabilities, deferred outflows of resources and deferred inflows of resources, including bonds payable, are not due and payable in the current period, and therefore not reported in governmental funds:		
Bonds payable, net of premiums and discounts	(1,502,831,445)	
Deferred outflows of resources - bond refunding	30,700,772	
Deferred inflows of resources - bond refunding	(2,166,357)	
Capital leases	(185,940,465)	
Litigation liability	(2,500,000)	
OPEB liability	(601,883,994)	
Net pension liability	(2,053,191,900)	
Compensated absences	<u>(218,811,927)</u>	(4,536,625,316)
Accrued interest payable		(22,695,202)
Deferred outflows and inflows of resources related to OPEB are applicable to future periods and, therefore are not reported in governmental funds		(50,810,648)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore are not reported in governmental funds		128,118,082
Deferred inflows of resources representing amounts that were not available to fund current expenditures and therefore are not reported in governmental funds		174,003,481
Long-term receivables not recorded in governmental funds:		
Bond bank receivable from Southern Nevada Water Authority	1,003,395,000	
LVMPD net pension liability receivable from City of Las Vegas	329,210,318	
LVMPD OPEB receivable from City of Las Vegas	<u>21,048,588</u>	1,353,653,906
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net position of the internal service funds is reported with the governmental activities.		161,474,394
Internal balances that are receivable from business-type activities		<u>253,582</u>
Net position of governmental activities		<u>\$ 5,772,132,697</u>

The accompanying notes are an integral part of the financial statements.

Clark County, Nevada
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2018

	General Fund	Las Vegas Metropolitan Police Department	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 489,985,947	\$ 129,059,418	\$ 102,940,356	\$ 721,985,721
Special assessments	-	-	27,337,531	27,337,531
Licenses and permits	287,303,239	-	26,818,139	314,121,378
Intergovernmental revenue:				
Consolidated tax	573,469,289	-	8,975,494	582,444,783
Other	390,497,314	152,142,316	566,992,916	1,109,632,546
Charges for services	102,355,204	41,968,746	38,896,993	183,220,943
Fines and forfeitures	19,284,190	-	2,489,816	21,774,006
Interest	1,083,552	374,962	5,232,889	6,691,403
Other	19,895,645	2,465,632	31,962,032	54,323,309
Total revenues	<u>1,883,874,380</u>	<u>326,011,074</u>	<u>811,646,166</u>	<u>3,021,531,620</u>
Expenditures				
Current				
General government	129,697,683	-	13,435,129	143,132,812
Judicial	157,746,999	-	60,649,889	218,396,888
Public safety	444,429,776	576,387,536	312,860,427	1,333,677,739
Public works	326,620,255	-	52,232,317	378,852,572
Health	26,138,153	-	13,389,178	39,527,331
Welfare	70,907,077	-	93,073,493	163,980,570
Culture and recreation	9,722,208	-	9,773,575	19,495,783
Community support	-	-	27,084,976	27,084,976
Other general expenditures	108,801,725	-	-	108,801,725
Capital outlay	12,682,836	7,673,658	272,903,483	293,259,977
Debt service				
Principal	-	-	91,816,421	91,816,421
Interest	14,191,344	-	63,124,504	77,315,848
Bond issuance costs	-	-	808,789	808,789
Total expenditures	<u>1,300,938,056</u>	<u>584,061,194</u>	<u>1,011,152,181</u>	<u>2,896,151,431</u>
Excess (deficiency) of revenues over (under) expenditures	<u>582,936,324</u>	<u>(258,050,120)</u>	<u>(199,506,015)</u>	<u>125,380,189</u>
Other Financing Sources (Uses)				
Transfers from other funds	5,922,000	249,817,816	440,864,959	696,604,775
Transfers to other funds	(536,051,218)	-	(211,163,581)	(747,214,799)
Bonds and loans issued	-	-	12,130,000	12,130,000
Refunding bonds issued	-	-	54,110,000	54,110,000
Premium on bonds issued	-	-	4,256,889	4,256,889
Payment to escrow agent	-	-	(55,972,379)	(55,972,379)
Total other financing sources (uses)	<u>(530,129,218)</u>	<u>249,817,816</u>	<u>244,225,888</u>	<u>(36,085,514)</u>
Net change in fund balances	52,807,106	(8,232,304)	44,719,873	89,294,675
Fund Balance				
Beginning of year	<u>451,262,086</u>	<u>20,487,147</u>	<u>1,613,433,178</u>	<u>2,085,182,411</u>
End of year	<u>\$ 504,069,192</u>	<u>\$ 12,254,843</u>	<u>\$ 1,658,153,051</u>	<u>\$ 2,174,477,086</u>

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
 Reconciliation of Statement of Revenues, Expenditures, and Changes in
 Fund Balances of Governmental Funds to the Statement of Activities
 For the fiscal year ended June 30, 2018

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - governmental funds \$ 89,294,675

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives. Also, capital assets financed by capital leases are not shown in governmental funds. The County does not capitalize items costing less than \$5,000.

Capital outlay recorded in governmental funds	\$ 293,259,977	
Less amounts not capitalized	<u>(34,600,399)</u>	
Capitalized expenditures	258,659,578	
Less current year depreciation	<u>(299,054,976)</u>	(40,395,398)

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

Donated capital assets	68,597,120	
Loss on sale of capital assets	(8,663,247)	
Change in unavailable revenue	(18,305,954)	
Bond bank operating contribution	<u>(38,985,000)</u>	2,642,919

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also capital leases are not shown in governmental funds. This is the net effect of these differences in the treatment of long-term debt and related items.

Bonds issued	(66,240,000)	
Bond premiums and discounts	(4,256,889)	
Accrued interest	1,984,689	
Amortized bond premiums and discounts	9,649,874	
Principal payments	91,816,421	
Payment to escrow agent	<u>55,972,379</u>	88,926,474

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 long-term compensated absences	(7,801,464)	
OPEB contributions and OPEB expenses	(23,492,177)	
Pension contributions and pension expenses	1,596,583	
Amortization of deferred gains/losses on refunding	<u>(2,330,015)</u>	(32,027,073)

Increase in long-term LVMPD net pension liability receivable due from the City of Las Vegas. (3,634,934)

Increase in long-term LVMPD OPEB receivable due from the City of Las Vegas. 132,246

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue/(expense) of the internal service funds is reported with governmental activities. 18,361,255

Increase to internal balances that are receivable from business-type activities. (10,582,290)

Change in net position of governmental activities \$ 112,717,874

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Department of Aviation	Other Enterprise Funds
Assets				
Unrestricted current assets				
Cash and cash equivalents				
In custody of the County Treasurer	\$ 121,089,843	\$ -	\$ 531,721,820	\$ 59,863,543
In custody of other officials	18,100	81,439,120	372,450	25,106
Investments in custody of other officials	-	274,049,675	-	-
Accounts receivable	126,084,988	13,321,200	42,528,174	403,189
Interest receivable	-	794,924	7,371,852	195,924
Due from other funds	31,000,000	-	2,935,837	44,635
Due from other governmental units	-	-	6,881,527	360
Inventories	11,436,654	2,045,841	9,667,525	165,643
Prepaid items and other current assets	2,594,604	2,014,039	809,664	15,000
Total unrestricted current assets	<u>292,224,189</u>	<u>373,664,799</u>	<u>602,288,849</u>	<u>60,713,400</u>
Restricted current assets				
Cash and cash equivalents				
In custody of the County Treasurer	103,963,536	27,134,684	246,958,779	-
With fiscal agent	-	-	303,096,096	-
Investments in custody of other officials	-	116,693	66,130,870	-
Investments with fiscal agent	-	-	192,923,278	-
Accounts receivable	260,353	3,443,528	-	-
Total restricted current assets	<u>104,223,889</u>	<u>30,694,905</u>	<u>809,109,023</u>	<u>-</u>
Total current assets	<u>396,448,078</u>	<u>404,359,704</u>	<u>1,411,397,872</u>	<u>60,713,400</u>
Noncurrent assets				
Interfund advances receivable	-	1,631,172	-	-
Unearned charges and other assets	91,104	11,275,177	1,434,579	-
Capital assets				
Property and equipment	471,863,965	2,999,320,082	6,962,757,462	55,793,529
Accumulated depreciation	<u>(268,027,640)</u>	<u>(1,082,997,796)</u>	<u>(2,533,974,565)</u>	<u>(21,883,165)</u>
Total capital assets, net of accumulated depreciation	<u>203,836,325</u>	<u>1,916,322,286</u>	<u>4,428,782,897</u>	<u>33,910,364</u>
Total noncurrent assets	<u>203,927,429</u>	<u>1,929,228,635</u>	<u>4,430,217,476</u>	<u>33,910,364</u>
Total assets	<u>600,375,507</u>	<u>2,333,588,339</u>	<u>5,841,615,348</u>	<u>94,623,764</u>
Deferred Outflows of Resources				
Unamortized costs on bond refundings and hedging derivative instruments	457,547	39,896,522	58,156,376	-
Related to OPEB	4,177,797	636,213	1,507,380	-
Related to Pensions	81,483,542	10,440,542	26,510,693	5,022,701
	<u>86,118,886</u>	<u>50,973,277</u>	<u>86,174,449</u>	<u>5,022,701</u>

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Department of Aviation	Other Enterprise Funds
Liabilities				
Current liabilities (payable from current assets)				
Current maturities of long-term debt	6,107,000	-	-	-
Accounts payable	64,967,443	8,294,257	40,864,812	1,020,573
Accrued expenses	46,193,337	3,179,042	17,760,157	5,307,585
Due to other funds	8,836,756	-	3,440,376	25,749
Unearned revenue	-	-	5,571,659	11,029,320
Deposits and other current liabilities	-	5,230,793	-	183,324
Total current liabilities (payable from current assets)	<u>126,104,536</u>	<u>16,704,092</u>	<u>67,637,004</u>	<u>17,566,551</u>
Current liabilities (payable from restricted assets)				
Current maturities of long-term debt	-	14,716,701	130,455,000	-
Accounts payable	-	518,969	61,875,850	-
Accrued expenses	-	8,732,892	84,833,989	-
Total current liabilities (payable from restricted assets)	-	<u>23,968,562</u>	<u>277,164,839</u>	-
Total current liabilities	<u>126,104,536</u>	<u>40,672,654</u>	<u>344,801,843</u>	<u>17,566,551</u>
Noncurrent liabilities				
Long-term debt, less current maturities	31,316,000	475,061,330	3,835,431,792	-
Other post employment benefits	276,829,960	38,603,182	85,554,209	-
Net pension liability	476,011,834	56,558,019	170,398,168	32,223,294
Unearned revenue and other non-current liabilities	53,794,272	5,630,175	69,796,947	-
Total noncurrent liabilities	<u>837,952,066</u>	<u>575,852,706</u>	<u>4,161,181,116</u>	<u>32,223,294</u>
Total liabilities	<u>964,056,602</u>	<u>616,525,360</u>	<u>4,505,982,959</u>	<u>49,789,845</u>
Deferred Inflows of Resources				
Unamortized gain on bond refunding and hedging derivative instruments	-	-	31,726,537	-
Related to OPEB	31,249,305	4,327,511	11,851,979	-
Related to Pensions	40,511,412	3,979,582	14,905,333	2,818,686
	<u>71,760,717</u>	<u>8,307,093</u>	<u>58,483,849</u>	<u>2,818,686</u>
Net Position				
Net investment in capital assets	236,717,400	1,421,864,384	668,209,319	33,910,364
Restricted for				
Capital projects	-	2,101,100	84,355,567	-
Debt service	-	18,401,792	264,889,539	-
Held in custody of others	-	45,200	-	-
Hospital and administrative programs	1,996,326	-	-	-
Donations, various programs	2,014,875	-	-	-
Research programs	422,199	-	-	-
Educational programs	1,300,060	-	-	-
Passenger Facility Charge	-	-	82,216,882	-
Unrestricted	<u>(591,773,786)</u>	<u>317,316,687</u>	<u>263,651,682</u>	<u>13,127,570</u>
Total net position	<u>\$ (349,322,926)</u>	<u>\$ 1,759,729,163</u>	<u>\$ 1,363,322,989</u>	<u>\$ 47,037,934</u>

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2018

(Continued)

	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Assets		
Unrestricted current assets		
Cash and cash equivalents		
In custody of the County Treasurer	\$ 712,675,206	\$ 304,672,923
In custody of other officials	81,854,776	4,102,000
Investments in custody of other officials	274,049,675	-
Accounts receivable	182,337,551	1,954,159
Interest receivable	8,362,700	994,882
Due from other funds	33,980,472	9,352,267
Due from other governmental units	6,881,887	1,028,425
Inventories	23,315,663	499,277
Prepaid items and other current assets	5,433,307	678,420
Total unrestricted current assets	<u>1,328,891,237</u>	<u>323,282,353</u>
Restricted current assets		
Cash and cash equivalents		
In custody of the County Treasurer	378,056,999	-
With fiscal agent	303,096,096	-
Investments in custody of other officials	66,247,563	-
Investments with fiscal agent	192,923,278	-
Accounts receivable	3,703,881	-
Total restricted current assets	<u>944,027,817</u>	<u>-</u>
Total current assets	<u>2,272,919,054</u>	<u>323,282,353</u>
Noncurrent assets		
Interfund advances receivable	1,631,172	-
Unearned charges and other assets	12,800,860	200,000
Capital assets		
Property and equipment	10,489,735,038	15,034,448
Accumulated depreciation	<u>(3,906,883,166)</u>	<u>(10,825,957)</u>
Total capital assets, net of accumulated depreciation	<u>6,582,851,872</u>	<u>4,208,491</u>
Total noncurrent assets	<u>6,597,283,904</u>	<u>4,408,491</u>
Total assets	<u>8,870,202,958</u>	<u>327,690,844</u>
Deferred Outflows of Resources		
Unamortized costs on bond refundings and hedging derivative instruments	98,510,445	-
Related to OPEB	6,321,390	-
Related to Pensions	123,457,478	-
	<u>228,289,313</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Net Position
June 30, 2018

(Continued)

	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Liabilities		
Current liabilities (payable from current assets)		
Current maturities of long-term debt	6,107,000	-
Accounts payable	115,147,085	150,785,214
Accrued expenses	72,440,121	7,939,103
Due to other funds	12,302,881	-
Unearned revenue	16,600,979	-
Deposits and other current liabilities	5,414,117	11,303
Total current liabilities (payable from current assets)	<u>228,012,183</u>	<u>158,735,620</u>
Current liabilities (payable from restricted assets)		
Current maturities of long-term debt	145,171,701	-
Accounts payable	62,394,819	-
Accrued expenses	93,566,881	-
Total current liabilities (payable from restricted assets)	<u>301,133,401</u>	<u>-</u>
Total current liabilities	<u>529,145,584</u>	<u>158,735,620</u>
Noncurrent liabilities		
Long-term debt, less current maturities	4,341,809,122	-
Other post employment benefits	400,987,351	-
Net pension liability	735,191,315	-
Unearned revenue and other non-current liabilities	129,221,394	3,272,339
Total noncurrent liabilities	<u>5,607,209,182</u>	<u>3,272,339</u>
Total liabilities	<u>6,136,354,766</u>	<u>162,007,959</u>
Deferred Inflows of Resources		
Unamortized gain on bond refunding and hedging derivative instruments	31,726,537	-
Related to OPEB	47,428,795	-
Related to Pensions	62,215,013	-
	<u>141,370,345</u>	<u>-</u>
Net Position		
Net investment in capital assets	2,360,701,467	4,208,491
Restricted for		
Capital projects	86,456,667	-
Debt service	283,291,331	-
Held in custody of others	45,200	-
Hospital and administrative programs	1,996,326	-
Donations, various programs	2,014,875	-
Research programs	422,199	-
Educational programs	1,300,060	-
Passenger Facility Charge	82,216,882	-
Unrestricted	2,322,153	161,474,394
Total net position	<u>2,820,767,160</u>	<u>\$ 165,682,885</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	(253,582)	
Net position of business-type of activities	<u>\$ 2,820,513,578</u>	

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2018

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Department of Aviation	Other Enterprise Funds
Operating Revenues				
Charges for services				
Sewer services and operations	\$ -	\$ 148,997,536	\$ -	\$ -
Services to patients	644,374,315	-	-	-
Landing and other airport fees	-	-	51,020,874	-
Building and land rental	-	-	363,801,824	-
Concession fees	-	-	108,444,865	-
Constable fees	-	-	-	3,527,911
Building fees and permits	-	-	-	35,995,703
Recreation fees	-	-	-	12,998,141
Parking fees	-	-	-	352,583
Insurance	-	-	-	-
Other	12,074,395	-	-	-
Other operating revenues	-	180,496	36,050,851	288,663
Total operating revenues	<u>656,448,710</u>	<u>149,178,032</u>	<u>559,318,414</u>	<u>53,163,001</u>
Operating Expenses				
Salaries and benefits	-	39,824,957	139,782,947	35,543,723
General and administrative	210,977,921	-	59,937,037	-
Other professional services	446,833,232	8,716,571	-	-
Operating and maintenance	-	42,547,883	72,152,525	13,093,933
Depreciation	19,720,347	99,719,237	191,840,374	1,393,969
Total operating expenses	<u>677,531,500</u>	<u>190,808,648</u>	<u>463,712,883</u>	<u>50,031,625</u>
Operating income (loss)	<u>(21,082,790)</u>	<u>(41,630,616)</u>	<u>95,605,531</u>	<u>3,131,376</u>
Nonoperating Revenues (Expenses)				
Interest income	936,229	389,193	12,915,873	(10,731)
Interest expense	(1,233,011)	(13,814,314)	(147,608,578)	-
Gain (loss) on sale or abandonment of property and equipment	-	-	824,642	230,065
Sales and use tax	-	19,623,239	-	-
Other	2,943,870	73,397	94,596,711	-
Total nonoperating revenues (expenses)	<u>2,647,088</u>	<u>6,271,515</u>	<u>(39,271,352)</u>	<u>219,334</u>
Income (loss) before capital contributions and transfers	(18,435,702)	(35,359,101)	56,334,179	3,350,710
Capital contributions	-	62,962,973	7,517,061	-
Transfers from other funds	31,416,959	-	11,794,465	1,950,000
Transfers to other funds	-	-	-	(1,368,950)
Change in net position	<u>12,981,257</u>	<u>27,603,872</u>	<u>75,645,705</u>	<u>3,931,760</u>
Net Position				
Beginning of year	(257,895,883)	1,749,119,974	1,309,539,102	43,106,174
Prior period adjustment	(104,408,300)	(16,994,683)	(21,861,818)	-
Beginning of year, as restated	<u>(362,304,183)</u>	<u>1,732,125,291</u>	<u>1,287,677,284</u>	<u>43,106,174</u>
End of year	<u>\$ (349,322,926)</u>	<u>\$ 1,759,729,163</u>	<u>\$ 1,363,322,989</u>	<u>\$ 47,037,934</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended June 30, 2018

(Continued)

	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Operating Revenues		
Charges for services		
Sewer services and operations	\$ 148,997,536	\$ -
Services to patients	644,374,315	-
Landing and other airport fees	51,020,874	-
Building and land rental	363,801,824	-
Concession fees	108,444,865	-
Constable fees	3,527,911	-
Building fees and permits	35,995,703	-
Recreation fees	12,998,141	-
Parking fees	352,583	161,119
Insurance	-	148,385,961
Other	12,074,395	89,997,448
Other operating revenues	36,520,010	14,552,995
Total operating revenues	<u>1,418,108,157</u>	<u>253,097,523</u>
Operating Expenses		
Salaries and benefits	215,151,627	44,859,645
General and administrative	270,914,958	-
Other professional services	455,549,803	-
Operating and maintenance	127,794,341	196,906,794
Depreciation	312,673,927	429,360
Total operating expenses	<u>1,382,084,656</u>	<u>242,195,799</u>
Operating income (loss)	<u>36,023,501</u>	<u>10,901,724</u>
Nonoperating Revenues (Expenses)		
Interest income	14,230,564	640,475
Interest expense	(162,655,903)	-
Gain (loss) on sale or abandonment of property and equipment	1,054,707	1,506
Sales and use tax	19,623,239	-
Other	97,613,978	-
Total nonoperating revenues (expenses)	<u>(30,133,415)</u>	<u>641,981</u>
Income (loss) before capital contributions and transfers	5,890,086	11,543,705
Capital contributions	70,480,034	-
Transfers from other funds	45,161,424	9,300,000
Transfers to other funds	(1,368,950)	(2,482,450)
Change in net position	120,162,594	18,361,255
Net Position		
Beginning of year		147,321,630
End of year		<u>\$ 165,682,885</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	10,582,290	
Change in net position of business-type activities	<u>\$ 130,744,884</u>	

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2018

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Department of Aviation	Other Enterprise Funds
Cash Flows From Operating Activities:				
Cash received from customers	\$ 622,471,379	\$ 145,272,514	\$ 574,407,305	\$ 63,424,881
Cash paid for employees and for benefits	(393,385,338)	(38,229,680)	(128,670,424)	(35,028,879)
Cash paid for services and supplies	(239,281,454)	(41,406,556)	(121,556,287)	(13,260,464)
Other operating receipts	12,164,867	-	-	173,363
Net cash provided by operating activities	1,969,454	65,636,278	324,180,594	15,308,901
Cash Flows From Noncapital Financing Activities:				
Federal and state grants	-	-	-	-
Transfers from other funds	416,959	-	11,831,345	1,950,000
Transfers to other funds	-	-	-	(1,368,950)
Contributions, donations and other	1,098,941	-	-	-
Repayment of interfund advances	-	364,120	-	-
Net cash provided (used) by noncapital financing activities	1,515,900	364,120	11,831,345	581,050
Cash Flows From Capital and Related Financing Activities:				
Cash provided by contributed capital	-	25,680,582	-	-
Bonds and loans issued	-	-	196,395,985	-
Federal and state grants	-	-	16,984,016	-
Collateralized agreements with swap counterparties	-	-	8,269,095	-
Acquisition, construction, or improvement of capital assets	(37,432,737)	(60,526,451)	(47,554,233)	(2,182,909)
Cash used for debt service:				
Principal	(7,302,000)	(13,623,495)	(90,870,000)	-
Interest	(1,109,859)	(17,785,549)	(168,869,086)	-
Payments to bond refunding agent	-	-	(195,830,000)	-
Proceeds from the sale of capital assets	-	-	937,510	247,389
Proceeds from customer assessments	-	-	91,638,211	-
Sales tax apportionment	-	18,906,677	-	-
Cash provided by other capital	1,844,929	-	-	-
Net cash used by capital and related financing activities	(43,999,667)	(47,348,236)	(188,898,502)	(1,935,520)
Cash Flows From Investing Activities:				
Purchase of investments	-	(518,510,100)	(389,318,427)	-
Proceeds from maturities of investments	-	566,624,438	392,589,685	-
Interest income	936,229	(5,069,347)	2,648,742	(89,605)
Net cash provided by investing activities	936,229	43,044,991	5,920,000	(89,605)
Net increase (decrease) in cash and cash equivalents	(39,578,084)	61,697,153	153,033,437	13,864,826
Cash and Cash Equivalents:				
Beginning of year	264,649,563	46,876,651	929,115,708	46,023,823
End of year:				
Unrestricted	121,107,943	81,439,120	532,094,270	59,888,649
Restricted	103,963,536	27,134,684	550,054,875	-
Total cash and cash equivalents at end of year	\$ 225,071,479	\$ 108,573,804	\$ 1,082,149,145	\$ 59,888,649

The accompanying notes are an integral part of these financial statements.

(Continued)

Clark County, Nevada
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2018

(Continued)

	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Cash Flows From Operating Activities:		
Cash received from customers	\$ 1,405,576,079	\$ 237,458,916
Cash paid for employees and for benefits	(595,314,321)	(44,695,000)
Cash paid for services and supplies	(415,504,761)	(192,132,413)
Other operating receipts	12,338,230	11,048,351
	<u>407,095,227</u>	<u>11,679,854</u>
Net cash provided by operating activities		
Cash Flows From Noncapital Financing Activities:		
Federal and state grants	-	-
Transfers from other funds	14,198,304	9,300,000
Transfers to other funds	(1,368,950)	(2,482,450)
Contributions, donations and other	1,098,941	-
Repayment of interfund advances	364,120	-
	<u>14,292,415</u>	<u>6,817,550</u>
Net cash provided (used) by noncapital financing activities		
Cash Flows From Capital and Related Financing Activities:		
Cash provided by contributed capital	25,680,582	-
Bonds and loans issued	196,395,985	-
Federal and state grants	16,984,016	-
Collateralized agreements with swap counterparties	8,269,095	-
Acquisition, construction, or improvement of capital assets	(147,696,330)	(896,323)
Cash used for debt service:		
Principal	(111,795,495)	-
Interest	(187,764,494)	-
Payments to bond refunding agent	(195,830,000)	-
Proceeds from the sale of capital assets	1,184,899	1,506
Proceeds from customer assessments	91,638,211	-
Sales tax apportionment	18,906,677	-
Cash provided by other capital	1,844,929	-
	<u>(282,181,925)</u>	<u>(894,817)</u>
Net cash used by capital and related financing activities		
Cash Flows From Investing Activities:		
Purchase of investments	(907,828,527)	-
Proceeds from maturities of investments	959,214,123	-
Interest income	(1,573,981)	378,120
	<u>49,811,615</u>	<u>378,120</u>
Net cash provided by investing activities		
Net increase (decrease) in cash and cash equivalents		
	189,017,332	17,980,707
Cash and Cash Equivalents:		
Beginning of year	1,286,665,745	290,794,216
End of year:		
Unrestricted	794,529,982	308,774,923
Restricted	681,153,095	-
Total cash and cash equivalents at end of year	<u>\$ 1,475,683,077</u>	<u>\$ 308,774,923</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

	Business-Type Activities - Enterprise Funds			
	University Medical Center	Water Reclamation District	Department of Aviation	Other Enterprise Funds
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ (21,082,790)	\$ (41,630,616)	\$ 95,605,531	\$ 3,131,376
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	19,720,347	99,719,237	191,840,374	1,393,969
Provision for doubtful accounts	20,851,664	-	-	-
Impairments	-	9,513,222	-	-
(Increase) decrease in:				
Accounts receivable	(53,389,975)	(3,905,519)	14,513,698	(266,085)
Due from other funds	-	-	-	33,806
Due from other governmental units	-	-	-	(360)
Inventory	(141,576)	324,494	(451,325)	(68,079)
Prepaid expense	5,592,240	(1,381,467)	60,488	-
Other non-current assets	30,697	-	-	-
Deferred outflows of resources	(8,382,984)	928,061	4,275,308	734,629
Accounts payable	230,276	(1,349,182)	10,469,378	(239,151)
Accrued payroll and benefits	-	-	714,609	399,038
Due to other funds	-	-	-	12,477
Unearned revenue	-	-	723,968	10,729,320
Deposits and other current liabilities	2,658,330	(39,761)	22,279	53,862
Net pension liability	-	(995,361)	(3,630,430)	(1,113,116)
Other non-current liabilities	415,817	-	(4,653,847)	-
Deferred inflows of resources	35,467,408	4,453,170	14,690,563	507,215
Net cash provided by operating activities	<u>\$ 1,969,454</u>	<u>\$ 65,636,278</u>	<u>\$ 324,180,594</u>	<u>\$ 15,308,901</u>
Noncash Investing, Capital and Financing Activities				
Donated mains and services	\$ -	\$ 36,125,265	\$ -	\$ -
Property, plant and equipment purchased on account	-	4,679,871	-	-
Change in fair value of investments	-	(5,915,103)	-	-
Gain (loss) investment income	-	-	4,883,359	-

	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash flows from operating activities:		
Operating income (loss)	\$ 36,023,501	\$ 10,901,724
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	312,673,927	429,360
Provision for doubtful accounts	20,851,664	-
Impairments	9,513,222	-
(Increase) decrease in:		
Accounts receivable	(43,047,881)	277,112
Due from other funds	33,806	(2,389,583)
Due from other governmental units	(360)	613,391
Inventory	(336,486)	(32,754)
Prepaid expense	4,271,261	(62,217)
Other non-current assets	30,697	-
Deferred outflows of resources	(2,444,986)	-
Accounts payable	9,111,321	1,171,684
Accrued payroll and benefits	1,113,647	164,058
Due to other funds	12,477	(199,439)
Unearned revenue	11,453,288	-
Deposits and other current liabilities	2,694,710	(3,547)
Net pension liability	(5,738,907)	-
Other non-current liabilities	(4,238,030)	810,065
Deferred inflows of resources	55,118,356	-
Net cash provided by operating activities	<u>\$ 407,095,227</u>	<u>\$ 11,679,854</u>

Noncash Investing, Capital and Financing Activities

Donated mains and services	\$ 36,125,265	\$ -
Property, plant and equipment purchased on account	4,679,871	-
Change in fair value of investments	(5,915,103)	-
Gain (loss) investment income	4,883,359	-

Clark County, Nevada
Statement of Net Position - Fiduciary Funds
June 30, 2018

	Employee Benefit and Pension Trust Funds	Investment Trust Funds	Agency Funds
Assets			
Cash and investments			
In custody of the County Treasurer	\$ 1,526,419	\$ 28,681,973	\$ 164,310,132
In custody of other officials	-	89,571	47,361,842
With fiscal agent:			6,039,787
Money market funds	2,113,569	-	-
Insurance account and contracts	3,241,202	-	-
Domestic equity funds	261,942,779	-	-
Domestic bond funds	112,355,264	-	-
International equity fund	66,753,459	-	-
Global REIT	13,835,014	-	-
Accounts receivable	-	-	37,274
Interest receivable	53,328	93,662	535,869
Taxes receivable, delinquent	-	-	19,139,669
Due from other governmental units	-	-	1,823,303
	<u>461,821,034</u>	<u>28,865,206</u>	<u>239,247,876</u>
Liabilities			
Accounts Payable	95,218	-	-
Accrued expenses	166,326	-	-
Amounts held for others	-	-	239,247,876
	<u>261,544</u>	<u>-</u>	<u>239,247,876</u>
Net Position			
Restricted for pension benefits	461,559,490	-	-
Held in trust for pool participants	-	28,865,206	-
Total Net Position	<u>\$ 461,559,490</u>	<u>\$ 28,865,206</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Clark County, Nevada
Statement of Changes in Net Position - Fiduciary Funds
For the Fiscal Year Ended June 30, 2018

	Employee Benefit and Pension Trust Funds	Investment Trust Funds
Additions		
Contributions		
Contributions from employer	\$ 37,000,000	\$ -
Contributions from employees	647,586	-
Contributions to investment trust funds	-	87,994,979
Total contributions	<u>37,647,586</u>	<u>87,994,979</u>
Investment earnings		
Interest	210,885	428,957
Net increase in fair value of investments	43,751,867	(213,618)
Total investment earnings	<u>43,962,752</u>	<u>215,339</u>
Less investment expense	<u>(164,752)</u>	-
Net investment earnings	<u>43,798,000</u>	<u>215,339</u>
 Total additions	 <u>81,445,586</u>	 <u>88,210,318</u>
Deductions		
General and administrative	398,691	-
Benefit payments	17,738,095	-
Distributions from investment trust funds	-	83,660,307
 Total deductions	 <u>18,136,786</u>	 <u>83,660,307</u>
 Change in net position	 63,308,800	 4,550,011
Net Position		
Beginning of year	<u>398,250,690</u>	<u>24,315,195</u>
End of year	<u>\$ 461,559,490</u>	<u>\$ 28,865,206</u>

The accompanying notes are an integral part of these financial statements.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

Clark County, Nevada (the County) is a municipality governed by an elected seven-member board. As required by accounting principles generally accepted in the United States of America (GAAP), these financial statements present Clark County, Nevada (the primary government) and its component units.

Blended Component Units

Included as blended component units are University Medical Center of Southern Nevada (UMC) and the Clark County Water Reclamation District (Reclamation District).

Although each of the above-mentioned governmental units operates as a separate entity, the members of the Board of Clark County Commissioners are also the board members (ex-officio) of each entity. Because each of the component units has substantially the same governing body as the primary government and management of the primary government has operational responsibility or is financially accountable for each of the component units, they are blended into the financial statements. The operations of UMC and the Reclamation District are reflected as enterprise funds.

Discretely Presented Component Units

Included as discretely presented component units are the Regional Transportation Commission of Southern Nevada (RTC), the Clark County Regional Flood Control District (Flood Control District), Clark County Stadium Authority (CCSA), Las Vegas Valley Water District (LVVWD), Big Bend Water District, and Kyle Canyon Water District. The RTC and the Flood Control District are governed by two members of the Board of County Commissioners, two members of the City of Las Vegas Council, and one member from the city council of every other incorporated city in Clark County. The CCSA is governed by a nine member board; three members are appointed by the Governor, three members are appointed by the Board of County Commissioners, one member is appointed by the President of the University of Nevada, Las Vegas, and two members are elected by the appointed board members. The County is financially accountable for RTC, Flood Control District, and CCSA, and exclusion of these units would render the financial statements of the County incomplete. The members of the Board of County Commissioners are also the board members (ex-officio) of the Water Districts, and the exclusion of these units would render the financial statements of the County incomplete.

Separately issued financial statements for the component units may be obtained by contacting the component units at the following addresses:

Las Vegas Valley Water District and Big Bend Water District
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

University Medical Center of Southern Nevada
1800 West Charleston Boulevard
Las Vegas, Nevada 89102

Clark County Water Reclamation District
5857 East Flamingo Road
Las Vegas, Nevada 89122

Regional Transportation Commission of Southern Nevada
600 South Grand Central Parkway, Suite 350
Las Vegas, Nevada 89106

Regional Flood Control District
600 South Grand Central Parkway, Suite 300
Las Vegas, Nevada 89106

Clark County Stadium Authority
6385 S. Rainbow Blvd., Suite 105
Las Vegas, NV 89118

Government-Wide and Fund Financial Statements

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment, including special assessments. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue 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. Exceptions to this general rule are charges for services between the governmental activities and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the County considers revenues, excluding property taxes, to be available if they are collected within 90 days after the end of the current fiscal year. Property taxes are considered available if collected within 60 days after the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, consolidated taxes, franchise fees, interest revenue, and charges for services associated with the current fiscal year are considered to be susceptible to accrual and have been recognized as revenues in the current year. Only the portion of special assessments receivable due within the fiscal year is considered to be susceptible to accrual as revenue of the current year. Fines and forfeitures, as well as licenses and permits, are not susceptible to accrual as they are generally not measurable until received in cash.

The proprietary fund and employee benefit and pension trust fund and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and internal service funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees of the Reclamation District fund that are intended to recover the cost of connecting new customers to their system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The County reports the following major governmental funds:

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

The Las Vegas Metropolitan Police Department Fund accounts for the operation of a police department serving the citizens of unincorporated Clark County and the City of Las Vegas and is primarily funded through property taxes, fees for service, grants, an interlocal contract with the Department of Aviation for police services, and contributions from the City of Las Vegas and Clark County.

The County reports the following major enterprise funds:

The University Medical Center Fund is a blended component unit of the County. It accounts for the operations of the County's hospital.

The Water Reclamation District Fund is a blended component unit of the County. It accounts for the operations of the County's sewage treatment facilities.

The Department of Aviation Fund accounts for the operations of McCarran International Airport, North Las Vegas Airport, Henderson Executive Airport, Jean Sport Aviation Airport, and Perkins Field in Overton, Nevada.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

Additionally, the County reports the following fund types:

Internal service funds account for printing and mailing, fleet management, employee benefits, property management, information technology, enterprise resource planning, investment pool costs and self-insurance services provided to other departments or agencies of the County, or to other governments, on a cost reimbursement basis.

Fiduciary funds include the Medical Insurance Premium Retirement Plan fund, the County Section 125 Plan fund, and the Las Vegas Valley Water District Pension Plan fund. These funds account for resources that are required to be held in trust for the members and beneficiaries of the employee benefit plans or for pension benefit payments to qualified employees.

The investment trust funds and agency funds are also included as fiduciary funds. The Pooled Investment Trust fund accounts for the net position of the County's external investment pool. The Southern Nevada Health District (SNHD) Investment Trust Fund accounts for the net position of the SNHD's individual investment account. The agency funds account for assets held by the County as an agent for other governmental entities. The most significant activity in the agency funds is the collection and transfer of taxes to other local governmental entities, primarily ad valorem and room taxes.

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

Assets, Deferred Outflows (DOR), Liabilities, Deferred Inflows (DIR), and Net Position or Equity

Investments

With the exception of the Water Reclamation District, the County pools the cash of its individual funds for investment purposes. Each fund in the pool records its own interest earnings allocated based on its average daily balances. At year end, all the investments in the pool are adjusted to fair value, regardless of the length of time remaining to maturity. The proportionate share of each fund's unrealized gain or loss at year end is adjusted against the interest earnings of the individual funds. The Water Reclamation District also adjusts their investments to fair value, but only to the extent that they are maturing longer than a year from year end. (Also see Note III.1.)

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

The accounts receivable are shown net of any provision for doubtful accounts.

Inventories and Prepaid Items

The inventories of the proprietary funds are valued at the lower of cost, determined by first-in, first-out method, or market. Inventories consist primarily of materials and supplies.

Certain payments to vendors reflect costs benefiting future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Restricted assets consist of cash and cash equivalents, investments and certain receivables that are restricted in their use by bond covenants or other external agreements. They are primarily used to pay the cost of capital projects and to meet debt service obligations.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, bridges, flood control structures, traffic signals, streetlights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, DOR, Liabilities, DIR, and Net Position or Equity (Continued)

Capital Assets

Major outlays for capital assets and improvements are capitalized as projects are constructed. Significant projects in process are depreciated once the projects are placed in service. Prior to that time, they are reported as construction in progress. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Land improvements	5-75
Infrastructure	15-50
Equipment	5-20

Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period so will not be recognized as an outflow of resources (expense/expenditure) until then. Bond refundings are unamortized balances resulting from advance bond refundings and deferred losses incurred on the re-association and revaluation of interest rate swaps paired to certain bonds that were refunded. The hedging instruments are the changes in the fair value of interest rate swaps serving as hedging derivatives at the end of the fiscal year. The pension contributions resulted from the County pension related contributions subsequent to the measurement date but before the end of the fiscal year, net difference between projected and actual investment earnings, changes in assumptions, and changes in proportion since the prior measurement date. The OPEB related deferred outflows resulted from OPEB related contributions made subsequent to the measurement date, but before the end of the fiscal year and difference between expected and actual experience.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Bond refundings are unamortized balances resulting from advance bond refundings. The hedging instruments are the changes in the fair value of interest rate swaps serving as hedging derivatives at the end of the fiscal year. The pension related amounts resulted from the difference between projected and actual experience and changes in proportionate share of collective net pension liability. The OPEB related amounts resulted from difference between expected and actual experience, change in assumptions, and net difference between projected and actual investment earnings. The Personal Seat Licenses (PSL) amount pertains to the sale of future revenues that are deferred because the earnings process is not complete. In the governmental funds, the only deferred inflow of resources is for revenues that are not considered available. These amounts are deferred and recognized as inflow of resources in the period that the amounts become available.

Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused vacation and sick leave benefits. Such benefits are accrued when incurred in the government-wide and proprietary financial statements.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Clark County Self-Funded (CCSF) OPEB Trust and Las Vegas Metropolitan Police Department (LVMPD) OPEB Trust and additions to/deductions from CCSF OPEB and LVMPD OPEB Trusts' fiduciary net position have been determined on the same basis as they are reported by the CCSF OPEB Trust and LVMPD OPEB Trust. For this purpose, CCSF OPEB Trust and LVMPD OPEB Trust recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, DOR, Liabilities, DIR, and Net Position or Equity (Continued)

Net Position or Equity

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

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

In governmental fund financial statements equity is classified as fund balance and is displayed in up to five components based primarily on the extent to which the County is bound to observe constraints imposed on the use of fund resources. These components are as follows:

- Nonspendable fund balances - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable.
- Restricted fund balances - Similar to restricted net position discussed above, these are amounts with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances - Amounts with constraints imposed by formal resolution of the Board of County Commissioners (BCC) that specifically state the revenue source and purpose of the commitment. Commitments can only be modified or rescinded through resolutions by the BCC. Commitments can also include resources required to meet contractual obligations approved by the BCC.
- Assigned fund balances - Amounts intended to be used for specific purposes by the Chief Financial Officer as authorized by fiscal directives that do not meet the criteria to be classified as restricted or committed. In the General Fund, the assigned fund balance represents management approved encumbrances that have been re-appropriated in the subsequent year, and amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources.
- Unassigned fund balances - Amounts in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from expenditures exceeding those amounts restricted, committed or assigned for specific purposes.

Based on the County's policy regarding the fund balance classification as noted above, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. When expenditures are incurred for purposes for which amounts in any unrestricted fund balance classifications could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

Accounting Pronouncements

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is effective for fiscal years beginning after June 15, 2017. The objective of this Statement is to improve the accounting and financial reporting by state and local governments for postemployment benefits other than pensions (OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The adoption of Statement No. 75 resulted in a prior period adjustment to recognize the Net OPEB Liability and deferred outflows of resources related to OPEB contributions made during the measurement period. The effects of this adjustment are disclosed in "Accounting Changes and Restatements" below.

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreement*, which is effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The adoption of Statement No. 81 did not affect the County's financial position, results of operations or cash flows.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements (Continued)

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, which is effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The objective of the Statement is to provide financial statement users with information about asset retirement obligations (AROs) that were not addressed in GASB standards by establishing uniform accounting and financial reporting requirements for these obligations. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets will need to determine when to recognize a liability and corresponding deferred outflows of results for AROs based on the criteria in the Statement. The County has not yet completed its assessment of this statement.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, which is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The objective of the Statement is to improve guidance regarding the identification of fiduciary activities for the accounting and financial reporting purposes and how the activities should be reported. The Statement establishes criteria for identifying fiduciary activities. The focus of the criteria generally is on (1) whether a government is controlling the assets of a fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The County has not yet completed its assessment of this statement.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, which is effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. The objective of the Statement is to improve consistency in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB statements. Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- Reporting amounts previously reported as goodwill and “negative” goodwill
- Classifying real estate held by insurance entities
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- Classifying employer-paid member contributions for OPEB
- Simplifying certain aspects of the alternative measurement method for OPEB
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

The adoption of Statement No. 85 did not affect the County’s financial position, results of operations or cash flows.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishments*, which is effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. The objective of this statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the sole purpose of extinguishing debt. The Statement also improves accounting and financial reporting for prepaid insurance on the debt that is extinguished and notes to the financial statements for debt that is defeased in substance. The adoption of Statement No. 86 did not affect the County’s financial position, results of operations or cash flows.

In June 2017, the GASB issued Statement No. 87, *Leases*, which is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The objective of the Statement is to better meet the information needs financial statement users by improving accounting and financial reporting for leases by governments. The Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognize inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The County has not yet completed its assessment of this statement.

In March 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, which is effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The objective of this statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement defines debt for purposes of disclosure in the notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The Statement requires additional essential information related to debt to be disclosed in the notes to the financial statements. The Statement also requires that disclosure of existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The County has not yet completed its assessment of this statement.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements (Continued)

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which is effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The objective of this statement is to (1) enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of the construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The County has not yet completed its assessment of this statement.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests*, which is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. The Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. The County has not yet completed its assessment of this statement.

Accounting Changes and Restatements

Fiscal year 2018 basic financial statements have been retroactively adjusted following GASB No. 75 *Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions*. The effect of this adjustment is a decrease in net position at July 1, 2017 of \$433,607,150 to retroactively remove the prior OPEB liability reported under GASB No. 45 and adopt the provisions of GASB No. 75 to report the beginning net OPEB liability and deferred outflows of resources related contributions made after the measurement date. Additionally, the governmental activities net position was decreased by \$10,008,662 to adjust the receivable balance from the City of Las Vegas for their funding share of the Las Vegas Metropolitan Police Department's net OPEB liability at July 1, 2017. This change is in accordance with generally accepted accounting principles.

Capital assets, accounts receivable and net position of the Clark County Water Reclamation District were increased by \$2,583,031 as of July 1, 2017. A review of capital asset records for fiscal year ended June 30, 2018 resulted in the identification of assets that were abandoned or impaired prior to the fiscal year ended June 30, 2017. Additionally, the review identified a contributed asset which should have been recorded in fiscal year 2017. The Clark County Water Reclamation District also identified water reuse sales and corresponding accounts receivable that were for fiscal year 2017.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Changes and Restatements (Continued)

The effects of the above adjustments on the fiscal year 2018 basic financial statements are as follows:

	Governmental Activities	Business-Type Activities	Total Primary Government
Net position at June 30, 2017, as previously reported	\$ 5,932,289,343	\$ 2,833,033,495	\$ 8,765,322,838
Adjustment to Net OPEB Liability	(277,618,087)	(152,101,456)	(429,719,543)
Deferred outflow of Resources related to OPEB contributions made during the year ended June 30, 2018	14,752,229	6,253,624	21,005,853
Receivable from City of Las Vegas for joint funding of LVMPD's net OPEB liability	(10,008,662)	-	(10,008,662)
Accounts receivable	-	353,609	353,609
Donated capital asset	-	4,782,972	4,782,972
Abandonment/Impairment of capital assets	-	(2,553,550)	(2,553,550)
Net position at July 1, 2017, as restated	<u>\$ 5,659,414,823</u>	<u>\$ 2,689,768,694</u>	<u>\$ 8,349,183,517</u>

	University Medical Center	Water Reclamation District	Department of Aviation
Net position at June 30, 2017, as previously reported	\$ (257,895,883)	\$ 1,749,119,974	\$ 1,309,539,102
Adjustment to Net OPEB Liability	(108,571,758)	(19,577,714)	(23,951,984)
Deferred outflow of Resources related to OPEB contributions made during the year ended June 30, 2018	4,163,458	-	2,090,166
Accounts receivable	-	353,609	-
Donated capital asset	-	4,782,972	-
Abandonment/Impairment of capital assets	-	(2,553,550)	-
Net position at July 1, 2017, as restated	<u>\$ (362,304,183)</u>	<u>\$ 1,732,125,291</u>	<u>\$ 1,287,677,284</u>

	Regional Flood Control District	RTC of Southern Nevada	Las Vegas Valley Water District	Other Water Districts
Net position at June 30, 2017, as previously reported	\$ (337,150,899)	\$ (31,294,443)	\$ 1,013,458,823	\$ 31,572,676
Adjustment to Net OPEB Liability	(1,786,195)	(5,766,349)	(17,388,811)	(97,815)
Deferred outflow of Resources related to OPEB contributions made during the year ended June 30, 2018	-	145,710	-	-
Net position at July 1, 2017, as restated	<u>\$ (338,937,094)</u>	<u>\$ (36,915,082)</u>	<u>\$ 996,070,012</u>	<u>\$ 31,474,861</u>

Use of Estimates

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS

Deposits

According to state statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan associations within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit. State statutes specifically require collateral for demand deposits, and specify that collateral for time deposits may be of the same type as those described for permissible investments. Permissible investments are similar to allowable County investments described below, except that statutes permit a longer term and include securities issued by municipalities within Nevada. The County's deposits are fully covered by federal depository insurance or securities collateralized in the State of Nevada Collateral Pool. Securities used as such collateral must total 102 percent of the deposits with each financial institution. The County monitors the Nevada Collateral Pool to ensure full collateralization.

All deposits are subject to credit risk. Credit risk is defined as the risk that another party to a deposit or investment transaction (counterparty) will not fulfill its obligations. At year end, the bank balance of deposits held in custody of the County Treasurer was \$52,963,734 and the carrying amount was \$38,936,163. The County utilizes zero balance sweep accounts and there are money market funds and other short-term investments available to cover amounts presented for payment.

The bank balance of deposits held in the custody of other officials was \$107,430,335 consisting of \$500 for the Flood Control District, \$22,340,713 for the RTC, \$12,157,825 for the Water District, and \$2,646,347 for Big Bend Water District and \$150,000 for the Clark County Stadium Authority. The carrying amount of deposits held in the custody of other officials was \$98,892,524 consisting of \$500 for the Flood Control District, \$17,014,320 for the RTC, \$13,818,649 for the Water District, and \$2,646,347 for Big Bend Water District and \$150,000 for the Clark County Stadium Authority. The bank balance and the carrying value of deposits with fiscal agent was \$60,464,199.

At June 30, 2018, the value of County-wide deposits, investments, and derivative instruments consisted of the following:

<u>Total Cash, Investments, and Derivative Instruments - All Entities Combined</u>		
Investments and Derivative Instruments		Fair Value
Countywide Investments (1)	\$ 5,161,695,191	
Investments with RFCD Fiscal Agent	126,781,967	
Investments with RTC Fiscal Agent	53,586,144	
Investments with the Water District	490,742,669	
Investments with Stadium Authority Fiscal Agent	762,023,151	
Derivative Instruments	<u>66,130,870</u>	\$ 6,660,959,992
Cash		198,292,886
Water District Pension		<u>460,143,219</u>
Grand total		<u>\$ 7,319,396,097</u>

(1) Exclusive of RFCD Fiscal Agent & RTC Fiscal Agent & Water District & Stadium Authority Fiscal Agent.

County-wide investments and cash above include investment and cash balances for the Flood Control District, the RTC, Kyle Canyon Water District, and Clark County Stadium Authority in the amount of \$160,412,197, \$509,294,619, \$167,559, and \$7,553,039, respectively, which are discretely presented component units and are not broken out separately as they participate in the investment pool.

Investments

When investing monies, the County is required to be in conformance with state statutes and written policies adopted by the Board of County Commissioners designating allowable investments and the safeguarding of those investments. The County invests monies both by individual fund and through a pooling of monies. The pooled monies, referred to as the investment pool, are theoretically invested as a combination of monies from each fund belonging to the pool. In this manner, the County Treasurer is able to invest the monies at a higher interest rate for a longer period of time. Interest is apportioned monthly to each fund in the pool based on the average daily cash balances of the funds for the month in which the investment matures. Cash and investments in the custody of the County Treasurer comprise the investment pool. Securities purchased by the County are delivered against payments and held in a custodial safekeeping account with the trust department of a bank designated by the County. Entity-wide investment pools are considered to have the general characteristics of demand deposits in that the entity may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty. Therefore, cash and investments in custody of the County Treasurer for the proprietary funds are considered cash equivalents for the purposes of the statement of cash flows, in addition to cash in custody of other officials and cash with fiscal agent.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

State statutes authorize the County to invest in the following (quality rating by Moody's Investment Service): Obligations of the U.S. Treasury and U.S. agencies not to exceed ten years maturity; negotiable notes or short-term negotiable bonds issued by other local governments of the State of Nevada; negotiable certificates of deposit insured by commercial banks, credit unions or savings and loan associations; nonnegotiable certificates of deposit issued by insured commercial banks, credit unions or savings and loan associations, except certificates that are not within limits of insurance provided by the Federal Deposit Insurance Corporation, unless those certificates are collateralized as is required for uninsured deposits; bankers' acceptances eligible for rediscount with federal reserve banks, not to exceed 180 days maturity and 20 percent of total investments; obligations of state and local governments if the interest on the obligation is tax exempt and the obligation is rated "A" or its equivalent; commercial paper having a "P-1" rating or equivalent, not to exceed 270 days maturity and 20 percent of the total investments; money market mutual funds with "Aaa" rating invested only in federal government or agency securities; master notes, bank notes or other short-term commercial paper rated "P-1" or its equivalent, or in repurchase agreements fully collateralized by such securities; notes, bonds, and other unconditional obligations issued by corporations organized and operating in the United States, having an "A" rating or equivalent, not to exceed 5 years maturity and 20 percent of the total investments; collateralized mortgage obligations that are rated "Aaa" or its equivalent, not to exceed 20 percent of the total investments; asset-backed securities that are rated "Aaa" or its equivalent, not to exceed 20 percent of the total investments; repurchase agreements that are collateralized at 102 percent and are executed with a primary dealer, not to exceed 90 days maturity; forward delivery agreements executed with a bank or financial institution rated A or equivalent. State statutes require the County to invest with security dealers who are primary dealers when investing in repurchase agreements. Primary dealers are a group of dealers that submit daily reports of market positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its formal oversight. The Local Government Investment Pool is an unrated external pool administered by the State Treasurer with oversight by the State of Nevada Board of Finance. The County deposits monies with the State Treasurer to be pooled with monies of other local governments for investment in the local government pooled investment fund.

At June 30, 2018, the fair value of County-wide investments and derivative instruments were categorized by maturity as follows:

<u>Investments and Derivative Instruments Maturities - All Entities Combined</u>					
Investment Type	Fair Value	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years
<i>Debt Securities (Exclusive of RFCD Fiscal Agent & RTC Fiscal Agent & Water District & Stadium Authority Fiscal Agent)</i>					
U.S. Treasuries	\$ 1,659,921,046	\$ 358,160,915	\$ 935,175,721	\$ 366,584,410	\$ -
U.S. Agencies	1,271,285,440	274,340,101	572,773,188	424,172,151	-
Corporate Obligations	712,105,503	293,690,959	222,626,230	195,788,314	-
Money Market Funds	322,665,482	322,665,482	-	-	-
Commercial Paper	748,947,650	748,947,650	-	-	-
Negotiable Certificates of Deposit	239,683,798	239,683,798	-	-	-
NV Local Government Investment Pool	30,718,220	30,718,220	-	-	-
Collateralized Mortgage Obligations & Asset Backed Securities	176,368,052	450,051	34,601,949	108,686,621	32,629,431
Derivative Instruments	66,130,870	-	-	4,341,079	61,789,791
Subtotal	<u>5,227,826,061</u>	<u>2,268,657,176</u>	<u>1,765,177,088</u>	<u>1,099,572,575</u>	<u>94,419,222</u>
<i>Debt Securities With RFCD Fiscal Agent</i>					
U.S. Treasuries	115,750,774	2,406,217	113,344,557	-	-
Money Market Funds	11,031,193	11,031,193	-	-	-
Subtotal	<u>126,781,967</u>	<u>13,437,410</u>	<u>113,344,557</u>	<u>-</u>	<u>-</u>
<i>Debt Securities With RTC Fiscal Agent</i>					
U.S. Treasuries	15,450,696	15,450,696	-	-	-
U.S. Agencies	22,531,984	6,968,770	9,668,894	5,894,320	-
Money Market Funds	417,464	417,464	-	-	-
Forward Delivery Agreements	15,186,000	15,186,000	-	-	-
Subtotal	<u>53,586,144</u>	<u>38,022,930</u>	<u>9,668,894</u>	<u>5,894,320</u>	<u>-</u>
<i>Debt Securities With Water District</i>					
U.S. Treasuries	112,548,790	24,815,600	87,733,190	-	-
U.S. Agencies	286,610,581	59,418,510	217,339,371	9,852,700	-
Commercial Paper	73,608,848	73,608,848	-	-	-
Negotiable Certificates of Deposit	17,974,450	17,974,450	-	-	-
Subtotal	<u>490,742,669</u>	<u>175,817,408</u>	<u>305,072,561</u>	<u>9,852,700</u>	<u>-</u>
<i>Debt Securities With Stadium Authority Fiscal Agent</i>					
U.S. Treasuries	596,697,340	596,697,340	-	-	-
U.S. Agencies	129,904,800	129,904,800	-	-	-
Money Market Funds	35,421,011	35,421,011	-	-	-
Subtotal	<u>762,023,151</u>	<u>762,023,151</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 6,660,959,992</u>	<u>\$ 3,257,958,075</u>	<u>\$ 2,193,263,100</u>	<u>\$ 1,115,319,595</u>	<u>\$ 94,419,222</u>

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2018, the fair value of County-wide investments and derivative instruments were categorized by quality rating as follows:

Investment Type	Fair Value	Quality Ratings by Moody's Investors Service							Unrated
		Aaa	Aaa	Aa	A	Baa	P-1	Unrated	
<i>Investments and Derivative Instruments - All Entities Combined</i>									
<i>Debt Securities (Exclusive of RFCD Fiscal Agent & RTC Fiscal Agent & Water District & Stadium Authority Fiscal Agent)</i>									
U.S. Treasuries	\$ 1,659,921,046	\$ 1,570,168,700	-	\$ -	-	\$ -	89,752,346	-	-
U.S. Agencies (1)	1,271,285,440	1,177,328,605	-	-	-	-	91,015,410	2,941,425	-
Corporate Obligations	712,105,503	65,544,544	225,109,403	421,451,556	-	-	-	50,179,853	-
Money Market Funds (2)	322,665,482	272,485,629	-	-	-	-	748,947,650	-	-
Commercial Paper	748,947,650	-	-	-	-	-	234,890,000	4,793,798	-
Negotiable Certificates of Deposit	239,683,798	-	-	-	-	-	-	30,718,220	-
NV Local Government Investment Pool	30,718,220	-	-	-	-	-	-	-	-
Collateralized Mortgage Obligations & Derivative Instruments	176,368,052	118,325,149	-	-	-	-	-	58,042,903	-
Asset Backed Securities (3)	66,130,870	-	3,988,621	-	62,142,249	-	-	-	-
Subtotal	5,227,826,061	3,203,852,627	229,098,024	421,451,556	62,142,249	-	1,164,605,406	146,676,199	-
<i>Debt Securities With RFCD Fiscal Agent</i>									
U.S. Treasuries	115,750,774	115,750,774	-	-	-	-	-	-	-
Money Market Funds	11,031,193	11,031,193	-	-	-	-	-	-	-
Subtotal	126,781,967	126,781,967	-	-	-	-	-	-	-
<i>Debt Securities With RTC Fiscal Agent</i>									
U.S. Treasuries	15,450,696	13,370,940	-	-	-	-	2,079,756	-	-
U.S. Agencies (1)	22,531,984	14,637,974	-	-	-	-	-	7,894,010	-
Money Market Funds	417,464	417,464	-	-	-	-	-	-	-
Forward Delivery Agreements	15,186,000	-	-	15,186,000	-	-	-	-	-
Subtotal	53,586,144	28,426,378	-	15,186,000	-	-	2,079,756	7,894,010	-
<i>Debt Securities With Water District</i>									
U.S. Treasuries	112,548,790	87,733,190	-	-	-	-	24,815,600	-	-
U.S. Agencies (1)	286,610,581	179,705,396	-	-	-	-	59,418,510	47,486,675	-
Commercial Paper	73,608,848	-	-	-	-	-	73,608,848	-	-
Negotiable Certificates of Deposit	17,974,450	-	-	-	-	-	17,974,450	-	-
Subtotal	490,742,669	267,438,586	-	-	-	-	175,817,408	47,486,675	-
<i>Debt Securities With Stadium Authority Fiscal Agent</i>									
U.S. Treasuries	596,697,340	479,010,300	-	-	-	-	117,687,040	-	-
U.S. Agencies	129,904,800	-	-	-	-	-	129,904,800	-	-
Money Market Funds	35,421,011	35,421,011	-	-	-	-	-	-	-
Subtotal	762,023,151	514,431,311	-	-	-	-	247,591,840	-	-
Total	\$ 6,660,959,992	\$ 4,140,930,869	\$ 229,098,024	\$ 436,637,556	\$ 62,142,249	\$ -	\$ 1,590,094,410	\$ 202,056,884	\$ -

(1) Unrated U.S. federal agency securities are Farmer Mac securities not rated by either Moody's or Standard & Poor's.
(2) Unrated money market funds are rated AAA by Kroll.
(3) Unrated asset backed securities are rated AAA by Standard & Poor's or Fitch.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

In accordance with GASB Statement No. 72, investments and derivative instruments are valued at fair value. Securities classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities or offer same-day liquidity at a price of par. Securities classified at Level 2 of the fair value hierarchy are generally valued using a matrix pricing technique. Matrix pricing is the process of estimating the market price of a bond based on the quoted prices of more frequently traded comparable bonds. Securities classified at Level 3 of the fair value hierarchy generally are not traded on the open market and include Forward Delivery Agreements and State and Local Government Series (SLGS securities which are purchased from the U.S. Department of Treasury through a subscription process, but can be redeemed through the Bureau of Fiscal Service by a redemption request.

The fair values of the interest rate derivative instruments are estimated using an independent pricing service. The valuations provided are derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The instruments' expected cash flows are calculated using the zero-coupon discount method, which takes into consideration the prevailing benchmark interest rate environment as well as the specific terms and conditions of a given transaction and which assumes that the current forward rates implied by the benchmark yield curve are the market's best estimate of future spot interest rates. The income approach is then used to obtain the fair value of the instruments by discounting future expected cash flows to a single valuation using a rate of return that takes into account the relative risk of nonperformance associated with the cash flows and the time value of money. This valuation technique is applied consistently across all instruments. Given the observability of inputs that are significant to the entire sets of measurements, the fair values of the instruments are based on inputs categorized as Level 2.

At June 30, 2018, County-wide investments and derivative instruments were measured at fair value as follows:

Investments and Derivative Instruments Fair Value Measurements - All Entities Combined					
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Not Categorized
<i>Debt Securities (Exclusive of RFCD Fiscal Agent & RTC Fiscal Agent & Water District & Stadium Authority Fiscal Agent)</i>					
U.S. Treasuries	\$ 1,659,921,046	\$ 1,659,921,046	\$ -	\$ -	\$ -
U.S. Agencies	1,271,285,440	91,015,410	1,180,270,030	-	-
Corporate Obligations	712,105,503	-	712,105,503	-	-
Money Market Funds	322,665,482	322,665,482	-	-	-
Commercial Paper	748,947,650	-	748,947,650	-	-
Negotiable Certificates of Deposit	239,683,798	-	239,683,798	-	-
NV Local Government Investment Pool (1)	30,718,220	-	-	-	30,718,220
Collateralized Mortgage Obligations & Asset Backed Securities	176,368,052	-	176,368,052	-	-
Derivative Instruments	66,130,870	-	66,130,870	-	-
Subtotal	5,227,826,061	2,073,601,938	3,123,505,903	-	30,718,220
<i>Debt Securities With RFCD Fiscal Agent</i>					
U.S. Treasuries	115,750,774	115,750,774	-	-	-
Money Market Funds	11,031,193	11,031,193	-	-	-
Subtotal	126,781,967	126,781,967	-	-	-
<i>Debt Securities With RTC Fiscal Agent</i>					
U.S. Treasuries	15,450,696	15,450,696	-	-	-
U.S. Agencies	22,531,984	-	22,531,984	-	-
Money Market Funds	417,464	417,464	-	-	-
Forward Delivery Agreements	15,186,000	-	-	15,186,000	-
Subtotal	53,586,144	15,868,160	22,531,984	15,186,000	-
<i>Debt Securities With Water District</i>					
U.S. Treasuries	112,548,790	112,548,790	-	-	-
U.S. Agencies	286,610,581	59,418,510	227,192,071	-	-
Commercial Paper	73,608,848	-	73,608,848	-	-
Negotiable Certificates of Deposit	17,974,450	-	17,974,450	-	-
Subtotal	490,742,669	171,967,300	318,775,369	-	-
<i>Debt Securities With Stadium Authority Fiscal Agent</i>					
U.S. Treasuries	596,697,340	596,697,340	-	-	-
U.S. Agencies	129,904,800	129,904,800	-	-	-
Money Market Funds	35,421,011	35,421,011	-	-	-
Subtotal	762,023,151	762,023,151	-	-	-
Total	\$ 6,660,959,992	\$ 3,150,242,516	\$ 3,464,813,256	\$ 15,186,000	\$ 30,718,220

(1) Position in external investment pool is not categorized within the fair value hierarchy in accordance with generally accepted accounting principles.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Investments (Continued)

At June 30, 2018, the Las Vegas Valley Water District Pension Trust Fund had the following investments (includes contract investments at contract value):

<u>Las Vegas Valley Water District Pension Trust Fund Investments</u>				
Investment	Maturities	Carrying Value	Fair Value Measurement	Percentage of Total
Cash and cash equivalents				
Money Market Fund	Weighted Avg. 27 days	\$ 2,015,501	Level 1	0.50%
Fixed income securities				
U.S. Fixed Income Securities	Weighted Avg. 8.50 years	84,742,197	Level 1	
High Yield Fixed Income Securities	Weighted Avg. 3.80 years	27,613,067	Level 1	
Insurance Contracts	Open	3,241,202	Level 2	
		<u>115,596,466</u>		25.10
Equity securities				
U.S. Equity Securities	N/A	261,942,779	Level 1	
International Equity Securities	N/A	66,753,459	Level 1	
		<u>328,696,238</u>		71.40
Global REIT	N/A	13,835,014	Level 1	3.00
Total		<u>\$ 460,143,219</u>		<u>100.00%</u>

Level 1 investments were valued based on quoted market prices for identical assets provided by recognized broker dealers. Level 2 investments were valued by recognized broker dealers based on a matrix pricing model that maximizes the use of observable inputs for similar securities.

<u>Las Vegas Valley Water District Pension Trust Fund Credit Quality with Credit Exposure as a Percentage of Total Fixed Income Investments (Contracts Not Rated) as of June 30, 2018</u>		
Domestic Bond Fund	AA	73.30%
High Yield Bond Fund	B	23.90
Contracts	N/A	2.80

The managing institution of the Domestic Bond Fund reports an average quality rating of AA3 at June 30, 2018, for the underlying securities. The managing institution of the High Yield Bond Fund reports an average quality rating of B1 at June 30, 2018 for the underlying securities. The Plan's Money Market Fund was not rated by either Moody's or Standard & Poor's at June 30, 2018.

Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from increasing interest rates by limiting the average weighted duration of its investment pool portfolio to less than 2.5 years. Duration is a measure of the present value of a fixed income's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Interest Rate Sensitivity

Interest rate sensitive securities include floating rate, callable, asset-backed, and mortgage-backed securities. As interest rates change, these types of securities may be redeemed early or the coupon rate may change.

At June 30, 2018, the County invested in the following types of securities that have a higher sensitivity to interest rates:

Terms Table of Interest Rate Sensitive Securities						
CUSIP	Security Type	Fair Value	Maturity Date	Call Frequency	Index	Coupon
3130ABVQ6	Federal Agency Callables	\$ 488,140	08/16/22	Quarterly	N/A	Fixed
3130ABXE1	Federal Agency Callables	1,554,016	08/11/21	Onetime	N/A	Fixed
3130ABYK6	Federal Agency Callables	2,957,730	02/07/20	Quarterly	N/A	Fixed
3130ABYK6	Federal Agency Callables	2,957,730	02/07/20	Quarterly	N/A	Fixed
3134GBN57	Federal Agency Callables	48,446,500	09/28/22	Onetime	N/A	Fixed
3134GBTZ5	Federal Agency Callables	1,955,660	06/29/22	Quarterly	N/A	Fixed
3134GBTZ5	Federal Agency Callables	1,955,660	06/29/22	Quarterly	N/A	Fixed
3134GSAU9	Federal Agency Callables	49,232,500	12/28/20	Onetime	N/A	Fixed
3134GSGT6	Federal Agency Callables	49,769,500	03/29/21	Onetime	N/A	Fixed
3134GSQC2	Federal Agency Callables	50,025,000	06/28/23	Onetime	N/A	Fixed
3134GBUB6	Federal Agency Step Ups	1,983,000	06/28/22	Onetime	N/A	Step up
3134GBUB6	Federal Agency Step Ups	1,983,000	06/28/22	Onetime	N/A	Step up
3134GBUB6	Federal Agency Step Ups	1,983,000	06/28/22	Onetime	N/A	Step up
3137AAR54	Agency CMOs	14,022	10/15/18	NA	N/A	Fixed
3137AAYD9	Agency CMOs	14,610	08/15/18	NA	N/A	Fixed
31397SPC2	Agency CMOs	23,740	06/25/21	NA	N/A	Fixed
31397NFA8	Agency CMOs	27,984	03/25/24	NA	N/A	Fixed
3136A3UG4	Agency CMOs	386,068	12/25/21	NA	N/A	Fixed
31398WD27	Agency CMOs	421,419	04/25/19	NA	N/A	Fixed
14313WAC6	Asset-Backed Securities	461,685	11/15/19	NA	N/A	Fixed
3136A3XZ9	Agency CMOs	539,317	02/25/22	NA	N/A	Fixed
3136A9YB8	Agency CMOs	556,826	02/25/22	NA	N/A	Fixed
3137AA4V2	Agency MBS Pass-Throughs	639,065	08/25/20	NA	N/A	Fixed
31418AFV5	Agency MBS Pass-Throughs	1,323,405	06/01/22	NA	N/A	Fixed
3137BRQ99	Agency MBS Pass-Throughs	1,867,342	09/25/22	NA	N/A	Fixed
31679RAD7	Asset-Backed Securities	1,972,040	02/15/22	NA	N/A	Fixed
47788CAB8	Asset-Backed Securities	1,995,360	10/15/20	NA	N/A	Fixed
3137B2HV5	Agency CMOs	2,413,254	07/15/23	NA	N/A	Fixed
3137BPCF4	Agency CMOs	2,564,938	10/25/20	NA	N/A	Fixed
3136AHYG9	Agency CMOs	2,568,733	03/25/28	NA	N/A	Fixed
3137A1N90	Agency MBS Pass-Throughs	3,032,850	06/25/20	NA	N/A	Fixed
09659QAD9	Asset-Backed Securities	3,464,685	04/25/22	NA	N/A	Fixed
65478HAE8	Asset-Backed Securities	3,671,775	02/15/24	NA	N/A	Fixed
38013MAD8	Asset-Backed Securities	3,962,880	09/21/20	NA	N/A	Fixed
31679RAE5	Asset-Backed Securities	4,389,975	07/15/24	N/A	N/A	Fixed
14314RAC6	Asset-Backed Securities	4,431,645	10/17/22	N/A	N/A	Fixed
34528FAE8	Asset-Backed Securities	4,510,980	10/15/23	N/A	N/A	Fixed
50117NAD6	Asset-Backed Securities	4,879,600	03/15/24	N/A	N/A	Fixed

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Interest Rate Sensitivity (Continued)

Terms Table of Interest Rate Sensitive Securities (Continued)						
CUSIP	Security Type	Fair Value	Maturity Date	Call Frequency	Index	Coupon
161571HF4	Asset-Backed Securities	4,927,600	07/15/21	N/A	N/A	Fixed
14041NFH9	Asset-Backed Securities	4,931,550	09/15/22	N/A	N/A	Fixed
34530WAA5	Asset-Backed Securities	4,934,350	01/15/27	N/A	N/A	Fixed
42806DAA7	Asset-Backed Securities	4,945,550	03/25/21	N/A	N/A	Fixed
87165LAX9	Asset-Backed Securities	4,984,500	03/15/22	N/A	N/A	Fixed
65478HAD0	Asset-Backed Securities	5,128,864	04/18/22	N/A	N/A	Fixed
98162QAC4	Asset-Backed Securities	5,232,780	07/17/23	N/A	N/A	Fixed
65478UAD1	Asset-Backed Securities	5,378,493	10/15/20	N/A	N/A	Fixed
44614DAC1	Asset-Backed Securities	5,651,524	11/16/20	N/A	N/A	Fixed
14314MAC7	Asset-Backed Securities	5,945,863	02/16/21	N/A	N/A	Fixed
02007JAC1	Asset-Backed Securities	6,499,545	01/17/23	N/A	N/A	Fixed
89231LAE7	Asset-Backed Securities	6,837,670	01/15/22	N/A	N/A	Fixed
05582QAE7	Asset-Backed Securities	6,846,840	12/27/22	N/A	N/A	Fixed
43811BAC8	Asset-Backed Securities	6,897,030	08/16/21	N/A	N/A	Fixed
47788CAC6	Asset-Backed Securities	7,685,294	04/18/22	N/A	N/A	Fixed
02582JHJ2	Asset-Backed Securities	7,838,320	05/15/23	N/A	N/A	Fixed
17305EGB5	Asset-Backed Securities- SA	7,864,560	04/07/22	N/A	N/A	Fixed
14041NFF3	Asset-Backed Securities	7,874,560	06/15/22	N/A	N/A	Fixed
14314PAC0	Asset-Backed Securities	7,898,800	03/15/22	N/A	N/A	Fixed
98162KAD5	Asset-Backed Securities	7,930,160	08/15/22	N/A	N/A	Fixed
Total		<u>\$ 391,659,487</u>				

Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies the prudent-person rule: "In investing the County's monies, there shall be exercised judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The County's investments were rated by Moody's Investors Service as follows: U.S. Treasury Notes, Aaa; U.S. Treasury Bills, P-1; bonds of U.S. Federal agencies, Aaa; discount notes of U.S. Federal agencies, P-1; money market funds, Aaa; commercial paper issued by corporations organized and operating in the United States or by depository institutions licensed by the United States or any state and operating in the United States, P-1; negotiable certificates of deposit issued by commercial banks, insured credit unions or savings and loan associations, not specified; collateralized mortgage obligations, Aaa; asset-backed securities, Aaa; forward delivery agreements, A; corporate notes issued by corporations organized and operating in the United States which have a rating of A or its equivalent or higher. The County's investments in non-negotiable certificates of deposit are FDIC insured and do not exceed \$250,000 per insured institution.

The County is exposed to credit risk on hedging derivatives with positive fair values totaling \$23,399,998 at June 30, 2018. The counterparty credit ratings for these swaps are Baa or higher. The County is exposed to credit risk on investment derivatives with positive fair values totaling \$42,730,872 at June 30, 2018. The counterparty credit ratings for these swaps are Baa or higher. Exposure is mitigated through the use of an International Swaps and Derivatives Association credit support annex, which provides collateral to protect the value of the swaps under specific circumstances.

Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than five percent of the Clark County investment pool.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

At June 30, 2018, the following investments exceeded five percent of the total cash and investments for all entities combined:

<u>Investments Exceeding 5% of Total Cash and Investments - All Entities Combined as of June 30, 2018</u>	
Federal Home Loan Banks (FHLB)	5.79%
Federal Home Loan Mortgage Corporation (FHLMC)	8.56
Federal National Mortgage Association (FNMA)	8.64

GASB 31

GASB Statement No. 31 requires the County to adjust the carrying amount of its investment portfolio to reflect the change in fair or market values. Interest revenue is increased or decreased in relation to this adjustment of unrealized gain or loss. Net interest income in the funds reflects this positive or negative market value adjustment.

Pooled Investments

Pooled investments are carried at fair value determined by quoted market prices or matrix pricing. All pooled investments are held in the custody of a bank designated by the County.

The County administers an external investment pool combining County money with involuntary investments from the Southern Nevada Health District (SNHD). Under authority delegated by the Board of County Commissioners (BCC) in accordance with NRS 355.175, the investment of County funds is the responsibility of the County Treasurer. Per the Clark County Investment Policy section XVII, the Treasurer shall consult with the Chief Financial Officer/Comptroller regarding the investment process including, but not limited to, a review of the investment policy and portfolio components. Any changes to the investment policy are subject to approval by the BCC. The external investment pool is not registered with the SEC as an investment company. The County custodian determines the fair value of its pooled investments on a monthly basis. The County has not provided or obtained any legally binding guarantees during the period to support the value of shares.

Each participant's share is equal to their investment plus or minus the monthly allocation of net investment earnings and realized and unrealized gains and losses. The derivation of realized gains and losses is independent of the determination of the net change in the fair value of investments for all periods reported.

Net position and changes in net position of the external investment pool as of June 30, 2018, are summarized below:

External Investment Pool Statement of Net Position as of June 30, 2018	
Assets:	
Cash	\$ 87,883,654
Investments:	
U.S. Treasuries	1,341,862,400
U.S. Agencies	1,147,356,482
Corporate Obligations	679,511,563
Money Market Funds	58,033,718
Commercial Paper	690,021,212
Negotiable Certificates of Deposit	234,890,000
NV Local Government Investment Pool	30,683,165
Collateralized Mortgage Obligations & Asset Backed Securities	144,260,417
Interest Receivable	14,218,255
Total Assets	<u>\$ 4,428,720,866</u>
Net Position:	
Internal Participants	\$ 4,400,038,893
External Participants	28,681,973
Total	<u>\$ 4,428,720,866</u>

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Pooled Investments (Continued)

External Investment Pool	
Statement of Changes in Net Position for the Year Ended June 30, 2018	
Additions:	
Net investment earnings	\$ 63,230,205
Net increase (decrease) in fair value of investments	(52,169,414)
Increase in net assets resulting from operations	11,060,791
Net capital share transactions	261,746,360
Change in Net Position	272,807,151
Net Position, July 1	4,155,913,715
Net Position, June 30	<u>\$ 4,428,720,866</u>

At June 30, 2018, the fair value of deposits and investments held in the external investment pool consisted of the following:

Total Cash and Investments - External Investment Pool	
Investments and Cash	Fair Value
Investments	\$ 4,326,618,957
Cash	87,883,654
Total	<u>\$ 4,414,502,611</u>

At June 30, 2018, investments held in the external investment pool consisted of the following:

Investments - External Investment Pool		
Fair Value and Carrying Amount		
Investment Type	Fair Value	Carrying Amount
U.S. Treasuries	\$ 1,341,862,400	\$ 1,369,342,889
U.S. Agencies	1,147,356,482	1,169,139,336
Corporate Obligations	679,511,563	691,054,452
Money Market Funds	58,033,718	58,033,718
Commercial Paper	690,021,212	687,539,300
Negotiable CD	234,890,000	235,000,000
NV Local Government Investment Pool	30,683,165	30,721,155
Collateralized Mortgage Obligations & Asset Backed Securities	144,260,417	146,266,896
Total	<u>\$ 4,326,618,957</u>	<u>\$ 4,387,097,746</u>

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Pooled Investments (Continued)

At June 30, 2018, the fair value of investments held in the external investment pool were categorized by maturity as follows:

Investment Type	Investments Maturities - External Investment Pool				
	Fair Value	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years
U.S. Treasuries	\$ 1,341,862,400	\$ 247,571,500	\$ 795,056,090	\$ 299,234,810	\$ -
U.S. Agencies	1,147,356,482	236,091,930	495,034,137	416,230,415	-
Corporate Obligations	679,511,563	275,753,519	217,693,130	186,064,914	-
Money Market Funds	58,033,718	58,033,718	-	-	-
Commercial Paper	690,021,212	690,021,212	-	-	-
Negotiable Certificates of Deposit	234,890,000	234,890,000	-	-	-
NV Local Government Investment Pool	30,683,165	30,683,165	-	-	-
Collateralized Mortgage Obligations & Asset Backed Securities	144,260,417	450,051	27,661,039	93,333,846	22,815,481
Total	\$ 4,326,618,957	\$ 1,773,495,095	\$ 1,535,444,396	\$ 994,863,985	\$ 22,815,481

At June 30, 2018, the fair value of investments held in the external investment pool were categorized by quality rating as follows:

Investment Type	Investments - External Investment Pool Quality Ratings by Moody's Investors Service					
	Fair Value	Aaa	Aa	A	P-1	Unrated
U.S. Treasuries	\$ 1,341,862,400	\$ 1,292,304,900	\$ -	\$ -	\$ 49,557,500	\$ -
U.S. Agencies	1,147,356,482	1,062,229,697	-	-	84,642,150	484,635
Corporate Obligations	679,511,563	60,569,744	220,124,703	398,817,116	-	-
Money Market Funds	58,033,718	7,853,865	-	-	-	50,179,853
Commercial Paper	690,021,212	-	-	-	690,021,212	-
Negotiable CD	234,890,000	-	-	-	234,890,000	-
NV Local Government Investment Pool	30,683,165	-	-	-	-	30,683,165
Collateralized Mortgage Obligations & Asset Backed Securities (1)	144,260,417	91,149,064	-	-	-	53,111,353
Total	\$ 4,326,618,957	\$ 2,514,107,270	\$ 220,124,703	\$ 398,817,116	\$ 1,059,110,862	\$ 134,459,006

(1) Unrated U.S. federal agency securities are Farmer Mac securities not rated by either Moody's or Standard & Poor's.
(2) Unrated money market funds are rated AAA by Kroll.
(3) Unrated asset backed securities are rated AAA by Standard & Poor's or Fitch.

III. DETAILED NOTES - ALL FUNDS

1. CASH AND INVESTMENTS (Continued)

Pooled Investments (Continued)

At June 30, 2018, investments held in the external investment pool were measured at fair value as follows:

<u>Investments - External Investment Pool</u> <u>Fair Value Measurements</u>					
<u>Investment Type</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>	<u>Not Categorized</u>
U.S. Treasuries	\$ 1,341,862,400	\$ 1,341,862,400	\$ -	\$ -	\$ -
U.S. Agencies	1,147,356,482	84,642,150	1,062,714,332	-	-
Corporate Obligations	679,511,563	-	679,511,563	-	-
Money Market Funds	58,033,718	58,033,718	-	-	-
Commercial Paper	690,021,212	-	690,021,212	-	-
Negotiable Certificates of Deposit	234,890,000	-	234,890,000	-	-
NV Local Government Investment Pool (1)	30,683,165	-	-	-	30,683,165
Collateralized Mortgage Obligations & Asset Backed Securities	144,260,417	-	144,260,417	-	-
Total	<u>\$ 4,326,618,957</u>	<u>\$ 1,484,538,268</u>	<u>\$ 2,811,397,524</u>	<u>\$ -</u>	<u>\$ 30,683,165</u>

(1) Position in external investment pool is not categorized within the fair value hierarchy in accordance with generally accepted accounting principles.

III. DETAILED NOTES - ALL FUNDS

2. PROPERTY TAXES

Taxes on real property are levied on July 1 of each year and a lien is also placed on the property on July 1. The taxes are due on the third Monday in August, but can be paid in four installments on or before the third Monday in August, first Monday 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 at the rate of 10 percent per year from the date the taxes were due until paid. If delinquent taxes are not paid within the two-year redemption period, the County Treasurer may sell the property to satisfy the tax lien.

The Nevada legislature enacted provisions whereby the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed valuation. The Nevada legislature also passed a property tax abatement law that generally caps increases in property taxes received from any owner-occupied residential property to three percent per year, and eight percent per year for all other property.

Delinquent taxes receivable not collected within sixty days after year end are recorded as deferred inflows of resources in the governmental funds as they are not available to pay liabilities of the current period. The revenue is fully recognized at the government-wide level.

Unavailable Delinquent Taxes and Penalties Receivable at June 30, 2018				
General Fund	Las Vegas Metropolitan Police	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total
\$ 16,039,729	\$ 1,536,243	\$ 1,370,303	\$ 53,339	\$ 18,999,614

3. ACCOUNTS RECEIVABLE

Accounts Receivable as of June 30, 2018			
	Accounts Receivable	Provisions for Doubtful Accounts	Net Accounts Receivable
Primary Government			
<i>Governmental activities</i>			
General Fund	\$ 28,955,155	\$ (7,934,698)	\$ 21,020,457
LVMPD	963,070	-	963,070
Other governmental	3,286,161	(2,692,933)	593,228
Internal service	2,321,029	(366,870)	1,954,159
Total governmental activities	\$ 35,525,415	\$ 10,994,500	\$ 24,530,914
Amounts not scheduled for collection during the subsequent year	\$ -		
<i>Business-type activities</i>			
UMC	\$ 300,509,606	\$ (174,424,618)	\$ 126,084,988
Reclamation District	13,699,075	(377,875)	13,321,200
Department of Aviation	43,124,627	(596,453)	42,528,174
Other proprietary	442,964	(39,775)	403,189
Total business-type activities	\$ 357,776,272	\$ (175,438,721)	\$ 182,337,551
<i>Business-type activities restricted</i>			
University Medical Center	\$ 260,353	\$ -	\$ 260,353
Reclamation District	3,443,528	-	3,443,528
Total business-type activities restricted	\$ 3,703,881	\$ -	\$ 3,703,881
Amounts not scheduled for collection during the subsequent year	\$ -		
Discretely Presented Component Units			
RTC	\$ 41,638,387	\$ (436,380)	\$ 41,202,007
Flood Control District	\$ 342,641	\$ -	\$ 342,641
LVVWD District	\$ 73,494,579	\$ (1,592,065)	\$ 71,902,514
LVVWD - restricted	\$ 418,998,255	\$ -	\$ 418,998,255
Other Water Districts	\$ 521,193	\$ -	\$ 521,193
CCSA	\$ 17,341,514	\$ -	\$ 17,341,514

Restricted receivables of the Water District consist of amounts due from the Southern Nevada Water Authority (SNWA) restricted for the repayment of Water District bonds and notes whose proceeds were delivered to the SNWA.

III. DETAILED NOTES - ALL FUNDS

3. ACCOUNTS RECEIVABLE (Continued)

Bond Bank Receivable

Nevada Revised Statute authorizes the County to issue general obligation bonds for the purpose of acquiring obligations issued by municipalities and authorities in Clark County for certain purposes. These general obligation bonds are shown in Note 6. The obligations issued by municipalities and authorities are shown as a bond bank receivable on the statement of net position.

<u>Bond Bank Receivable Balance at June 30, 2018</u>		
	Primary Government- Government Activities	Discretely Presented Component Unit LVVWD
Bond bank receivable, current	\$ 40,760,000	\$ 72,605,000
Bond bank receivable, noncurrent	962,635,000	1,851,015,000
 Total bond bank receivable	 \$ 1,003,395,000	 \$ 1,923,620,000

4. CAPITAL ASSETS

<u>Capital Assets as of June 30, 2018</u>				
<u>Primary Government</u>	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
<i>Governmental activities</i>				
Capital assets not being depreciated				
Land	\$ 1,266,210,139	\$ 10,384,358	\$ 9,087,575	\$ 1,267,506,922
Construction in progress	368,415,450	202,791,041	323,285,210	247,921,281
Total capital assets not being depreciated	1,634,625,589	213,175,399	332,372,785	1,515,428,203
Capital assets being depreciated				
Buildings	1,559,318,323	168,855,509	2,780,342	1,725,393,490
Improvements other than buildings	570,978,187	23,538,483	-	594,516,670
Equipment	385,405,042	49,458,807	31,266,788	403,597,061
Infrastructure	5,911,689,850	200,999,443	3,520,755	6,109,168,538
Total capital assets being depreciated	8,427,391,402	442,852,242	37,567,885	8,832,675,759
Less accumulated depreciation for				
Buildings	405,945,817	36,964,186	966,798	441,943,205
Improvements other than buildings	255,547,152	26,986,716	-	282,533,868
Equipment	278,078,394	40,906,903	30,836,562	288,148,735
Infrastructure	2,752,167,734	194,626,531	1,599,443	2,945,194,822
Total accumulated depreciation	3,691,739,097	299,484,336	33,402,803	3,957,820,630
Total capital assets being depreciated, net	4,735,652,305	143,367,906	4,165,082	4,874,855,129
Government activities capital assets, net	\$ 6,370,277,894	\$ 356,543,305	\$ 336,537,867	\$ 6,390,283,332

III. DETAILED NOTES - ALL FUNDS

4. CAPITAL ASSETS (Continued)

<u>Capital Assets as of June 30, 2018 (Continued)</u>				
<u>Primary Government (Continued)</u>	<u>Restated Balance July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Restated Balance June 30, 2018</u>
<i>Business-type activities</i>				
Capital assets not being depreciated				
Land	\$ 950,924,558	\$ -	\$ 322,521	\$ 950,602,037
Construction in progress	<u>357,424,051</u>	<u>136,989,841</u>	<u>357,519,665</u>	<u>136,894,227</u>
Total capital assets Not being depreciated	<u>1,308,348,609</u>	<u>136,989,841</u>	<u>357,842,186</u>	<u>1,087,496,264</u>
Capital assets being depreciated:				
Land improvements	2,937,267,374	126,515,999	5,466,289	3,058,317,084
Buildings and improvements	4,999,957,720	194,272,634	10,939,557	5,183,290,797
Equipment	<u>1,096,083,490</u>	<u>76,710,293</u>	<u>12,162,890</u>	<u>1,160,630,893</u>
Total capital assets being depreciated	<u>9,033,308,584</u>	<u>397,498,926</u>	<u>28,568,736</u>	<u>9,402,238,774</u>
Less accumulated depreciation for:				
Land improvements	1,191,325,049	87,829,997	3,515,644	1,275,739,402
Buildings and improvements	1,760,398,409	150,997,058	6,945,322	1,904,450,145
Equipment	<u>663,990,072</u>	<u>73,776,118</u>	<u>11,072,571</u>	<u>726,693,619</u>
Total accumulated depreciation	<u>3,615,713,530</u>	<u>312,703,173</u>	<u>21,533,537</u>	<u>3,906,883,166</u>
Total capital assets being depreciated, net	<u>5,417,595,054</u>	<u>84,795,753</u>	<u>7,035,199</u>	<u>5,495,355,608</u>
Business-type activities capital assets, net	<u>\$ 6,725,943,663</u>	<u>\$ 221,785,594</u>	<u>\$ 364,877,385</u>	<u>\$ 6,582,851,872</u>

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

<u>Depreciation Expense for the Year Ended June 30, 2018</u>	
<u>Primary Government</u>	
<i>Governmental activities</i>	
General government	\$ 22,484,264
Judicial	6,991,666
Public safety	39,236,240
Public works	201,013,172
Health	867,311
Welfare	403,222
Culture and recreation	26,531,674
Other	<u>1,956,787</u>
Total depreciation expense - governmental activities	<u>\$ 299,484,336</u>
<i>Business-type activities</i>	
Hospital	\$ 19,749,592
Airport	191,840,374
Sewer	99,719,237
Other	<u>1,393,970</u>
Total depreciation expense - business-type activities	<u>\$ 312,703,173</u>

III. DETAILED NOTES - ALL FUNDS

4. CAPITAL ASSETS (Continued)

Construction Commitments

Major projects included in construction-in-progress are the beltway and other major arterial roadways, flood control projects, airport terminal expansion, sewage and water treatment facilities.

Construction-in-progress and remaining commitments as of June 30, 2018, were as follows:

<u>Construction-in-Progress and Remaining Commitments as of June 30, 2018</u>		
<u>Primary Government</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
<i>Governmental activities</i>		
Buildings and improvements	\$ 85,130,671	\$ 210,592,331
Infrastructure:		
Work in progress - RFCDC Clark County projects	3,251,902	31,818,159
Work in progress - Public Works	140,754,459	364,283,409
Work in progress - RTC Clark County projects	18,784,249	97,702,927
Total infrastructure	162,790,610	493,804,495
Total governmental activities	\$ 247,921,281	\$ 704,396,826
<i>Business-type activities</i>		
Hospital	\$ 51,394,855	\$ 4,400,000
Airport	43,301,374	28,022,233
Sewer	37,067,125	16,433,534
Other	5,130,873	3,569,364
Total business-type activities	\$ 136,894,227	\$ 52,425,131

Discretely Presented Component Units

Flood Control District

<u>Capital Assets as of June 30, 2018</u>				
	<u>Balance July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2018</u>
<i>Governmental activities</i>				
Capital assets not being depreciated:				
Construction in progress	\$ 284,490	\$ 38,511	\$ 40,284	\$ 282,717
Capital assets being depreciated:				
Building	3,281,747	-	-	3,281,747
Equipment	1,675,706	101,340	36,802	1,740,244
Total capital assets being depreciated	4,957,453	101,340	36,802	5,021,991
Less accumulated depreciation for				
Building	1,184,852	75,443	-	1,260,295
Equipment	1,553,730	54,867	24,994	1,583,603
Total accumulated depreciation	2,738,582	130,310	24,994	2,843,898
Total capital assets being depreciated, net	2,218,871	(28,970)	11,808	2,178,093
Government activities capital assets, net	\$ 2,503,361	\$ 9,541	\$ 52,092	\$ 2,460,810
Depreciation expense of \$130,310 was charged to the public works function				

III. DETAILED NOTES - ALL FUNDS

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

RTC

	<u>Capital Assets as of June 30, 2018</u>			
	<u>Balance July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2018</u>
<i>Governmental activities</i>				
Capital assets not being depreciated				
Construction in progress	\$ 1,687,689	\$ 227,104	\$ 262,629	\$ 1,652,164
Capital assets being depreciated				
Building	18,722,303	-	-	18,722,303
Equipment	8,622,357	262,629	22,315	8,862,671
Total capital assets being depreciated	<u>27,344,660</u>	<u>262,629</u>	<u>22,315</u>	<u>27,584,974</u>
Less accumulated depreciation for				
Buildings	6,625,109	323,690	-	6,948,799
Equipment	6,567,733	1,148,436	22,315	7,693,854
Total accumulated depreciation	<u>13,192,842</u>	<u>1,472,126</u>	<u>22,315</u>	<u>14,642,653</u>
Total capital assets being depreciated, net	<u>14,151,818</u>	<u>(1,209,497)</u>	<u>-</u>	<u>12,942,321</u>
Governmental activities capital assets, net	<u>\$ 15,839,507</u>	<u>\$ (982,393)</u>	<u>\$ 262,629</u>	<u>\$ 14,594,485</u>
<i>Business-type activities</i>				
Capital assets not being depreciated				
Land	\$ 32,038,082	\$ 402,304	\$ -	\$ 32,440,386
Construction Progress	47,442,990	63,184,870	106,411,108	4,216,662
Total capital assets not being depreciated	<u>79,480,982</u>	<u>63,587,174</u>	<u>106,411,108</u>	<u>36,657,048</u>
Capital assets being depreciated				
Buildings and improvements	207,361,316	22,990,633	-	230,351,949
Equipment	422,197,514	73,238,258	29,380,155	466,055,617
Total capital assets being depreciated	<u>629,558,830</u>	<u>96,228,891</u>	<u>29,380,155</u>	<u>696,407,566</u>
Less accumulated depreciation for				
Buildings and improvements	65,052,310	7,191,653	-	72,243,963
Equipment	221,184,276	44,809,236	29,277,679	236,715,833
Total accumulated depreciation	<u>286,236,586</u>	<u>52,000,889</u>	<u>29,277,679</u>	<u>308,959,796</u>
Total capital assets being depreciated, net	<u>343,322,244</u>	<u>44,228,002</u>	<u>102,476</u>	<u>387,447,770</u>
Business-type activities capital assets, net	<u>\$ 422,803,226</u>	<u>\$ 107,815,176</u>	<u>\$ 106,513,584</u>	<u>\$ 424,104,818</u>
Depreciation expense was charged to the following functions or programs:				
<i>Governmental activities</i>				
Public Works	\$ 1,472,126			
<i>Business-type activities</i>				
Public Transit	\$ 52,000,889			
Construction commitments include roadway projects with various local entities of \$273,122,630.				
Capital commitments for transit include revenue vehicle acquisition projects of \$53,612,441 and facility improvement projects of \$3,473,210.				

III. DETAILED NOTES - ALL FUNDS

4. CAPITAL ASSETS (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District

<u>Capital Assets as of June 30, 2018</u>				
<i>Business-type activities</i>	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated				
Land	\$ 23,571,806	\$ -	\$ -	\$ 23,571,806
Construction Progress	26,969,533	40,379,716	43,087,132	24,262,117
Total capital assets not being depreciated	<u>50,541,339</u>	<u>40,379,716</u>	<u>43,087,132</u>	<u>47,833,923</u>
Capital assets being depreciated				
Buildings and improvements	2,161,553,562	32,609,088	4,373	2,194,158,277
Equipment	797,527,947	30,622,780	2,794,134	825,356,593
Total capital assets being depreciated	<u>2,959,081,509</u>	<u>63,231,868</u>	<u>2,798,507</u>	<u>3,019,514,870</u>
Less accumulated depreciation for				
Buildings and improvements	898,762,797	56,605,728	4,221	955,364,304
Equipment	440,464,804	27,626,744	2,787,953	465,303,595
Total accumulated depreciation	<u>1,339,227,601</u>	<u>84,232,472</u>	<u>2,792,174</u>	<u>1,420,667,899</u>
Total capital assets being depreciated, net	<u>1,619,853,908</u>	<u>(21,000,604)</u>	<u>6,333</u>	<u>1,598,846,971</u>
Business-type activities capital assets, net	<u>\$ 1,670,395,247</u>	<u>\$ 19,379,112</u>	<u>\$ 43,093,465</u>	<u>\$ 1,646,680,894</u>
Depreciation expense was charged to the following functions or programs:				
<i>Business-type activities</i>				
Water	\$ 84,232,472			
At June 30, 2018, commitments for unperformed work on outstanding contracts totaled \$20.0 million.				

Clark County Stadium Authority

<u>Capital Assets as of June 30, 2018</u>				
<i>Governmental activities</i>	Balance July 1, 2017	Increases	Decreases	Balance June 30, 2018
Capital assets not being depreciated:				
Land	\$ -	\$ 77,780,128	\$ -	\$ 77,780,128
Construction in progress	-	215,823,208	-	215,823,208
Total capital assets not being depreciated	<u>\$ -</u>	<u>\$ 293,603,336</u>	<u>\$ -</u>	<u>\$ 293,603,336</u>

III. DETAILED NOTES - ALL FUNDS

5. INTERFUND TRANSACTIONS

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

<u>Due To / From Other Funds at June 30, 2018</u>		
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 9,811,863
	Department of Aviation	3,310,959
LVMPD Funds	General Fund	304
	Nonmajor Governmental Funds	23,613
Nonmajor Governmental Funds	General Fund	121,383,325
	LVMPD Funds	2,720
	Between Nonmajor Governmental Funds	24,173,473
Nonmajor Enterprise Funds	General Fund	2,610
	Nonmajor Governmental Funds	4,253
	Department of Aviation	37,772
Internal Service Funds	General Fund	391,451
	Nonmajor Governmental Funds	6,466
	LVMPD Funds	200
	Nonmajor Enterprise Funds	25,749
	University Medical Center	8,836,756
University Medical Center	Department of Aviation	91,645
	General Fund	31,000,000
Department of Aviation	General Fund	2,049,955
	LVMPD Funds	885,882
Total due to/from other funds		<u>\$ 202,038,996</u>

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

<u>Interfund transfers for the year ended June 30, 2018</u>		
<u>Fund transferred to:</u>	<u>Fund transferred from:</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 2,070,600
	Nonmajor Enterprise Funds	1,368,950
	Internal Service Funds	2,482,450
Las Vegas Metropolitan Police Fund	General Fund	246,872,116
	Nonmajor Governmental Funds	2,945,700
Nonmajor Governmental Funds	General Fund	242,934,638
	Between Nonmajor Governmental Funds	197,930,321
Nonmajor Enterprise Funds	General Fund	1,950,000
Internal Service Funds	General Fund	1,500,000
	Nonmajor Governmental Funds	7,800,000
University Medical Center	General Fund	31,000,000
	Nonmajor Governmental Funds	416,959
Department of Aviation	General Fund	11,794,465
Total interfund transfers		<u>\$ 751,066,199</u>

III. DETAILED NOTES - ALL FUNDS

5. INTERFUND TRANSACTIONS (Continued)

Interfund advances are the result of a loan between the Water Reclamation Fund and the Medium-Term Financing Fund. The loan has an outstanding balance of \$1,631,172 at June 30, 2018 with annual interest of 2% and quarterly payments of \$100,326 through July 1, 2022. These funds were used to construct the North Las Vegas Sloan Channel. The City of North Las Vegas is reimbursing Clark County for the interfund loan according to the terms noted above. At June 30, 2018, the receivable balance of \$1,639,328 has been recorded for the balance owed by the City of North Las Vegas.

6. LONG-TERM DEBT

Long-Term Debt Activity For the Year Ended June 30, 2018					
	Balance at July 1, 2017	Additions	Reductions	Balance at June 30, 2018	Due Within One Year
<i>Governmental Activities</i>					
General obligation bonds	\$ 1,289,366,000	\$ -	\$ (73,591,000)	\$ 1,215,775,000	\$ 77,768,000
Revenue bonds	10,000	-	-	10,000	-
Special assessment bonds	150,975,000	66,240,000	(73,580,000)	143,635,000	12,785,000
Capital leases	186,382,033	-	(441,568)	185,940,465	458,777
Plus premiums	149,550,412	4,256,889	(10,357,705)	143,449,596	-
Less discounts	(44,212)	-	6,061	(38,151)	-
	<u>1,776,239,233</u>	<u>70,496,889</u>	<u>(157,964,212)</u>	<u>1,688,771,910</u>	<u>91,011,777</u>
<i>Business-Type Activities</i>					
General obligation bonds	584,182,944	-	(20,925,495)	563,257,449	20,823,701
Revenue bonds	3,904,815,000	188,010,000	(286,700,000)	3,806,125,000	130,455,000
Plus (less): Imputed debt from termination of hedges	9,807,652	-	(1,961,532)	7,846,120	-
Plus premiums	147,245,703	-	(14,754,941)	132,490,762	-
Less discounts	(19,426,317)	-	2,794,809	(16,631,508)	-
	<u>4,626,624,982</u>	<u>188,010,000</u>	<u>(321,547,159)</u>	<u>4,493,087,823</u>	<u>151,278,701</u>
Total long-term debt	<u>\$ 6,402,864,215</u>	<u>\$ 258,506,889</u>	<u>\$ (479,511,371)</u>	<u>\$ 6,181,859,733</u>	<u>\$ 242,290,478</u>

Current Year Bonds Issued, Refunded and Defeased

On July 11, 2017, the County issued \$12,130,000 in Special Improvement District No. 158 (Las Vegas Boulevard -St. Rose Parkway to Pyle Avenue) Local Improvement Bonds with an interest rate of 5 percent. The bond proceed totaled \$14,523,860. The proceeds are being used to: (i) finance the cost of certain local improvements; (ii) fund a debt service reserve fund for the Bonds; and (iii) pay the costs of issuing the Bonds. Principal is paid annually beginning August 1, 2018 and interest is paid semiannually on August 1 and February 1. The bonds mature on August 1, 2037.

On August 24, 2017, the County issued \$54,110,000 Special Improvement District No. 112 (Flamingo Underground) Local Improvement Refunding Bonds Series 2017 to refund all the outstanding \$56,495,000 Special Improvement District No. 112 (Flamingo Underground) Local Improvement Bonds, Series 2008, fund the Reserve Fund, and to pay certain costs of issuance thereof. The series 2017 bonds have stated interest ranging from 2.00 to 4.00 percent, with principal paid annually August 1 and February 1, and a maturity date of August 1, 2037. On August 24, 2017, the County created an escrow account (\$56,671,232) in an amount sufficient to pay the principal of and accrued interest on the Refunded Bonds on August 25, 2017. This transaction resulted in the defeasance of the 2008 issue and the related liability has been removed from the financial statements of the County. The refunding resulted in a gain of \$350,352, which represents the difference between the defeased bonds and the amount placed in escrow. The refunding also resulted in future cash flow savings of \$13,329,228 and an economic gain (difference between the present value of the old and new debt service payments) of \$10,221,169.

On December 6, 2017, the County issued the Series 2017D Airport System Subordinate Lien Refunding Revenue Bonds (Series 2017D Bonds) for \$92,465,000 to mature on July 1, 2022. The Series 2017D is issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A. The Series 2017D Bonds was issued to refund Series 2011B-2 Bonds and then Banc of America Preferred Funding Corporation has agreed to purchase the bonds pursuant to the terms and provisions of a floating rate Direct Purchase Agreement. Interest payments are due on the first business day of each month and scheduled principal payments are due on July 1 of each year. The Indenture and Direct Purchase Agreement contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

On June 29, 2018, the County issued the Series 2018A Junior Subordinate Lien Revenue Notes (Series 2018A Note) for \$95.5 million. The net proceeds of \$103.4 million, along with a \$2.5 million contribution from the Series 2014B Notes sinking fund, were used to refund the outstanding principal and interest on the Series 2014B Notes. The Series 2018A Notes have a fixed interest rate of 5.00% and a yield of 1.98%. Interest payments are due on January 1 and July 1 of each year, and scheduled principal payments are due on July 1 of each year until the scheduled maturity on July 1, 2021. The present value over the three-year life of the aggregate debt service payments for the Series 2018A Notes is \$103.9 million. There is no aggregate debt to service on the refunding transaction between the refunding notes and the refunded notes due to the fact that the Series 2014B Notes matured on July 1, 2018. As of June 30, 2018, the aggregate debt service balance of defeased bonds in escrow was \$105.9 million.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Bonds and Loans Payable as of June 30, 2018									
Series	Purpose	Pledged Revenue	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance at June 30, 2018		
<i>Governmental Activities:</i>									
<u>General Obligation Bonds</u>									
2006	Bond Bank	Local government securities Court administrative assessment.	11/02/06	11/01/36	2.50 - 5.00	\$ 604,140,000	\$ 69,545,000		
2007	Public Facilities	Consolidated tax; Interlocal agreement Beltway and Laughlin resort corridor room tax	05/24/07	06/01/24	4.00 - 5.00	22,325,000	9,295,000		
2008	Transportation Improvement		03/13/08	06/01/19	3.46	71,045,000	7,130,000		
2009	Public Facilities	None	03/10/09	11/01/18	3.00 - 4.00	31,700,000	2,870,000		
2009	Public Facilities	Interlocal agreement, Court administrative assessment	05/14/09	06/01/24	2.00 - 4.75	24,865,000	3,295,000		
2009	Transportation BABS	Strip resort corridor room tax	06/23/09	06/01/29	2.69 - 7.05	60,000,000	38,070,000		
2009	Bond Bank	Local government securities	11/10/09	06/01/30	5.00	50,000,000	37,905,000		
2009	Transportation	Beltway and strip resort corridor room tax	12/08/09	12/01/29	1.00 - 5.00	124,465,000	106,500,000		
2012	Bond Bank	Local government securities	06/20/12	06/01/32	4.00 - 5.00	85,015,000	79,515,000		
2014	Transportation Improvement	Beltway and Strip resort corridor room tax	09/10/14	12/01/19	1.80 - 1.19	36,926,000	12,529,000		
2015	Park and Justice Center	Consolidated tax	09/10/15	11/01/24	1.95	32,691,000	32,691,000		
2016A	Bond Bank	Local government securities; Interlocal agreement	03/03/16	11/01/29	5.00	263,955,000	226,905,000		
2016B	Bond Bank	Local government securities; Interlocal agreement	08/03/16	11/01/34	4.00 - 5.00	271,670,000	267,885,000		
2017	Bond Bank	Local government securities; Interlocal agreement	03/22/17	06/01/38	4.00 - 5.00	321,640,000	321,640,000		
N/A	Unamortized premiums	N/A	N/A	N/A	N/A	N/A	137,508,070		
N/A	Unamortized discounts	N/A	N/A	N/A	N/A	N/A	(29,215)		
Total general obligation bonds							1,353,253,855		
<u>Revenue Bonds</u>									
2009	Performing Arts	Car rental fees	04/01/09	04/01/59	5.83	10,000	10,000		

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

<u>Bonds and Loans Payable as of June 30, 2018 (continued)</u>									
<u>Special Assessment Bonds</u>	<u>Series</u>	<u>Purpose</u>	<u>Pledged Revenue</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance at June 30, 2018</u>	
	2001B	Summerlin Centre #128B	Property assessments	05/17/01	02/01/21	4.50 - 6.75	10,000,000	965,000	
	2003	Summerlin Gardens #124A	Property assessments	12/23/03	02/01/20	2.25 - 4.50	4,399,431	420,000	
	2003	Summerlin Gardens #124B	Property assessments	12/23/03	02/01/20	1.50 - 5.90	1,929,727	215,000	
	2003	Summerlin Centre #128A	Property assessments	11/03/03	02/01/21	3.50 - 6.30	10,000,000	885,000	
	2007	Summerlin Centre #128A	Property assessments	05/01/07	02/01/31	3.95 - 5.05	10,755,000	7,165,000	
	2007	Summerlin Centre #128A	Property assessments	05/01/07	02/01/21	3.95 - 5.00	480,000	130,000	
	2009	Industrial Road #135	Property assessments	11/10/09	08/01/18	2.00 - 4.00	431,459	43,384	
	2009	Durango Drive #144C	Property assessments	11/10/09	08/01/19	2.00 - 4.00	5,213,541	806,616	
	2012	Summerlin Centre #132	Property assessments	08/01/12	02/01/21	2.00 - 5.00	8,925,000	2,130,000	
	2012	Mountain's Edge #142	Property assessments	08/01/12	08/01/23	2.00 - 5.00	49,445,000	21,875,000	
	2015	Summerlin Mesa #151	Property assessments	07/29/15	08/01/25	2.00 - 4.50	13,060,000	10,090,000	
	2015	Summerlin Village 16A #159	Property assessments	12/08/15	08/01/35	2.00 - 5.00	24,500,000	23,195,000	
	2016	Southern Highlands #121	Property assessments	05/31/16	12/01/29	2.00 - 3.125	14,880,000	9,650,000	
	2017	LVB St. Rose to Pyle #158	Property assessments	7/11/2017	8/1/2037	5.00	12,130,000	11,955,000	
	2017	Flamingo Underground #112	Property assessments	8/24/2017	8/1/2037	2.00 - 4.00	54,110,000	54,110,000	
	N/A	Unamortized premiums	N/A	N/A	N/A	N/A	N/A	5,941,526	
	N/A	Unamortized discounts	N/A	N/A	N/A	N/A	N/A	(8,936)	
		Total special assessment bonds						149,567,590	
		<u>Capital leases</u>							
	N/A	Low-Level Offender Detention Facility	N/A	08/15/09	08/15/39	7.35	182,619,483	182,619,484	
	N/A	SNAC P25 Communications	N/A	12/15/14	12/15/24	3.86	4,795,356	3,320,981	
		Total capital leases						185,940,465	
		Total governmental activities bonds and loans payable						1,688,771,910	

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

<u>Bonds and Loans Payable as of June 30, 2018 (continued)</u>									
<i>Business-Type Activities:</i>	Series	Purpose	Pledged Revenue	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance at June 30, 2018	
<u>General Obligation Bonds</u>									
	2008A	Department of Aviation	Dept. of Aviation enterprise fund	02/26/08	07/01/27	variable	43,105,000	\$ 43,105,000	
	2013B	Department of Aviation	Dept. of Aviation enterprise fund	04/02/13	07/01/33	5.00	32,915,000	32,915,000	
	2013	University Medical Center	UMC enterprise fund	09/03/13	09/01/23	3.10	26,065,000	25,435,000	
	2014	University Medical Center	UMC enterprise fund	12/01/14	03/01/20	.62-2.00	29,374,000	11,988,000	
	2008	Water Reclamation District	Water Reclamation enterprise fund	11/20/08	07/01/38	4.00-6.00	115,825,000	3,005,000	
	2009A	Water Reclamation District	Water Reclamation enterprise fund	04/01/09	07/01/38	4.00-5.25	135,000,000	6,000,000	
	2009B	Water Reclamation District	Water Reclamation enterprise fund	04/01/09	07/01/38	4.00-5.75	125,000,000	6,030,000	
	2009C	Water Reclamation District	Water Reclamation enterprise fund	10/16/09	07/01/29	0.00	5,744,780	3,571,079	
	2011A	Water Reclamation District	Water Reclamation enterprise fund	03/25/11	01/01/31	3.188	40,000,000	31,724,353	
	2012	Water Reclamation District	Water Reclamation enterprise fund	07/13/12	01/01/32	2.356	30,000,000	26,394,017	
	2015	Water Reclamation District	Water Reclamation enterprise fund	08/04/15	07/01/38	3.25-5.00	103,625,000	103,625,000	
	2016	Water Reclamation District	Water Reclamation enterprise fund	08/30/16	07/01/38	3.00-5.00	269,465,000	269,465,000	
	N/A	Unamortized premiums	N/A	N/A	N/A	N/A	N/A	43,179,023	
	N/A	Unamortized discounts	N/A	N/A	N/A	N/A	N/A	-	
	Total general obligation bonds								606,436,472
<u>Revenue Bonds</u>									
	2008C1	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/40	variable	122,900,000	122,900,000	
	2008C2	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/29	variable	71,550,000	65,815,000	
	2008C3	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/29	variable	71,550,000	65,810,000	
	2008D1	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/36	variable	58,920,000	55,040,000	
	2008D2	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/40	variable	199,605,000	199,605,000	
	2008D3	Department of Aviation	Dept. of Aviation enterprise fund	03/19/08	07/01/29	variable	122,865,000	121,435,000	
	2008E	Department of Aviation	Dept. of Aviation enterprise fund	05/28/08	07/01/17	4.00 - 5.00	61,430,000	-	
	2008APFC	Department of Aviation	Dept. of Aviation enterprise fund	06/26/08	07/01/18	5.00 - 5.25	115,845,000	17,565,000	
	2008A2	Department of Aviation	Dept. of Aviation enterprise fund	06/26/08	07/01/22	variable	50,000,000	46,200,000	
	2008B2	Department of Aviation	Dept. of Aviation enterprise fund	06/26/08	07/01/22	variable	50,000,000	46,235,000	
	2009B	Department of Aviation	Dept. of Aviation enterprise fund	09/24/09	07/01/42	6.88	300,000,000	300,000,000	
	2009C	Department of Aviation	Dept. of Aviation enterprise fund	09/24/09	07/01/26	5.00	168,495,000	168,495,000	
	2010A	Department of Aviation	Dept. of Aviation enterprise fund	02/03/10	07/01/42	3.00 - 5.25	450,000,000	447,360,000	

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

<u>Bonds and Loans Payable as of June 30, 2018 (continued)</u>									
<i>Business-Type Activities:</i>									
<u>Revenue Bonds (continued)</u>									
Series	Purpose	Pledged Revenue	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance at June 30, 2018		
2010B	Department of Aviation	Dept. of Aviation enterprise fund	02/03/10	07/01/42	5.00 - 5.75	350,000,000	\$ 350,000,000		
2010C	Department of Aviation	Dept. of Aviation enterprise fund	02/23/10	07/01/45	6.82	454,280,000	454,280,000		
2010D	Department of Aviation	Dept. of Aviation enterprise fund	02/23/10	07/01/24	3.00 - 5.00	132,485,000	100,185,000		
2010F2	Department of Aviation	Dept. of Aviation enterprise fund	11/04/10	07/01/22	variable	100,000,000	97,470,000		
2011B1	Department of Aviation	Dept. of Aviation enterprise fund	08/03/11	07/01/22	variable	100,000,000	92,400,000		
2012BPFC	Department of Aviation	Dept. of Aviation enterprise fund	07/02/12	07/01/33	5.00	64,360,000	64,360,000		
2013A	Department of Aviation	Dept. of Aviation enterprise fund	04/02/13	07/01/29	5.00	70,965,000	70,965,000		
2014A1	Department of Aviation	Dept. of Aviation enterprise fund	04/08/14	07/01/24	4.00 - 5.00	95,950,000	22,340,000		
2014A2	Department of Aviation	Dept. of Aviation enterprise fund	04/08/14	07/01/36	4.00 - 5.00	221,870,000	221,870,000		
2015A	Department of Aviation	Dept. of Aviation enterprise fund	04/30/15	07/01/40	5.00	59,915,000	59,915,000		
2015CPFC	Department of Aviation	Dept. of Aviation enterprise fund	07/22/15	07/01/27	5.00	98,965,000	98,965,000		
2017A1	Department of Aviation	Dept. of Aviation enterprise fund	04/25/17	07/01/22	4.00 - 5.00	65,505,000	65,505,000		
2017A2	Department of Aviation	Dept. of Aviation enterprise fund	04/25/17	07/01/40	5.00	47,800,000	47,800,000		
2017B	Department of Aviation	Dept. of Aviation enterprise fund	04/25/17	07/01/25	3.25 - 5.00	69,305,000	69,305,000		
2017C	Department of Aviation	Dept. of Aviation enterprise fund	06/29/17	07/01/21	5.00	146,295,000	146,295,000		
2017D	Department of Aviation	Dept. of Aviation enterprise fund	12/06/17	07/01/22	variable	92,465,000	92,465,000		
2018A	Department of Aviation	Dept. of Aviation enterprise fund	06/29/18	07/01/21	5.00	103,365,000	95,545,000		
N/A	Imputed debt from termination of hedges	N/A	N/A	N/A	N/A	N/A	N/A	7,846,120	
N/A	Unamortized premiums	N/A	N/A	N/A	N/A	N/A	N/A	89,311,739	
N/A	Unamortized discounts	N/A	N/A	N/A	N/A	N/A	N/A	(16,631,508)	
Total revenue bonds							3,886,651,351		
Total business-type activities bonds and loans payable							4,493,087,823		
Total long-term debt							\$ 6,181,859,733		

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Annual Debt Service Requirements to Maturity & Future Minimum Lease Payments							
<i>Governmental Activities</i>							
Year Ending June 30,	General Obligation Bonds			Revenue Bonds			
	Principal	Interest	Total	Principal	Interest	Total	
2019	\$ 77,768,000	\$ 53,606,143	\$ 131,374,143	\$ -	\$ 583	\$ 583	
2020	68,296,000	50,406,565	118,702,565	-	583	583	
2021	60,741,000	47,549,601	108,290,601	-	583	583	
2022	63,601,000	44,628,489	108,229,489	-	583	583	
2023	66,625,000	41,560,562	108,185,562	-	583	583	
2024-2028	368,864,000	156,367,497	525,231,497	-	2,915	2,915	
2029-2033	313,965,000	66,646,025	380,611,025	-	2,915	2,915	
2034-2038	195,915,000	18,634,587	214,549,587	-	2,915	2,915	
2039-2043	-	-	-	-	2,915	2,915	
2044-2048	-	-	-	-	2,915	2,915	
2049-2053	-	-	-	-	2,915	2,915	
2054-2058	-	-	-	-	2,915	2,915	
2059	-	-	-	10,000	583	10,583	
	<u>\$ 1,215,775,000</u>	<u>\$ 479,399,469</u>	<u>\$ 1,695,174,469</u>	<u>\$ 10,000</u>	<u>\$ 23,903</u>	<u>\$ 33,903</u>	
Year Ending June 30,	Special Assessment Bonds			Capital Leases			
	Principal	Interest	Total	Principal	Interest	Accrued Interest	Total
2019	\$ 12,785,000	\$ 5,516,429	\$ 18,301,429	\$ 458,777	\$ 14,450,303	\$ 20,397	\$ 14,929,477
2020	12,670,000	5,040,980	17,710,980	476,656	15,148,750	3,547	15,628,953
2021	10,660,000	4,555,724	15,215,724	495,233	15,273,439	-	15,768,672
2022	9,600,000	4,076,069	13,676,069	514,533	16,013,447	-	16,527,980
2023	10,000,000	3,677,256	13,677,256	534,586	16,145,258	-	16,679,844
2024-2028	34,725,000	13,635,402	48,360,402	16,414,093	73,419,321	-	89,833,414
2029-2033	27,965,000	7,827,591	35,792,591	48,967,164	53,538,254	-	102,505,418
2034-2038	25,230,000	2,362,100	27,592,100	90,459,200	28,588,651	-	119,047,851
2039-2043	-	-	-	27,620,223	1,243,680	-	28,863,903
	<u>\$ 143,635,000</u>	<u>\$ 46,691,551</u>	<u>\$ 190,326,551</u>	<u>\$ 185,940,465</u>	<u>\$ 233,821,103</u>	<u>\$ 23,944</u>	<u>\$ 419,785,512</u>
<i>Business-Type Activities</i>							
Year Ending June 30,	General Obligation Bonds			Revenue Bonds			
	Principal	Interest	Total	Principal	Interest	Total	
2019	\$ 20,823,701	\$ 20,493,038	\$ 41,316,739	\$ 130,455,000	\$ 148,700,417	\$ 279,155,417	
2020	21,988,761	19,715,376	41,704,137	141,605,000	142,247,458	283,852,458	
2021	22,461,759	18,789,628	41,251,387	145,050,000	138,087,730	283,137,730	
2022	23,393,783	17,857,703	41,251,486	390,445,000	130,063,775	520,508,775	
2023	24,373,921	16,883,945	41,257,866	152,760,000	121,744,375	274,504,375	
2024-2028	152,777,316	69,255,710	222,033,026	497,955,000	541,248,903	1,039,203,903	
2029-2033	144,588,208	43,102,411	187,690,619	522,340,000	449,567,337	971,907,337	
2034-2038	125,550,000	15,385,025	140,935,025	636,865,000	340,550,709	977,415,709	
2039-2043	27,300,000	441,625	27,741,625	882,585,000	178,146,695	1,060,731,695	
2044-2048	-	-	-	306,065,000	20,743,891	326,808,891	
	<u>\$ 563,257,449</u>	<u>\$ 221,924,461</u>	<u>\$ 785,181,910</u>	<u>\$ 3,806,125,000</u>	<u>\$ 2,211,101,290</u>	<u>\$ 6,017,226,290</u>	

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Guarantees

The County guarantees general obligation bond issues of the Regional Flood Control District, a County component unit, and the Las Vegas Convention and Visitor's Authority, a legally separate entity within Clark County. Although guaranteed by the County, Regional Flood Control District bonds are pledged with sales tax revenues and Las Vegas Convention and Visitors Authority bonds are pledged with room tax revenue. In the event either agency is unable to make a debt service payment, Clark County will be required to make that payment. Both agencies have remained current on all debt service obligations.

General Obligation Bond Guarantees as of June 30, 2018					
Series	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2018
<i>Regional Flood Control District</i>					
2009	06/23/09	11/01/38	2.70 - 7.25	\$ 150,000,000	\$ 120,955,000
2010	07/13/10	11/01/18	5.00	29,425,000	10,305,000
2013	12/19/13	11/01/38	5.00	75,000,000	74,800,000
2014	12/11/14	11/01/38	4.00 - 5.00	100,000,000	99,900,000
2015	03/31/15	11/01/35	4.00 - 5.00	186,535,000	186,535,000
2017	12/07/17	11/01/38	2.375 - 5.00	109,955,000	109,955,000
				<u>650,915,000</u>	<u>602,450,000</u>
<i>Las Vegas Convention and Visitors Authority</i>					
2008	08/19/08	07/01/38	4.00 - 5.00	26,455,000	630,000
2010A	01/26/10	07/01/38	6.60 - 6.75	70,770,000	70,770,000
2010B	01/26/10	07/01/22	2.00 - 5.00	28,870,000	13,660,000
2010B	01/26/10	07/01/26	2.00 - 5.00	24,650,000	24,010,000
2010C	12/08/10	07/01/38	4.00 - 7.00	155,390,000	146,620,000
2012	08/08/12	07/01/32	2.00 - 3.20	24,990,000	20,805,000
2014	02/20/14	07/01/43	2.00 - 5.00	50,000,000	50,000,000
2015	04/02/15	07/01/44	3.00 - 5.00	181,805,000	153,720,000
2017	05/09/17	07/01/38	3.00 - 5.00	21,175,000	21,175,000
2017C	12/28/17	07/01/38	3.00 - 5.00	126,855,000	126,855,000
2018	04/04/18	07/01/42	3.00 - 5.00	200,000,000	200,000,000
				<u>910,960,000</u>	<u>828,245,000</u>
				<u>\$ 1,561,875,000</u>	<u>\$ 1,430,695,000</u>

Pledged Revenues

Consolidated Tax Supported Bonds

These bonds are secured by a pledge of up to 15 percent of the consolidated taxes allocable to the County. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest. The following debt issuances are consolidated tax supported:

The total remaining principal and interest payments for consolidated tax supported bonds was \$35,302,339 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$57,824,335 (of the total \$385,495,566 of general fund consolidated tax), and required debt service totaled \$7,236,004.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Pledged Revenues (Continued)

Beltway Pledged Revenue Bonds

These bonds are secured by the combined pledge of: 1) a one percent supplemental governmental services (motor vehicle privilege) tax; 2) a one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the County but outside of the strip and Laughlin resort corridors (non-resort corridor); and 3) a portion of the development tax. The development tax is \$800 per single-family dwelling of residential development, and 80 cents per square foot on commercial, industrial, and other development. Of this, \$500 per single-family dwelling and 50 cents per square foot of commercial, industrial, and other development is pledged. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for Beltway pledged revenue tax supported bonds was \$146,712,627 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$84,423,068; consisting of \$67,255,798 of supplemental governmental services tax; \$2,574,238 of non-resort corridor room tax; and \$14,593,032 of the total \$21,878,608 development tax. Required debt service totaled \$19,039,409. As described below, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service for Laughlin resort corridor room tax supported bonds. During fiscal 2018, Laughlin Room Tax Collections were sufficient to cover the Laughlin Resort Corridor Debt (Series C) fiscal year debt service.

Strip Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the strip resort corridor. This tax is imposed specifically for the purpose of transportation improvements within the strip resort corridor, or within one mile outside the boundaries of the strip resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for strip resort corridor room tax supported bonds was \$66,575,104 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$51,337,196. Required debt service totaled \$11,292,454.

Laughlin Resort Corridor Room Tax Supported Bonds

These bonds are secured by a pledge of the one percent room tax collected on the gross receipts from the rental of hotel and motel rooms within the Laughlin resort corridor. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for Laughlin resort corridor room tax supported bonds was \$212,093 at June 30, 2018. In fiscal year 2018, revenues from the Laughlin room tax amounted to \$669,239, which was sufficient to cover the annual debt service of \$208,840. As described above, beltway pledged revenues are also pledged to make up any difference between pledged revenues and annual debt service.

Court Administrative Assessment Supported Bonds

These bonds are secured by a pledge of the \$10 court administrative assessment for the provision of justice court facilities. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for court administrative assessment supported bonds was \$1,612,900 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$1,612,900. Required debt service totaled \$1,580,569.

Interlocal Agreement Supported Bonds

These bonds are secured by a pledge through an interlocal agreement with the City of Las Vegas. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for interlocal agreement supported bonds was \$11,968,018 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$1,994,340. Required debt service totaled \$1,994,340.

Special Assessment Bonds

Special assessment supported bonds are secured by property assessments within the individual districts. The bonds are identified as special assessment bonds in this note above. The total remaining principal and interest payments for special assessment supported bonds was \$190,326,551 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$26,715,941 (after a deduction allowing for timing differences). Required debt service totaled \$19,051,960.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Pledged Revenues (Continued)

Bond Bank Bonds

These bonds are secured by securities issued to the County by local governments utilizing the bond bank. These securities pledge system revenues and contain rate covenants to guarantee adequate revenues for bond bank debt service. These bonds also constitute direct and general obligations of the County, and the full faith and credit of the County is pledged for the payment of principal and interest.

The total remaining principal and interest payments for bond bank supported bonds was \$1,429,863,988 at June 30, 2018. In fiscal year 2018, pledged revenues received totaled \$85,974,975. Required debt service totaled \$85,974,975.

Capital Leases

Low-Level Offender Detention Facility

On September 14, 2007, the County entered in a long-term lease agreement (the "Master Lease") with PH Metro, LLC for the lease of a detention facility of approximately 1,000 beds contained in approximately 139,000 square feet and an administrative building of approximately 60,000 square feet located on 17 acres at the Northeast corner of Sloan and Las Vegas Boulevard, Las Vegas, Nevada (the "Leased Property"). The Leased Property is for the operation of a low level offender facility and administrative offices. The facility is valued at \$17,600,000 for land and \$165,019,483 for buildings. Accumulated depreciation is \$49,047,457 as of June 30, 2018. The term of the lease commenced on August 10, 2009 and continues for a period of approximately thirty years at a monthly base rent of \$945,660 and is subject to a 6% increase every 24 months. The Master Lease provides for the option to extend the lease term by three separate renewal periods, each of five years in duration. Accrued interest totals \$12,568,465, as of June 30, 2018.

Clark County has the option to purchase the Leased Property beginning on the date that is the earlier of (i) ten years after the recordation of the deed of trust for the Landlord's permanent loan on the Leased Property, and (ii) ten years and three months from the commencement date (the earlier of such dates shall be the "Option Commencement Date"), and expiring on the date that is twelve months after the Option Commencement Date. The purchase price for the Leased Property if purchased shall be based on the appraised fair value. In accordance with State law, the County may terminate the Master Lease at the end of each fiscal year if the County decides not to appropriate funds to pay amounts due under the Master Lease in the ensuing fiscal year.

Southern Nevada Area Communications Council P25 Radio Equipment Upgrade

On December 1, 2014, the County entered in a long-term lease agreement (the "Master Lease") with Motorola Solutions Inc. for the lease of radio equipment at the Southern Nevada Area Communications Council Headquarters. The Leased Property is necessary to upgrade aged equipment to keep the system current for the next twelve years and allow for better interoperability with other agencies. The equipment is valued at \$7,795,356. Accumulated depreciation is \$5,456,749 as of June 30, 2018. The term of the lease commenced on December 15, 2014 with a down payment of \$3,000,000 and continues for a period of approximately ten years at a semi-annual base rent of \$291,291.

Clark County has the option to purchase the Leased Property upon thirty days prior written notice from Lessee to Lessor, and provided that no Event of Default has occurred and is continuing, or no event, which with notice of lapse of time, or both could become an Event of Default, then exits, Lessee will have a right to purchase the Leased Property on the lease payment dates set forth in the contract schedule by paying to Lessor, on such date, the lease payment then due together with the balance payment amount set forth opposite such date. Upon satisfaction by Lessee of such purchase conditions, Lessor will transfer any and all of its right, title and interest in the Leased Property to Lessee as is, without warranty, express or implied, except that the Leased Property is free and clear of any liens created by Lessor.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Litigation Accrual and Arbitrage Liability

The County is a defendant in various litigation cases (see Note 10). \$2,500,000 has been recorded as an estimated liability for potential litigation losses that would be liquidated by general fund.

When a state or local government earns interest at a higher rate of return on tax-exempt bond issues than it pays on the debt, a liability for the spread is payable to the federal government. This interest spread, known as "rebtable arbitrage," is due five years after issuing the bonds. Excess earnings of one year may be offset by lesser earnings in subsequent years. Arbitrage liabilities are liquidated by the individual funds in which they are accrued.

The following summarizes activity for the year:

<u>Litigation Accrual and Arbitrage Liability Activity</u>		
	<u>Litigation</u>	<u>Arbitrage</u>
Balance, June 30, 2017	\$ 2,500,000	\$ -
Additions	-	-
Reductions	-	-
Balance, June 30, 2018	<u>\$ 2,500,000</u>	<u>\$ -</u>
Due within one year	<u>\$ -</u>	<u>\$ -</u>

Compensated Absences

<u>Compensated Absences Activity</u>		
	<u>Governmental Activities</u>	<u>Business- Types Activities</u>
Balance, June 30, 2017	\$ 217,300,213	\$ 44,820,059
Additions	143,419,054	39,555,559
Reductions	<u>(135,519,973)</u>	<u>(38,485,600)</u>
Balance, June 30, 2018	<u>\$ 225,199,294</u>	<u>\$ 45,890,019</u>
Due within one year	<u>\$ 135,519,973</u>	<u>\$ 39,120,590</u>

Compensated absences are liquidated by the individual funds in which they are accrued.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Prior Year Defeasance of Debt

In current and prior years, the County defeased certain general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2018, the following were the remaining balances of the defeased bond issues:

<i>CC Water Reclamation District</i>	
Series of 2008	\$ 99,635,000
Series of 2009A	116,595,000
Series of 2009B	106,240,000
<i>Airport Improvement Bonds</i>	
Series 2014B	103,365,000
	<u>\$ 425,835,000</u>

Conduit Debt Obligations

The County has issued approximately \$1,727,225,000 in economic development revenue bonds since 1990. The bonds have been issued for a number of economic development projects, including: utility projects, healthcare projects, and education projects. The bonds are paid solely from the revenues derived from the respective projects, therefore, these bonds are not liabilities of the County under any condition, and they are not included as a liability of the County.

Derivative Instruments

(a) Interest Rate Swaps

The intention of the County's implementation of a swap portfolio was to convert variable interest rate bonds to synthetically fixed interest rate bonds as a means to lower its borrowing costs when compared to fixed-rate bonds at the time of issuance. The County executed several floating-to-fixed swaps in connection with its issuance of variable rate bonds. The County also executed forward starting swaps to lock in attractive synthetically fixed rates for future variable rate bonds.

The derivative instruments are valued at fair value. The fair values of the interest rate derivative instruments are estimated using an independent pricing service. The valuations provided are derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The instruments' expected cash flows are calculated using the zero-coupon discount method, which takes into consideration the prevailing benchmark interest rate environment as well as the specific terms and conditions of a given transaction and which assumes that the current forward rates implied by the benchmark yield curve are the market's best estimate of future spot interest rates. The income approach is then used to obtain the fair value of the instruments by discounting future expected cash flows to a single valuation using a rate of return that takes into account the relative risk of nonperformance associated with the cash flows and the time value of money. This valuation technique is applied consistently across all instruments. Given the observability of inputs that are significant to the entire sets of measurements, the fair values of the instruments are based on inputs categorized as Level 2.

The mark-to-market value for each swap had been estimated using the zero-coupon method. Under this method, future cash payments were calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the SIFMA (Securities Industry and Financial Markets Association) Municipal Swap Index yield curve (formerly known as the Bond Market Association Municipal Swap Index yield curve, or BMA Municipal Swap Index yield curve), as applicable. Each future cash payment was adjusted by a factor called the swap rate, which is a rate that is set, at the inception of the swap and at the occurrence of certain events, such as a refunding, to such a value as to make the mark-to-market value of the swap equal to zero. Future cash receipts were calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the LIBOR (London Interbank Offered Rate) yield curve or the CMS (Constant Maturity Swap rate) yield curve, as applicable. The future cash payment, as modified by the swap rate factor, and the future cash receipt due on the date of each and every future net settlement on the swap were netted, and each netting was then discounted using the discount factor implied by the LIBOR yield curve for a hypothetical zero-coupon rate bond due on the date of the future net settlement. These discounted nettings were then summed to arrive at the mark-to-market value of the swap.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Derivative Instruments (Continued)

All the swaps entered into by the County comply with the County's swap policy. Each swap is written pursuant to guidelines and documentation promulgated by the International Swaps and Derivatives Association ("ISDA"), which include standard provisions for termination events such as failure to pay or bankruptcy. The County retains the right to terminate any swap agreement at market value prior to maturity. The County has termination risk under the contract, particularly if an additional termination event ("ATE") were to occur. An ATE occurs either if the credit rating of the bonds associated with a particular swap agreement and the rating of the swap insurer fall below a pre-defined credit rating threshold or if the credit rating of the swap counterparty falls below a threshold as defined in the swap agreement.

With regard to credit risk, potential exposure is mitigated through the use of an ISDA credit support annex ("CSA"). Under the terms of master agreements between the County and the swap counterparties, each swap counterparty is required to post collateral with a third party when the counterparty's credit rating falls below the trigger level defined in each master agreement. This protects the County from credit risks inherent in the swap agreements. As long as the County retains insurance, the County is not required to post any collateral; only the counterparties are required to post collateral.

The initial notional amount and outstanding notional amounts of all active swaps, as well as the breakout of floating-to fixed swaps, basis swaps, and fixed to fixed swaps as of June 30, 2018 are summarized as follows:

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Swap#	Associated Variable Rate Bonds or Amended Swaps	County Pays	County Receives	Interest Rate Swap Analysis As of June 30, 2018			Counterparty Ratings			Outstanding Notional June 30, 2018	
				Effective Date	Maturity Date	Initial Notional Amount	Counterparty	Moody's	S&P		Fitch
Basic Swap											
02	N/A	SIFMA Swap Index - .41%	72.5% of USD LIBOR - 0.410%	8/23/2001	7/1/2036	\$ 185,855,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	\$ 70,798,853
Floating to Fixed											
03*	N/A	5.49% to 7/2010, 3% to maturity	69% of USD LIBOR + 0.350%	4/4/2005	7/1/2022	259,900,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	-
Basic Swap											
04	N/A	SIFMA Swap Index	68% of USD LIBOR + 0.435%	7/1/2003	7/1/2025	200,000,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	95,660,354
Floating to Fixed											
05*	N/A	4.97% to 7/2010, 3% to maturity	62.6% of USD LIBOR + 0.330%	3/19/2008	7/1/2025	60,175,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	-
Floating to Fixed											
07A†	2008 A-2, 2011 B-1	4.3057% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2008	7/1/2022	150,000,000	JP Morgan Chase Bank, N.A.	Aa3	A+	AA--	138,600,000
07B†	2008 B-2, 2011 B-2	4.3057% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2008	7/1/2022	150,000,000	UBS AG Citigroup Financial Products Inc.	A1	A	A	138,700,000
08A	2008C	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	3/19/2008	7/1/2040	151,200,000	JP Morgan Chase Bank, N.A.	Baa1	BBB+	A	143,700,000
08B	2008C	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	3/19/2008	7/1/2040	31,975,000	JP Morgan Chase Bank, N.A.	Aa3	A+	AA-	30,375,000
08C	2008C	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	3/19/2008	7/1/2040	31,975,000	UBS AG Citigroup Financial Products Inc.	A1	A	A	30,375,000
09A	2008 D-1	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	3/19/2008	7/1/2036	41,330,000	JP Morgan Chase Bank, N.A.	Baa1	BBB+	A	38,610,000
09B	2008 D-1	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	3/19/2008	7/1/2036	8,795,000	JP Morgan Chase Bank, N.A.	Aa3	A+	AA-	8,215,000
09C	2008 D-1	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	3/19/2008	7/1/2036	8,795,000	UBS AG	A1	A	A	8,215,000
10B	2008 D-2A, 2008 D-2B	4.0030% to 7/2015, 2.27% to maturity	LIBOR + 0.280%	3/19/2008	7/1/2040	29,935,000	JP Morgan Chase Bank, N.A.	Aa3	A+	AA-	29,935,000
10C	2008 D-2A, 2008 D-2B	4.0030% to 7/2015, 2.27% to maturity	LIBOR + 0.280%	3/19/2008	7/1/2040	29,935,000	UBS AG	A1	A	A	29,935,000

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Swap#	Associated Variable Rate Bonds or Amended Swaps	County Pays	County Receives	Effective Date	Maturity Date	Initial Notional Amount	Counterparty	Counterparty Ratings			Outstanding Notional June 30, 2018
								Moody's	S&P	Fitch	
Interest Rate Swap Analysis As of June 30, 2018 Continued											
Floating to Fixed	2008 D-2A, 2008 D-2B, 2008C, 2008 D- 3, 2010 F-2 PFC	5.626% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.280%	7/1/2009	7/1/2026	200,000,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	200,000,000
12A			61.9% of USD LIBOR + 0.270%	7/1/2010	7/1/2040	150,000,000	Citigroup Financial Products Inc.	Baa1	BBB+	A	-
13**	N/A	6% to 7/2017, 1.913% to maturity	64.4% of USD LIBOR + 0.280%	7/1/2011	7/1/2030	73,025,000	UBS AG	A1	A	A	73,025,000
14**	2008 D-2, 2008 D-3 2008 C, 2008 D-2A, 2008 D- 2B, 2008A GO, 2010 F-2 PFC	3.886%	64.4% of USD LIBOR + 0.280%	7/1/2011	7/1/2037	145,150,000	Citibank, N.A., New York	A1	A+	A+	145,150,000
14B**		3.881%									
Remaining portions of swaps after April 6, 2010 terminations											
Fixed to Fixed	swap #03 (amended and restated)	1.02% until 7/1/2010	1.47% starting at 7/1/2010	4/6/2010	7/1/2022	N/A	Citigroup Financial Products Inc.	Baa1	BBB+	A	29,844,054
15	swap #05 (amended and restated)	1.37% until 7/1/2010	0.6% starting at 7/1/2010	4/6/2010	7/1/2025	N/A	Citigroup Financial Products Inc.	Baa1	BBB+	A	50,075,000
16	swap #13 (amended and restated)	2.493% until 7/1/2017	1.594% starting at 7/1/2017	4/6/2010	7/1/2040	N/A	Citigroup Financial Products Inc.	Baa1	BBB+	A	150,000,000
18						\$ 1,908,045,000					\$ 1,411,213,261

Source: The PFM Group

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

*On April 6, 2010, the County terminated the "on market" (at-market coupon) portion of its floating-to-fixed swaps #03, #05, #10A, #11, and #13. To fund the terminations, the County fully terminated the "off-market" (step-coupon) portion of swap #11 and partially terminated \$162.2 million of \$229.9 million notional of the "off-market" portion of swap #03. The agreements related to swaps #03, #05, #10A, and #13 were amended and restated, and the new terms of the swap agreements are presented in the table above as swaps #15, #16, #17, and #18, respectively.

‡On August 3, 2011, the County refunded the outstanding principal of its Series 2008 A-1 and B-1 Bonds with the Series 2011 B-1 and B-2 Bonds, respectively. Upon refunding, swap #07B was re-associated with the cash flows of the \$100 million of outstanding principal of the Series 2011 B-1 Bonds, and swap #07A was re-associated with the cash flows of the \$100 million of outstanding principal of the Series 2011 B-2 Bonds. On November 19, 2013, to better match the principal amortizations, swap #07A was re-associated with the Series 2011 B-1 Bonds, and swap #07B was re-associated with the Series 2011 B-2 Bonds. On December 6, 2017, the Series 2011B-2 Bonds were refunded by the issuance of the Series 2017D Bonds, therefore re-associating \$92.5 million in the notional of swap #07B with 2017D bonds.

**On July 1, 2011, forward swaps #14A and #14B, both with a trade date of April 17, 2007, became effective as scheduled. \$4.48 million of the entire notional amount of swap #14A, \$73.025 million, was associated with the 2008A General Obligation Bonds, with the excess notional balance classified as an investment derivative. The entire notional amount of swap #14B, \$201.975 million, was associated both with the principal of the 2008A General Obligation Bonds remaining after the association of swap #14A and with the 2013 C-1 and 2013 C-2 Notes. Although these Notes are deemed to mature in perpetuity, the 2008A General Obligation Bond matures on July 1, 2027, a date in advance of the maturities of swaps #14A and #14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps #14A and #14B associated with these excess maturities had been classified as investment derivatives. On November 19, 2013, these swaps were re-associated with variable rate bonds following the termination of swaps noted below. These swaps are fully hedged derivatives. On July 1, 2016, the outstanding notional amounts previously associated with the 2013 C-1 Notes were re-associated with the 2008 D-2A and 2008 D-2B Bonds to maximize the hedging of the derivative.

The following are the fair values and changes in fair values of the County's interest rate swap agreements for the fiscal year ended June 30, 2018:

Interest Rate Swap Fair Value and Changes in Fair Values in Hedging Derivative Instruments						
Swap #	Outstanding Notional, Classification, and Fair Value as of June 30, 2018			Changes in Fair Value for the Fiscal Year Ended June 30, 2018		
	Outstanding Notional	Non-Current Derivative Instrument Classification	Fair Value	Increase (Decrease) in Deferred Inflows	Increase (Decrease) in Deferred Outflows	Net Change in Fair Value
<i>Hedging derivative instruments</i>						
<i>Floating to fixed rate interest swap</i>						
03*	\$ -		\$ -	\$ -	\$ -	\$ -
05*	-		-	-	-	-
07A‡	138,600,000	Asset	1,741,838	1,464,928		1,464,928
07B‡	138,700,000	Asset	1,743,545	1,463,625		1,463,625
10B	29,935,000	Liability	(764,198)	-	(1,286,389)	1,286,389
10C	29,935,000	Liability	(764,207)	-	(1,286,402)	1,286,402
12A	200,000,000	Asset	19,914,612	2,510,909	-	2,510,909
<i>Forward floating-to-fixed interest rate swap</i>						
13*	-		-	-	-	-
<i>Floating to fixed rate interest swap</i>						
14A**	73,025,000	Liability	(11,592,138)	-	(4,049,241)	4,049,241
14B**	145,150,000	Liability	(29,391,008)	-	(8,100,133)	8,100,133
Total hedging derivative activities	<u>\$ 755,345,000</u>		<u>\$(19,111,556)</u>	<u>\$ 5,439,462</u>	<u>\$ (14,722,165)</u>	<u>\$ 20,161,627</u>

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

<u>Interest Rate Swap Fair Value and Changes in Fair Values in Investment Derivative Instruments</u>						
<u>Swap #</u>	<u>Outstanding Notional, Classification, and Fair Value as of June 30, 2018</u>			<u>Changes in Fair Value for the Fiscal Year Ended June 30, 2018</u>		
	<u>Outstanding Notional</u>	<u>Non-Current Derivative Instrument Classification</u>	<u>Fair Value</u>	<u>Gain (Loss) on Investment</u>	<u>Deferrals Included in Gain (Loss)</u>	<u>Net Change in Fair Value</u>
<u>Investment derivative instruments</u>						
<u>Basis rate swap</u>						
02	\$ 70,798,853	Liability	\$ (922,707)	\$ 539,744	\$ -	\$ 539,744
04	95,660,354	Asset	1,129,547	75,535	-	75,535
<u>Floating to fixed rate interest swap</u>						
08A	143,700,000	Liability	(17,637,956)	5,135,261	-	5,135,261
08B	30,375,000	Liability	(3,730,221)	1,085,406	-	1,085,406
08C	30,375,000	Liability	(3,730,264)	1,085,416	-	1,085,416
09A	38,610,000	Asset	1,182,880	763,302	-	763,302
09B	8,215,000	Asset	251,618	162,410	-	162,410
09C	8,215,000	Asset	251,620	162,411	-	162,411
<i>Remaining portions of swaps after April 6, 2010 terminations*</i>						
15 (formerly #03)	29,844,054	Asset	855,695	(423,830)	-	(423,830)
16 (formerly #05)	50,075,000	Asset	1,747,936	(315,804)	-	(315,804)
18 (formerly #13)	150,000,000	Asset	37,311,576	(3,386,492)	-	(3,386,492)
Total investment derivative activities	<u>655,868,261</u>		<u>16,709,724</u>	<u>4,883,359</u>	-	<u>4,883,359</u>
Total	<u>\$ 1,411,213,261</u>		<u>\$ (2,401,832)</u>			<u>\$ 25,044,986</u>

* On April 6, 2010, the County terminated the "on market" (at-market coupon) portion of its floating-to-fixed swaps #03, #05, #10A, #11, and #13. To fund the terminations, the County fully terminated the "off-market" (step-coupon) portion of swap #11 and partially terminated \$162.2 million of \$229.9 million notional of the "off-market" portion of swap #03. The agreements related to swaps #03, #05, #10A, and #13 were amended and restated, and the new terms of the swap agreements are presented in the table above as swaps #15, #16, #17, and #18, respectively. Swap #17 was terminated on November 19, 2013.

‡ On August 3, 2011, the County refunded the outstanding principal of its Series 2008 A-1 and B-1 Bonds with the Series 2011 B-1 and B-2 Bonds, respectively. Upon refunding, swap #07B was re-associated with the cash flows of the \$100 million of outstanding principal of the Series 2011 B-1 Bonds, and swap #07A was re-associated with the cash flows of the \$100 million of outstanding principal of the Series 2011 B-2 Bonds. On November 19, 2013, to better match the principal amortizations, swap #07A was re-associated with the Series 2011 B-1 Bonds, and swap #07B was re-associated with the Series 2011 B-2 Bonds. On December 6, 2017, the Series 2011 B-2 Bonds were refunded by the issuance of Series 2017D Bonds, therefore re-associating \$92.4 million in notional of swap #07B with 2017D Bonds.

** On July 1, 2011, forward swaps #14A and #14B, both with a trade date of April 17, 2007, became effective as scheduled. \$4.48 million of the entire notional amount of swap #14A, \$73.025 million, was associated with the 2008A General Obligation Bonds, with the excess notional balance classified as an investment derivative. The entire notional amount of swap #14B, \$201.975 million, was associated both with the principal of the 2008A General Obligation Bonds remaining after the association of swap #14A and with the 2013 C-1 and 2013 C-2 Notes. Although the Notes are deemed to mature in perpetuity, the 2008A General Obligation Bonds mature on July 1, 2027, a date in advance of the maturities of swaps #14A and #14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps #14A and #14B associated with these excess maturities had been classified as investment derivatives. On July 1, 2016, the outstanding notional amounts previously associated with the 2013 C-1 Notes were re-associated with the 2008 D-2A and 2008 D-2B Bonds to maximize the hedging of the derivative.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

On August 3, 2011, the County refunded the Series 2008 B-1 Bonds and the Series 2008 A-1 Bonds with the Series 2011 B-2 Bonds and the Series 2011 B-1 Bonds, respectively. Upon refunding, \$100,000,000 in notional of swap #07A and \$100,000,000 in notional of swap #07B were re-associated with the 2011 B-1 Bonds and the 2011 B-2 Bonds, respectively. This re-association resulted in a revaluation of swaps #07A and #07B to adjust the overall swap rate of each swap to the market rate, creating a deferred loss on imputed debt for each swap, and an offsetting liability for each swap, imputed debt, in the amounts of \$10,706,687 for swap #07A and \$10,706,687 for swap #07B. These deferred losses on imputed debt and corresponding imputed debts are amortized against each other on a straight-line basis over the remaining lives of the swaps. In November 2013, the County re-associated swap #07A with the 2011 B-1 Bonds and re-associated swap #07B with the 2011 B-2 Bonds. On December 6, 2017, the Series 2011 B-2 Bonds were refunded by the issuance of Series 2017D Bonds and therefore re-associating \$92,465,000 million in notional of swap #07B with 2017D Bonds.

On November 19, 2013, the County fully terminated swaps #06, #12B, and #17 and partially terminated swap #14B. Because swap #14B was only partially terminated, its outstanding notional value was reduced by \$56,825,000 from \$201,975,000 to \$145,150,000. At the transaction closing, the fair values of all the terminated swaps or portions thereof, coupled with their related accrued interest, resulted in a net termination payment of \$0. The County executed this transaction to lower overall swap exposure, reduce interest rate risk, increase cash flow, reduce debt service, and tailor its swap portfolio to better match its variable rate bond portfolio. Upon completion of the termination, the County re-associated the investment component of each of swap derivatives #14A and #14B with variable rate bonds, thereby resulting in the full hedging of these swaps.

Hedging Derivative Instruments

On June 30, 2018, the County had seven outstanding floating-to-fixed interest rate swap agreements considered to be hedging derivative instruments in accordance with the provisions of GASB 53. Five outstanding hedging swaps that have been structured with step-down coupons to reduce the cash outflows of the fixed leg of those swaps in the later years of the swap.

Forward Starting Swap Agreements Hedging Derivatives

On January 3, 2006, the County entered into five swap agreements (swaps #7A, #7B, #12A, #12B, and #13) to hedge future variable rate debt as a means to lower its borrowing costs and to provide favorable synthetically fixed rates for financing the construction of Terminal 3 and other related projects. Swaps #7A and #7B, with notional amounts of \$150,000,000 each, became effective July 1, 2008, while swaps #12A and #12B, with notional amounts totaling \$550,000,000, became effective July 1, 2009. Swap #13, with a notional amount totaling \$150,000,000, was scheduled to become effective July 1, 2010. However, due to the attractive market rates for fixed rate bonds, together with the favorable provisions of ARRA, the County chose to refinance its outstanding bond anticipation notes and issue fixed rate bonds to complete financing for the construction of Terminal 3, and, as a result, the planned \$550,000,000 of 2009 Series A and B variable rate bonds was not issued on July 1, 2009. In addition, to better match its outstanding notional of floating-to-fixed interest rate swaps to the cash flows associated with its outstanding variable rate bonds, on April 6, 2010, the County terminated \$543,350,000 in notional amounts of its outstanding floating-to-fixed interest rate swaps (swaps #3, #5, #10A, and #11) and \$150,000,000 in the notional amount of the July 1, 2010, forward starting swap #13. On April 17, 2007, the County entered into two additional forward starting swaps, swaps #14A and #14B, with notional amounts totaling \$275,000,000, which became effective on July 1, 2011, as scheduled and the Department later re-associated the investment component of each of swap derivatives #14A and #14B with variable rate bonds.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Terms, Notional Amounts, and Fair Values - Hedging Derivatives

The following are the notional amounts and fair values of the County's hedging derivatives at June 30, 2018:

<u>Hedging Derivative Instruments - Terms, Notional Amounts, and Fair Values</u> <u>as of June 30, 2018</u>								
<u>Swap#</u>	<u>Interest Rate Swap Description</u>	<u>Associated Variable Rate Bonds or Amended Swaps</u>	<u>Effective Date</u>	<u>Outstanding Notional</u>	<u>County Pays</u>	<u>County Receives</u>	<u>Fair Value</u>	<u>Maturity Date</u>
07A	Floating-to-Fixed	2008 A-2, 2011 B-1	7/1/2008	\$ 138,600,000	4.3057% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.28%	\$ 1,741,838	7/1/2022
07B	Floating-to-Fixed	2008 B-2, 2011 B-2	7/1/2008	138,700,000	4.3057% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.28%	1,743,545	7/1/2022
10B	Floating-to-Fixed	2008 D-2A, 2008 D-2B	3/19/2008	29,935,000	4.0030% to 7/2015, 2.27% to maturity	62.0% of USD LIBOR + 0.28%	(764,198)	7/1/2040
10C	Floating-to-Fixed	2008 D-2A, 2008 D-2B	3/19/2008	29,935,000	4.0030% to 7/2015, 2.27% to maturity	62.0% of USD LIBOR + 0.28%	(764,207)	7/1/2040
12A	Floating-to-Fixed	2008 D-2A, 2008 D-2B, 2008 D-2B, 2008C, 2008 D-3, 2010 F-2 PFC	7/1/2009	200,000,000	5.6260% to 7/2017, 0.25% to maturity	64.7% of USD LIBOR + 0.28%	19,914,612	7/1/2026
14A	Floating-to-Fixed	2008 D-2, 2008 D-3, 2008 C, 2008 D-2A, 2008 D-2B, 2008A GO, 2010 F-2 PFC	7/1/2011	73,025,000	3.89%	64.4% of USD LIBOR + 0.280%	(11,592,138)	7/1/2030
14B	Floating-to-Fixed	2010 F-2 PFC	7/1/2011	<u>145,150,000</u>	3.88%	64.4% of USD LIBOR + 0.28%	<u>(29,391,008)</u>	7/1/2037
				<u>\$ 755,345,000</u>			<u>\$ (19,111,556)</u>	

The notional amounts of the swap agreements match the principal portions of the associated debt and contain reductions in the notional amounts that are expected to follow the reductions in principal of the associated debt, except as discussed in the section on rollover risk.

Due to an overall increase in variable rates, three of the County's hedging derivative instruments had a positive fair value as of June 30, 2018.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Associated Debt Cash Flows - Hedging Derivatives

The net cash flows for the County's hedging derivative instruments for the year ended June 30, 2018, are provided in the table below.

<u>Hedging Derivative Instruments - Net Cash Flows</u> <u>For the Fiscal Year Ended June 30, 2018</u>							
Swap#	Interest Rate Swap Description	Associated Variable Rate Bonds	<u>Counterparty Swap Interest</u>			Interest to Bondholders	Net Interest Payments 2018
			(Pay)	Receive	Net		
07A	Floating-to-Fixed	2008 A-2, 2011 B-1	\$ (5,609,267)	\$ 3,707,969	\$ (1,901,298)	\$ (1,230,815)	\$ (3,132,113)
07B	Floating-to-Fixed	2008 B-2, 2011 B-2	(5,612,136)	3,714,236	(1,897,900)	(1,249,291)	(3,147,191)
10B	Floating-to-Fixed	2008 D-2A, 2008 D-2B	(936,966)	544,471	(392,495)	(302,295)	(694,790)
10C	Floating-to-Fixed	2008 D-2A, 2008 D-2B	(682,633)	290,690	(391,943)	(302,295)	(694,238)
12A	Floating-to-Fixed	2008 D-2A, 2008 D-2B, 2008C, 2008 D-3, 2010 F-2 PFC	(8,393,484)	4,497,799	(3,895,685)	(1,726,273)	(5,621,958)
14A*	Floating-to-Fixed	2008 D-2, 2008 D-3	(2,523,446)	406,366	(2,117,080)	(660,039)	(2,777,119)
14B*	Floating-to-Fixed	2008 C, 2008 D-2A, 2008 D-2B, 2008A GO, 2010 F-2 PFC	(5,010,395)	806,814	(4,203,581)	(1,350,329)	(5,553,910)
			<u>\$ (28,768,327)</u>	<u>\$ 13,968,345</u>	<u>\$ (14,799,982)</u>	<u>\$ (6,821,337)</u>	<u>\$ (21,621,319)</u>

* Hedging component only, pro-rated over swap notional

Credit Risk - Hedging Derivatives

The County was exposed to credit risk on the three investment derivatives that had positive fair values totaling \$23,999,995 as of June 30, 2018. However, a CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The following are the hedging swaps and their amounts at risk as of June 30, 2018, along with the counterparty credit ratings for these swaps:

<u>Counterparty Credit Ratings and Credit Risk Exposure - Hedging Derivative Instruments at June 30, 2018</u>						
Swap #	Interest Rate Swap Description	Counterparty	<u>Counterparty Ratings</u>			Credit Risk Exposure
			Moody's	S&P	Fitch	
07A	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	AA-	\$ 1,741,838
07B	Floating-to-Fixed	UBS AG	A1	A	A	1,743,545
10B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	AA-	-
10C	Floating-to-Fixed	UBS AG	A1	A	A	-
12A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	19,914,612
14A	Floating-to-Fixed	UBS AG	A1	A	A	-
14B	Floating-to-Fixed	Citibank, N.A., New York.	A1	A+	A+	-
						<u>\$ 23,999,995</u>

As of June 30, 2016, the counterparty to swap #12A was required to post collateral pursuant to the terms of the ISDA CSA Agreement. The credit rating of this counterparty declined to the rating threshold defined in the ISDA CSA Agreement, thereby requiring that the counterparty post collateral. On February 8, 2017, the counterparty posted \$13,000,000 in cash as collateral with the designated custodian. As of June 30, 2018, the cash collateral posted with the custodian for Swap #12A was \$20,980,000.

Basis and Interest Rate Risk - Hedging Derivatives

All the hedging derivative swaps are subject to basis risk and interest rate risk should the relationship between the LIBOR rate and the County's bond rates converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Tax Policy Risk - Hedging Derivatives

The County is exposed to tax risk if a permanent mismatch (shortfall) occurs between the floating rate received on the swap and the variable rate paid on the underlying variable rate bonds due to changes in tax law such that the federal or state tax exemption of municipal debt is eliminated or its value is reduced.

Termination Risk - Hedging Derivatives

The County is exposed to termination risk if either the credit rating of the bonds associated with the swap or the credit rating of the swap counterparty falls below the threshold defined in the swap agreement, i.e. if an ATE occurs. If at the time of the ATE the swap has a negative fair value, the County would be liable to the counterparty for a payment equal to the swap's fair value. For all swap agreements, except for swaps #08A and #09A, the County is required to designate a day between 5 and 30 days to provide written notice following the ATE date. For the exceptions, the designated date is 30 days after the ATE date.

Rollover Risk and Other Risk - Hedging Derivatives

There exists the possibility that the County may undertake additional refinancing with respect to its swaps to improve its debt structure or cash flow position and that such refinancing may result in hedging swap maturities that do not extend to the maturities of the associated debt, in hedging swaps becoming decoupled from associated debt, in the establishment of imputed debt, or in the creation of losses.

Terms, Notional Amounts, and Fair Values - Investment Derivatives

The terms, notional amounts, and fair values of the County's investment derivatives at June 30, 2018 are included in the tables below.

Investment Derivative Instruments - Terms, Notional Amounts, and Fair Values As of June 30, 2018								
Swap#	Interest Rate Swap Description	Associated Variable Rate Bonds or Amended Swaps	Effective Date	Outstanding Notional	County Pays	County Receives	Fair Value	Maturity Date
02	Basis Swap	N/A	8/23/2001	\$ 70,798,853	SIFMA Swap Index - 0.41%	72.5% of USD LIBOR - 0.410%	\$ (922,707)	7/1/2036
04	Basis Swap	N/A	7/1/2003	95,660,354	SIFMA Swap Index	68% of USD LIBOR + 0.435%	1,129,547	7/1/2025
08A	Floating-to-Fixed	2008C	3/19/2008	143,700,000	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	(17,637,956)	7/1/2040
08B	Floating-to-Fixed	2008C	3/19/2008	30,375,000	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	(3,730,221)	7/1/2040
08C	Floating-to-Fixed	2008C	3/19/2008	30,375,000	4% to 7/2015, 3% to maturity	82% of 10 year CMS - 0.936%	(3,730,264)	7/1/2040
09A	Floating-to-Fixed	2008 D-1	3/19/2008	38,610,000	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	1,182,880	7/1/2036
09B	Floating-to-Fixed	2008 D-1	3/19/2008	8,215,000	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	251,618	7/1/2036
09C	Floating-to-Fixed	2008 D-1	3/19/2008	8,215,000	5% to 7/2015, 1.21% to maturity	82% of 10 year CMS - 1.031%	251,620	7/1/2036
<u>Remaining portions of swaps after April 6, 2010 terminations</u>								
15	Fixed-to-Fixed	swap #03 (1)	4/6/2010	29,844,054	1.02% until 7/1/2010	1.47% starting at 7/1/2010	855,695	7/1/2022
16	Fixed-to-Fixed	swap #05 (1)	4/6/2010	50,075,000	1.37% until 7/1/2010	0.6% starting at 7/1/2010	1,747,936	7/1/2025
18	Fixed-to-Fixed	swap #13 (1)	4/6/2010	150,000,000	2.493% until 7/1/2017	1.594% starting at 7/1/2017	37,311,576	7/1/2040
				<u>\$ 655,868,261</u>			<u>\$ 16,709,724</u>	

(1) Amended and restated

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Credit Risk - Investment Derivatives

The County was exposed to credit risk on the seven investment derivatives that had positive fair values totaling \$45,693,342 as of June 30, 2018. Nonetheless, as described earlier, a CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The investment swaps and their amounts at risk as of June 30, 2018, along with the counterparty credit ratings for these swaps, are disclosed the table below.

<u>Counterparty Credit Ratings and Credit Risk Exposure - Investment Derivative Swaps at June 30, 2018</u>						
Swap #	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
02	Basis Swap	Citigroup Financial Products Inc.	Baa1	BBB+	A	\$ -
04	Basis Swap	Citigroup Financial Products Inc.	Baa1	BBB+	A	1,129,547
08A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	-
08B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	AA-	-
08C	Floating-to-Fixed	UBS AG	A1	A	A	-
09A	Floating-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	1,182,880
09B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa3	A+	AA-	251,618
09C	Floating-to-Fixed	UBS AG	A1	A	A	251,620
<u>Remaining portions of swaps after April 6, 2010 terminations</u>						
15	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	855,695
16	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	1,747,936
18	Fixed-to-Fixed	Citigroup Financial Products Inc.	Baa1	BBB+	A	37,311,576
						\$ 42,730,872

As of June 30, 2016, the counterparty's credit rating declined to the respective rating thresholds as defined in the ISA CSA agreement for Swap #18 and the counterparty is required to post collateral. On August 10, 2016, the County executed the Agreement for Swap #18, and the counterparty posted the initial cash collateral of \$39,900,000. As of June 30, 2018, the cash collateral posted with the custodian for Swap #18 was \$38,600,000.

Interest Rate Risk - Investment Derivatives

Swaps #02 and #04 are subject to interest rate risk should the relationship between the LIBOR rate and the SIFMA rate converge. If economic conditions change such that these rates converge, the expected cash flows of the swaps and expected cost savings may not be realized.

Swaps #08A, #08B, and #08C and swaps #09A, #09B, and #09C are subject to interest rate risk should the relationship between the 10-year CMS rate (Constant Maturity Swap rate) and the LIBOR rate converge. If economic conditions change such that these rates converge, the expected cash flows of the swaps and expected cost savings may not be realized.

The investment components of swaps #15, #16, and #18 are not subject to interest rate risk, since there is no variable rate component.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Projected Maturities and Interest on Variable Rate Bonds, Bond Anticipation Notes, and Swap Payments

Using the rates in effect on June 30, 2018, the approximate maturities and interest payments of the County's variable rate debt and bond anticipation notes associated with the interest rate swaps, as well as the net payment projections on the floating-to-fixed interest rate swaps, are as follows:

<u>Variable Rate Debt and Bond Anticipation Notes - Maturities and Net Payment Projections</u>						
<u>Year Ended</u> <u>June 30,</u>	<u>Variable Rate Bonds</u>		<u>Bond Anticipation Notes</u>		<u>Net Swap</u>	<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>	
2019	\$ 84,195,000	\$ 15,102,498	\$ -	\$ -	\$ 518,503	\$ 99,816,001
2020	86,675,000	13,688,214	-	-	1,213,827	101,577,041
2021	87,705,000	12,257,862	-	-	1,893,635	101,856,497
2022	88,885,000	10,809,099	-	-	2,625,473	102,319,572
2023	72,465,000	9,636,477	-	-	3,333,827	85,435,304
2024-2028	191,815,000	41,354,492	-	-	25,748,729	258,918,221
2029-2033	165,325,000	24,949,988	-	-	21,997,364	212,272,352
2034-2038	167,065,000	13,057,539	-	-	7,174,711	187,297,250
2039-2043	104,350,000	1,621,078	-	-	266,918	106,237,996
Total	<u>\$ 1,048,480,000</u>	<u>\$ 142,477,247</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,772,987</u>	<u>\$ 1,255,730,234</u>

Discretely Presented Component Units

Flood Control District

The following is a summary of bonds and compensated absences payable by the Flood Control District for the year ended June 30, 2018:

<u>Bonds and Compensated Absences Payable For the Year Ended June 30, 2018</u>					
	<u>Balance at</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at</u> <u>June 30, 2018</u>	<u>Due Within One</u> <u>Year</u>
General obligation bonds	\$ 506,000,000	\$ 109,955,000	\$ (13,505,000)	\$ 602,450,000	\$ 14,140,000
Plus: issuance premiums	34,131,179	8,798,839	(2,403,173)	40,526,845	-
Total bonds payable	540,131,179	118,753,839	(15,908,173)	642,976,845	14,140,000
Compensated Absences	666,723	439,269	(338,041)	767,951	-
Total long-term liabilities	<u>\$ 540,797,902</u>	<u>\$ 119,193,108</u>	<u>\$ (16,246,214)</u>	<u>\$ 643,744,796</u>	<u>\$ 14,140,000</u>

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Flood Control District (Continued)

The following individual issues comprised the bonds payable at June 30, 2018:

<u>Bonds Payable as of June 30, 2018</u>					
<u>Series</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance at June 30, 2018</u>
General obligation bonds					
2009	6/23/09	11/01/38	2.69 - 7.25	\$ 150,000,000	\$ 120,955,000
2010	7/13/10	11/01/18	5.00	29,425,000	10,305,000
2013	12/19/13	11/01/38	5.00	75,000,000	74,800,000
2014	12/11/14	11/01/38	4.00 - 5.00	100,000,000	99,900,000
2015	03/31/15	11/01/35	3.00 - 5.00	186,535,000	186,535,000
2017	12/07/17	11/01/38	2.375 - 5.00	109,955,000	109,955,000
Unamortized premium/(discount)			N/A	N/A	40,526,845
Total long-term debt					<u>\$ 642,976,845</u>

All bonds issued by the Flood Control District are collateralized by a portion of the one-quarter cent sales tax authorized by NRS 543.600 for Flood Control District operations. Pledged revenues for the year ended June 30, 2018 totaled \$103,428,054 for a debt service coverage ratio of 2.52 times.

The debt service requirements are as follows:

<u>Annual Debt Service Requirements to Maturity</u>			
<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 14,140,000	\$ 29,292,061	\$ 43,432,061
2020	13,765,000	28,573,683	42,338,683
2021	18,380,000	27,741,762	46,121,762
2022	19,355,000	26,760,030	46,115,030
2023	20,390,000	25,720,326	46,110,326
2024-2028	119,785,000	110,672,615	230,457,615
2029-2033	153,395,000	76,825,889	230,220,889
2034-2038	196,905,000	36,084,625	232,989,625
2039	46,335,000	1,143,193	47,478,193
	<u>\$ 602,450,000</u>	<u>\$ 362,814,184</u>	<u>\$ 965,264,184</u>

Deferred outflows of resources and deferred inflows of resources

Deferred outflows of resources for the Flood Control District consist of \$5,981,490 in unamortized losses on refunded bonds.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

The following is a summary of bonds and compensated absences payable by the RTC for the year ended June 30, 2018:

<u>Bonds and Compensated Absences Payable For the Year Ended June 30, 2017</u>					
	<u>Balance at July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2018</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 906,680,000	-	\$ 43,785,000	\$ 862,895,000	\$ 48,705,000
Plus premiums	99,999,187	-	8,827,979	91,171,208	-
Less discounts	(24,355)	-	(1,804)	(22,551)	-
Total bonds payable	1,006,654,832	-	52,611,175	954,043,657	48,705,000
Compensated Absences	3,997,154	2,281,090	2,097,275	4,180,969	2,097,275
Long-term liabilities	<u>\$ 1,010,651,986</u>	<u>\$ 2,281,090</u>	<u>\$ 54,708,450</u>	<u>\$ 958,224,626</u>	<u>\$ 50,802,275</u>

The following individual issues comprised the bonds payable at June 30, 2018:

<u>Bonds Payable as of June 30, 2018</u>					
<u>Series</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance at June 30, 2018</u>
<i>Revenue Bonds</i>					
<u>Motor Vehicle Fuel Tax Revenue Bonds</u>					
2007	06/12/07	07/01/27	3.00 - 5.00	\$ 300,000,000	\$ 64,700,000
2010A	02/25/10	07/01/29	6.10 - 6.35	32,595,000	32,595,000
2011	11/29/11	07/01/23	4.00 - 5.00	118,105,000	76,030,000
2014A	04/01/14	07/01/34	3.00 - 5.00	100,000,000	90,230,000
2015	11/10/15	07/01/35	5.00	85,000,000	82,480,000
2016	06/29/16	07/01/24	5.00	107,350,000	107,350,000
2016B	11/09/16	07/01/28	5.00	43,495,000	43,495,000
2017	06/13/17	07/01/37	4.00 - 5.00	150,000,000	150,000,000
<u>Sales Tax Revenue Bonds</u>					
2010	02/23/10	07/01/29	3.00 - 5.00	69,595,000	6,450,000
2010B	08/11/10	07/01/20	3.00 - 5.00	94,835,000	32,600,000
2010C	08/11/10	07/01/30	5.10 - 6.15	140,560,000	140,560,000
2016	11/09/16	07/01/29	5.00	36,405,000	36,405,000
Unamortized premium		N/A	N/A	N/A	91,171,208
Unamortized discount		N/A	N/A	N/A	(22,551)
Total long term debt					<u>\$ 954,043,657</u>

Pledged Revenues

Motor Vehicle Fuel Tax Bonds

Motor vehicle fuel tax revenue bonds issued for RTC purposes are collateralized by a maximum of twelve cents per gallon motor vehicle fuel tax levied by the County, except that portion required to be allocated as direct distributions for those political subdivisions not included in the "Las Vegas Valley Area Major Street and Highway Plan." The collateralized twelve cents includes the County's share of the three cents per gallon tax levied by the State pursuant to NRS 365.180 and 365.190 and accounted for in other County funds, and the County's share of the Indexed Fuel Taxes. Pledged revenues for the year ended June 30, 2018 totaled \$93,685,890 for a debt service coverage ratio of 2.39 times.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

RTC (Continued)

Indexed Fuel Tax Bonds

Indexed Fuel Tax revenue bonds include taxes calculated and imposed on motor vehicle fuel tax, and special fuels taxes that consist of taxes on diesel fuel, taxes on compressed natural gas, and taxes on liquefied petroleum gas. Pledged revenues for the year ended June 30, 2018 totaled \$148,699,002 for a debt service coverage ratio of 5.6 times.

Sales Tax Revenue Bonds

Series 2010 sales and excise tax revenue bonds issued for RTC purposes are collateralized by 1/8% sales and excise tax and a 1 cent jet aviation fuel tax in Clark County. Series 2010B and 2010C sales and excise tax revenue bonds issued for RTC purposes are collateralized by ¼% sales and excise tax and a 1 cent jet aviation fuel tax in Clark County. Pledged revenues for the year ended June 30, 2018 totaled \$107,356,731 for a debt service coverage ratio of 4.31 times.

The debt service requirements are as follows:

<u>Annual Debt Service Requirements to Maturity</u>			
<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 48,705,000	\$ 41,916,613	\$ 90,621,613
2020	50,975,000	39,564,863	90,539,863
2021	52,900,000	36,999,888	89,899,888
2022	55,455,000	34,285,075	89,740,075
2023	58,045,000	31,434,468	89,479,468
2024-2028	292,695,000	114,687,480	407,382,480
2029-2033	211,850,000	44,138,125	255,988,125
2034-2038	92,270,000	9,842,750	102,112,750
	<u>\$ 862,895,000</u>	<u>\$ 352,869,262</u>	<u>\$ 1,215,764,262</u>

Arbitrage Rebate and Debt Covenant Requirements

The federal Tax Reform Act of 1986 imposes a rebate requirement with respect to some bonds issued by the County for the RTC. Under this Act, an amount may be required to be rebated to the United States Treasury (called "arbitrage") 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 and as of the most recent such date the RTC's management believes that there is no rebatable arbitrage amount due. Future calculations might result in adjustments to this determination.

Long-term debt obligations are subject to restrictive debt covenants, including certain revenue levels and revenue/expense ratios, for which management believes the RTC is in compliance.

Deferred outflows of resources and deferred inflows of resources

Deferred outflows of resources for RTC consist of \$15,775,583 in unamortized losses on refunded bonds. Deferred inflows of resources for RTC consist of \$1,657,397 in unearned revenue from the Build America Bonds Rebate.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District:

The following is a summary of bonds and loans payable by the Las Vegas Valley Water District for the year ended June 30, 2018:

	<u>Bonds and Loans Payable For the Year Ended June 30, 2018</u>			<u>Balance at June 30, 2018</u>	<u>Due Within One Year</u>
	<u>Balance at July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>		
General obligation bonds	\$ 2,740,648,695	\$ 187,038,576	\$ (189,387,215)	\$ 2,738,300,056	105,835,146
Revenue bonds	1,008,000	-	(168,000)	840,000	168,000
Commercial paper loans	400,000,000	-	-	400,000,000	-
Plus premiums	<u>64,676,918</u>	<u>4,131,774</u>	<u>(4,850,174)</u>	<u>63,958,518</u>	
Total long-term debt	<u>\$ 3,206,333,613</u>	<u>\$ 191,170,350</u>	<u>\$ (194,405,389)</u>	<u>\$ 3,203,098,574</u>	<u>\$ 106,003,146</u>

The following individual issues comprised the bonds and loans payable at June 30, 2018:

<u>Series</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Bonds Payable as of June 30, 2018</u>
					<u>Balance at June 30, 2018</u>
General Obligation Bonds					
2009A	08/05/09	06/01/39	7.10	90,000,000	90,000,000
2009B	08/05/09	06/01/32	4.00 - 5.25	10,000,000	425,000
2009D	12/23/09	06/01/30	4.25 - 5.25	71,965,000	37,440,000
2010A	06/15/10	03/01/40	5.60 - 5.70	75,995,000	75,995,000
2010B	06/15/10	03/01/38	2.00 - 4.625	31,075,000	27,040,000
2011A	05/26/11	06/01/26	3.051 - 5.434	58,110,000	44,795,000
2011B	10/19/11	06/01/27	2.789 - 4.958	129,650,000	101,180,000
2011C	10/19/11	06/01/38	2.00 - 5.00	267,815,000	210,205,000
2011D	10/19/11	06/01/27	2.00 - 5.25	78,680,000	53,360,000
2012A	09/05/12	06/01/32	5.00	39,310,000	39,310,000
2012B	07/31/12	06/01/42	3.50 - 5.00	360,000,000	332,210,000
2014	12/01/14	06/01/35	2.57	20,000,000	19,452,115
2015A	06/01/15	06/01/27	2.00- 5.00	172,430,000	136,085,000
2015	01/13/15	06/01/39	4.00 - 5.00	332,405,000	332,405,000
2015B	06/01/15	06/01/28	4.00 - 5.00	177,635,000	155,795,000
2015C	06/18/15	06/01/30	3.00 - 5.00	42,125,000	36,755,000
2016A	04/06/16	06/01/36	3.00 - 5.00	497,785,000	481,210,000
2016B	04/06/16	06/01/36	2.50 - 5.00	108,220,000	101,910,000
2016D	07/18/16	06/01/36	2.50 - 5.00	125,600,000	117,840,000
2017A	03/14/17	06/01/38	2.50 - 5.00	130,105,000	129,510,000
2017B	03/14/17	06/01/36	2.50 - 5.00	22,115,000	22,115,000
2016	09/15/16	06/01/37	1.78	15,000,000	10,252,626
2017	05/03/17	06/01/37	2.41	15,000,000	3,925,315
2018A	06/26/18	06/01/48	3.00 - 5.00	100,000,000	100,000,000
2018B	03/06/18	06/01/26	5.00	79,085,000	79,085,000
Unamortized premium/(discount)					<u>63,958,518</u>
Total general obligation bonds					<u>2,802,258,574</u>
Revenue Bonds					
2008	07/15/08	12/15/22	1.30	2,520,000	<u>840,000</u>
Commercial Paper Loans					
2004	06/02/04	2020-2021	0.86 - .96	400,000,000	<u>400,000,000</u>
Total long-term debt					<u>\$ 3,203,098,574</u>

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued)

These bonds are being serviced, principal and interest, by the Las Vegas Valley Water District.

The debt service requirements are as follows:

<u>Annual Debt Service Requirements to Maturity</u>						
<u>Year Ending June 30,</u>	<u>General Obligation Bonds</u>			<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 105,835,146	\$ 130,178,399	\$ 236,013,545	\$ 168,000	\$ 9,828	\$ 177,828
2020	111,024,531	125,722,231	236,746,762	168,000	7,644	175,644
2021	118,815,834	120,648,355	239,464,189	168,000	5,460	173,460
2022	124,890,965	115,182,796	240,073,761	168,000	3,276	171,276
2023	131,277,052	109,241,802	240,518,854	168,000	1,092	169,092
2024-2028	635,396,656	448,732,047	1,084,128,703	-	-	-
2029-2033	448,451,170	326,888,227	775,339,397	-	-	-
2034-2038	597,808,702	208,880,341	806,689,043	-	-	-
2039-2043	356,740,000	65,280,370	422,020,370	-	-	-
2044-2048	108,060,000	11,526,000	119,586,000	-	-	-
	<u>\$ 2,738,300,056</u>	<u>\$ 1,662,280,568</u>	<u>\$ 4,400,580,624</u>	<u>\$ 840,000</u>	<u>\$ 27,300</u>	<u>\$ 867,300</u>

\$400,000,000 in principal and \$737,659 in interest were due on the commercial paper loans for the year ended June 30, 2018.

Deferred outflows of resources and deferred inflows of resources

Deferred outflows of resources for the Las Vegas Valley Water District consist of \$1,082,091 in unamortized losses on refunded bonds. Deferred inflows of resources for the Las Vegas Valley Water District consist of \$7,813,191 in unamortized gains on refunded bonds

Clark County Stadium Authority

The following is a summary of bonds payable by the Clark County Stadium Authority for the year ended June 30, 2018:

<u>Bonds Payable For the Year Ended June 30, 2018</u>						
	<u>Balance at July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2018</u>	<u>Due Within One Year</u>	
Revenue bonds	\$ -	\$ 645,145,000	\$ -	\$ 645,145,000	\$ 1,070,000	
Plus premiums	-	98,772,126	(548,734)	98,223,392	-	
Total long-term debt	<u>\$ -</u>	<u>\$ 743,917,126</u>	<u>\$ (548,734)</u>	<u>\$ 743,368,392</u>	<u>\$ 1,070,000</u>	

The following individual issue comprises the bonds payable at June 30, 2018:

<u>Bonds Payable as of June 30, 2018</u>					
<u>Series</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance at June 30, 2018</u>
Revenue bonds					
2018A	5/1/18	5/1/48	4.00 - 5.00	\$ 645,145,000	\$ 645,145,000
Unamortized premium/(discount)			N/A	N/A	98,223,392
Total long-term debt					<u>\$ 743,368,392</u>

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Discretely Presented Component Units (Continued)

Clark County Stadium Authority (Continued)

As authorized by Senate Bill 1 during the 30th Special Session of the Nevada State Legislature in 2016, all bonds issued by the Clark County Stadium Authority are collateralized by specific taxes imposed on the gross receipts from the rental of transient lodging within the stadium district as defined by Senate Bill 1 and the primary gaming corridor of Clark County. Pledged revenues for the year ended June 30, 2018 totaled \$30,960,943.

The debt service requirements are as follows:

<u>Annual Debt Service Requirements to Maturity</u>			
<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,070,000	\$ 34,933,762	\$ 36,003,762
2020	1,775,000	32,203,750	33,978,750
2021	2,545,000	32,115,000	34,660,000
2022	3,365,000	31,987,750	35,352,750
2023	4,240,000	31,819,500	36,059,500
2024-2028	36,485,000	154,936,250	191,421,250
2029-2033	68,540,000	142,804,000	211,344,000
2034-2038	111,730,000	121,602,750	233,332,750
2039-2043	169,390,000	88,232,500	257,622,500
2044-2048	246,005,000	38,435,542	284,440,542
	<u>\$ 645,145,000</u>	<u>\$ 709,070,804</u>	<u>\$ 1,354,215,804</u>

Other Discretely Presented Component Units

Big Bend Water District

The following is a summary of bonds payable by the Big Bend Water District for the year ended June 30, 3018:

<u>Bonds Payable For the Year Ended June 30, 2018</u>					
	<u>Balance at July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2018</u>	<u>Due Within One Year</u>
General obligation bonds	<u>\$ 3,532,220</u>	<u>\$ -</u>	<u>\$ 407,814</u>	<u>\$ 3,124,406</u>	<u>\$ 420,947</u>

The following individual issues comprised the bonds payable at June 30, 2018:

<u>Bonds Payable as of June 30, 2018</u>					
<u>Series</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue (*)</u>	<u>Balance at June 30, 2018</u>
General obligation bonds					
2003	06/03/04	01/01/25	3.19 %	\$ 4,000,000	\$ 1,694,845
2004	08/06/04	07/01/24	3.20%	6,000,000	1,429,561
Total long-term debt					<u>\$ 3,124,406</u>

These bonds are being serviced, principal and interest, by the Big Bend Water District.

III. DETAILED NOTES - ALL FUNDS

6. LONG-TERM DEBT (Continued)

Other Discretely Presented Component Units (Continued)

Big Bend Water District (Continued)

- * The 2004 series bonds were authorized in the aggregate principal amount of \$6,000,000 for the purpose of expanding the District's water delivery system. The State of Nevada agreed to finance this expansion project by purchasing, at par, up to \$6,000,000 of the District's general obligation bonds as the project is completed. At June 30, 2018, the original amount of 2004 series bonds that had been purchased by the State of Nevada totaled \$3,197,729.

The debt service requirements are as follows:

<u>Annual Debt Service Requirements to Maturity</u>			
<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 420,947	\$ 96,476	\$ 517,423
2020	434,503	82,920	517,423
2021	448,495	68,928	517,423
2022	462,938	54,485	517,423
2023	477,846	39,578	517,424
2024-2025	879,677	32,495	912,172
	<u>\$ 3,124,406</u>	<u>\$ 374,882</u>	<u>\$ 3,499,288</u>

III. DETAILED NOTES - ALL FUNDS

7. FINANCIAL INFORMATION FOR DISCRETELY PRESENTED COMPONENT UNITS - OTHER WATER DISTRICTS

Statement of Net Position			
	Kyle Canyon Water District	Big Bend Water District	Total
Assets			
Current assets	\$ 191,988	\$ 3,156,056	\$ 3,348,044
Noncurrent assets	<u>4,896,275</u>	<u>27,720,245</u>	<u>32,616,520</u>
Total assets	<u>5,088,263</u>	<u>30,876,301</u>	<u>35,964,564</u>
Liabilities			
Current liabilities	212,755	2,140,499	2,353,254
Noncurrent liabilities	-	<u>2,703,459</u>	<u>2,703,459</u>
Total liabilities	<u>212,755</u>	<u>4,843,958</u>	<u>5,056,713</u>
Net Position			
Net investment in capital assets	4,896,275	24,595,839	29,492,114
Restricted for capital projects	-	1,770,966	1,770,966
Unrestricted	<u>(20,767)</u>	<u>(334,462)</u>	<u>(355,229)</u>
Total Net Position	<u>\$ 4,875,508</u>	<u>\$ 26,032,343</u>	<u>\$ 30,907,851</u>

Statement of Revenues, Expenses and Changes in Net Position			
	Kyle Canyon Water District	Big Bend Water District	Total
Operating revenues	\$ 347,196	\$ 3,562,193	\$ 3,909,389
Operating expenses	(697,523)	(4,835,988)	(5,533,511)
Interest Income	401	32,760	33,161
Nonoperating revenue	53,247	-	53,247
Nonoperating expense	(5,638)	(102,046)	(107,684)
Capital contributions	-	<u>1,078,388</u>	<u>1,078,388</u>
Change in net position	<u>(302,317)</u>	<u>(264,693)</u>	<u>(567,010)</u>
Net Position			
Beginning of year	5,177,825	26,394,851	31,572,676
Prior period adjustment	-	<u>(97,815)</u>	<u>(97,815)</u>
Beginning of year, as restated	<u>5,177,825</u>	<u>26,297,036</u>	<u>31,474,861</u>
End of year	<u>\$ 4,875,508</u>	<u>\$ 26,032,343</u>	<u>\$ 30,907,851</u>

Statement of Cash Flows			
	Kyle Canyon Water District	Big Bend Water District	Total
Cash Flows From Operating Activities	\$ (39,056)	\$ 56,802	\$ 17,746
Cash Flows From Noncapital Financing Activities	10,346	-	10,346
Cash Flows From Capital and Related Financing Activities	42,901	525,445	568,346
Cash Flows From Investing Activities	<u>(5,378)</u>	<u>32,760</u>	<u>27,382</u>
Net increase (decrease) in cash and cash equivalents	<u>8,813</u>	<u>615,007</u>	<u>623,820</u>
Cash and cash equivalents:			
Beginning of year	158,746	2,031,340	2,190,086
End of year	<u>\$ 167,559</u>	<u>\$ 2,646,347</u>	<u>\$ 2,813,906</u>

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES

Primary Government

Net Position - Government-wide Financial Statements:

The government-wide Statement of Net Position utilizes a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net investment in capital assets is less the related debt outstanding that relates to the acquisition, construction, or improvement of capital assets.

Restricted assets are assets that have externally imposed (statutory, bond covenant, contract, or grantor) limitations on their use. Restricted assets are classified either by function, debt service, capital projects, or claims. Assets restricted by function relate to net position of government and enterprise funds whose use is legally limited by outside parties for a specific purpose. The restriction for debt service represents assets legally restricted by statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent grants, donations, and debt proceeds with third party restriction for use on specific projects or programs. The government-wide statement of net position reports \$1,364,506,326 of restricted net position, all of which is externally imposed.

Unrestricted net position represents financial resources of the County that do not have externally imposed limitations on their use.

III. DETAILED NOTES--ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Government fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed on the use of the resources of the fund. Fund balance classifications by County function consist of the following:

Fund Balance	Governmental Funds Fund Balance as of June 30, 2018							Total
	Major Governmental Funds		Non-Major Governmental Funds					
	General Funds	LVMFD	Special Revenue	Debt Service	Capital Projects			
Nonspendable:								
Forensic services	\$ -	\$ -	\$ 29,884	\$ -	\$ -	\$ -	\$ 29,884	
Law enforcement	-	323,846	-	-	-	-	323,846	
Emergency management	-	-	629	-	-	-	629	
Total nonspendable	-	323,846	30,513	-	-	-	354,359	
Restricted for:								
Cooperative Extension programs	-	-	8,323,014	-	-	-	8,323,014	
Law enforcement Detention center commissary	-	-	2,392,826	-	-	-	2,392,826	
Forensic services Park and recreation facility construction and improvements	2,862,447	-	-	-	-	-	2,862,447	
Road and highway construction	-	-	573,993	-	-	-	573,993	
Mt. Charleston	-	-	8,621,228	-	46,348,743	-	54,969,971	
Marriage tourism	-	-	6,523,148	-	285,052,358	-	291,575,506	
District court investigators	-	-	196,036	-	-	-	196,036	
Law library operations	-	-	728,718	-	-	-	728,718	
Justice court administration	-	-	491,915	-	-	-	491,915	
Technology improvements	-	-	308,297	-	-	-	308,297	
Boat safety	134,794	-	3,155,786	-	-	-	3,155,786	
	-	-	-	-	-	-	134,794	
	-	-	18,313	-	-	-	18,313	

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Governmental Funds Fund Balance as of June 30, 2018 (Continued)					Total
	Major Governmental Funds	Non-Major Governmental Funds			Capital Projects	
	General Funds	LVMPD	Special Revenue	Debt Service		
Check restitution	-	-	5,290,431	-	-	5,290,431
Air quality improvements	-	-	38,435,609	-	-	38,435,609
Entitlement grants	-	-	64,762,373	-	-	64,762,373
LVMPD personnel	-	-	84,454,858	-	-	84,454,858
Fort Mohave development	-	-	9,426,813	-	-	9,426,813
Habitat conservation plan	-	-	34,563,255	-	-	34,563,255
Child welfare	-	-	7,850,390	-	-	7,850,390
Indigent medical assistance	-	-	961,049	-	-	961,049
Emergency telephone system	-	-	184,330	-	-	184,330
Disposition of trustee property proceeds	-	-	36,399	-	-	36,399
Family Service programs	-	-	494,843	-	-	494,843
Art programs	-	-	438,870	-	-	438,870
Fire services	-	-	278,437	-	-	278,437
SID maintenance	-	-	1,050,797	-	-	1,050,797
Spay and neutering	-	-	84,618	-	-	84,618
Refundable bail funds	-	-	3,130,247	-	-	3,130,247
Southern Nevada Area Communications operations	-	-	1,514,609	-	-	1,514,609
Court fee collection program	-	-	3,672,748	-	-	3,672,748
District court operations	-	-	4,298,846	-	-	4,298,846
Justice court operations	-	-	1,311,431	-	-	1,311,431
Clark County fire protection	25,904,430	-	-	-	-	25,904,430
Laughlin town services	-	-	7,022,658	-	-	7,022,658

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Major Governmental Funds		Non-Major Governmental Funds				Total
	General Funds	LVMPD	Special Revenue	Debt Service	Capital Projects		
Bunkerville town services	102,819	-	-	-	-	-	102,819
Enterprise town services	8,887,961	-	-	-	-	-	8,887,961
Indian Springs town services	339	-	-	-	-	-	339
Moapa town services	2,061	-	-	-	-	-	2,061
Moapa Valley town services	169,992	-	-	-	-	-	169,992
Moapa Valley fire protection	-	-	5,066,034	-	-	-	5,066,034
Mt. Charleston town services	392	-	-	-	-	-	392
Mt. Charleston fire protection	-	-	1,526,434	-	-	-	1,526,434
Paradise town services	25,602,176	-	-	-	-	-	25,602,176
Searchlight town services	67,190	-	-	-	-	-	67,190
Spring Valley town services	16,444,803	-	-	-	-	-	16,444,803
Summerlin town services	2,306,543	-	-	-	-	-	2,306,543
Summerlin town capital	-	-	-	-	11,140,646	-	11,140,646
Sunrise Manor town services	7,130,458	-	-	-	-	-	7,130,458
Whitney town services	426,289	-	-	-	-	-	426,289
Winchester town services	6,006,889	-	-	-	-	-	6,006,889
Debt service	-	-	-	156,771,703	-	-	156,771,703
Fort Mohave capital projects	-	-	-	-	1,760,576	-	1,760,576
Special Assessment capital	-	-	-	-	2,449,824	-	2,449,824
Total restricted	96,049,583	-	307,189,353	156,771,703	346,752,147	-	906,762,786

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Major Governmental Funds		Non-Major Governmental Funds			Total
	General Funds	LVMPD	Special Revenue	Debt Service	Capital Projects	
Governmental Funds Fund Balance as of June 30, 2018 (Continued)						
Committed to:						
Housing grants	-	-	1,042,766	-	-	1,042,766
Road and highway construction	-	-	1,580,792	-	-	1,580,792
Grant programs	-	-	2,523,746	-	-	2,523,746
Detention operations	56,251	-	-	-	-	56,251
LVMPD operations	-	3,933,577	-	-	-	3,933,577
Arts program	-	-	1,876,725	-	-	1,876,725
Specialty court programs	-	-	116,532	-	-	116,532
Wetlands Park	-	-	3,164,513	-	-	3,164,513
Post-employment benefits	6,276,288	-	-	-	-	6,276,288
Road and highway construction	-	-	-	-	3,353,300	3,353,300
Laughlin town capital	-	-	-	-	66,000	66,000
Searchlight town capital	-	-	-	-	21,563	21,563
Fire stations	-	-	-	-	2,947,052	2,947,052
County capital projects	-	-	-	-	10,458,159	10,458,159
Park and recreation facility construction and improvements	-	-	-	-	10,556,851	10,556,851
Information technology projects	-	-	-	-	8,928,110	8,928,110
SNPLMA capital projects	-	-	-	-	541,626	541,626
Regional improvements	-	-	-	-	1,591,711	1,591,711
Total committed	6,332,539	3,933,577	10,305,074	-	38,464,372	59,035,562

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Major Governmental Funds		Non-Major Governmental Funds			Total
	General Funds	LVMPD	Special Revenue	Debt Service	Capital Projects	
Governmental Funds Fund Balance as of June 30, 2018 (Continued)						
Assigned to:	-	-	-	-	-	-
Road maintenance	-	-	35,419,655	-	-	35,419,655
Grant programs	-	-	22,716,080	-	-	22,716,080
Cooperative Extension services	-	-	3,067,214	-	-	3,067,214
Law enforcement	-	-	2,537,146	-	-	2,537,146
Licensing applications	316,664	-	-	-	-	316,664
Detention operations	21,200,665	-	-	-	-	21,200,665
Forensic analysis	-	-	464,987	-	-	464,987
First responder	-	-	3,340,103	-	-	3,340,103
Coroner visitation program	-	-	605,645	-	-	605,645
Juvenile justice services	-	-	195,046	-	-	195,046
Criminal history depository	-	-	4,400,591	-	-	4,400,591
General government Park and recreation facility construction and improvements	1,947,324	-	3,581,250	-	-	5,528,574
Transportation construction and improvements	-	-	1,500,000	-	71,969,588	73,469,588
Law library operations	-	-	232,233	-	98,446,833	98,446,833
Driver education training	9,909,694	-	-	-	-	9,909,694
Citizen review board	50,121	-	-	-	-	50,121
Justice court administration	-	-	4,076,089	-	-	4,076,089
Specialty court programs	-	-	1,383,974	-	-	1,383,974
Family support DA services	-	-	10,147,003	-	-	10,147,003
Nuclear waste study	206,194	-	-	-	-	206,194

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Governmental Funds Fund Balance as of June 30, 2018 (Continued)							Total
	Major Governmental Funds		Non-Major Governmental Funds					
	General Funds	LVMPD	Special Revenue	Debt Service	Capital Projects			
Boat safety	-	-	985	-	-	-	985	
Check restitution	-	-	1,931,389	-	-	-	1,931,389	
Air quality improvements	-	-	8,700,397	-	-	-	8,700,397	
Technology improvements	632,639	-	-	-	-	-	632,639	
Entitlement grants	-	-	5,199,075	-	-	-	5,199,075	
LVMPD personnel	-	-	30,549,794	-	-	-	30,549,794	
LVMPD operations	-	7,997,420	-	-	-	-	7,997,420	
LVMPD capital projects	-	-	-	-	725,999	-	725,999	
Habitat conservation plan	-	-	16,850,758	-	-	-	16,850,758	
Child welfare	-	-	4,713,531	-	-	-	4,713,531	
Indigent medical assistance	-	-	211,954	-	-	-	211,954	
Emergency telephone system	-	-	285,492	-	-	-	285,492	
Disposition of trustee property proceeds	-	-	452,381	-	-	-	452,381	
Fire prevention	7,330,685	-	-	-	-	-	7,330,685	
SID administration	1,013,842	-	-	-	-	-	1,013,842	
SID maintenance	-	-	772,516	-	-	-	772,516	
Spray and neutering Southern Nevada Area	-	-	45,099	-	-	-	45,099	
Communications operations	-	-	1,338,866	-	-	-	1,338,866	
Court fee collection program	-	-	3,999,890	-	-	-	3,999,890	
District court operations	-	-	660,078	-	-	-	660,078	
Justice court operations	-	-	1,592,254	-	-	-	1,592,254	
Post-employment benefits	131,535,279	-	-	-	-	-	131,535,279	
Laughlin town capital	-	-	-	-	762,192	-	762,192	

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Primary Government (Continued)

Governmental Funds

Fund Balance	Major Governmental Funds		Non-Major Governmental Funds				Total
	General Funds	LVMPD	Special Revenue	Debt Service	Capital Projects		
Moapa town capital	-	-	-	-	110,657	-	110,657
Searchlight town capital	-	-	-	-	152,356	-	152,356
Summerlin town capital	-	-	-	-	5,936,212	-	5,936,212
Debt service	-	-	-	61,623,842	-	-	61,623,842
Las Vegas Monorail	-	-	-	-	4,500,000	-	4,500,000
Fire stations	-	-	-	-	23,180,633	-	23,180,633
Fort Mohave capital projects	-	-	-	-	110,208	-	110,208
County capital projects (unallocated)	-	-	-	-	312,581,949	-	312,581,949
Information Technology projects	-	-	-	-	28,766,727	-	28,766,727
Mountain's Edge Improvement District capital	-	-	-	-	3,032,814	-	3,032,814
Southern Highlands Improvement District capital	-	-	-	-	2,654,265	-	2,654,265
Special Assessment capital	-	-	-	-	2,262,651	-	2,262,651
SNPLMA capital projects	-	-	-	-	10,851,488	-	10,851,488
Total assigned	<u>174,143,107</u>	<u>7,997,420</u>	<u>170,971,475</u>	<u>61,623,842</u>	<u>566,044,572</u>	<u>-</u>	<u>980,780,416</u>
Unassigned	<u>227,543,963</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,543,963</u>
Total fund balances	<u>\$ 504,069,192</u>	<u>\$ 12,254,843</u>	<u>\$ 488,496,415</u>	<u>\$ 218,395,545</u>	<u>\$ 951,261,091</u>	<u>\$ -</u>	<u>\$ 2,174,477,086</u>

III. DETAILED NOTES - ALL FUNDS

8. NET POSITION AND FUND BALANCES (Continued)

Discretely Presented Component Units

Flood Control District

The government-wide statement of net position reports \$9,098,392 of restricted net position which is restricted by creditors for general obligation debt repayment.

RTC

The government-wide statement of net position reports \$448,638,507 of restricted net position, of which \$305,783,508 is restricted by enabling legislation for street and highway projects and other related activities and \$142,854,999 is restricted by creditors for debt repayment.

Las Vegas Valley Water District

The statement of net position reports \$10,645,884 of restricted net position, of which \$146,975 is restricted by enabling legislation for water projects and \$10,498,909 is restricted by creditors for debt repayment.

Clark County Stadium Authority

The government-wide statement of net position reports \$26,363,815 of restricted net position which is restricted by creditors for debt repayment.

9. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Over the past three years, settlements have not exceeded insurance coverage. The County maintains the following types of risk exposures:

Self-Funded Group Insurance and Group Insurance Reserve

The County has established self-insurance funds for insuring medical benefits provided to County employees and covered dependents. An independent claims administrator performs all claims-handling procedures.

Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Clark County Workers' Compensation

The County has established a fund for self-insurance related to workers' compensation claims. For all employees except fire fighters, self-insurance is in effect up to an individual stop loss amount of \$1,000,000 per occurrence in the first year, \$250,000 in the second year and \$200,000 per year thereafter. For fire fighters, self-insurance is in effect up to an individual stop loss amount of \$1,000,000 per occurrence in the first year, \$350,000 in the second year and \$275,000 per year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to \$150,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

The County has estimated the potential exposure for costs of indemnity (wage replacement) benefits, medical benefits, and other claim related expenses for disability of public safety employees (fire/bailiffs) who develop heart disease, cancer, lung disease or hepatitis. The estimated liability is the sum of two components:

- The outstanding costs due to reported claims for which the County is currently paying benefits, and
- The outstanding costs for future claims incurred but not reported (IBNR) by the County (current population of active and retired public safety employees who may meet future eligibility requirements for awards under Nevada Revised Statutes).

The claims liability currently payable for indemnity claims is estimated to be \$21,267,511. Reported as noncurrent is \$3,272,339 for incurred but not reported (IBNR) claims. IBNR is discounted utilizing an interest rate of 4.0%. The anticipated future exposure for potential claims associated with currently active employees based on an actuarial calculation is approximately \$36,056,681 discounted at 4.0%.

Las Vegas Metropolitan Police County (LVMPD) and Clark County Detention Center (CCDC) Self-Funded Insurance

The County has established separate self-insurance funds for general liabilities of the LVMPD and CCDC. Loss amounts of \$50,000 or more require approval of the LVMPD Fiscal Affairs Committee. Self-insurance is in effect for loss amounts up to \$2,000,000 per occurrence, accident, or loss. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$20,000,000. An independent claims administrator performs claims-handling procedures for traffic claims. All other claims are administered through the LVMPD Office of General Counsel. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

III. DETAILED NOTES - ALL FUNDS

9. RISK MANAGEMENT (Continued)

LVMPD and CCDC Self-Funded Industrial Insurance

The County has established separate self-insurance funds to pay workers' compensation claims of the LVMPD and CCDC. Self-insurance is in effect up to an individual stop loss amount of \$1,000,000 per occurrence in the first year, \$300,000 in the second year, and \$250,000 each year thereafter. Coverage from private insurers is maintained for losses in excess of the claim stop loss amount up to \$10,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance

The County has established a general liability self-insurance fund for losses up to a \$25,000 per occurrence retention limit. Losses in excess of this retention are covered by the County liability insurance pool fund. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

County Liability Insurance Pool

The County has established a general liability insurance pool for the benefit of County funds. Self-insurance is in effect for loss amounts over the \$25,000 retention up to \$2,000,000 per occurrence, accident, or loss.

Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$20,000,000. An independent claims administrator performs all claims-handling procedures. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Water Reclamation District

The Water Reclamation District does not participate in the County self-insurance funds related to workers' compensation or general liability. The Water Reclamation District is self-insured for workers compensation up to \$750,000 per occurrence. Coverage from private insurers is maintained for losses in excess of \$750,000. For all other risks, such as general, automobile and excess liabilities the Water Reclamation District purchases insurance coverage subject to self-insured retentions.

University Medical Center

The University Medical Center does not participate in the County self-insurance funds related to general liability. The University Medical Center self-insures portions of its general liability risks and has internally designated specific self-insured funds for such potential claims. The University Medical Center is self-insured for losses up to \$2,000,000 per claim. Coverage from private insurers is maintained for losses in excess of the stop loss amount up to \$20,000,000. Incurred but not reported claims have been accrued as a liability based upon a variety of actuarial and statistical techniques.

Changes in Liability Amounts

The total current claims liability at June 30, 2018, is included in the accounts payable line item in the government-wide financial statements. Changes in the funds' claims liability amounts for the past two years were:

<u>Change in Liability Accounts for the Year Ended June 30, 2018</u>				
	Liability July 1, 2017	Claims and Changes in Estimates	Claim Payments	Liability June 30, 2018
Self-funded group insurance	\$ 16,686,850	\$ 86,408,078	\$ 88,934,417	\$ 14,160,511
Clark County workers' compensation	42,112,093	15,706,781	13,038,985	44,779,889
LVMPD self-funded insurance	12,794,670	5,200,244	5,547,015	12,447,899
LVMPD self-funded industrial insurance	53,251,007	14,726,069	12,335,522	55,641,554
CCDC self-funded insurance	1,280,897	710,014	728,519	1,262,392
CCDC self-funded industrial insurance	10,851,000	673,812	2,038,145	9,486,667
County liability insurance	2,309,293	566,818	720,217	2,155,894
County liability insurance pool	8,912,720	968,320	1,260,919	8,620,121
Water Reclamation District	1,064,767	915,788	272,770	1,707,785
University Medical Center	8,326,969	610,963	456,144	8,481,788
Total self-insurance funds	<u>\$ 157,590,266</u>	<u>\$ 126,486,887</u>	<u>\$ 125,332,653</u>	<u>\$ 158,744,500</u>

III. DETAILED NOTES - ALL FUNDS
9. RISK MANAGEMENT (Continued)

<u>Change in Liability Accounts for the Year Ended June 30, 2017</u>				
	<u>Liability</u> <u>July 1, 2016</u>	<u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claim Payments</u>	<u>Liability</u> <u>June 30, 2017</u>
Self-funded group insurance	\$ 28,386,552	\$ 82,895,949	\$ 94,595,651	\$ 16,686,850
Clark County workers' compensation	42,112,093	11,430,976	11,430,976	42,112,093
LVMPD self-funded insurance	12,833,734	5,019,345	5,058,409	12,794,670
LVMPD self-funded industrial insurance	53,292,337	9,012,637	9,053,967	53,251,007
CCDC self-funded insurance	1,248,602	511,939	479,644	1,280,897
CCDC self-funded industrial insurance	10,833,380	1,919,581	1,901,961	10,851,000
County liability insurance	2,255,594	814,327	760,628	2,309,293
County liability insurance pool	9,114,697	2,185,047	2,387,024	8,912,720
Water Reclamation District	1,034,259	351,649	321,141	1,064,767
University Medical Center	7,884,532	903,189	460,752	8,326,969
Total self-insurance funds	<u>\$ 168,995,780</u>	<u>\$ 115,044,639</u>	<u>\$ 126,450,153</u>	<u>\$ 157,590,266</u>

III. DETAILED NOTES - ALL FUNDS

10. COMMITMENTS AND CONTINGENCIES

Encumbrances

The County utilizes encumbrance accounting in its government funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. In general, unencumbered appropriations lapse at year end. Open encumbrances at fiscal yearend are included in restricted, committed, or assigned fund balance, as appropriate. The following schedule outlines significant encumbrances included in governmental fund balances:

<u>Governmental Funds Fund Balance - Encumbrances as of June 30, 2018</u>			
Major Funds	<u>Restricted Fund Balance</u>	<u>Committed Fund Balance</u>	<u>Assigned Fund Balance</u>
General Fund	\$ -	\$ 56,251	\$ 51,210
LVMPD	-	3,933,577	808,673
Nonmajor Funds			
Aggregate nonmajor funds	<u>125,835,350</u>	<u>41,808,091</u>	<u>2,221,087</u>
	<u>\$ 125,835,350</u>	<u>\$ 45,797,919</u>	<u>\$ 3,080,970</u>

Grant Entitlement

The County is a participant in a number of federal and state-assisted programs. These programs are subject to compliance audits by the grantors. The audits of these programs for fiscal year 2018 and certain earlier years have not yet been completed. Accordingly, the County's compliance with applicable program requirements is not completely established. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time. The County believes it has adequately provided for potential liabilities, if any, which may arise from the grantors' audits.

Medicare and Medicaid Reimbursements

UMC's Medicare and Medicaid cost reports for certain prior years are in various stages of review by third-party intermediaries and have not been settled as a result of certain unresolved reimbursement issues. The County believes it has adequately provided for any potential liabilities that may arise from the intermediaries' audits.

Operating Lease Commitments

The following is a schedule of future minimum lease payments primarily for office and storage space (with initial or remaining terms in excess of one year) as of June 30, 2018:

<u>Governmental Activities</u>	
<u>Operating Leases Future Minimum Lease Payments</u>	
Years ending June 30,	
2019	\$ 10,827,806
2020	8,484,951
2021	5,787,776
2022	4,281,220
2023	4,205,275
Thereafter	<u>33,105,837</u>
Total minimum lease payments	<u>\$ 66,692,865</u>

Rental expenditures including nonrecurring items was approximately \$13,446,356 of which \$10,557,243 relates to non-cancellable operating leases for the year ended June 30, 2018.

III. DETAILED NOTES - ALL FUNDS

10. COMMITMENTS AND CONTINGENCIES (Continued)

Operating Lease Commitments - (Continued)

The UMC enterprise fund also had future minimum rental commitments as of June 30, 2018, for non-cancelable operating leases for property and equipment as follows:

<u>UMC</u>	
<u>Operating Leases Future Minimum Lease Payments</u>	
Years ending June 30,	
2019	\$ 7,948,296
2020	5,872,674
2021	4,833,701
2022	3,789,704
2023	2,876,459
Thereafter	6,975,661
Total minimum lease payments	<u>\$ 32,296,495</u>

The rental expense of UMC for property and equipment was approximately \$8,304,601 for the year ended June 30, 2018.

Rentals and Operating Leases

The Department of Aviation leases land, buildings, and terminal space to various tenants and concessionaires under operating agreements that expire at various times through 2099. Charges to air carriers are generated from terminal building rentals, gate use fees, and landing fees in accordance with the Agreement or with the provisions of the applicable County ordinance. Under the terms of these agreements, concession fees are based principally either on a percentage of the concessionaires' gross sales or a stated minimum annual guarantee, whichever is greater, or on other land and building rents that are based on square footage rental rates. The Department of Aviation received \$216,464,863 in the year ended June 30, 2018, for contingent rental payments in excess of stated annual minimum guarantees.

The following is a schedule of minimum future rentals receivable on non-cancelable operating leases (with initial or remaining terms in excess of one year) as of June 30, 2018:

<u>Department of Aviation</u>	
<u>Minimum Rents Receivable</u>	
Years ending June 30,	
2019	\$ 275,944,568
2020	273,172,734
2021	108,046,763
2022	96,556,081
2023	68,359,505
Thereafter	258,163,410
Total minimum rents receivable	<u>\$ 1,080,243,061</u>

III. DETAILED NOTES - ALL FUNDS

10. COMMITMENTS AND CONTINGENCIES (Continued)

Operating Lease Commitments (Continued)

Discretely Presented Component Units

RTC

On January 5, 2008 the RTC entered into a land lease for the Bonneville Transit Center for a monthly lease payment of \$144,069 through January 4, 2048. The following is a schedule of future minimum lease payments for operating leases as of June 30, 2018:

<u>Operating Leases Future Minimum Lease Payments</u>	
Years ending June 30,	
2019	\$ 1,805,866
2020	1,860,042
2021	1,915,844
2022	1,973,319
2023	2,062,556
Thereafter	<u>81,712,027</u>
Total minimum rents receivable	<u>\$ 91,329,654</u>

The total rent expense for fiscal year 2018 was \$1,728,824.

Litigation

There are various outstanding claims against the County for which a probability of loss exists with a cumulative amount of approximately \$2,500,000. An accrual for litigation losses has been provided in the governmental activities column. Other cases, some of which involve alleged civil rights violations, have been filed against the County. These cases are in the discovery stage and no estimate of the probability or extent of possible losses can be determined at this time.

UMC is involved in litigation and regulatory investigations arising in the ordinary course of business. UMC 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 services are rendered.

11. JOINT VENTURES

Southern Nevada Water Authority

The Water District, a component unit (see Note 1), has a joint venture with the Southern Nevada Water Authority ("SNWA"). The SNWA is a political subdivision of the State of Nevada, created on July 25, 1991, by a cooperative agreement between the Water District, the Big Bend Water District, the City of Boulder City, the City of Henderson, the City of Las Vegas, the City of North Las Vegas, and the Reclamation District (the "Members"). SNWA was created to secure additional supplies of water and effectively manage existing supplies of water on a regional basis through the cooperative action of the Members.

The SNWA is governed by a seven-member board of directors composed of one director from each member agency. The Water District is the operating agent for the SNWA; the General Manager of the Water District is the General Manager of the SNWA; and the Chief Financial Officer of the Water District is the Chief Financial Officer of the SNWA.

The SNWA has the power to periodically assess the Members directly for operating and capital costs and for the satisfaction of any liabilities imposed against the SNWA. The Water District and other members do not have an expressed claim to the resources of the SNWA except that, upon termination of the joint venture, any assets remaining after payment of all obligations shall be returned to the contributing Members.

In 1995, the SNWA approved agreements for the repayment of the cost of an additional expansion of the Southern Nevada Water System (SNWS). The agreements required contributions from purveyor members, including the Water District, benefiting from the expansion. In 1996, the Water District approved the collection of regional connection charges, regional commodity charges, and regional reliability surcharges to fund these contributions. In March 2012, a regional infrastructure charge based upon meter size was approved, which has been modified since that time to account for changing conditions.

The Water District records these charges as operating revenues, and contributions to the SNWA as operating expenses. However, to avoid a "grossing-up" effect on operating revenues and operating expenses in the Statements of Revenues, Expenses, and Changes in Net Position, revenue collected for the SNWA is offset against the related remittances to the SNWA. Any remaining balance is classified as an operating expense and adjusted in a following period. The table below show the SNWA regional charges collected for and remitted to the SNWA for the fiscal year 2018.

III. DETAILED NOTES - ALL FUNDS

11. JOINT VENTURES (Continued)

Southern Nevada Water Authority (Continued)

<u>SNWA Regional Charges Collected for and Remitted to the SNWA for Fiscal Year Ending June 30, 2018</u>	
Connection charges, net of refunds	\$ 46,415,820
Commodity and reliability charges	54,572,332
Infrastructure charges	108,194,046
Total	<u>\$ 209,182,198</u>

Audited financial reports for fiscal year 2018 can be obtained by contacting:

Chief Financial Officer
Southern Nevada Water Authority
1001 South Valley View Boulevard
Las Vegas, Nevada 89153

12. RETIREMENT SYSTEM

	<u>Net Pension Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Governmental activities			
Clark County	\$ 2,053,191,900	\$ 319,136,180	\$ 191,018,098
Business-type activities			
Clark County	202,621,462	31,533,394	17,724,019
UMC	476,011,834	81,483,542	40,511,412
Clark County Water Reclamation District	<u>56,558,019</u>	<u>10,440,542</u>	<u>3,979,582</u>
Total business-type activities	<u>735,191,315</u>	<u>123,457,478</u>	<u>62,215,013</u>
Total primary government	<u>\$ 2,788,383,215</u>	<u>\$ 442,593,658</u>	<u>\$ 253,233,111</u>

Plan Description

Public Employees Retirement System (PERS or System) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

Benefits Provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010, and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

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

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

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Plan Description (Continued)

Vesting

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with 5 years of service, or age 62 with 10 years of service, or at age 55 with 30 years of service or any age with 33 1/3 years of service. Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with twenty years of service, or at any age with twenty-five years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at 65 with five years of service, or age 60 with ten years of service, or age 50 with twenty years of service, or at any age with thirty years of service. Only service performed in a position as a police officer or firefighter may be counted towards to eligibility for retirement as Police/Fire accredited service.

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

Contributions

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

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

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

The actuary funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and result in a relatively level long-term contribution requirement as a percentage of salary. For the fiscal year ended June 30, 2018, the statutory Employer/Employee matching rate was 14.5% for Regular and 20.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 28% for Regular and 40.50% for Police/Fire.

Summary of Significant Accounting and Reporting Policies

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Basis of accounting

Employers participating in PERS cost sharing multiple-employer defined benefit plans are required to report pension information in their financial statements for fiscal periods beginning on or after June 15, 2014, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

The underlying financial information used to prepare the pension allocation schedules is based on PERS' financial statements. PERS' financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) that apply to governmental accounting for fiduciary funds.

Contributions for employer pay dates that fall within PERS' fiscal year ending June 30, 2017, are used as the basis for determining each employer's proportionate share of the collective pension amounts.

The total pension liability is calculated by PERS' actuary. The plan's fiduciary net position is reported in PERS financial statements and the net pension liability is disclosed in PERS notes to the financial statements. An annual report containing financial statements and required information for the System may be obtained by writing to PERS, 693 W. Nye Lane, Carson City, Nevada 89703-1599, or by calling (775) 687-4200.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Plan Description (Continued)

Investment Policy

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the Board adopted policy target asset allocation as of June 30, 2017:

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

As of June 30, 2017, PERS' long-term inflation assumption was 2.75%

Pension Liability

Net Pension Liability

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2017.

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the PERS as of June 30, 2017 and Clark County's proportionate share of the net pension liability of PERS as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1- percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)		Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)		
PERS Net Pension Liability	\$	20,105,650,986	\$	13,299,844,084	\$	7,647,514,916
Clark County proportionate share of PERS Net Pension Liability	\$	3,410,159,988	\$	2,255,813,362	\$	1,297,110,419

(1) The Clark County proportionate share of the PERS net pension liability (discounted at 7.50% above) includes \$1,148,288,738 for Las Vegas Metropolitan Police County (LVMPD). LVMPD is jointly funded by the County and the City of Las Vegas. The City currently funds 36.3 percent of the LVMPD. The City is liable for \$329,210,318 of the Clark County proportionate share of the PERS net pension liability (discounted at 7.50% above). A receivable has been established in the government-wide statement of net position for the City's portion.

At June 30, 2018 and 2017, the County's proportionate share of the collective net pension liability was 16.96120% and 17.12305%, respectively.

Pension Plan Fiduciary Net Position

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

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Plan Description (Continued)

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.75%
Payroll Growth	5.00%, including inflation
Investment Rate of Return	7.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.25% to 9.15%, depending on service; Police/Fire: 4.55% to 13.9%, depending on service; Rates include inflation and productivity increases
Consumer Price Index	2.75%
Other assumptions	Same as those used in the June 30, 2017 funding actuarial valuation

Actuarial assumptions used in the June 30, 2017 valuation were based on the results of the experience review completed in 2017. The discount rate used to measure the total pension liability was 7.50% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2017, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

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

Clark County

As of June 30, 2018, the total employer pension expense is \$ 162,614,670. At June 30, 2017, the measurement date, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (1)	\$ -	\$ 148,026,967
Net difference between projected and actual earnings on investments	14,646,598	-
Changes of assumptions	149,651,747	-
Changes in proportion and differences between actual contributions and proportionate share of contributions (1)	25,189,385	60,715,150
Contributions to PERS after measurement date	161,181,844	-
Total	<u>\$ 350,669,574</u>	<u>\$ 208,742,117</u>

(1) Average expected remaining service lives: 6.39 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$161,181,844 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June 30:	
2019	\$ (47,411,882)
2020	45,410,088
2021	6,566,273
2022	(44,471,399)
2023	13,311,986
Thereafter	7,340,547

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

University Medical Center

Pension Liability Discount Rate Sensitivity

The following presents University Medical Center's proportionate share of the net pension liability of PERS as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1- percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Proportionate share of PERS Net Pension Liability	\$ 719,596,995	\$ 476,011,834	\$ 273,710,548

At June 30, 2018 and 2017, University Medical Center's proportionate share of the collective net pension liability was 3.57908% and 3.48522%, respectively.

As of June 30, 2018, the total employer pension expense is \$35,039,641. At June 30, 2017, the measurement date, University Medical Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (1)	\$ -	\$ 31,236,001
Net difference between projected and actual earnings on pension plan investments	3,090,661	-
Changes of assumptions or other inputs	31,578,855	-
Changes in proportion and differences between employer contributions and proportionate share of contributions (1)	11,787,301	9,275,411
UMC contributions subsequent to the measurement date	35,026,725	-
Total	<u>\$ 81,483,542</u>	<u>\$ 40,511,412</u>

(1) Average expected remaining service lives: 6.39 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$35,026,725 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June 30:	
2019	\$ (8,909,179)
2020	10,677,706
2021	2,481,054
2022	(6,978,063)
2023	6,099,752
Thereafter	2,574,135

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Clark County Water Reclamation District

Pension Liability Discount Rate Sensitivity

The following presents Water Reclamation District's proportionate share of the net pension liability of PERS as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1- percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Proportionate share of PERS Net Pension Liability	\$ 85,499,933	\$ 56,558,019	\$ 32,521,306

At June 30, 2018 and 2017, the Water Reclamation District's proportionate share of the collective net pension liability was .42525% and .4277%, respectively.

As of June 30, 2018, the total employer pension expense is \$4,712,135. At June 30, 2017, the measurement date, the Water Reclamation District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (1)	\$ -	\$ 3,711,350
Net difference between projected and actual earnings on pension plan investments	367,222	-
Changes of assumptions or other inputs	3,752,086	-
Changes in proportion and differences between employer contributions and proportionate share of contributions (1)	2,321,403	268,232
Contributions subsequent to the measurement date	3,999,831	-
	<u>\$ 10,440,542</u>	<u>\$ 3,979,582</u>

(1) Average expected remaining service lives: 6.39 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$3,999,831 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June 30:	
2019	\$ (6,118,871)
2020	7,920,926
2021	2,045,601
2022	(5,577,432)
2023	2,883,972
Thereafter	1,306,933

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units

Flood Control District

Pension Liability Discount Rate Sensitivity

The following presents Flood Control District's proportionate share of the net pension liability of PERS as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1- percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Proportionate share of PERS Net Pension Liability	\$ 6,624,844	\$ 4,382,337	\$ 2,519,868

At June 30, 2018 and 2017, the Flood Control District's proportionate share of the collective net pension liability was .03295% and .03441%, respectively.

As of June 30, 2018, the total employer pension expense is \$320,817. At June 30, 2017, the measurement date, the Flood Control District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (1)	\$ -	\$ 287,570
Net difference between projected and actual earnings on investments	28,484	-
Changes of assumptions or other inputs	290,726	-
Changes in proportion and differences between actual contributions and proportionate share of contributions (1)	52,795	95,769
RFCD contributions subsequent to the measurement date	319,279	-
	<u>\$ 691,284</u>	<u>\$ 383,339</u>

(1) Average expected remaining service lives: 6.39 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$319,279 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June 30:	
2019	\$ (82,846)
2020	100,169
2021	21,747
2022	(85,809)
2023	24,013
Thereafter	11,392

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

RTC

Pension Liability Discount Rate Sensitivity

The following presents RTC's proportionate share of the net pension liability of PERS as of June 30, 2017, calculated using the discount rate of 7.50%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is 1- percentage-point lower (6.50%) or 1- percentage-point higher (8.50%) than the current discount rate:

	1% Decrease in Discount Rate (6.50%)	Discount Rate (7.50%)	1% Increase in Discount Rate (8.50%)
Proportionate share of PERS Net Pension Liability	\$ 70,960,885	\$ 46,940,485	\$ 26,991,139

At June 30, 2018 and 2017, RTC's proportionate share of the collective net pension liability was .35294% and .33874%, respectively.

As of June 30, 2018, the total employer pension expense is \$4,482,771. At June 30, 2017, the measurement date, RTC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience (1)	\$ -	\$ 3,080,245
Net difference between projected and actual earnings on investments	304,776	-
Changes of assumptions or other inputs	3,114,054	-
Changes in proportion and differences between actual contributions and proportionate share of contributions (1)	4,385,792	-
RTC contributions subsequent to the measurement date	3,225,973	-
	<u>\$ 11,030,595</u>	<u>\$ 3,080,245</u>

(1) Average expected remaining service lives: 6.39 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling \$3,225,973 will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to pension will be recognized in pension expense as follows:

Fiscal year ending June	
2019	\$ 158,120
2020	2,089,622
2021	1,267,217
2022	50,658
2023	863,797
Thereafter	294,963

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan

Plan Description

The Water District contributes to the Las Vegas Valley Water District Pension Plan (the "Plan"), a single-employer defined benefit pension trust fund established by the Water District to provide pension benefits solely for the employees of the Water District. A Board of Trustees, comprised of the Water District's Board, has the authority to establish and amend the benefit provisions of the Plan and the contribution requirements of the Water District and the employees. Employee contributions are not required or permitted, except under certain conditions in which employees may purchase additional years of service for eligibility and increased benefits. During fiscal year 2018 employee contributions for this purpose was \$0.6 million.

The Plan was amended effective February 15, 2005, to provide the following: (1) Increase the annual service credit of 2 percent to 2.17 percent for years of service after July 1, 2001 (service credit is the accumulation of pension plan years while an employee was in paid status at the Water District.); (2) Change the benefit formula to increase the calculation of highest average pay by 50 percent of the employer contribution rate charged by Nevada PERS to employers who pay the full contribution rate, as prescribed in the Nevada Revised Statutes; (3) Add shift differential and standby pay to the total compensation counted toward the pension benefit.

Other than cost of living adjustments, the Plan does not provide ad hoc post-retirement benefit increases nor does it administer post-employment healthcare plans. The Plan does not issue a stand-alone financial report.

All Water District employees are eligible to participate in the Plan after attaining age 20 and completing six months of employment. Subject to a maximum pension benefit, normally 60 percent of average monthly compensation, Water District employees who retire at age 65 are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 percent of their average monthly compensation multiplied by the years of service prior to July 1, 2001, and 2.17 percent of their average monthly compensation multiplied for the years of service after July 1, 2001. For the purpose of calculating the pension benefit, average monthly compensation means the average of a member's 36 consecutive months of highest compensation, after excluding certain elements, increased by 50 percent of the employer contribution rate charged by Nevada PERS to employers who pay the full contribution rate that is in effect for the 36 consecutive months of highest compensation, while participating in the Plan.

For participants in the plan prior to January 1, 2001, benefits start to vest after three years of service with a 20 percent vested interest; after four years of service, 40 percent; and after five years of service, 100 percent. New participants after January 1, 2001, start to vest at 5 years of service, at which time they are vested 100 percent. The Plan also provides for early retirement and pre-retirement death benefits. The Plan is not subject to the Employee Retirement Income Security Act (ERISA) of 1974, but is operated consistent with ERISA fiduciary requirements.

For employees on or after January 1, 2001, benefits are increased after retirement by cost of living adjustments that become effective on the first month following the anniversary of benefit commencement according to the following schedule:

<u>Schedule of Benefit Increases - Employees hired on or after January 2, 2001</u>	
0.0%	following the 1 st , 2 nd and 3 rd anniversaries
2.0%	following the 4 th , 5 th and 6 th anniversaries
3.0%	following the 7 th , 8 th and 9 th anniversaries
3.5%	following the 10 th , 11 th and 12 th anniversaries
4.0%	following the 13 th and 14 th anniversaries
5.0%	following each anniversary thereafter

However, if the benefit amount at the time of an increase is at least or equal to the original benefit amount multiplied by cumulative inflation since retirement, as measured by the increase in the Consumer Price Index (All Items), then the increase cannot exceed the average rate of inflation for the three preceding years.

The Water District contributes amounts actuarially determined necessary to fund the Plan in order to pay benefits when due and to provide an allowance sufficient to finance the administrative costs of the Plan. Contributions cannot revert to or be revocable by the Water District or be used for any purpose other than the exclusive benefit of the participants.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

A. Plan Description (Continued)

At June 30, 2018, participants in the Plan consisted of the following:

<u>Plan Participants as of June 30, 2018</u>	
	<u>2018</u>
Participant Count	
Retirees in pay status with unpurchased benefits	302
Terminated employees not yet receiving benefits	377
Retirees paid monthly from plan	334
Active employees	
fully vested	970
non-vested	170
Total active employees	<u>1,140</u>
Total participants	<u>2,153</u>

B. Basis of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Employer contributions are recognized when due. Participants do not make contributions except voluntarily under certain conditions to purchase additional years of service. Participant contributions are non-refundable.

C. Allocated Insurance Contracts

Through December 31, 2013, benefit obligations were recognized and paid when due by purchasing annuity contracts from a life insurance company rated A++ by A.M. Best rating company. Beginning January 1, 2014, benefit obligations are paid by the Plan through a large multi-national bank. Cost of living adjustments for benefit obligations that were initially paid by purchasing annuity contracts from a life insurance company continue to be paid by purchasing additional annuity contracts from a life insurance company. The costs to purchase annuity contracts from a life insurance company for benefit obligations or cost of living adjustments was \$3.8 million the year ended June 30, 2018. The obligation for the payment of benefits covered by these annuity contracts have been transferred to a life insurance company and are excluded from the Plan assets.

D. Method Used to Value Investments

The domestic equity, international equity, domestic bond, global real estate investment trust (REIT) and money market accounts are stated at fair value, measured by the underlying market value as reported by the managing institutions. Investments at contract value are insurance contracts and pooled accounts, stated at contract value as determined by the insurance companies in accordance with the terms of the contracts.

E. Actuarially Determined Contribution

The Water District's policy is to pay the current year's actuarially determined contribution when due. This amount was \$35.8 million for the year ended June 30, 2018. The District also contributed \$1.2 million in excess of the actuarially determined contribution for the year ended June 30, 2018.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

F. Net Pension Liability

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based upon the discount rate and actuarial assumptions listed below. The total pension liability was then projected forward to the measurement date taking into account any significant changes between the valuation date and the fiscal year end. The liabilities are calculated using a discount rate that is a blend of the expected investment rate of return and a high quality bond index rate. The expected investment rate of return applies for as long as the Plan assets (including future contributions) are projected to be sufficient to make the projected benefit payments. If Plan assets are projected to be depleted at some point in the future, the rate of return of a high quality bond index is used for the period after the depletion date. The disclosures below exclude assets and liabilities held with a life insurance company, which provides benefits for retirees or their beneficiaries whose benefits were purchased with annuity contracts from the life insurance company.

Net Pension Liability Components	
	June 30, 2018
Total pension liability	\$ 666,168,809
Fiduciary net position	460,096,344
Net pension liability	\$ 206,072,465
Fiduciary net position as a % of total pension liability	69.07%
Covered payroll	\$ 120,874,059
Net pension liability as a % of covered payroll	170.49%
Valuation date	June 30, 2017
Measurement date	June 30, 2018
GASB No. 67 reporting date	June 30, 2018
Depletion date	None
Discount rate	6.75%
Expected rate of return, net of investment expenses	6.75%
Municipal bond rate	N/A

If the assets and liabilities for retirees or their beneficiaries whose benefits were purchased with annuity contracts from a life insurance company were included with the Plan assets:

	June 30, 2018
Fiduciary net position as a % of total pension liability	75.38%

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) and 1 percentage point higher (7.75%) than the current rate.

Discount Rate Sensitivity as of June 30, 2018			
	1% Decrease in Discount Rate 5.75%	Discount Rate 6.75%	1% Increase In Discount Rate 7.75%
Total Pension Liability	\$ 770,576,935	\$ 666,168,809	\$ 579,666,410
Fiduciary Net Position	460,096,344	460,096,344	460,096,344
Net Pension Liability	\$ 310,480,591	\$ 206,072,465	\$ 119,570,066

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

H. Actuarial Assumptions

Actuarial cost method	Entry age.
Amortization method	20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016. In prior years, 30-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2009.
Remaining amortization period	Bases established between July 1, 2016 and July 1, 2017 have remaining amortization periods ranging from 18 to 19 years. Bases established between July 1, 2009 and July 1, 2015 have remaining amortization periods ranging from 21 to 27 years.
Inflation	2.75% per year.
Salary increases	4.75% per year, including inflation.
Investment rate of return	6.75%, net of pension plan investment expenses, including inflation.
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service, or 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	Future mortality follows the RP-2000 Combined Healthy/Disabled mortality table projected to 2015 using Scale AA.

I. Changes in Net Pension Liability

	Total Pension Liability	Fiscal Year Ending June 30, 2018 Increase/Decrease Plan Fiduciary Net Position	Net Pension Liability
Balance as of June 30, 2017	\$ 583,905,760	\$ 396,658,965	\$ 187,246,795
Service Cost	20,249,802	-	20,249,802
Interest on the Total Pension Liability	42,648,094	-	42,648,094
Changes in Benefit Terms	-	-	-
Differences between Actual and Expected Experience with regard to Economic or Demographic Factors	(6,502,587)	-	(6,502,587)
Changes of Assumptions	42,821,654	-	42,821,654
Contributions from Employer	-	37,000,000	(37,000,000)
Purchase of Service Payments	635,292	635,292	-
Net Investment Income	-	43,789,984	(43,789,984)
Benefit Payments	(17,589,206)	(17,589,206)	-
Administration Expense	-	(398,691)	398,691
Total Changes	82,263,049	63,437,379	18,825,670
Balance as of June 30, 2018	\$ 666,168,809	\$ 460,096,344	\$ 206,072,465

J. Changes in Actuarial Assumptions

For the fiscal year ending June 30, 2018, amounts reported as changes of assumptions resulted from lowering the discount rate to 6.75% from 7.25% as of June 30, 2018.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

K. Pension Expense

Total employer pension expense was \$39.9 million for the fiscal year ended June 30, 2018

L. Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the District reported the following deferred inflows of resources and deferred outflows of resources related to pensions:

<u>As of June 30, 2018</u>		
	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between Expected and Actual Experience	\$ (8,604,246)	\$ 6,634,564
Changes of Assumptions	-	41,895,512
Net Difference between Projected and Actual Earnings	(17,465,847)	-
Contributions Made Subsequent to Measure Date	-	-
Total	\$ (26,070,093)	\$ 48,530,076

Amounts currently reported as deferred inflows of resources and deferred outflows of resources related to pensions will be recognized as follows:

<u>Fiscal year ending June 30:</u>	<u>Recognized Deferred Inflows/Outflows</u>
2019	\$ 4,926,247
2020	3,517,213
2021	(296,782)
2022	4,795,106
2023	6,216,466
Thereafter	3,301,733

M. Investment Rate of Return

<u>Investment Rate of Return as of June 30, 2018</u>		
<u>Asset Class</u>	<u>Expected Nominal Return</u>	<u>Target Asset Allocation</u>
Large Cap U.S. Equities	7.29%	38%
Small/Mid Cap U.S. Equities	8.39%	16%
International Equities	8.55%	15%
Core Fixed Income	5.25%	22%
High Yield Bonds	8.22%	6%
REITs	8.59%	3%
Expected Average Return (1 year)		7.30%
Expected Geometric Average Return (75 years)		6.59%

The expected geometric average return over 75 years is less than the expected 1 year return due to expected deviations each year from the average which, due to the compounding effect, lower long term returns.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

N. Pension Investments

Management believes the Water District's pension investment policy conforms to the Water District's enabling act which requires the District to follow the "prudent person" rule, i.e., invest with discretion, care and intelligence. The investment policy does not specify credit quality ratings or maturities except that investments must be those that are allowed by law and those that the investment managers are trained and competent to handle.

To diversify investment risk, the Water District's investment policy currently limits pension plan investments as follows:

<u>Pension Plan investment Limits</u>		
<u>Investment Type</u>	<u>Percent of Portfolio</u>	
Cash and Cash Equivalents	2%	+/- 2%
Fixed-Income Securities	27%	+/- 10%
Equity Securities	68%	+/- 10%
Global REIT	3%	+/- 3%

O. Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

P. Financial Statements

Las Vegas Valley Water District Pension Plan Statement of Net Position June 30, 2018	
<u>Assets</u>	
Cash and Investments:	
With a fiscal agent	
Money market funds	\$ 2,015,501
Insurance account and contracts	3,241,202
Domestic equity funds	261,942,779
Domestic bond funds	112,355,264
International equity fund	66,753,459
Global REIT	13,835,014
Interest receivable	48,343
Total assets	<u>\$ 460,191,562</u>
<u>Liabilities</u>	
Accounts payable	<u>95,218</u>
<u>Net Position</u>	
Held in trust for pension benefits	<u>460,096,344</u>
Total Liabilities and Net Position	<u>\$ 460,191,562</u>

Las Vegas Valley Water District Pension Plan Statement of Changes in Net Position For the Fiscal Year Ended June 30, 2018	
<u>Additions:</u>	
Contributions:	
Contributions from employer	\$ 37,000,000
Contributions from employees	635,292
Total contributions	<u>37,635,292</u>
Investment earnings	
Interest	202,869
Net increase in fair value of investments	<u>43,751,867</u>
Total investment earnings	43,954,736
Less investment expenses	<u>(164,752)</u>
Net investment earnings	<u>43,789,984</u>
Total additions	<u>81,425,276</u>
<u>Deductions:</u>	
General and administrative	398,691
Benefit payments	<u>17,589,206</u>
Total deductions	<u>17,987,897</u>
Change in net position	63,437,379
<u>Net Position:</u>	
Beginning of year	<u>396,658,965</u>
End of year	<u>\$ 460,096,344</u>

III. DETAILED NOTES - ALL FUNDS

12. RETIREMENT SYSTEM (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District Retirement Plan (Continued)

Q. Fair Value Measurement

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan had the following recurring fair value measurements as of June 30, 2018.

	June 30, 2018	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Other Unobservable Inputs
		(Level 1)	(Level 2)	(Level 3)
Money Market Fund	\$ 2,015,501	\$ 2,015,501	\$ -	\$ -
U.S. Equities Securities Funds	261,942,779	261,942,779	-	-
International Equities Securities Funds	66,753,459	66,753,459	-	-
U.S. Fixed Income Securities Fund	84,742,197	84,742,197	-	-
High Yield Fixed Income Securities Fund	27,613,067	27,613,067	-	-
Global REIT Fund	13,835,014	13,835,014	-	-
Insurance Contracts	3,241,202	-	3,241,202	-
Totals	\$ 460,143,219	\$ 456,902,017	\$ 3,241,202	\$ -

13. RELATED PARTY TRANSACTIONS

The County transfers sales, fuel, and various other taxes and fees deposited in the Master Transportation Plan special revenue fund to the RTC, a discretely presented component unit. Transfers during the fiscal year ended June 30, 2018, totaled \$310,518,171. The balance payable from the Master Transportation Plan fund to the RTC as of June 30, 2018, was \$60,167,519.

The County is reimbursed by the RTC for construction and maintenance of transportation projects. At June 30, 2018, the County had open interlocal contracts totaling \$234,730,150. Of those contracts, \$133,598,819 was spent, and there remain outstanding contract balances totaling \$101,131,331. Reimbursements during the fiscal year ended June 30, 2018 totaled \$32,735,159. The balance receivable from the RTC to the County as of June 30, 2018 was \$1,104,734.

The County is reimbursed by the RFCD for construction and maintenance of flood control projects. At June 30, 2018, the County had open interlocal contracts totaling \$193,218,108. Of those contracts, \$170,545,376 was spent, and there remain outstanding contract balances totaling \$22,672,732. Reimbursements during the fiscal year ended June 30, 2018 totaled \$18,887,095. The balance receivable from the RFCD to the County as of June 30, 2018 was \$482,984.

Las Vegas Valley Water District

The Las Vegas Valley Water District is a member of the Southern Nevada Water Authority ("SNWA") (see Note 11). Besides being a member of the SNWA, the Water District is its operating agent. Beginning in fiscal year 2009, the SNWA advanced funds to the Water District for expenditures to be made on its behalf. The Water District credits the SNWA interest on a monthly average advance balance at the Water District's current investment earnings rates. The SNWA owed the Water District \$10,022,590 at June 30, 2018 for expenditures made on its behalf in excess of advanced funds, which the District recorded as a current receivable.

The Water District has allocated to and recorded receivable balances from SNWA of \$75,697,899 for net pension liability and \$14,917,015 for postemployment benefits other than pensions for Water District employees devoted to SNWA operations.

As of June 30, 2018 the Water District recorded a receivable balance of \$1,923,620,000 from SNWA for outstanding general obligation bonds whose proceeds were delivered to SNWA to finance water projects and refund existing debt. The Water District also recorded receivable balance of \$8,238,006 from SNWA for accrued interest related to these general obligation bonds.

As of June 30, 2018 the Water District recorded a receivable balance of \$400,000,000 from SNWA for outstanding general obligation commercial paper notes whose proceeds were delivered to SNWA to fund the SNWA's capital expenditures, to purchase a 25% interest in the Silverhawk power plant and purchase water resources.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB)

Clark County contributes to seven different defined benefit OPEB Plans as described below. At June 30, 2018, the County reported aggregate amounts related to OPEB for all plans to which it contributes.

	<u>Net OPEB Liability</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Governmental activities			
Clark County Self-Funded OPEB Trust	\$ 355,085,013	\$ 5,784,377	\$ 60,079,538
LVMPD OPEB Trust	72,269,920	8,000,000	185,470
PEBP	45,139,832	1,787,383	-
Fire Plan	81,035,000	-	3,421,000
Clark County Retiree Health Program Plan	48,354,229	1,112,246	3,808,646
Total governmental activities	601,883,994	16,684,006	67,494,654
Business-Type activities			
Clark County Self-Funded OPEB Trust	68,126,086	713,999	10,972,042
PEBP	29,788,081	1,174,680	-
Clark County Retiree Health Program Plan	13,675,549	644,792	879,937
UMC Retiree Health Program Plan	252,674,005	3,229,599	31,249,305
CCWRD Retiree Health Program Plan	36,723,630	558,320	4,327,511
Total business-type activities	400,987,351	6,321,390	47,428,795
Total Primary Government	\$ 1,002,871,345	\$ 23,005,396	\$ 114,923,449

OPEB Plans Administered Through Trusts

Clark County Self-Funded (CCSF) OPEB Trust

General Information about the Other Post Employment Benefit (OPEB) Plan

Plan Description

Clark County Self-Funded (CCSF) OPEB Trust provides OPEB to all permanent full-time employees of Clark County (primary government only) enrolled in the Clark County Self-Funded Group Medical and Dental Benefit Plan. The CCSF OPEB Trust is a single-employer defined benefit OPEB plan administered by Clark County, Nevada. CCSF OPEB Trust issues a publicly available financial report. The report may be obtained at <http://www.clarkcountynv.gov/finance/comptroller/Pages/ClarkCounty,NevadaOPEBTrustFund.aspx>.

Benefits Provided

CCSF OPEB Trust provides medical, dental, vision, and prescription drug benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the County.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments	1,121
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	3,679
Total	4,800

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Clark County Self-Funded (CCSF) OPEB Trust (Continued)

Contributions

The CCSF OPEB Trust does not have contractually or statutorily required contributions. State law requires health insurance to be provided to retirees at a blended rate. For fiscal year ended June 30, 2018, the estimated implicit subsidy was \$6,015,812. Clark County can make voluntary cash contributions to the plan for purposes of prefunding obligations for past service. Clark County did not make cash contributions during the fiscal year.

Net OPEB Liability

The CCSF OPEB Trust's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total OPEB liability as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Ranges from 4.25% to 13.90% based on years of service, including inflation
Investment rate of return	4.00%
Healthcare cost trend rates	7.50% decreasing to an ultimate rate of 4.50%
Retirees' share of benefit-related costs	100% of premium amounts based on years of service

Mortality rates were based on the following:

Health: RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year for females (no age set forward for males).

Disabled: RP-2000 Disabled Retiree Mortality Table, projected to 2013 with Scale AA, set forward three years.

The demographic assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2006 through June 30, 2012. Salary scale and inflation assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 through June 30, 2016.

The long-term expected rate of return on the CCSF OPEB Trust investments was based upon a description of the plan assets invested in Retirement Benefits Investment Fund (RBIF) and Clark County Treasurer Investment Pool.

Discount rate: The discount rate used to measure the total OPEB liability was 3.60%. Because the County is not fully prefunding benefits, Plan assets are expected to be sufficient to make benefit payments to current members through June 30, 2027. The projection of cash flows used to determine the discount rate assumed employer and plan member contributions will be made at the current contribution rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service cost of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan's assets were projected to be sufficient to make projected future benefit payments for current plan members through June 30, 2027. Payments after that date would be funded by employer assets. The long-term rate of expected return on Plan investments (4%) was applied to periods of projected benefit payments through June 30, 2027, and the 20-year municipal bond rate (3.58% based on Bond Buyer 20-Bond GO Index) was applied to periods after June 30, 2027 to determine Total OPEB Liability.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Clark County Self-Funded (CCSF) OPEB Trust (Continued)

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/17	\$ 549,054,069	\$ 85,004,405	\$ 464,049,664
Changes for the year:			
Service cost	32,809,016	-	32,809,016
Interest	16,699,338	-	16,699,338
Differences between expected and actual experience	(666,758)	-	(666,758)
Change in assumptions	(73,345,189)	-	(73,345,189)
Contributions- employer	-	6,015,812	(6,015,812)
Net investment income	-	10,327,440	(10,327,440)
Benefit payments	(6,015,812)	(6,015,812)	-
Administrative expense	-	(8,280)	8,280
Net Changes	<u>(30,519,405)</u>	<u>10,319,160</u>	<u>(40,838,565)</u>
Balances at 6/30/18	<u>\$ 518,534,664</u>	<u>\$ 95,323,565</u>	<u>\$ 423,211,099</u>

Changes in Assumptions: The discount rate was updated from 2.88% as of June 30, 2016 to 3.60% as of June 30, 2017. The actuarial cost method was changed from Entry age level dollar to Entry age level of percent of pay.

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the CCSF OPEB Trust as well as what the CCSF OPEB Trust's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.60%) or 1-percentage-point higher (4.60%) than the current discount rate:

	1% Decrease 2.60%	Discount Rate 3.60%	1% Increase 4.60%
CCSF OPEB Trust	\$ 529,590,757	\$ 423,211,099	\$ 339,660,392

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the CCSF OPEB Trust as well as what the CCSF OPEB Trust's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6.50% decreasing to 3.50%) or 1-percentage-point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.50%	Trend Rates Ultimate 4.50%	1% Increase Ultimate 5.50%
CCSF OPEB Trust	\$ 289,119,513	\$ 423,211,099	\$ 611,121,407

OPEB plan fiduciary net position: Detailed information about the CCSF OPEB Trust's fiduciary net position is available in the separately issued financial report.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Clark County Self-Funded (CCSF) OPEB Trust (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the County recognized OPEB expense of \$36,228,825 related to the CCSF OPEB Trust. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to the CCSF OPEB Trust from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 577,963
Changes in assumptions	-	64,173,744
Net difference between projected and actual earnings on investments	-	6,299,873
Contributions made after measurement date	6,498,376	-
Total	<u>\$ 6,498,376</u>	<u>\$ 71,051,580</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date totaling \$6,498,376 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/(inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30:	
2019	\$ (10,835,208)
2020	(10,835,208)
2021	(10,835,208)
2022	(10,835,208)
2023	(9,260,240)
Thereafter	(18,450,508)

LVMPD OPEB Trust

General Information about the Other Post Employment Benefit (OPEB) Plan

Plan Description

LVMPD OPEB Trust provides OPEB to all permanent full-time employees of the Las Vegas Metropolitan Police Department. Additionally, the LVMPD OPEB Trust subsidizes eligible retirees' contributions to the Public Employees' Benefits Plan (PEBP). The LVMPD OPEB Trust is a single-employer defined benefit OPEB plan administered by LVMPD. The LVMPD OPEB Trust issues a publicly available financial report. The report may be obtained at <http://www.lvmpd.com/en-us/Pages/LVMPD-OPEBTrustFund.aspx>.

Benefits Provided

The LVMPD OPEB Trust provides benefits to four classes of employees; Police Protective Association (PPA) employees, Police Managers & Supervisors Association (PMSA) employees, Police Protection Association Civilian Employees (PPACE), and Appointed Employees (Appointed).

LVMPD OPEB Trust provides medical, dental, vision and prescription drug benefits to eligible PPA and PMSA retirees and beneficiaries. Retirees and surviving spouses are eligible to continue coverage in the Las Vegas Metropolitan Police Department Employee Health and Welfare Trust medical plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Effective April 1, 2014, all retirees and spouses over the age of 65 are no longer covered under the Plan. Effective 2017, retirees and spouses over the age of 65 are eligible to continue coverage for dental and vision only.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

LVMPD OPEB Trust (Continued)

LVMPD OPEB Trust provides medical, dental, vision, prescription drug and life benefits to eligible PPACE retirees and beneficiaries. Retirees are eligible to continue coverage in the PPACE medical plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy.

LVMPD OPEB Trust provides medical, dental, vision, prescription drug, and life benefits to eligible Appointed retirees and beneficiaries. Retirees and beneficiaries are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy.

The LVMPD OPEB Trust pays a portion of the monthly premiums for former employees who retired and enrolled in the PEBP health plan. The subsidy is based on the retiree's years of service with the County.

Benefit provisions are established and amended through negotiations between the respective unions and the County.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments	713
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>5,171</u>
Total	<u>5,884</u>

Contributions

With the exception of the PEBP subsidies required by Nevada Revised Statutes, the LVMPD OPEB Trust does not have contractually or statutorily required contributions. State law requires health insurance to be provided to retirees at a blended rate. For fiscal year ended June 30, 2018, the estimated implicit subsidy was \$2,637,848, and cash contributions to PEBP were \$669,556. Clark County can make voluntary cash contributions to the plan for purposes of prefunding obligations for past service. Clark County made voluntary cash contributions of \$4,000,001.

Net OPEB Liability

The LVMPD OPEB Trust's net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total OPEB liability as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	Ranges from 4.30% to 14.30% based on years of service, including inflation
Investment rate of return	6.25%
Healthcare cost trend rates	6.75% decreasing to an ultimate rate of 4.25%
Retirees' share of benefit-related costs	0% to 100% premium amounts based on years of service

Mortality rates were based on RP-2014 Mortality Tables adjusted to reflect Mortality Improvement Scale MP-2017 from the 2006 base year, and projected forward on a generational basis. For the PPA and PMSA employee groups, the assumed 10% of pre-retirement mortality is due to death in the line of duty.

The demographic assumptions for PPA and PMSA employee groups were developed based on observed demographic experience from 2010 to 2016, and the salary increase assumption is based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 to June 30, 2016. The demographic and salary increase assumptions for the PPACE and Appointed employee groups are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 to June 30, 2016.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

LVMPD OPEB Trust (Continued)

The long-term expected rate of return on the LVMPD OPEB Trust investments, net of investment expenses, was based on the investment policy of the State of Nevada's Retiree Benefit Investment Fund (RBIF) where the LVMPD OPEB Trust invests its assets. The rate is based on the RBIF's investment policy summarized in the following table:

Asset Class	Asset Allocation
Foreign Developed Equity	21.00%
U.S. Fixed Income	30.00%
U.S. Large Cap Equity	49.00%

Discount rate: The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed the County's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the LVMPD OPEB Trust's fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees. Therefore, the long-term expected rate of return on the LVMPD OPEB Trust's plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/17	\$ 75,976,870	\$ 4,115,747	\$ 71,861,123
Changes for the year:			
Service cost	3,423,578	-	3,423,578
Interest	4,860,736	-	4,860,736
Contributions- employer	-	7,307,405	(7,307,405)
Net investment income	-	610,862	(610,862)
Benefit payments	(3,307,404)	(3,307,404)	-
Administrative expense	-	(42,750)	42,750
Net Change	4,976,910	4,568,113	408,797
Balances at 6/30/18	\$ 80,953,780	\$ 8,683,860	\$ 72,269,920

- (1) The County is responsible for 100% of the Net OPEB Liability for Detention Center employees covered under the plan in the amount of \$14,284,829. The remaining Net OPEB Liability of \$57,985,091 is jointly funded by the County and the City of Las Vegas. The City of Las Vegas currently funds 36.3% of the LVMPD and is liable for \$21,048,588 of the Net OPEB Liability. A receivable has been established in the government-wide statement of net position for the City's portion.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

LVMPD OPEB Trust (Continued)

Sensitivity of the net OPEB liability to changes in the discount rate: The following presents the net OPEB liability of the LVMPD OPEB Trust as well as what the LVMPD OPEB Trust's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current discount rate:

	1% Decrease in Discount Rate (5.25%)	Discount Rate (6.25%)	1% Increase in Discount Rate (7.25%)
LVMPD OPEB Trust	\$ 82,643,465	\$ 72,269,920	\$ 63,598,999

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the LVMPD OPEB Trust as well as what the LVMPD OPEB Trust's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (5.75% decreasing to 3.25%) or 1-percentage-point higher (7.75% decreasing to 5.25%) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.25%	Trend Rates Ultimate 4.25%	1% Increase Ultimate 5.25%
LVMPD OPEB Trust	\$ 62,311,304	\$ 72,269,920	\$ 84,513,039

OPEB plan fiduciary net position: Detailed information about the LVMPD OPEB Trust's fiduciary net position is available in the separately issued financial report.

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the County recognized OPEB expense of \$7,901,672 related to the LVMPD OPEB Trust. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to the LVMPD OPEB Trust from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions		-
Net difference between projected and actual earnings on investments		185,470
Contributions made after measurement date	8,000,000	
Total	<u>\$ 8,000,000</u>	<u>\$ 185,470</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date totaling \$8,000,000 will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30:	
2019	\$ (46,368)
2020	(46,368)
2021	(46,368)
2022	(46,366)
2023	-
Thereafter	-

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts

General Information about the Other Post Employment Benefit (OPEB) Plans

Plan Description

Public Employees' Benefits Plan (PEBP) is a non-trust, agent multiple-employer defined benefit OPEB plan administered by the State of Nevada. Clark County subsidizes eligible retirees' contributions to PEBP. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, County employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the County as determined by the number of years of service. The PEBP issues a publicly available financial report. The report may be obtained at <https://pebp.state.nv.us/resources/fiscal-utilization-reports/>.

Clark County Firefighters Plan (Fire Plan) provides OPEB to all permanent full-time firefighters. The Fire Plan is a non-trust, single-employer defined benefit OPEB Plan administered by the Clark County Firefighters Union Local 1908. The Clark County Firefighters Union Local 1908 issues a publicly available financial report. The report may be obtained by writing to Clark County Firefighters Union Local 1908 Security Fund, 6200 W. Charleston Boulevard, Las Vegas, NV, 89146 or calling 702-870-1908.

Clark County Retiree Health Program Plan (CC RHPP) provides OPEB to all permanent full-time employees of Clark County (primary government only) enrolled in the health maintenance organization (HMO) Plan. The plan also provides life insurance to eligible retirees of Clark County (primary government only). The CC RHPP is a non-trust, single-employer defined benefit OPEB Plan administered by Clark County.

UMC Retiree Health Program Plan (UMC RHPP) provides OPEB to all permanent full-time employees of UMC. The UMC RHPP is a non-trust single-employer defined benefit OPEB Plan administered by UMC.

CCWRD Retiree Health Program Plan (CCWRD RHPP) provides OPEB to all permanent full-time employees of CCWRD. The CCWRD RHPP is a non-trust, single-employer defined benefit OPEB Plan administered by CCWRD.

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer.

The Fire Plan provides medical, dental, vision and prescription drug benefits to eligible retirees who remain enrolled in the Clark County Firefighters Union Local 1908 Security Fund's Health & Welfare Plan. Retirees are eligible to continue coverage in the Health & Welfare Plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the union and the County.

CC RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the HMO Plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the County.

UMC RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan or HMO plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and UMC.

CCWRD RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan or HMO plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and CCWRD.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts (Continued)

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

	PEBP	Fire Plan	CC RHPP(1)	UMC RHPP	CCWRD RHPP
Inactive employees or beneficiaries currently receiving benefit payments	859	292	1,395	535	92
Inactive employees entitled to but not yet receiving benefit payments	-	-	-	-	-
Active employees	-	694	6,084	3,027	325
Total	859	986	7,479	3,562	417

(1) Includes 3,679 active employees and 1,121 retirees who receive life benefits only.

As of November 1, 2008, PEBP was closed to any new participants.

Total OPEB Liability

The PEBP, CC RHPP, UMC RHPP, and CCWRD RHPP Plan's Total OPEB liability was measured as of June 30, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total OPEB liability for the PEBP, CC RHPP, UMC RHPP, and CCWRD RHPP as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Ranges from 4.25% to 13.90% based on years of service, including inflation
Discount Rate	3.58%
Healthcare cost trend rates	7.50% decreasing to an ultimate rate of 4.50%
Retirees' share of benefit-related costs	0% to 100% premium amounts based on years of service

The discount rate was based on Bond Buyer 20-Bond GO Index.

Mortality rates were based on the following:

Health: RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year for females (no age set forward for males).

Disabled: RP-2000 Disabled Retiree Mortality Table, projected to 2013 with Scale AA, set forward three years.

The demographic assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2006 through June 30, 2012. Salary scale and inflation assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 through June 30, 2016.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts (Continued)

The Fire Plan's Total OPEB Liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of June 30, 2016.

Actuarial assumptions: The total OPEB liability for the Fire Plan as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.50%
Salary increases	Ranges from 5.25% to 14.50% based on years of service, including inflation
Discount Rate	3.87%
Healthcare cost trend rates	8.00% decreasing to an ultimate rate of 4.50%
Retirees' share of benefit-related costs	100% of premium amounts based on years of service

The discount rate was based on Bond Buyer 20-Bond GO Index.

Mortality rates were based on the following:

Health: RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set forward one year.

Disabled: RP-2000 Disabled Retiree Mortality Table, projected to 2013 with Scale AA, set forward three years.

The retirement, withdrawal, and disability assumptions are aligned with the most recent available Nevada PERS full pension valuation. The initial health care trend rates were set to be consistent with projected medical costs for the next three years and then grading to the ultimate trend assumption that is consistent with the economic assumptions underlying the discount rate. The participation election is based on the Clark County Firefighters Union Local 1908 Security Fund's assumption that all eligible participants elect coverage upon retirement.

Changes in the Total OPEB Liability

	<u>PEBP</u>	<u>Fire Plan</u>	<u>CC RHPP</u>	<u>UMC RHPP</u>	<u>CCWRD RHPP</u>
Balances at 6/30/17	\$ 83,110,653	\$ 81,418,000	\$ 62,622,618	\$ 264,930,262	\$ 38,947,630
Changes for the year:					
Service cost	-	2,703,000	3,980,478	18,335,102	2,063,444
Interest	2,342,253	2,927,000	1,900,381	8,032,804	1,162,967
Differences between expected and actual experience	224,632	-	269,445	5,259	(71,011)
Change in assumptions	(7,738,866)	(3,992,000)	(5,211,875)	(35,408,967)	(4,911,726)
Benefit payments	(3,010,759)	(2,021,000)	(1,531,269)	(3,220,455)	(467,674)
Net Changes	<u>(8,182,740)</u>	<u>(383,000)</u>	<u>(592,840)</u>	<u>(12,256,257)</u>	<u>(2,224,000)</u>
Balances at 6/30/18	<u>\$ 74,927,913</u>	<u>\$ 81,035,000</u>	<u>\$ 62,029,778</u>	<u>\$ 252,674,005</u>	<u>\$ 36,723,630</u>

Changes in Assumptions:

PEBP, CC RHPP, UMC RHPP and CCWRD RHPP: The discount rate was updated from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017. The actuarial cost method was changed from Entry age level dollar to Entry age level of percent of pay.

Fire Plan: The discount rate was updated from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the plans as well as what the plans' total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87% for Fire Plan/ 2.58% for all other plans) or 1-percentage-point higher (4.87% for Fire Plan/4.58% for all other plans) than the current discount rate:

	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
PEBP	\$ 85,947,624	\$ 74,927,913	\$ 65,935,860
CC RHPP	\$ 69,507,839	\$ 62,029,778	\$ 55,655,282
UMC RHPP	\$ 302,843,987	\$ 252,674,005	\$ 213,046,012
CCWRD RHPP	\$ 43,677,314	\$ 36,723,630	\$ 31,199,952

	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
Fire Plan	\$ 96,057,000	\$ 81,035,000	\$ 69,266,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the plans as well as what the plans' total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (7.0% decreasing to 3.50% for the Fire Plan and 6.50% decreasing to 3.50% for all other plans) or 1-percentage-point higher (9.0% decreasing to 5.50% for the Fire Plan and 8.50% decreasing to 5.50% for all other plans) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.50%	Trend Rates Ultimate 4.50%	1% Increase Ultimate 5.50%
PEBP	\$ 65,709,386	\$ 74,927,913	\$ 86,007,067
Fire Plan	\$ 66,566,000	\$ 81,035,000	\$ 99,894,000
CC RHPP	\$ 50,318,321	\$ 62,029,778	\$ 86,822,879
UMC RHPP	\$ 187,812,202	\$ 252,674,005	\$ 347,111,011
CCWRD RHPP	\$ 28,279,343	\$ 36,723,630	\$ 48,758,876

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the County recognized the following OPEB expense for plans not administered through a trust.

	PEBP	Fire Plan	CC RHPP	UMC RHPP	CCWRD RHPP
OPEB Expense	\$ (5,171,981)	\$ 5,059,000	\$ 5,312,044	\$ 22,136,166	\$ 2,571,185

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts (Continued)

At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources for OPEB plans not administered through trusts from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>PEBP</u>		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Contributions made after measurement date	2,962,063	-
Total PEBP	<u>\$ 2,962,063</u>	<u>\$ -</u>
<u>Fire Plan</u>		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	3,421,000
Contributions made after measurement date	-	-
Total Fire	<u>\$ -</u>	<u>\$ 3,421,000</u>
<u>CC RHPP</u>		
Differences between expected and actual experience	\$ 314,968	\$ 76,234
Changes in assumptions	-	4,612,349
Contributions made after measurement date	1,442,070	-
Total CC RHPP	<u>\$ 1,757,038</u>	<u>\$ 4,688,583</u>
<u>UMC RHPP</u>		
Differences between expected and actual experience	\$ 77,337	\$ 71,952
Changes in assumptions	-	31,177,353
Contributions made after measurement date	3,152,262	-
Total UMC RHPP	<u>\$ 3,229,599</u>	<u>\$ 31,249,305</u>
<u>CCWRD RHPP</u>		
Differences between expected and actual experience	\$ -	\$ 61,663
Changes in assumptions	-	4,265,848
Contributions made after measurement date	558,320	-
Total CCWRD RHPP	<u>\$ 558,320</u>	<u>\$ 4,327,511</u>

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Plans Not Administered Through Trusts (Continued)

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date totaling \$8,114,715 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Fire Plan</u>	<u>CC RHPP</u>	<u>UMC RHPP</u>	<u>CCWRD RHPP</u>
2019	\$ (571,000)	\$ (561,639)	\$ (4,231,740)	\$ (655,226)
2020	(571,000)	(561,639)	(4,231,740)	(655,226)
2021	(571,000)	(561,639)	(4,231,740)	(655,226)
2022	(571,000)	(561,639)	(4,231,740)	(655,226)
2023	(571,000)	(561,639)	(4,231,740)	(655,226)
Thereafter	(566,000)	(1,565,420)	(10,013,268)	(1,051,381)

Discretely Presented Component Units

Clark County Regional Flood Control District

General Information about the Other Post Employment Benefit (OPEB) Plans

Plan Descriptions

Public Employees' Benefits Plan (PEBP) is a non-trust, agent multiple-employer defined benefit OPEB plan administered by the State of Nevada. Clark County Regional Flood Control District (the "District") subsidizes eligible retirees' contributions to PEBP. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, County employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the County as determined by the number of years of service. The PEBP issues a publicly available financial report. The report may be obtained at <https://pebp.state.nv.us/resources/fiscal-utilization-reports/>.

Retiree Health Program Plan (RHPP) provides OPEB to all permanent full-time employees of the District. The RHPP is a non-trust single-employer defined benefit OPEB Plan administered by the District.

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer.

RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefits Plan or HMO plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the District.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

	<u>PEBP</u>	<u>RHPP</u>
Inactive employees or beneficiaries currently receiving benefit payments	3	8
Inactive employees entitled to but not yet receiving benefit payments	-	-
Active employees	-	21
Total	<u>3</u>	<u>29</u>

As of November 1, 2008, PEBP was closed to any new participants.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Clark County Regional Flood Control District (Continued)

Total OPEB Liability

The District's Total OPEB liability was measured as of June 30, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total OPEB liability for all plans as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Ranges from 4.25% to 13.90% based on years of service, including inflation
Discount Rate	3.58%
Healthcare cost trend rates	7.50% decreasing to an ultimate rate of 4.50%
Retirees' share of benefit-related costs	0% to 100% premium amounts based on years of service

The discount rate was based on Bond Buyer 20-Bond GO Index.

Mortality rates were based on the following:

Health: RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year for females (no age set forward for males).

Disabled: RP-2000 Disabled Retiree Mortality Table, projected to 2013 with Scale AA, set forward three years.

The demographic assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2006 through June 30, 2012. Salary scale and inflation assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 through June 30, 2016.

Changes in the Total OPEB Liability

	PEBP	RHPP	Total OPEB Liability
Balances at 6/30/17	\$ 157,350	\$ 2,980,962	\$ 3,138,312
Changes for the year:			
Service cost	-	133,566	133,566
Interest	4,428	88,281	92,709
Differences between expected and actual experience	(2,546)	(2,134)	(4,680)
Change in assumptions	(11,840)	(369,545)	(381,385)
Benefit payments	(4,164)	(38,224)	(42,388)
Net Changes	(14,122)	(188,056)	(202,178)
Balances at 6/30/18	\$ 143,228	\$ 2,792,906	\$ 2,936,134

Changes in Assumptions:

The discount rate was updated from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017. The actuarial cost method was changed from Entry age level dollar to Entry age level of percent of pay.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1-percentage-point higher (4.58%) than the current discount rate:

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Clark County Regional Flood Control District (Continued)

	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
PEBP	\$ 159,829	\$ 143,228	\$ 129,139
RHPP	3,315,465	2,792,906	2,374,722
Total OPEB Liability	<u>\$ 3,475,294</u>	<u>\$ 2,936,134</u>	<u>\$ 2,503,861</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6.50% decreasing to 3.50%) or 1-percentage-point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.50%	Trend Rates Ultimate 4.50%	1% Increase Ultimate 5.50%
PEBP	\$ 128,692	\$ 143,228	\$ 160,031
RHPP	2,129,517	2,792,906	3,713,946
Total OPEB Liability	<u>\$ 2,258,209</u>	<u>\$ 2,936,134</u>	<u>\$ 3,873,977</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized the following OPEB expense of \$146,478. The breakdown by plan is as follows:

PEBP	RHPP	Total All Plans
\$ (9,958)	\$ 156,436	\$ 146,478

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
PEBP		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Contributions made after measurement date	7,067	-
Total PEBP	<u>\$ 7,067</u>	<u>\$ -</u>
RHPP		
Differences between expected and actual experience	\$ -	\$ 1,756
Changes in assumptions	-	304,512
Contributions made after measurement date	44,997	-
Total RHPP	<u>\$ 44,997</u>	<u>\$ 306,268</u>
Total All Plans		
Differences between expected and actual experience	\$ -	\$ 1,756
Changes in assumptions	-	304,512
Contributions made after measurement date	52,064	-
Total All Plans	<u>\$ 52,064</u>	<u>\$ 306,268</u>

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Clark County Regional Flood Control District (Continued)

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date totaling \$52,064 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30:	
2019	\$ (45,849)
2020	(45,849)
2021	(45,849)
2022	(45,849)
2023	(45,849)
Thereafter	(77,023)

Regional Transportation Commission of Southern Nevada

General Information about the Other Post Employment Benefit (OPEB) Plans

Plan Descriptions

Public Employees' Benefits Plan (PEBP) is a non-trust, agent multiple-employer defined benefit OPEB plan administered by the State of Nevada. Regional Transportation Commission of Southern Nevada (RTC) subsidizes eligible retirees' contributions to PEBP. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, County employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the County as determined by the number of years of service. The PEBP issues a publicly available financial report. The report may be obtained at <https://pebp.state.nv.us/resources/fiscal-utilization-reports/>.

Retiree Health Program Plan (RHPP) provides OPEB to all permanent full-time employees of the RTC. The RHPP is a non-trust single-employer defined benefit OPEB Plan administered by RTC.

Benefits Provided

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer.

RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan or HMO plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the RTC.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

	PEBP	RHPP
Inactive employees or beneficiaries currently receiving benefit payments	23	19
Inactive employees entitled to but not yet receiving benefit payments	-	-
Active employees	-	298
Total	<u>23</u>	<u>317</u>

As of November 1, 2008, PEBP was closed to any new participants.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Regional Transportation Commission of Southern Nevada (Continued)

Total OPEB Liability

The RTC's Total OPEB liability was measured as of June 30, 2017, and was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total OPEB liability for all plans as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Ranges from 4.25% to 13.90% based on years of service, including inflation
Discount Rate	3.58%
Healthcare cost trend rates	7.50% decreasing to an ultimate rate of 4.50%
Retirees' share of benefit-related costs	0% to 100% premium amounts based on years of service

The discount rate was based on Bond Buyer 20-Bond GO Index

Mortality rates were based on the following:

Health: RP-2000 Combined Healthy Mortality Table, projected to 2013 with Scale AA, set back one year for females (no age set forward for males).

Disabled: RP-2000 Disabled Retiree Mortality Table, projected to 2013 with Scale AA, set forward three years.

The demographic assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2006 through June 30, 2012. Salary scale and inflation assumptions are based on the Nevada PERS Actuarial Experience Study for the period from July 1, 2012 through June 30, 2016.

Changes in the Total OPEB Liability

	<u>PEBP</u>	<u>RHPP</u>	<u>Total OPEB Liability</u>
Balances at 6/30/17	\$ 1,358,211	\$ 17,221,184	\$ 18,579,395
Changes for the year:			
Service cost	-	1,548,246	1,548,246
Interest	37,523	534,440	571,963
Differences between expected and actual experience	27,873	(82,457)	(54,584)
Change in assumptions	(107,325)	(2,389,821)	(2,497,146)
Benefit payments	(85,082)	(60,628)	(145,710)
Net Changes	<u>(127,011)</u>	<u>(450,220)</u>	<u>(577,231)</u>
Balances at 6/30/18	<u>\$ 1,231,200</u>	<u>\$ 16,770,964</u>	<u>\$ 18,002,164</u>

Changes in Assumptions:

The discount rate was updated from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017. The actuarial cost method was changed from Entry age level dollar to Entry age level of percent of pay.

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Regional Transportation Commission of Southern Nevada (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the RTC as well as what the RTC's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58%) or 1-percentage-point higher (4.58%) than the current discount rate:

	1% Decrease 2.58%	Discount Rate 3.58%	1% Increase 4.58%
PEBP	\$ 1,381,924	\$ 1,231,200	\$ 1,104,703
RHPP	20,158,159	16,770,964	14,101,269
Total OPEB Liability	<u>\$ 21,540,083</u>	<u>\$ 18,002,164</u>	<u>\$ 15,205,972</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the RTC as well as what the RTC's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6.50% decreasing to 3.50%) or 1-percentage-point higher (8.50% decreasing to 5.50%) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.50%	Trend Rates Ultimate 4.50%	1% Increase Ultimate 5.50%
PEBP	\$ 1,100,879	\$ 1,231,200	\$ 1,383,512
RHPP	12,225,425	16,770,964	23,628,765
Total OPEB Liability	<u>\$ 13,326,304</u>	<u>\$ 18,002,164</u>	<u>\$ 25,012,277</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the RTC recognized the following OPEB expense of \$ 1,791,376. The breakdown by plan is as follows:

PEBP	RHPP	Total All Plans
\$ (41,929)	\$ 1,833,305	\$ 1,791,376

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Regional Transportation Commission of Southern Nevada (Continued)

At June 30, 2018, the RTC reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
PEBP		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Contributions made after measurement date	60,753	-
Total PEBP	<u>\$ 60,753</u>	<u>\$ -</u>
RHPP		
Differences between expected and actual experience	\$ -	\$ 74,184
Changes in assumptions	-	2,148,713
Contributions made after measurement date	145,977	-
Total RHPP	<u>\$ 145,977</u>	<u>\$ 2,222,897</u>
Total All Plans		
Differences between expected and actual experience	\$ -	\$ 74,184
Changes in assumptions	-	2,148,713
Contributions made after measurement date	206,730	-
Total All Plans	<u>\$ 206,730</u>	<u>\$ 2,222,897</u>

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date totaling \$206,730 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30:	
2019	\$ (249,381)
2020	(249,381)
2021	(249,381)
2022	(249,381)
2023	(249,831)
Thereafter	(975,992)

Las Vegas Valley Water District

General Information about the Other Post Employment Benefit (OPEB) Plan

Plan Description

The Las Vegas Valley Water District (LVVWD) provides OPEB to all permanent full-time employees of the LVVWD. The OPEB plan is a non-trust single-employer defined benefit OPEB Plan administered by the LVVWD.

Benefits Provided

The OPEB plan provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Under the OPEB plan, employees who retire directly from the District are eligible to continue health benefits through Clark County, Nevada, the LVVWD's insurance provider. For retirees who retire with pension benefits unreduced for early retirement, the LVVWD pays the full premium for retirees and 85% of the premiums for their dependents until the retirees are eligible for Medicare or reach age 65. When the retirees are eligible for Medicare or at 65, the retirees may continue coverage but must pay 100% of the premium. Retirees who retire early with reduced pension benefits can stay enrolled as a participant with active employees paying 100% of a blended premium rate,

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued)

resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the LVVWD.

Employees Covered by Benefit Terms

At June 30, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefit payments	143
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	1,193
Total	<u>1,336</u>

Total OPEB Liability

The LVVWD's Total OPEB liability was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2016.

Actuarial assumptions: The total OPEB liability for all plans as of June 30, 2018 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.00%
Discount Rate	3.87%
Healthcare cost trend rates	6.75% decreasing to an ultimate rate of 4.25%
Retirees' share of benefit-related costs	Retiree with full pension benefits not eligible for Medicare or age 65-15% for dependent coverage. All other retirees pay 100% of premium amounts.

The discount rate was based on Bond Buyer 20-Bond GO Index

Mortality rates were based on RP-2000 Combined Healthy/Disabled Mortality Table, projected to 2015 using projection scale AA.

The actuarial assumptions used in the June 30, 2018 valuation were not based on a formal experience study. The actuary reviews the experience and assumptions each year and makes recommendations when a change is needed.

Changes in the Total OPEB Liability

Balance at 6/30/17	\$	45,166,019
Changes for the year:		
Service cost		2,570,819
Interest		1,670,930
Differences between expected and actual experience		-
Change in assumptions		(1,361,784)
Benefit payments		(2,144,464)
Net Changes		<u>735,501</u>
Balance at 6/30/18	\$	<u>45,901,520</u>

III. DETAILED NOTES - ALL FUNDS

14. Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Discretely Presented Component Units (Continued)

Las Vegas Valley Water District (Continued)

Changes in Assumptions:

The discount rate was updated from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the LVVWD as well as what the LVVWD's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1% Decrease 2.87%	Discount Rate 3.87%	1% Increase 4.87%
LVVWD OPEB Plan	\$ 53,022,890	\$ 45,901,520	\$ 39,841,647

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the LVVWD as well as what the LVVWD's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (5.75% decreasing to 3.25%) or 1-percentage-point higher (7.75% decreasing to 5.25%) than the current healthcare cost trend rates:

	1% Decrease Ultimate 3.25%	Trend Rates Ultimate 4.25%	1% Increase Ultimate 5.25%
LVVWD OPEB Plan	\$ 39,910,449	\$ 45,901,520	\$ 53,078,054

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the LVVWD recognized the following OPEB expense of \$4,100,000. The breakdown by plan is as follows:

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	1,231,843
Net difference between projected and actual earnings on investments	-	-
Contributions made after measurement date	-	-
Total	<u>\$ -</u>	<u>\$ 1,231,843</u>

Amounts reported as deferred outflows/ (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30:	
2019	\$ (129,941)
2020	(129,941)
2021	(129,941)
2022	(129,941)
2023	(129,941)
Thereafter	(582,138)

III. DETAILED NOTES - ALL FUNDS

15. SUBSEQUENT EVENTS

Primary Government

On October 16, 2018, the County issued \$1,803,030 in Special Improvement District No. 162A (Laughlin Lagoon) Local Improvement Bonds with an interest rate of 6.93%. Additionally, \$1,611,465 was received in prepayments. The proceeds totaled \$3,414,495. The proceeds are being used to: (i) finance the cost of improving a waterfront project; and (ii) pay the costs of issuing the Bonds. The bonds will be repaid from assessments levied in SID 162A. Principal and Interest is paid semiannually beginning February 1, 2019. The bonds mature on August 1, 2028.

On November 1, 2018, the County issued \$25,000,000 in Subordinate Revenue Notes, Series 2018A (Regional Justice Center) with an interest rate of 2.75%. The note proceeds totaled \$25,000,000. The proceeds are being used to purchase the City's leasehold space in the Regional Justice Center to accommodate additional County courtroom facilities and related support offices as well as necessary tenant improvements. These notes are an interim financing method and will be refinanced with long-term 20-year General Obligation (Limited Tax) Bonds additionally secured by court administrative assessment fees in the spring of 2019. Interest is paid on February 1, 2019 and August 1, 2019. The note matures and the principal will be paid on August 1, 2019.

On November 20, 2018, the County issued \$150,000,000 in General Obligation (Limited Tax) Park Improvement Bonds (Additionally Secured by Pledged Revenues) Series 2018. The bond proceeds totaled \$166,409,119. The proceeds of the bonds will be used to acquire, improve, equip, operate and maintain park projects and pay the costs of issuing the 2018 Bonds. The long-term bonds will be repaid by consolidated tax revenues. Interest payments are paid semiannually on December 1 and June 1 beginning December 1, 2019 with an interest rate ranging from 4.0% to 5.0%. Principal payments will be paid annually beginning December 1, 2020. The bonds mature on December 1, 2038.

On November 20, 2018, the County issued \$272,565,000 in General Obligation (Limited Tax) Transportation Improvement Bonds (Additionally Secured by Pledged Revenues) Series 2018B (Strip Resort Corridor). The bond proceeds totaled \$301,216,997. The proceeds of the bonds will be used to accelerate the construction of transportation projects and pay the costs of issuing the 2018B Bonds. Projects include but are not limited to pedestrian bridges and improvements to roadways in the Strip Resort Corridor. The long-term bonds will be repaid by proceeds from a 1 % room tax collected on the gross receipts from the rental of transient lodging (hotel/motel rooms) in the Strip Resort Corridor. Interest payments are paid semiannually on December 1 and June 1 beginning June 1, 2019 with an interest rate ranging from 4.0% to 5.0%. Principal payments will be paid annually beginning December 1, 2020. The bonds mature on December 1, 2039.

On December 19, 2018, the County issued \$215,170,000 in Subordinate Revenue Notes, Series 2018B (Detention Center) with an interest rate of 2.7855%. The note proceeds totaled \$215,170,000. The proceeds are being used to purchase the Detention Leased Property that is being used for the operation of a low level offender facility and administrative offices located at 4900 North Sloan Lane that the County entered in to a long-term lease agreement with PH Metro, LLC for the lease of approximately 15.3 acres of land with a 230,834 square foot correctional, administrative building, and related facilities in September 2007, and pay the costs of issuing the 2018B notes. The term of the lease commenced on August 10, 2009. Clark County had the option to purchase the Detention Leased Property beginning ten years after the recordation of the deed of trust for the landlord's permanent loan and exercised its purchase option. These notes are an interim financing method and will be refinanced with long-term General Obligation Bonds additionally secured by pledged consolidated tax revenues in 2019. Interest payments are paid monthly beginning February 1, 2019 at an interest rate of 2.7855% per annum. The notes mature on August 1, 2019.

On December 19, 2018, the County issued \$60,000,000 in Subordinate Revenue Notes, Series 2018C (Family Services Building) Drawdown-Line of Credit. The note proceeds totaled \$127,066. The proceeds are being used to pay the costs of issuing the 2018C notes. The 2018C notes are being issued for the purpose of providing moneys to finance all or a portion of the cost of acquiring, improving, and equipping of building(s) for use by the Department of Family Services. These notes are an interim financing method and will be refinanced with long-term General Obligation Bonds additionally secured by pledged consolidated tax revenues in 2019. Interest payments are paid monthly beginning February 1, 2019 at an interest rate of 80% of the 1-month LIBOR Index plus 0.28%. The notes mature on December 18, 2019.

The County intends to issue General Obligation (Limited Tax) Transportation Improvement Bonds (Additionally Secured by Pledged Revenues) in an amount not to exceed \$300,000,000 for the purpose of financing costs to acquire, improve, equip, operate and maintain transportation projects. The long-term bonds will be general obligations of the County, and will be additionally secured and paid from Master Transportation Plan revenues which include the Governmental Services Tax, Development Tax, and Non-Resort Corridor Room Tax (Beltway Pledged Revenues).

The County intends to issue General Obligation (Limited Tax) (Additionally Secured with Pledged Revenues) Transportation Refunding Bonds in an amount not to exceed \$32,555,000 for the purpose of refunding a portion of the General Obligation (Limited Tax) Transportation Bonds (Additionally Secured with Pledged Revenues) Series 2009B-1 (Taxable Direct Pay Build America Bonds) (the Series "2009B Bonds") for interest rate savings. The proceeds of the Series 2009B Bonds were originally used to finance transportation improvement projects.

Regional Flood Control District

On August 9, 2018, the Regional Flood Control District's Board of Directors adopted a resolution requesting the Board of County Commissioners to issue general obligation bonds on behalf of the District in the maximum principal amount of no more than \$200 million. The proceeds will be used to accelerate the construction of flood control projects identified on the District's Ten-Year Construction Program. Projects include detention basins, storm drains, and open channels located throughout Clark County that are identified in the

III. DETAILED NOTES - ALL FUNDS

15. SUBSEQUENT EVENTS (Continued)

Master Plans and will improve the protection of life and property for residents and visitors from the impacts of flooding. The estimated Series 2019 Bond sale and closing is expected in March 2019.

16. TAX ABATEMENTS

State of Nevada Tax Abatements

For year ended June 30, 2018, Clark County tax revenues were reduced by a total of \$2,310,669 under agreements entered into by the State of Nevada that include the following:

- Aviation (NRS 360.753) - Partial abatement of one or more of personal property and local sales and use taxes imposed on aircraft, components of aircraft and other personal property used for certain purposes related to aircraft.
- Data Centers (NRS 360.754) - Partial abatement of one or more of property and local sales and use taxes imposed on a new or expanded data center.
- Renewable Energy (NRS 701A.370) - Partial abatement of one or more of property and local sales and use taxes imposed on renewable energy facilities.
- Standard (NRS 374.357) - Partial abatement of sales and use taxes imposed on eligible machinery or equipment used by certain new or expanded businesses.

The total amounts abated by agreement for Clark County for the year ended June 30, 2018 were as follows:

Agreement	Tax Abated	<u>Amount Abated</u>
Aviation (NRS 360.753)	Personal property taxes and/or sales and use taxes	\$ 97,682
Data Centers (NRS 360.754)	Property taxes and/or sales and use taxes	1,234,888
Renewable Energy (NRS 701A.370)	Property taxes and/or sales and use taxes	150,709
Standard (NRS 374.357)	Sales and use taxes	<u>827,390</u>
Total		<u>\$ 2,310,669</u>

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Clark County, Nevada
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018
(With comparative actual for the fiscal year ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Taxes	\$ 294,758,278	\$ 294,758,278	\$ 300,332,076	\$ 5,573,798	\$ 285,435,529
Licenses and permits	241,250,000	241,250,000	256,037,387	14,787,387	243,939,925
Intergovernmental revenue	371,998,250	371,998,250	390,653,271	18,655,021	370,315,892
Charges for services	73,012,870	73,012,870	85,639,336	12,626,466	80,451,572
Fines and forfeitures	20,020,000	20,020,000	19,284,190	(735,810)	21,581,972
Interest	1,000,000	1,000,000	232,252	(767,748)	102,754
Other	2,000,000	2,000,000	4,338,047	2,338,047	1,833,933
Total revenues	1,004,039,398	1,004,039,398	1,056,516,559	52,477,161	1,003,661,577
Other Financing Sources					
Transfers from other funds	311,927,597	311,927,597	311,900,670	(26,927)	302,894,202
Total revenues and other financing sources	1,315,966,995	1,315,966,995	1,368,417,229	52,450,234	1,306,555,779
Expenditures					
General government	128,329,874	126,384,268	120,020,336	(6,363,932)	117,413,448
Judicial	167,958,296	162,445,297	156,186,568	(6,258,729)	152,108,786
Public safety	227,894,577	225,709,131	223,369,009	(2,340,122)	217,689,242
Public works	12,313,575	11,917,575	10,889,609	(1,027,966)	11,302,394
Health	38,450,816	26,931,328	26,138,153	(793,175)	31,731,021
Welfare	78,047,356	77,431,356	70,907,077	(6,524,279)	59,762,973
Culture and recreation	10,697,773	10,303,429	9,700,778	(602,651)	9,741,510
Other general expenditures	127,933,943	134,898,636	118,605,043	(16,293,593)	110,768,587
Total expenditures	791,626,210	776,021,020	735,816,573	(40,204,447)	710,517,961
Other Financing Uses					
Transfers to other funds	536,823,288	606,246,639	604,236,288	(2,010,351)	595,237,085
Total expenditures and other financing uses	1,328,449,498	1,382,267,659	1,340,052,861	(42,214,798)	1,305,755,046
Net change in fund balance	(12,482,503)	(66,300,664)	28,364,368	94,665,032	800,733
Fund Balance					
Beginning of year	145,361,434	199,179,595	199,179,595	-	198,378,862
End of year	\$ 132,878,931	\$ 132,878,931	\$ 227,543,963	\$ 94,665,032	\$ 199,179,595

See notes to Required Supplementary Information.

Clark County, Nevada
Reconciliation of General Fund (Budgetary Basis) to General Fund (Modified Accrual Basis)
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2018

	General Fund Budgetary Basis	Internally Reported Special Revenue Funds	Eliminations	General Fund Modified Accrual Basis
Revenues				
Taxes	\$ 300,332,076	\$ 189,653,871	\$ -	\$ 489,985,947
Licenses and permits	256,037,387	31,265,852	-	287,303,239
Intergovernmental revenue				
Consolidated tax	385,495,565	187,973,724	-	573,469,289
Other	5,157,706	385,339,608	-	390,497,314
Charges for services	85,639,336	16,715,868	-	102,355,204
Fines and forfeitures	19,284,190	-	-	19,284,190
Interest	232,252	851,300	-	1,083,552
Other	4,338,047	15,557,598	-	19,895,645
Total revenues	<u>1,056,516,559</u>	<u>827,357,821</u>	<u>-</u>	<u>1,883,874,380</u>
Expenditures				
Current				
General government	120,020,336	9,677,347	-	129,697,683
Judicial	156,186,568	1,560,431	-	157,746,999
Public safety	221,203,953	223,225,823	-	444,429,776
Public works	10,889,609	315,730,646	-	326,620,255
Health	26,138,153	-	-	26,138,153
Welfare	70,907,077	-	-	70,907,077
Culture and recreation	9,700,778	21,430	-	9,722,208
Other general expenditures	108,801,725	-	-	108,801,725
Capital outlay	11,968,374	714,462	-	12,682,836
Debt service				
Interest	-	14,191,344	-	14,191,344
Total expenditures	<u>735,816,573</u>	<u>565,121,483</u>	<u>-</u>	<u>1,300,938,056</u>
Excess (deficiency) of revenues over (under) expenditures	<u>320,699,986</u>	<u>262,236,338</u>	<u>-</u>	<u>582,936,324</u>
Other Financing Sources (Uses)				
Transfers from other funds	311,900,670	234,749,965	540,728,635	5,922,000
Transfers to other funds	(604,236,288)	(472,543,565)	(540,728,635)	(536,051,218)
Total other financing sources (uses)	<u>(292,335,618)</u>	<u>(237,793,600)</u>	<u>-</u>	<u>(530,129,218)</u>
Net change in fund balances	28,364,368	24,442,738	-	52,807,106
Fund Balance				
Beginning of year	<u>199,179,595</u>	<u>252,082,491</u>	<u>-</u>	<u>451,262,086</u>
End of year	<u>\$ 227,543,963</u>	<u>\$ 276,525,229</u>	<u>\$ -</u>	<u>\$ 504,069,192</u>

See notes to Required Supplementary Information.

LAS VEGAS METROPOLITAN POLICE DEPARTMENT FUND

To account for the operations of the Las Vegas Metropolitan Police Department. Financing is provided primarily by LVMPD ad valorem taxes, contributions from the City of Las Vegas and transfers from the County general fund. Such contributions may only be used to finance the LVMPD.

Clark County, Nevada
Las Vegas Metropolitan Police Department
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018
(With comparative actual for the fiscal year ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Ad valorem taxes	\$ 127,928,572	\$ 127,928,572	\$ 129,059,418	\$ 1,130,846	\$ 122,925,574
Intergovernmental revenue:					
Federal and state grants	-	24,113,013	9,892,451	(14,220,562)	7,676,655
City of Las Vegas contribution	142,249,865	142,249,865	142,249,865	-	139,016,776
Charges for services:					
Airport security	23,053,210	23,053,210	22,167,318	(885,892)	21,362,159
Other	16,182,000	18,923,274	19,801,428	878,154	17,352,931
Interest	500,000	500,000	374,962	(125,038)	199,857
Other	2,235,000	3,165,000	2,465,632	(699,368)	1,740,058
Total revenues	<u>312,148,647</u>	<u>339,932,934</u>	<u>326,011,074</u>	<u>(13,921,860)</u>	<u>310,274,010</u>
Other Financing Sources					
Transfers from other funds	249,817,816	249,817,816	249,817,816	-	241,384,672
Total revenues and other financing sources	<u>561,966,463</u>	<u>589,750,750</u>	<u>575,828,890</u>	<u>(13,921,860)</u>	<u>551,658,682</u>
Expenditures					
Salaries and wages	332,308,947	348,544,226	341,075,752	(7,468,474)	318,002,508
Employee benefits	160,695,659	158,933,298	159,199,310	266,012	155,024,121
Services and supplies	74,327,357	92,113,940	76,112,474	(16,001,466)	75,625,974
Capital outlay	7,634,500	10,550,738	7,673,658	(2,877,080)	17,233,749
Total expenditures	<u>574,966,463</u>	<u>610,142,202</u>	<u>584,061,194</u>	<u>(26,081,008)</u>	<u>565,886,352</u>
Net change in fund balance	(13,000,000)	(20,391,452)	(8,232,304)	12,159,148	(14,227,670)
Fund Balance					
Beginning of year	13,095,695	20,487,147	20,487,147	-	34,714,817
End of year	<u>\$ 95,695</u>	<u>\$ 95,695</u>	<u>\$ 12,254,843</u>	<u>\$ 12,159,148</u>	<u>\$ 20,487,147</u>

See notes to Required Supplementary Information.

Clark County, Nevada
 Clark County Self-Funded OPEB Trust
 Schedule of Contributions
 Last Ten Fiscal Years (1)

	<u>2018</u>
Actuarially determined contribution	\$ 38,093,060
Contributions in relation to the actuarially determined contribution	<u>6,498,376</u>
Contribution deficiency (excess)	<u>\$ 31,594,684</u>
Covered-employee payroll	\$ 279,944,182
Contributions as a percentage of covered-employee payroll	2.32%

Notes to Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age, level dollar
Amortization method	30 years, open, level dollar amount
Amortization period	30 years
Asset valuation method	Market value
Investment rate of return	4.0 percent
Inflation	N/A; unfunded actuarial accrued liability amortized as a level dollar amount
Salary increases	N/A; unfunded actuarial accrued liability amortized as a level dollar amount
Health care cost trend rate	4.0 -12.0 percent graded down to ultimate rate of 4.5 percent

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
 LVMPD OPEB Trust
 Schedule of Contributions
 Last Ten Fiscal Years (1)

	<u>2018</u>
Actuarially determined contribution	\$ 9,029,100
Contributions in relation to the actuarially determined contribution	<u>8,000,000</u>
Contribution deficiency (excess)	<u>\$ 1,029,100</u>
Covered-employee payroll	\$ 530,996,605
Contributions as a percentage of covered-employee payroll	1.51%

Notes to Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age, level dollar
Amortization method	30 years, open, level dollar amount
Amortization period	30 years
Asset valuation method	Market value
Investment rate of return	6.25 percent
Inflation	2.5 percent
Salary increases	4.3 to 14.3 percent based on years of service, including inflation
Health care cost trend rate	6.75 percent graded down to ultimate rate of 4.25 percent

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
Clark County Self-Funded OPEB Trust
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 32,809,016
Interest	16,699,338
Changes of benefit terms	-
Differences between expected and actual experience	(666,758)
Changes in assumptions	(73,345,189)
Benefit payments	<u>(6,015,812)</u>
Net change in total OPEB liability	(30,519,405)
Total OPEB liability-beginning	549,054,069
Total OPEB liability-ending	<u>\$ 518,534,664</u>
Plan fiduciary net position	
Contributions-employer	\$ 6,015,812
Net investment income	10,327,440
Benefit payments	(6,015,812)
Administrative expense	<u>(8,280)</u>
Net change in plan fiduciary net position	10,319,160
Plan fiduciary net position- beginning	85,004,405
Plan fiduciary net position- ending	<u>\$ 95,323,565</u>
Net OPEB liability- ending	<u>\$ 423,211,099</u>
Plan fiduciary net position as a percentage of the total OPEB liability	18.38%
Covered-employee payroll	\$ 269,748,256
Net OPEB liability as a percentage of covered-employee payroll	156.89%

Notes to Schedule

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.88% as of June 30, 2016 to 3.60% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
LVMPD OPEB Trust
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 3,423,578
Interest	4,860,736
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	<u>(3,307,404)</u>
Net change in total OPEB liability	4,976,910
Total OPEB liability-beginning	75,976,870
Total OPEB liability-ending	<u>\$ 80,953,780</u>
 Plan fiduciary net position	
Contributions-employer	\$ 7,307,405
Net investment income	610,862
Benefit payments	(3,307,404)
Administrative expense	<u>(42,750)</u>
Net change in plan fiduciary net position	4,568,113
Plan fiduciary net position- beginning	4,115,747
Plan fiduciary net position- ending	<u>\$ 8,683,860</u>
 Net OPEB liability- ending	<u>\$ 72,269,920</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	10.73%
 Covered-employee payroll	\$ 484,970,477
 Net OPEB liability as a percentage of covered-employee payroll	14.90%

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
PEBP Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ -
Interest	2,342,253
Changes of benefit terms	-
Differences between expected and actual experience	224,632
Changes of assumptions	(7,738,866)
Benefit payments	<u>(3,010,759)</u>
Net change in total OPEB liability	(8,182,740)
Total OPEB liability-beginning	83,110,653
Total OPEB liability-ending	<u>\$ 74,927,913</u>
Covered-employee payroll	N/A
Total OPEB liability as a percentage of covered-employee payroll	N/A

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
 Clark County RHPP
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 3,980,478
Interest	1,900,381
Changes of benefit terms	-
Differences between expected and actual experience	269,445
Changes of assumptions	(5,211,875)
Benefit payments	<u>(1,531,269)</u>
Net change in total OPEB liability	(592,840)
Total OPEB liability-beginning	62,622,618
Total OPEB liability-ending	<u>\$ 62,029,778</u>
Covered-employee payroll ⁽²⁾	\$ 421,400,761
Total OPEB liability as a percentage of covered-employee payroll	14.72%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

(2) \$269,748,256 of covered-employees payroll is for employees that receive life insurance benefits only.

Clark County, Nevada
 Fire Plan
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 2,703,000
Interest	2,927,000
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	(3,992,000)
Benefit payments	<u>(2,021,000)</u>
Net change in total OPEB liability	(383,000)
Total OPEB liability-beginning	81,418,000
Total OPEB liability-ending	<u>\$ 81,035,000</u>
Covered-employee payroll	\$ 89,417,854
Total OPEB liability as a percentage of covered-employee payroll	90.63%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
 UMC RHPP
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 18,335,102
Interest	8,032,804
Changes of benefit terms	-
Differences between expected and actual experience	5,259
Changes of assumptions	(35,408,967)
Benefit payments	<u>(3,220,455)</u>
Net change in total OPEB liability	(12,256,257)
Total OPEB liability-beginning	264,930,262
Total OPEB liability-ending	<u>\$ 252,674,005</u>
Covered-employee payroll	\$ 231,533,548
Total OPEB liability as a percentage of covered-employee payroll	109.13%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
 Clark County Water Reclamation District RHPP
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 2,063,444
Interest	1,162,967
Changes of benefit terms	-
Differences between expected and actual experience	(71,011)
Changes of assumptions	(4,911,726)
Benefit payments	<u>(467,674)</u>
Net change in total OPEB liability	(2,224,000)
Total OPEB liability-beginning	<u>38,947,630</u>
Total OPEB liability-ending	<u>\$ 36,723,630</u>
Covered-employee payroll	\$ 26,631,154
Total OPEB liability as a percentage of covered-employee payroll	137.90%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
 Clark County Regional Flood Control District
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last Ten Fiscal Years (1)

	<u>2018</u>
PEBP Plan	
Total OPEB Liability	
Service cost	\$ -
Interest	4,428
Changes of benefit terms	-
Differences between expected and actual experience	(2,546)
Changes of assumptions	(11,840)
Benefit payments	<u>(4,164)</u>
Net change in total OPEB liability	(14,122)
Total OPEB liability-beginning	<u>157,350</u>
Total OPEB liability-ending	<u>\$ 143,228</u>
Covered-employee payroll	N/A
Total OPEB liability as a percentage of covered-employee payroll	N/A
Retiree Health Program Plan	
Total OPEB Liability	
Service cost	\$ 133,566
Interest	88,281
Changes of benefit terms	-
Differences between expected and actual experience	(2,134)
Changes of assumptions	(369,545)
Benefit payments	<u>(38,224)</u>
Net change in total OPEB liability	(188,056)
Total OPEB liability-beginning	<u>2,980,962</u>
Total OPEB liability-ending	<u>\$ 2,792,906</u>
Covered-employee payroll	\$ 2,127,561
Total OPEB liability as a percentage of covered-employee payroll	131.27%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 for the PEBP and RHPP is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
Regional Transportation Commission of Southern Nevada
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)

	<u>2018</u>
PEBP Plan	
Total OPEB Liability	
Service cost	\$ -
Interest	37,523
Changes of benefit terms	-
Differences between expected and actual experience	27,873
Changes of assumptions	(107,325)
Benefit payments	<u>(85,082)</u>
Net change in total OPEB liability	(127,011)
Total OPEB liability-beginning	<u>1,358,211</u>
Total OPEB liability-ending	<u>\$ 1,231,200</u>
Covered-employee payroll	N/A
Total OPEB liability as a percentage of covered-employee payroll	N/A
Retiree Health Program Plan	
Total OPEB Liability	
Service cost	\$ 1,548,246
Interest	534,440
Changes of benefit terms	-
Differences between expected and actual experience	(82,457)
Changes of assumptions	(2,389,821)
Benefit payments	<u>(60,628)</u>
Net change in total OPEB liability	(450,220)
Total OPEB liability-beginning	<u>17,221,184</u>
Total OPEB liability-ending	<u>\$ 16,770,964</u>
Covered-employee payroll	\$ 24,154,050
Total OPEB liability as a percentage of covered-employee payroll	69.43%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The decrease in the liability from June 30, 2017 to June 30, 2018 for the PEBP and RHPP is due to the increase in the assumed discount rate from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017, and a change in the actuarial cost method from Entry age level dollar to Entry age level percent of pay.

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
Las Vegas Valley Water District OPEB Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)

	<u>2018</u>
Total OPEB Liability	
Service cost	\$ 2,570,819
Interest	1,670,930
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	(1,361,784)
Benefit payments	<u>(2,144,464)</u>
Net change in total OPEB liability	735,501
Total OPEB liability-beginning	45,166,019
Total OPEB liability-ending	<u>\$ 45,901,520</u>
Covered-employee payroll	\$ 120,874,059
Total OPEB liability as a percentage of covered-employee payroll	37.97%

Notes to Schedule

There are no assets accumulated in a trust to pay related benefits.

Changes of Assumptions.

The discount rate was increased from 3.58% as of June 30, 2017 to 3.87% as of June 30, 2018

(1) Fiscal year 2018 was the first year of implementation, therefore only one year shown.

Clark County, Nevada
Schedule of Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years (1)

	2018	2017	2016	2015
Proportion of the net pension liability	16.96%	17.12%	17.38%	17.31%
Proportionate share of the net pension liability	\$ 2,255,813,362	\$ 2,304,271,061	\$ 1,991,194,718	\$ 1,803,540,542
Covered payroll	915,256,112	879,120,812	841,565,271	821,937,195
Proportionate share of the net pension liability as a percentage of the covered payroll	246%	262%	237%	219%
Plan fiduciary net position as a percentage of the total pension liability	74.40%	72.20%	75.10%	76.30%

(1) Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

Clark County, Nevada
University Medical Center
Schedule of Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years (1)

	2018	2017	2016	2015
Proportion of the net pension liability	3.58%	3.49%	3.47%	3.60%
Proportionate share of the net pension liability	\$ 476,011,834	\$ 469,010,768	\$ 397,580,372	\$ 375,191,289
Covered payroll	230,360,225	213,368,871	208,421,960	212,454,219
Proportionate share of the net pension liability as a percentage of the covered payroll	190%	220%	191%	177%
Plan fiduciary net position as a percentage of the total pension liability	74.40%	72.20%	75.10%	76.30%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
 Clark County Water Reclamation District
 Schedule of Proportionate Share of the Net Pension Liability
 Last Ten Fiscal Years (1)

	2018	2017	2016	2015
Proportion of the net pension liability	0.43%	0.43%	0.40%	0.40%
Proportionate share of the net pension liability	\$ 56,558,019	\$ 57,553,380	\$ 46,378,911	\$ 41,788,009
Covered payroll	27,155,077	26,805,607	24,779,783	23,947,775
Proportionate share of the net pension liability as a percentage of the covered payroll	208%	215%	187%	175%
Plan fiduciary net position as a percentage of the total pension liability	74.40%	72.20%	75.10%	76.30%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
Regional Transportation Commission of Southern Nevada
Schedule of Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years (1)

	2018	2017	2016	2015
Proportion of the net pension liability	0.35%	0.34%	0.32%	0.30%
Proportionate share of the net pension liability	\$ 46,940,485	\$ 45,585,275	\$ 36,390,158	\$ 31,745,509
Covered payroll	21,646,786	20,196,982	19,024,123	20,619,759
Proportionate share of the net pension liability as a percentage of the covered payroll	204%	226%	191%	154%
Plan fiduciary net position as a percentage of the total pension liability	74.40%	72.20%	75.10%	76.30%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
 Clark County Regional Flood Control District
 Schedule of Proportionate Share of the Net Pension Liability
 Last Ten Fiscal Years (1)

	2018	2017	2016	2015
Proportion of the net pension liability	0.03%	0.03%	0.03%	0.03%
Proportionate share of the net pension liability	\$ 4,382,337	\$ 4,630,117	\$ 3,818,635	\$ 3,485,328
Covered payroll	2,121,732	2,083,337	1,880,346	1,932,696
Proportionate share of the net pension liability as a percentage of the covered payroll	207%	222%	203%	180%
Plan fiduciary net position as a percentage of the total pension liability	74.40%	72.20%	75.10%	76.30%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years (1)

<u>Plan Year Ending June 30</u>	<u>Contractually required contribution (actuarially determined)</u>	<u>Contributions in relation to the actuarially determined contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Covered payroll</u>	<u>Contributions as a percentage of the covered payroll</u>
2018	\$ 161,181,844	\$ 161,181,844	\$ -	\$ 963,754,208	16.72%
2017	\$ 153,091,288	\$ 153,091,288	\$ -	\$ 915,256,112	16.73%
2016	\$ 145,981,640	\$ 145,981,640	\$ -	\$ 879,120,812	16.61%
2015	\$ 135,880,013	\$ 135,880,013	\$ -	\$ 841,565,271	16.15%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
University Medical Center
Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years (1)

Plan Year Ending June 30	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of the covered payroll
2018	\$ 35,026,725	\$ 35,026,725	\$ -	\$ 250,244,531	14.00%
2017	\$ 31,952,786	\$ 31,952,786	\$ -	\$ 230,360,225	13.87%
2016	\$ 29,631,150	\$ 29,631,150	\$ -	\$ 213,368,871	13.89%
2015	\$ 26,833,964	\$ 26,833,964	\$ -	\$ 208,421,960	12.87%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
 Clark County Water Reclamation District
 Schedule of Defined Benefit Plan Contributions
 Last Ten Fiscal Years (1)

Plan Year Ending June 30	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of the covered payroll
2018	\$ 3,999,831	\$ 3,999,830	\$ -	\$ 28,570,227	14.00%
2017	\$ 3,799,307	\$ 3,799,307	\$ -	\$ 27,155,077	13.99%
2016	\$ 3,585,552	\$ 3,585,552	\$ -	\$ 26,805,607	13.38%
2015	\$ 3,123,465	\$ 3,123,465	\$ -	\$ 24,779,783	12.60%

(1) Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

Clark County, Nevada
Regional Transportation Commission of Southern Nevada
Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years (1)

Plan Year Ending June 30	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of the covered payroll
2018	\$ 3,219,109	\$ 3,219,109	\$ -	\$ 22,993,636	14.00%
2017	\$ 3,030,550	\$ 3,030,550	\$ -	\$ 21,646,786	14.00%
2016	\$ 2,827,578	\$ 2,827,578	\$ -	\$ 20,196,982	14.00%
2015	\$ 2,450,307	\$ 2,450,307	\$ -	\$ 19,024,123	12.88%

(1) Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

Clark County, Nevada
 Clark County Regional Flood Control District
 Schedule of Defined Benefit Plan Contributions
 Last Ten Fiscal Years (1)

Plan Year Ending June 30	Contractually required contribution (actuarially determined)	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of the covered payroll
2018	\$ 319,309	\$ 319,309	\$ -	\$ 2,280,779	14.00%
2017	\$ 297,043	\$ 297,043	\$ -	\$ 2,121,732	14.00%
2016	\$ 291,667	\$ 291,667	\$ -	\$ 2,083,337	14.00%
2015	\$ 263,249	\$ 263,249	\$ -	\$ 1,880,346	14.00%

(1) Fiscal year 2015 was the first year of implementation, therefore only three years are shown.

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Schedule of Changes in Net Pension Liability
Last Ten Fiscal Years (Unaudited)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability - Beginning of Year	\$583,905,760	\$534,426,915	\$480,743,435	\$441,508,189	\$401,160,155	n/a	n/a	n/a	n/a	n/a
Service Cost	20,249,802	17,724,599	16,970,046	17,189,921	18,670,779	n/a	n/a	n/a	n/a	n/a
Purchase of Service Payments	635,292	118,901	217,031	1,595,551	599,685	n/a	n/a	n/a	n/a	n/a
Interest on the Total Pension Liability	42,648,094	39,958,275	36,511,919	32,672,891	30,115,838	n/a	n/a	n/a	n/a	n/a
Changes of Benefit Terms	-	-	-	-	-	n/a	n/a	n/a	n/a	n/a
Differences between Actual and Expected Experience with regard to Economic or Demographic Factors	(6,502,587)	(1,814,066)	11,610,487	(3,995,933)	-	n/a	n/a	n/a	n/a	n/a
Changes of Assumptions	42,821,654	7,879,481	-	-	-	n/a	n/a	n/a	n/a	n/a
Benefit Payments	(17,589,206)	(14,388,345)	(11,626,003)	(8,227,184)	(9,038,268)	n/a	n/a	n/a	n/a	n/a
	<u>82,263,049</u>	<u>49,478,845</u>	<u>53,683,480</u>	<u>39,235,246</u>	<u>40,348,034</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Total Pension Liability - End of Year	<u>\$666,168,809</u>	<u>\$583,905,760</u>	<u>\$534,426,915</u>	<u>\$480,743,435</u>	<u>\$441,508,189</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Fiduciary Net Position - Beginning of Year	\$396,658,965	\$330,934,926	\$309,316,943	\$273,876,159	\$213,998,078	n/a	n/a	n/a	n/a	n/a
Contributions from Employer	37,000,000	31,069,130	29,414,230	28,853,341	30,700,443	n/a	n/a	n/a	n/a	n/a
Purchase of Service Payments	635,292	118,901	217,031	1,595,551	599,685	n/a	n/a	n/a	n/a	n/a
Net Investment Income	43,789,984	49,268,410	3,983,572	13,589,116	37,893,540	n/a	n/a	n/a	n/a	n/a
Benefit Payments	(17,589,206)	(14,388,345)	(11,626,003)	(8,227,184)	(9,038,268)	n/a	n/a	n/a	n/a	n/a
Administrative Expenses	(398,691)	(344,057)	(370,847)	(370,040)	(277,319)	n/a	n/a	n/a	n/a	n/a
	<u>63,437,379</u>	<u>65,724,039</u>	<u>21,617,983</u>	<u>35,440,784</u>	<u>59,878,081</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Fiduciary Net Position - End of Year	<u>\$460,096,344</u>	<u>\$396,658,965</u>	<u>\$330,934,926</u>	<u>\$309,316,943</u>	<u>\$273,876,159</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Net Pension Liability	<u>\$206,072,465</u>	<u>\$187,246,795</u>	<u>\$203,491,989</u>	<u>\$171,426,492</u>	<u>\$167,632,030</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>
Fiduciary Net Position as a % of Total Pension Liability	69.07%	67.93%	61.92%	64.34%	62.03%	n/a	n/a	n/a	n/a	n/a
Covered Employee Payroll	\$120,874,059	\$118,090,682	\$110,683,142	\$112,917,601	\$121,696,965	n/a	n/a	n/a	n/a	n/a
Net Pension Liability as a % of Covered Employee Payroll	170.49%	158.56%	183.85%	151.82%	137.75%	n/a	n/a	n/a	n/a	n/a

Changes of Assumptions: In 2018, amounts reported as changes of assumptions resulted from lowering the discount rate to 6.75% from 7.25% as of June 30, 2018. In 2017, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the R-2000 Combined Healthy/Disabled mortality table projected to 2015 using Projection Scale AA for purposes of developing mortality rates, and from changing the amortization method to 20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016.

The required supplementary information is presented for fiscal year 2014 through 2018, for which information measured in conformity with the requirements of GASB No. 67 is available. This schedule will ultimately present information for the last 10 fiscal years.

See notes to Required Supplementary Information

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years (Unaudited)

Plan Year Ending June 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll
2018	\$ 35,817,963	\$ 37,000,000	\$ (1,182,037)	\$ 120,874,059	30.61%
2017	31,069,130	31,069,130	-	\$ 118,090,682	26.31%
2016	29,414,230	29,414,230	-	110,683,142	26.58%
2015	28,853,341	28,853,341	-	112,917,601	25.55%
2014	30,700,443	30,700,443	-	121,696,965	25.23%
2013	29,058,894	29,058,894	-	119,067,304	24.41%
2012	26,721,710	26,721,710	-	117,220,320	22.80%
2011	26,606,950	26,606,950	-	119,663,339	22.23%
2010	25,753,794	25,753,794	-	122,006,497	21.11%
2009	27,262,106	27,262,106	-	111,054,552	24.55%

Notes to Schedule

Valuation Date: Actuarially determined contribution rates are calculated as of July 1 of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rate as of the last actuarial valuation:

Actuarial cost method	Entry age.
Amortization method	Beginning with the 2017 actuarial valuation, 20-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2016. In prior years, 30-year amortization of unfunded liability (closed period) as a level percent of pay, using layered bases starting July 1, 2009.
Remaining amortization period	18 years for the initial unfunded liability base established July 1, 2016. Bases established between July 1, 2009 and July 1, 2015 have remaining amortization periods ranging from 21 to 27 years.
Asset valuation method	5 year phase-in of gains/losses relative to interest rate assumptions.
Inflation	2.75% per year.
Salary increases	4.75% per year, including inflation
Investment rate of return	In 2018 actuarial variation, 6.75%, net of pension plan investment expenses including inflation. In prior years, 7.25%, net of pension plan investment expenses, including inflation.
Retirement age	Normal retirement age is attainment of age 65. Unreduced early retirement is available after either 1) 30 years of service, or 2) age 60 with 10 years of service. Reduced early retirement benefits are available after attainment of age 55 and completion of 5 years of service (3 years of service if a participant prior to January 1, 2001).
Mortality	Beginning with the 2017 actuarial valuation, future mortality follows the RP-2000 Combined Healthy/Disabled mortality table projected to 2015 using Scale AA. In prior years, future mortality follows the 1994 Group Annuity Mortality Basic table projected to 2004 using Scale AA.

Clark County, Nevada
Las Vegas Valley Water District Pension Trust
Schedule of Defined Benefit Plan Investment Returns
Last Ten Fiscal Years (Unaudited)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actual money-weighted rate of return, net of investment expense	10.42%	13.92%	1.20%	4.54%	15.99%	9.15%	n/a	n/a	n/a	n/a

GASB No. 67 requires the disclosure of the money-weighted rate of return on Plan investments. The money-weighted rate of return considers the changing amounts actually invested during a period and weights the amount of pension plan investments by the proportionate amount of time they are available to earn a return during that period. External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. The money-weighted rate of return is calculated net of investment expense.

The required supplementary information is presented for fiscal years 2013 through 2018, for which information measured in conformity with the requirements of GASB No. 67 is available. This schedule will ultimately present information for the last 10 fiscal years.

See notes to Required Supplementary Information

Budgetary Information

The County uses the following procedures to establish, modify, and control the budgetary data presented in the financial statements:

- a. Prior to April 15, the County Manager submits to the Nevada State Department of Taxation the tentative budget for the next fiscal year, commencing on July 1. The budget as submitted contains the proposed expenditures and means of financing them.
- b. The Nevada State Department of Taxation notifies the County of its acceptance of the budget.
- c. Public hearings are conducted on the third Monday in May.
- d. After all the changes have been noted and hearings closed, the County Commission adopts the budget on or before June 1.
- e. The County Manager is authorized to transfer budgeted amounts within functions or funds, but the County Commissioners must approve any transfers between funds or increases to a fund's original appropriated level.
- f. Increases to a fund's budget (augmentations) other than by transfers are accomplished through formal County Commission action.
- g. The General Fund and all special revenue, debt service, and capital project funds have legally adopted annual budgets.
- h. Statutory regulations require budgetary control to be exercised at the function level within the General Fund or at the fund level of all other funds. The County administratively exercises control at the budgeted item level within a department.
- i. All appropriations lapse at the end of the fiscal year. Encumbrances are reappropriated in the ensuing fiscal year.
- j. Budgets are adopted on a basis consistent with the method used to report on governmental funds that are prepared in accordance with the accounting principles generally accepted in the United States of America.
- k. Budgeted expenditure amounts for the year ended June 30, 2017, as originally adopted, were augmented during the year for grants and other County Commission action.

Reconciliation of General Fund (Budget Basis) to the General Fund (Modified Accrual Basis)

This statement reconciles the General Fund as presented for budget purposes to the presentation required under the modified accrual basis of accounting.

Net Pension Liability

There have been no changes in benefit terms since the last valuation.

Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, 2017. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

Actuarial cost Method	Entry age normal
Amortization method	<p>The UAAL as of June 30, 2011, shall continue to be amortized over separate 30-year period amortization layers based on the valuations during which each separate layer was previously established.</p> <p>Any new UAAL as a result of actuarial gains or losses identified in the annual valuation as of June 30 will be amortized over a period of equal to the truncated average remaining amortization period of all prior UAAL layers. This would occur until the average remaining amortization period is less than 20 years. At that point, amortization periods of 20 years would be used for actuarial gains and losses.</p> <p>Any new UAAL as a result of change in actuarial assumptions or methods will be amortized over a period equal to the truncated average remaining amortization period of all prior UAAL layers. This would occur until the average remaining amortization period is less than 20 years would be used for assumption or method changes.</p> <p>UAAL layers shall be amortized over “closed” amortization periods so that the amortization period for each layer decreases by one year with each actuarial valuation.</p> <p>UAAL layers shall be amortized as a lever of percentage of payroll.</p>
Asset valuation method	5-year smoothed market
Assumed inflation rate	2.75 %
Payroll growth assumption for future years	5.50 % per year for regular employees and 6.50% per year for police/fire employees
Assumed investment rate of return	7.50 %(including 2.75%for inflation)
Mortality Rates:	
Healthy: <i>Regular and Police/Fire</i>	<p>Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016, set forward one year for spouses and beneficiaries.</p> <p>For ages less than 50, mortality rates were based on the Headcount-Weighted RP-2014 Employee Mortality Tables. Those mortality rates are adjusted by the ratio of the mortality rate for healthy annuitants at age 50 to the mortality rate for employees at age 50. The mortality rates are then projected to 2020 with Scale MP-2016.</p>
Disabled: <i>Regular and Police/Fire</i>	Headcount-Weighted RP-2014 Disabled Retiree Table, set forward four years.
Pre-Retirement: <i>Regular and Police/Fire</i>	Headcount-Weighted RP-2014 Healthy Annuitant Table projected to 2020 with Scale MP-2016.
Salary Increases	
Inflation:	2.75% Plus
Productivity pay increases:	0.50% Plus

Promotional and merit salary increases:

Years of Service	Regular	Police/Fire
Less than 1	5.90%	10.65%
1	4.80	7.15
2	4.00	5.20
3	3.60	4.60
4	3.30	4.30
5	3.00	4.15
6	2.80	3.90
7	2.70	3.50
8	2.50	3.15
9	2.35	2.90
10	2.15	2.50
11	1.75	1.90
12	1.50	1.50
13	1.25	1.30
14	1.10	1.30
15 or more	1.00	1.30

Changes of Assumptions

Based on the June 30, 2016 Actuarial Experience Study, the following assumptions were changed. Previously, these assumptions were as follows

Net Investment Return	8.00% (including 3.50% for inflation)
Consumer Price Index	Increase of 3.50% per year
Payroll growth	6.50 % per year for regular employees and 7.50% per year for police/fire employees
Mortality Rates:	
Healthy: <i>Regular</i>	RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set back one year for females (no age for males).
<i>Police/Fire</i>	RP-2000 Combined Healthy Mortality Table projected to 2013 with Scale AA, set forward one year.
Disabled: <i>Regular and Police/Fire</i>	RP-2000 Disabled Retiree Mortality Table projected to 2013 with Scale AA, set forward three years.
Salary Increases	
Inflation:	3.50% Plus
Productivity pay increases:	0.75% Plus
Promotional and merit salary increases:	

Years of Service	Regular	Police/Fire
Less than 1	5.50%	10.25%
1	4.25	6.55
2	3.50	5.15
3	3.25	4.55
4	3.00	4.25
5	2.75	4.05
6	2.40	3.75
7	2.25	3.25
8	1.85	2.75
9	1.75	2.25
10	1.50	1.75
11	1.00	1.50
12	0.80	1.25
13 or more	0.35	1.00

COMMENTS OF INDEPENDENT AUDITOR



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Clark County, Nevada (the “County”) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 25, 2019.

Our report includes a reference to other auditors who audited the financial statements of University Medical Center of Southern Nevada, Clark County Water Reclamation District, Las Vegas Valley Water District, Big Bend Water District, and Regional Transportation Commission of Southern Nevada, as described in our report on the County’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the County are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

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

Las Vegas, Nevada
January 25, 2019



Independent Auditor’s Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Honorable Board of County Commissioners
and the County Manager
Clark County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Clark County, Nevada’s (the “County”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County’s major federal programs for the year ended June 30, 2018. The County’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

The County’s basic financial statements include the operations of the University Medical Center of Southern Nevada, and Regional Transportation Commission of Southern Nevada, which received \$1,982,562, and \$110,439,021, respectively, in federal awards which are not included in the schedule during the year ended June 30, 2018. Our audit, described below, did not include the operations of the University Medical Center of Southern Nevada, and Regional Transportation Commission of Southern Nevada because these entities engaged other auditors to perform an audit in accordance with the Uniform Guidance.

The County’s basic financial statements include the operations of the Department of Aviation, which received \$832,240 in federal awards which is not included in the schedule during the year ended June 30, 2018. Our audit, described below, did not include the operations of the Department of Aviation because they were audited separately in accordance with the Uniform Guidance.

Management’s Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor’s Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the County 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 County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County'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 compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses and significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a material weakness.

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We have issued our report

thereon dated January 25, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

A handwritten signature in cursive script that reads "Eide Sully LLP". The signature is written in black ink and is positioned above the typed text.

Las Vegas, Nevada
March 27, 2019

ACCOMPANYING INFORMATION - EXPENDITURES OF FEDERAL AWARDS

Clark County, Nevada
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
DEPARTMENT OF AGRICULTURE				
Child Nutrition Cluster				
Passed Through Nevada Department of Agriculture:				
Special Milk Program For Children	10.556	Agreement #M-102500-11	\$ 10,287	\$ -
Total Child Nutrition Cluster			<u>10,287</u>	
Direct:				
Cooperative Forestry Assistance	10.664	16-LE-11041705-005	8,432	-
Cooperative Forestry Assistance	10.664	16-LE-11041705-005	6,207	-
			<u>14,639</u>	<u>-</u>
Forest Service Schools and Roads Cluster				
Passed Through the State of Nevada, Office of the Controller:				
Schools and Roads - Grants to States - Title I	10.665	Public Law 106-393	163,762	-
Schools and Roads - Grants to States - Title III	10.665	Public Law 106-393	28,899	-
Total Forest Service Schools and Roads Cluster			<u>192,661</u>	<u>-</u>
Direct:				
Spring Mountain Youth Camp Forestry Program	10.U01	17-PA-11401705-005	3,180	-
Total Department of Agriculture			<u>220,767</u>	<u>-</u>
DEPARTMENT OF DEFENSE, OFFICE OF ECONOMIC ADJUSTMENT				
Direct:				
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	HQ00051810011	5,695	-
Total Department of Defense, Office of Economic Adjustment			<u>5,695</u>	<u>-</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG - Entitlement Grants Cluster				
Direct Program:				
CDBG Entitlement Grants:				
Neighborhood Stabilization Program 1	14.218	B-08-UN-32-0001	79,532	-
Neighborhood Stabilization Program 3	14.218	B-11-UN-32-0001	68,308	68,185
Recaptured NSP Funds	14.218		36,000	-
Community Development Block Grant	14.218	B-14-UC-32-0001	1,022,161	45,564
Community Development Block Grant	14.218	B-15-UC-32-0001	2,129,924	593,498
Community Development Block Grant	14.218	B16-UC-32-0224	6,233,313	4,201,620
Community Development Block Grant	14.218	B17-UC-32-0001	3,089,061	2,105,489
Program Income CDBG	14.218		116,353	116,353
			<u>12,774,652</u>	<u>7,130,709</u>
Passed Through Nevada Housing Division:				
CDBG Entitlement Grants:				
Neighborhood Stabilization Program 1	14.218	B-08-DN-32-0001	153,435	153,435
Total CDBG-Entitlement Grants Cluster			<u>12,928,087</u>	<u>7,284,144</u>
Direct Program:				
Emergency Solutions Grant Program	14.231	E16-UC-32-0001	79,525	74,879
Emergency Solutions Grant Program	14.231	E17-UC-32-0001	627,431	595,628
			<u>706,956</u>	<u>670,507</u>
Passed Through Nevada Housing Division:				
Emergency Solutions Grant Program	14.231	Agreement	50,291	-
			<u>757,247</u>	<u>670,507</u>
Direct Program:				
Supportive Housing Program	14.235	NV0061L9T001604	255,294	-
Supportive Housing Program	14.235	NV0096L9T021601	78,341	-
Supportive Housing Program	14.235	NV0094L9T011601	122,822	-
			<u>456,457</u>	<u>-</u>
Direct Program:				
Home Investment Partnerships Program	14.239	M13-DC320224	346,098	346,098
Home Investment Partnerships Program	14.239	M14-DC320224	1,446,940	1,359,172
Home Investment Partnerships Program	14.239	M15-DC320224	74,583	74,583
Home Investment Partnerships Program	14.239	M16-DC320224	613,092	613,092
Home Investment Partnerships Program	14.239	B-17-UC-32-0001	94,270	-
Recaptured Home Funds	14.239		138,336	138,336
			<u>2,713,319</u>	<u>2,531,281</u>

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)				
Passed Through Nevada Housing Division:				
Home Investment Partnerships Program	14.239	M13-SG-32-0100	\$ 528,165	\$ 528,165
Home Investment Partnerships Program	14.239	M14-SG-32-0100	611,559	611,559
Home Investment Partnerships Program	14.239	M15-SG-32-0100	386,203	386,203
Home Investment Partnerships Program	14.239	M16-SG-32-0100	235,567	235,567
Recaptured Home Funds	14.239		20,879	20,879
			<u>1,782,373</u>	<u>1,782,373</u>
			<u>4,495,692</u>	<u>4,313,654</u>
Direct Program:				
Continuum of Care Program	14.267	NV0093L9T001500	63,025	-
Continuum of Care Program	14.267	NV0078L9T001604	1,212,313	333,830
Continuum of Care Program	14.267	NV0071L9T001502	65,533	64,827
Continuum of Care Program	14.267	NV0071L9T001603	445,174	441,745
Continuum of Care Program	14.267	NV0087L9T001501	393,817	-
Continuum of Care Program	14.267	NV0087L9T001602	605,899	-
Continuum of Care Program	14.267	NV0099L9T001500	109,759	-
Continuum of Care Program	14.267	NV0099L9T001601	321,857	-
Continuum of Care Program	14.267	NV0100L9T001500	70,553	-
Continuum of Care Program	14.267	NV0100L9T001601	67,662	-
			<u>3,355,592</u>	<u>840,402</u>
Total Department of Housing and Urban Development			<u>21,993,075</u>	<u>13,108,707</u>
DEPARTMENT OF INTERIOR				
Passed Through the State of Nevada, Office of the Controller:				
Distribution of Receipts to State and Local Governments	15.227	FLPMA of 1976	252	-
Direct Program:				
Southern Nevada Public Land Management	15.235	L14AC00133	13,074	-
Southern Nevada Public Land Management	15.235	L16AC00098	114,150	-
Southern Nevada Public Land Management	15.235	L16AC00099	97,521	-
Southern Nevada Public Land Management	15.235	L17AC00041	179,885	-
Southern Nevada Public Land Management	15.235	L17AC00040	224,286	-
Southern Nevada Public Land Management	15.235	L08AC13225	181,611	-
Southern Nevada Public Land Management	15.235	L14AC00244	13,645	-
Southern Nevada Public Land Management	15.235	L16AC00123	300,032	-
Southern Nevada Public Land Management	15.235	L16AC00125	17,420	-
Southern Nevada Public Land Management	15.235	L17AC00077	19,500	-
Southern Nevada Public Land Management	15.235	L17AC00076	24,000	-
			<u>1,185,124</u>	<u>-</u>
Direct Program:				
National Wildlife Refuge Fund	15.659	Congressional Appropriation	4,944	-
Total Department of Interior			<u>1,190,320</u>	<u>-</u>
DEPARTMENT OF JUSTICE				
Direct Program:				
Services for Trafficking Victims	16.320	2016-VT-BX-K009	172,216	-
Passed Through Nevada Department of Health and Human Services:				
Juvenile Justice and Delinquency Prevention_Allocation to States	16.540	2016-JF-FX-0060	43,162	-
Juvenile Justice and Delinquency Prevention_Allocation to States	16.540	2017-JF-FX-0048	106,170	-
			<u>149,332</u>	<u>-</u>
Direct Program:				
Missing Children's Assistance	16.543	2014-MC-CX-K045	252,841	91,510
Missing Children's Assistance	16.543	2017-MC-FX-K019	96,786	28,316
			<u>349,627</u>	<u>119,826</u>
Passed Through Nevada Department of Health and Human Services:				
Crime Victim Assistance	16.575	16-VOCA-17-006	203,754	-
Crime Victim Assistance	16.575	16575-18-008	1,655,970	-
Crime Victim Assistance	16.575	16-VOCA-17-018	79,755	-
Crime Victim Assistance	16.575	16575-16-024	110,553	-
			<u>2,050,032</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Crime Victim Assistance/Discretionary Grants	16.582	18-039	4,695	-

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
DEPARTMENT OF JUSTICE (Continued)				
Direct Program:				
Drug Court Discretionary Grant Program	16.585	2017-DC-BX-0044	\$ 9,101	\$ -
Passed Through Nevada Office of the Attorney General:				
Violence Against Women Formula Grants	16.588	2017-VAWA-02	19,668	-
Violence Against Women Formula Grants	16.588	2015-WF-AX-0030	447	-
Violence Against Women Formula Grants	16.588	2016-WF-AX-0033	20,418	-
Violence Against Women Formula Grants	16.588	2017-VAWA-35	40,000	-
			<u>80,533</u>	<u>-</u>
Direct Program:				
State Criminal Alien Assistance Program	16.606	2008-AP-BX-1670	210,696	-
State Criminal Alien Assistance Program	16.606	2010-AP-BX-0348	594,768	-
			<u>805,464</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Enforcing Underage Drinking Laws Program	16.727	Agreement	5,835	-
Enforcing Underage Drinking Laws Program	16.727	Agreement	7,291	-
			<u>13,126</u>	<u>-</u>
Direct Program:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-0554	57,468	8,948
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0997	385,523	146,332
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-0412	410,855	184,903
			<u>853,846</u>	<u>340,183</u>
Passed Through Nevada Department of Public Safety:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-05	3,978	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	17-JAG-04	65,000	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	16-JAG-12 REVISED	89,272	-
			<u>158,250</u>	<u>-</u>
Passed Through Center for Court Innovation, New York:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DC-NY-K002	152,966	-
			<u>1,165,062</u>	<u>340,183</u>
Direct Program:				
DNA Backlog Reduction Program	16.741	2015-DN-BX-0112	92,524	-
DNA Backlog Reduction Program	16.741	2016-DN-BX-0141	183,510	-
DNA Backlog Reduction Program	16.741	2017-DN-BX-0110	46,027	-
			<u>322,061</u>	<u>-</u>
Passed Through Nevada Department of Public Safety:				
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15-FSI-02	1,514	-
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	17-FSI-02	13,236	-
			<u>14,750</u>	<u>-</u>
Passed through Nevada Department of Public Safety:				
Edward Byrne Memorial Competitive Grant Program	16.751	18-JAG-01E	1,000,000	-
Direct Program:				
Juvenile Justice Education Collaboration Assistance	16.829	2014-JZ-FX-K004	13,810	-
Passed Through Nevada Office of the Attorney General:				
National Sexual Assault Kit Initiative	16.833	2015-SAKI-01	676,738	-
National Sexual Assault Kit Initiative	16.833	Agreement	168,740	-
National Sexual Assault Kit Initiative	16.833	2016-AK-BX-K004	198,026	-
			<u>1,043,504</u>	<u>-</u>
Passed Through New York District Attorney:				
National Sexual Assault Kit Initiative	16.833	Agreement	1,059,040	-
			<u>2,102,544</u>	<u>-</u>
Direct Program:				
Equitable Sharing Program	16.922	Cooperative Agreement	288,550	-
Direct Program:				
ATF - Gang Task Force	16.U01	Agreement	4,220	-
ATF - Gang Task Force	16.U01	Agreement	23,809	-
DEA - So. NV Gang Task Force	16.U02	Agreement	7,641	-

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
DEPARTMENT OF JUSTICE (Continued)				
DEA - So. NV Gang Task Force	16.U02	Agreement	\$ 18,757	\$ -
DEA - Marijuana Eradication	16.U03	Agreement	2,115	-
DEA - Marijuana Eradication	16.U03	Agreement	12,037	-
DEA - Tactical Diversion Task Force	16.U04	Agreement	14,474	-
FBI - Criminal Apprehension Team	16.U05	Agreement	21,083	-
FBI - Criminal Apprehension Team	16.U05	Agreement	106,889	-
FBI - Joint Terrorism Task Force	16.U06	Agreement	24,539	-
FBI - Joint Terrorism Task Force	16.U06	Agreement	42,213	-
FBI - Las Vegas Safe Streets Gang Task Force	16.U07	Agreement	20,321	-
FBI - Las Vegas Safe Streets Gang Task Force	16.U07	Agreement	38,357	-
FBI - Cyber Task Force	16.U08	Agreement	5,409	-
FBI - Cyber Task Force	16.U08	Agreement	12,271	-
FBI - MS-13 Task Force	16.U09	Agreement	2,971	-
US Marshals - NV Fugitive Investigative Strike Team	16.U10	Agreement	26,794	-
US Marshals - NV Fugitive Investigative Strike Team	16.U10	Agreement	62,674	-
MPD - Child Exploitation Task Force	16.U11	Agreement	14,391	-
MPD - Child Exploitation Task Force	16.U11	Agreement	60,778	-
			<u>521,743</u>	<u>-</u>
Total Department of Justice			<u>9,062,646</u>	<u>460,009</u>
DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster				
Passed Through Nevada Department of Transportation:				
Highway Planning and Construction	20.205	Agreement PR605-13-063	43,739	-
Highway Planning and Construction	20.205	Agreement PR606-13-063	200,193	-
Highway Planning and Construction	20.205	Agreement PR414-14-063	1,702,023	-
Highway Planning and Construction	20.205	Agreement P068.17.063	159,876	-
Highway Planning and Construction	20.205	Agreement P446-16-063	774,294	-
Highway Planning and Construction	20.205	P416-17-063	29,565	-
Highway Planning and Construction	20.205	P417-17-063	254,505	-
Total Highway Planning and Construction Cluster			<u>3,164,195</u>	<u>-</u>
Highway Safety Cluster				
Passed Through Nevada Department of Public Safety:				
National Priority Safety Programs	20.616	TS-2017-LVJC-00039	7,569	-
National Priority Safety Programs	20.616	TS-2018-LVJC-00075	40,789	-
National Priority Safety Programs	20.616	JF-2017-LVMPD-00003	62,285	-
National Priority Safety Programs	20.616	FJ-2018-LVMPD-00011	239,310	-
National Priority Safety Programs	20.616	TS-2017-LVMPD-00007	25,403	-
National Priority Safety Programs	20.616	TS-2018-LVMPD-00053	43,433	-
National Priority Safety Programs	20.616	TS-2017-LVMPD-00040	37,027	-
National Priority Safety Programs	20.616	TS-2018-LVMPD-00054	42,613	-
Total Highway Safety Cluster			<u>498,429</u>	<u>-</u>
Passed Through State Emergency Response Commission:				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	18-HMEP-03-01	14,022	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	18-HEMP-03-02	23,718	-
			<u>37,740</u>	<u>-</u>
Total Department of Transportation			<u>3,700,364</u>	<u>-</u>
DEPARTMENT OF THE TREASURY				
CDFI Cluster				
Direct Program:				
Community Development Financial Institutions Program	21.020	212882252	2,475	-
Community Development Financial Institutions Program	21.020	212882252	3,483	-
Total CDFI Cluster			<u>5,958</u>	<u>-</u>
Total Department of the Treasury			<u>5,958</u>	<u>-</u>
NATIONAL ENDOWMENT FOR THE ARTS				
Passed Through the Nevada Arts Council:				
Promotion of the Arts Grants to Organizations and Individuals	45.024	PIE18:6:03	24,675	-
Total National Endowment for the Arts			<u>24,675</u>	<u>-</u>
ENVIRONMENTAL PROTECTION AGENCY				
Direct Program:				
Air Pollution Control Program Support	66.001	97914718	835,071	-

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
ENVIRONMENTAL PROTECTION AGENCY (Continued)				
Direct Program:				
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	99T08201	\$ 60,345	\$ -
Direct Program:				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	99T35801	109,329	-
Total Environmental Protection Agency			<u>1,004,745</u>	<u>-</u>
DEPARTMENT OF ENERGY				
Passed Through Nevada Department of Public Safety:				
Environmental Remediation and Waste Processing and Disposal	81.104	81104.17	67,379	-
Passed Through Nevada Department of Public Safety:				
Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	81.502	81502.13A	572	-
Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis	81.502	82502.16A	17,339	-
Total Department of Energy			<u>17,911</u>	<u>-</u>
			<u>85,290</u>	<u>-</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Aging Cluster				
Passed Through Nevada Department of Health and Human Services:				
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	03-015-21-BX-18	135,975	-
Total Aging Cluster			<u>135,975</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Enhance Safety of Children Affected by Substance Abuse	93.087	RPG-17-002	378	-
Passed Through Nevada Department of Health and Human Services:				
Guardianship Assistance	93.090	G-1801NVGARD	335,705	-
Passed Through Nevada Department of Health and Human Services:				
Injury Prevention and Control Research and State and Community Based Programs	93.136	1 NU17CE924856-02-00	15,315	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	NU17CE924901-01-01	20,714	-
			<u>36,029</u>	<u>-</u>
Direct Program:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79T1026109-02	119,511	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79T1026109-03	244,756	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79T1025753-03	322,328	299,874
			<u>686,595</u>	<u>299,874</u>
Passed Through Nevada Department of Health and Human Services:				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	9324316H	24,818	-
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	9324316H	21,410	21,410
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	9324316E	113,359	86,594
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	9324317H	20,730	-
			<u>180,317</u>	<u>108,004</u>
			<u>866,912</u>	<u>407,878</u>
Direct Program:				
Transitional Living for Homeless Youth	93.550	90CX6947-05-00	54,163	48,318
Transitional Living for Homeless Youth	93.550	90CX7187-01-00	109,056	99,140
			<u>163,219</u>	<u>147,458</u>
Passed Through Nevada Department of Health and Human Services:				
Promoting Safe and Stable Families	93.556	1701NVFPSS	196,342	-

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Promoting Safe and Stable Families	93.556	1701NVFPSS	\$ 284,995	\$ -
Promoting Safe and Stable Families	93.556	16-IVB2CW-17-001	25,158	-
Promoting Safe and Stable Families	93.556	93556-17-101	57,491	-
			<u>563,986</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Child Support Enforcement	93.563	Interlocal Agreement	1,473,765	-
Child Support Enforcement	93.563	Interlocal Agreement	19,377,596	-
Child Support Enforcement, FFY14 Incentive Award	93.563	Interlocal Agreement	1,247,285	-
Child Support Enforcement, FFY15 Incentive Award	93.563	Interlocal Agreement	465,194	-
			<u>22,563,840</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Grants to States for Access and Visitation Programs	93.597	1101NVSAVP	10,508	-
Grants to States for Access and Visitation Programs	93.597	1101NVSAVP	65,630	-
			<u>76,138</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Adoption Incentive Payments	93.603	15-AI-17-002	331,497	-
Adoption Incentive Payments	93.603	93603-16-001	257,028	-
			<u>588,525</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Children's Justice Grants to States	93.643	03843-17-002	12,000	-
Passed Through Nevada Department of Health and Human Services:				
Stephanie Tubbs Jones Child Welfare Services Program	93.645	1701NVCWSS	186,015	-
Passed Through Nevada Department of Health and Human Services:				
Foster Care Title IV-E	93.658	1801NVFOST	12,114,221	-
Foster Care Title IV-E	93.658	1801NVFOST	18,986,877	-
			<u>31,101,098</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Adoption Assistance	93.659	1801NVADPT	1,313,095	-
Adoption Assistance	93.659	1801NVADPT	23,663,455	-
			<u>24,976,550</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Social Services Block Grant	93.667	Agreement	1,984,763	-
Passed Through Nevada Department of Health and Human Services:				
Chafee Foster Care Independence Program	93.674	G-1601NVCLIP	60,468	-
Chafee Foster Care Independence Program	93.674	1701NVCILP	587,227	-
			<u>647,695</u>	<u>-</u>
Passed Through Nevada Department of Health and Human Services:				
Mental and Behavioral Health Education and Training Grants	93.732	Agreement	2,729	-
Direct Program:				
HIV Emergency Relief Project Grants:				
Ryan White Minority AIDS Initiative Program	93.914	2 H89HA06900-12-00	327,894	327,894
Ryan White Minority AIDS Initiative Program	93.914	2 H89HA06900-13-00	94,787	94,787
Ryan White Part A HIV Emergency Relief Project	93.914	2 H89HA06900-12-00	5,147,501	4,604,102
Ryan White Part A HIV Emergency Relief Project	93.914	2 H89HA06900-13-00	1,250,808	980,320
			<u>6,820,990</u>	<u>6,007,103</u>
Direct Program:				
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	6 NU58DPC06127-01-01	3,653	-
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	6 NU58DP006127-03-01	39,934	-
			<u>43,587</u>	<u>-</u>
Total Department of Health and Human Services			<u>91,106,134</u>	<u>6,562,439</u>
CORPORATION FOR NATIONAL COMMUNITY SERVICE				
Passed Through Corporation for Supportive Housing:				
Social Innovation Fund Pay For Success	94.024	15-000-G	203	-
Total Corporation for National Community Service			<u>203</u>	<u>-</u>

(Continued)

Clark County, Nevada
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2018

(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant or Pass-Through Number	Total Federal Disbursements/ Expenditures	Amounts Passed- Through to Subrecipients
EXECUTIVE OFFICE OF THE PRESIDENT				
Direct Program:				
High Intensity Drug Trafficking Areas Program	95.001	G16NV0001A	\$ 884,491	\$ -
High Intensity Drug Trafficking Areas Program	95.001	G17NV0001A	1,809,897	-
High Intensity Drug Trafficking Areas Program	95.001	G18NV0001A	288,332	-
Total Executive Office of the President			<u>2,982,720</u>	<u>-</u>
DEPARTMENT OF HOMELAND SECURITY				
Direct Program:				
National Urban Search and Rescue Response System	97.025	EMW-2015-CA-00021-S01	77,346	-
National Urban Search and Rescue Response System	97.025	EMW-2016-CA-00026-S01	614,851	-
National Urban Search and Rescue Response System	97.025	EMW-2017-CA-00090-S01	524,632	-
National Urban Search and Rescue Response System	97.025	EMW-2013-CA-USR-0019	1,687,838	-
Recaptured National Urban Search and Rescue Response System Funds	97.025		392	-
			<u>2,905,059</u>	<u>-</u>
Passed Through Nevada Department of Public Safety:				
Emergency Management Performance Grants	97.042	9704217	467,604	-
Emergency Management Performance Grants	97.042	9704216	8,216	-
			<u>475,820</u>	<u>-</u>
Passed Through Nevada Department of Public Safety:				
Pre-Disaster Mitigation	97.047	9704716-3100	36,847	-
Homeland Security Grant Program:				
Passed Through Nevada Department of Public Safety:				
Homeland Security Grant Program:				
2015 Urban Area Security Initiative	97.067	97067-15	17,745	-
2015 Urban Area Security Initiative	97.067	97067-U15	10,806	-
2015 Urban Area Security Initiative	97.067	97067.15-3100	29,111	-
2015 Urban Area Security Initiative	97.067	97067-16-3100	2,574	-
2016 Urban Area Security Initiative	97.067	97067.16-3100	164,597	-
2016 Urban Area Security Initiative	97.067	97067-16-3100	22,628	-
2017 Urban Area Security Initiative	97.067	97067.17-3100	7,890	-
2015 State Homeland Security Program	97.067	97067-H15	57,663	-
2016 State Homeland Security Program	97.067	97067-U14	196,205	-
2016 State Homeland Security Program	97.067	97067.16-3000	221,139	-
2016 State Homeland Security Program	97.067	97067.16-3000	71,989	-
2016 State Homeland Security Program	97.067	97067.16-3100	77,148	-
2016 State Homeland Security Program	97.067	97067.17-3000	3,192	-
2017 State Homeland Security Program	97.067	67067-HL5	170,575	-
2017 State Homeland Security Program	97.067	97067-U15	58,416	-
2017 State Homeland Security Program	97.067	97067.16-3000	253,320	-
2017 State Homeland Security Program	97.067	97067.17-3000	128,121	-
2017 State Homeland Security Program	97.067	97067.17-3000	129,307	-
2017 State Homeland Security Program	97.067	97067-17-3100	25,273	-
2017 State Homeland Security Program	97.067	97067.17-3100	167,512	-
Total Homeland Security Grant Program			<u>1,815,211</u>	<u>-</u>
Direct Program				
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2015-FF-00072	76,995	-
Direct Program:				
2016 US Customs - ICE	97.U01	LV02PR06LV0017	8,741	-
2017 US Customs - ICE	97.U02	LV02PR06LV0017	92,962	-
Secret Service Agreement	97.U03	INTERLOCAL AGREEMENT	29,273	-
Secret Service Agreement	97.U04	INTERLOCAL AGREEMENT	17,321	-
			<u>148,297</u>	<u>-</u>
Total Department of Homeland Security			<u>5,458,229</u>	<u>-</u>
TOTAL FEDERAL DISBURSEMENTS/EXPENDITURES			<u>\$ 136,840,821</u>	<u>\$ 20,131,155</u>

Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Clark County, Nevada
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

1. REPORTING ENTITY

The accompanying Schedule of Expenditures of Federal Awards presents the activity of Federal financial assistance programs of Clark County, Nevada (the "County"). The County's reporting entity is defined in Note 1 to its basic financial statements. Federal award expenditures for the Clark County Department of Aviation, Clark County Water Reclamation District, Las Vegas Valley Water District, Big Bend Water District, Kyle Canyon Water District, University Medical Center of Southern Nevada, and Regional Transportation Commission of Southern Nevada, if any, are not included in this schedule, as they are audited separately. All other Federal financial assistance received by the County directly from Federal agencies as well as Federal financial assistance passed through other government agencies is included in the schedule.

2. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Clark County, Nevada, and is prepared on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Clark County, Nevada received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as an expenditure when it is paid to the subrecipient.

3. SIGNIFICANT ACCOUNTING POLICIES

Governmental fund types account for Clark County, Nevada's federal grant activity. Therefore, expenditures in the Schedule of Expenditures of Federal Awards are recognized on the modified accrual basis - when they become a demand on current available financial resources. Such expenditures are recognized following the cost principles contained in Subpart E - Cost Principles of the Uniform Guidance. The Clark County, Nevada's summary of significant accounting policies is presented in Note 1 in the Clark County, Nevada's basic financial statements.

The County has elected to use both the 10% de minimis indirect cost rate allowed under the Uniform Guidance and Federally negotiated indirect cost rates, where applicable.

4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Expenditures of Federal awards reported in the County's basic financial statements are as follows:

General fund	\$ 4,944
Special revenue funds	133,990,098
Capital projects funds	2,763,646
Agency funds	<u>82,133</u>
Total	<u>\$ 136,840,821</u>

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516	Yes

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Continuum of Care Program	14.267
Edward Byrne Memorial Justice Assistance Grant Program	16.738
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243
Foster Care - Title IV-E	93.658
Adoption Assistance	93.659
High Intensity Drug Trafficking Areas Program	95.001

Dollar threshold used to distinguish between Type A and Type B programs	\$3,000,000
Auditee qualified as low-risk auditee	No

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

2018-001

Direct Program

Passed Through Nevada Department of Public Safety

Passed Through Center for Court Innovation, New York

Department of Justice

CFDA # 16.738

Edward Byrne Memorial Justice Assistance Grant Program (JAG)

Award #: 16-JAG-05, 17-JAG-04, 2014-DJ-BX-0554, 2015-DJ-BX-0997, 2016-DJ-BX-0412

Direct Program

Executive Office of the President

CFDA # 95.001

High Intensity Drug Trafficking Areas Program (HIDTA)

Award #: G16NV0001A, G17NV0001A

Allowable Costs

Material Weakness in Internal Control over Compliance

Criteria:

As a condition of receiving Federal awards, non-Federal entities agree to comply with laws, regulations, and the provisions of grant agreements and contracts, and to maintain internal control to provide reasonable assurance of compliance with these requirements.

Title 2, Subtitle A, Chapter II, Part 200 Subpart E, paragraph 430 of the Code of Federal Regulations stipulates that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into the official records of the non-Federal entity;
- Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities...;
- Encompass both Federally assisted, and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- Comply with the established accounting policies and practices of the non-Federal entity...

Condition:

JAG - Nine payroll transactions tested were not supported by appropriate documentation. We identified that the employee charged to the grant was different than the employees who signed Activity Reports verifying time and effort performance on the Grant. The District Attorney's office (DA) received authorization to swap senior personnel into the program in place of

Section III – Federal Award Findings and Questioned Costs

the less senior employees originally budgeted to the program per the grant agreements. The senior personnel then performed on the grant per the agreed upon terms of the grant. However, the DA’s office then charged the grant in the accounting system for the salary of the junior personnel rather than for the salaries of the senior personnel performing on the program. All time and effort requirements of the grant budget were satisfied by the work of the senior personnel, and the compensation for the employees performing the activities was in excess of the amount charged to the program, so we note no questioned costs related to this finding.

HIDTA - Eight payroll transactions tested were not supported by appropriate documentation. We identified that the employee charged to the grant was different than the employee who signed Certification Letters verifying time and effort performance on the Program. The DA received authorization to swap senior personnel into the program in place of the employees originally budgeted to the program per the grant agreements. The senior personnel then performed on the grant per the agreed upon terms of the grant. However, the DA’s office charged the grant in the accounting system for the salary of the originally budgeted employee rather than for the salaries of the senior personnel performing on the program. All time and effort requirements of the grant were satisfied by the work of the senior personnel, and the compensation for the employees performing the activities was in excess of the amount charged to the program, so we note no questioned costs related to this finding.

Cause: Controls over employee compensation charged to the Federal programs were not properly designed to ensure that the grant was only charged for the employee performing the work.

Effect: The Federal program could be charged for service time and employee effort which was not performed on the grant.

Questioned Costs: None reported

Context/Sampling: Nonstatistical sample of 12 payroll transactions from a complete population of 52 payroll transactions charged to the Justice Assistance Grant program was tested for compliance and control functionality.

A nonstatistical sample of 8 payroll transactions from a complete population of 27 payroll transactions charged to the High Intensity Drug Trafficking Program was tested for compliance and control functionality.

Repeat Finding from Prior Year(s): No

Recommendation: We recommend management revise their process for charging salaries and wages to Federal programs so that such charges are for the exact employees who worked on the program.

Views of Responsible Officials: Agree

Office of the County Comptroller

500 South Grand Central Parkway 1st Floor • Box 551210 • Las Vegas NV 89155-1210
(702) 455-3895 • Fax (702) 455-5794

Anna Danchik, Comptroller

Management's Response to Auditor's Findings: Summary Schedule of Prior Audit Findings and Corrective Action Plan June 30, 2018

Prepared by Management of
Clark County, Nevada

BOARD OF COUNTY COMMISSIONERS

MARILYN KIRKPATRICK, Chair • LAWRENCE WEEKLY, Vice Chair
LARRY BROWN • JAMES B. GIBSON • JUSTIN C. JONES • MICHAEL NAFT • TICK SEGERBLOM
YOLANDA T. KING, County Manager



CLARK COUNTY
OFFICE OF THE DISTRICT ATTORNEY

Criminal Division

STEVEN B. WOLFSON
District Attorney

200 Lewis Avenue • Las Vegas, NV 89101 • 702-671-2500 • Fax: 702-455-2294 • TTY and/or other relay services: 711

MARY-ANNE MILLER
County Counsel

CHRISTOPHER LALLI
Assistant District Attorney

ROBERT DASKAS
Assistant District Attorney

JEFFREY J. WITTHUN
Director D.A. Family Support

BRIGID J. DUFFY
Director D.A. Juvenile

Corrective Action Plan

Finding 2018-001

Federal Agency Name: Department of Justice

*Program Name: Edward Byrne Memorial Justice Assistance Grant Program
CFDA# 16.738*

Federal Agency Name: Executive Office of the President

*Program Name: High Intensity Drug Trafficking Area Program
CFDA# 95.001*

Finding Summary:

On March 13, 2019, our Office was made aware of a Material Weakness in internal controls related to the administration of our Edward Byrne Memorial Justice Assistance Grant (JAG) Program and our High Intensity Drug Trafficking Area (HIDTA) Program. There are four affected positions within the Office.

Section III of the Schedule of Findings and Questioned Costs of the Audit pertaining to the JAG Grant identified that “the employee charged to the grant was different than the employees who signed Activity Reports verifying time and effort performance on the Grant.” As for the HIDTA Grant, “the employee charged to the grant was different than the employee who signed Certification Letters verifying time and effort performance on the Program.” Of significance, however, was the determination in both instances that there were “no questioned costs related to this finding.” In other words, the terms of both Grants are being fully complied with.

With respect to resolving the adverse finding, it was recommended that “management revise their process for charging salaries and wages to Federal programs so that such charges are for the exact employees who worked on the program.”

Corrective Action Plan:

The County will charge the JAG and HIDTA grants for the salary and benefits of the employees who are working on those respective programs. In addition, the County will augment the salary and benefits for each position by the amount available JAG and HIDTA Grant funds are exceeded. Finally, there will be a "Limited Permanent" position associated with each of the grant-funded positions to comply with the terms of the Agreement Between the County of Clark and the Clark County Prosecutors Association July 1, 2017, to June 30, 2020.

Anticipated Completion Date: June 2019.

Respectfully submitted,



CHRISTOPHER J. LALLI
Assistant District Attorney

None