

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2003



Washoe County School District
Reno, Nevada

Washoe County School District Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2003



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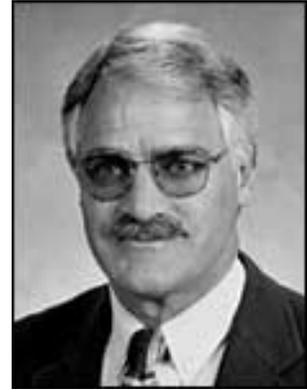
Washoe County School District Superintendent & Board of Trustees



James L. Hager, Ph.D.
Superintendent



Jonnie Pullman
Board of Trustees
President



Dan Carne
Board of Trustees
Vice President



Lezlie Porter
Board of Trustees
Clerk



Nancy Hollinger
Board of Trustees
Member



Anne Loring
Board of Trustees
Member



Galen "Mitch" Mitchell
Board of Trustees
Member



Jody Ruggiero
Board of Trustees
Member

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2003

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Introductory

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-  Organizational Chart
-  Certificate of Achievement for
Excellence in Financial Reporting



Washoe County School District

425 East Ninth Street • P.O. Box 30425

Reno, Nevada 89520-3425

Phone (775) 348-0200 • Fax (775) 348-0304

Board of Trustees

Jonnie Pullman, President
Nancy Hollinger

Dan Carne, Vice President
Anne Loring
James L. Hager, Ph.D., Superintendent

Lezlie Porter, Clerk
Jody Ruggiero

October 3, 2003

TO THE CITIZENS AND THE HONORABLE BOARD OF TRUSTEES OF THE WASHOE COUNTY SCHOOL DISTRICT:

The comprehensive annual financial report of the Washoe County School District (the "District") for the fiscal year ended June 30, 2003, is hereby submitted. Nevada Revised Statutes (NRS) 354.624 requires the District to issue an annual report on its financial position and activities and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with District management. The report has been prepared by the Business and Financial Services Division and to the best of our knowledge and belief, the data contained in the report is accurate in all material respects and presents fairly the financial position of the various funds of this organization, including all disclosures necessary to understand the District's activities.

INTERNAL CONTROLS

The District maintains an internal control structure, which uses policies and procedures established by the Business and Financial Services Division to provide reasonable assurance that specific entity objectives (e.g., compliance with legal requirements) will be achieved, that proper recording of financial transactions are made, and that assets will be safeguarded in the public interest. The District has an Internal Audit Department, which reports administratively to the Superintendent. The department has full and independent access to the Audit Committee of the Board of Trustees and is authorized to review all areas of the District with full, free, and unrestricted access to all activities, records, property, and personnel as may be required.

The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of such costs and benefits requires estimates and judgements made by management. We believe the District's internal accounting controls provide reasonable assurance of proper recording and disclosure of financial transactions and adequately safeguards assets.

AUDIT

This report has been audited by Kafoury, Armstrong & Co. and their unqualified opinion is presented on the first page of the financial section. An audit is performed to provide reasonable assurance that these financial statements are free from material misstatements. This conclusion is reached after performance of various tests of financial transactions and disclosures. Tests were

also performed on the internal control structure and its compliance with applicable laws and regulations, including those related to federal award programs. Testing was not sufficient to support an opinion, but the audit did not disclose material internal control weaknesses. These reports are included in the compliance section and were made in accordance with the Single Audit requirements for federal agencies.

The financial statements in this report have been prepared in conformity with generally accepted accounting principals (GAAP) as applied to governmental audits. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Additionally, this report has been prepared using the guidelines recommended by the Government Finance Officers Association of the United States and Canada, in the publication entitled Government Accounting, Auditing and Financial Reporting (GAAFR), Using the GASB 34 Model, 2001.

REPORT PRESENTATION

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and compliance. The introductory section includes this transmittal letter, a list of District officials, an organization chart and a Certificate of Achievement for Excellence in Financial Reporting. The financial section includes the Report of Independent Auditors, the Management's Discussion and Analysis, the basic financial statements, required supplementary information and the combining and individual fund statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The compliance section includes information pertaining to the Single Audit Act, as well as the external auditor's reports and comments.

REPORTING ENTITY

The District was organized as a result of legislation enacted in 1956. The District provides a full range of elementary and secondary educational services including Federal, State, and Local programs. As with all school districts in Nevada, its boundaries are conterminous with the County. During fiscal year 2002-03, the District operated sixty-one elementary schools, eleven middle schools, and eleven high schools. Additionally, the District operates one special education facility, two alternative high schools, and an occupational education center. The District employed over 7,000 employees and served 58,909 students during the year. The governing board of the District consists of seven members elected by the public for four-year terms. The Board of Trustees believe that our mission is to provide each student the opportunity to achieve his or her potential through a superior education in a safe and challenging environment in order to develop responsible and productive citizens for our diverse and rapidly changing community.

The Board of Trustees is ultimately accountable for the fiscal matters of the District. The Superintendent of Schools is responsible to the Board of Trustees for the general efficiency of the school system, including personnel, finance, administration and instruction, student services, and all other phases of District operations. In addition, the Superintendent develops policy for constructive relations between schools and the community, and assures programs are responsive to current and future student needs, and compatible with community expectations.

This report includes all funds of the primary government unit, the District. The District does not have any component units or legally separate entities. Control by or dependence on the District was determined on the basis of budget adoption, outstanding debt secured by revenues or general obligations of the District, or by obligation of the District to finance any deficits that occur. Based on these criteria, there are no other organizations or entities included in the financial statements.

ECONOMIC CONDITION AND OUTLOOK

The District is located in the northwestern part of the State in the boundaries designated as Washoe County. The County itself is the second largest (population wise) in the State of Nevada geographically covering an area of 6,600 square miles with the county seat in the City of Reno. Other cities included in the County are Gerlach, Sparks, Wadsworth and Incline Village at Lake Tahoe.

The economy of Nevada is heavily dependent upon a tourist industry based on legalized casino gambling. Gaming has been legal in Nevada since 1931 and is regulated and controlled by the State. Different forms of legal gaming have been authorized or are being considered by many states, including California. As such, the diversification of Nevada's job base continues to be a high priority throughout the State.

Washoe County continues to be one of the most diversified in Nevada. The Reno/Sparks area is a principal manufacturing and distribution center for the Western United States with industrial space of nearly 52 million square feet. New and improved industrial and business parks offer sites at a wide range of prices, with easy access to existing freeways, railroads and the airport. The ease of transportation access has also contributed to tourism with the growth of ski resorts, golf courses, a National Bowling Stadium, and expanded convention facilities throughout the region. Washoe County also hosts a number of significant events each year including the Reno Rodeo, Hot August Nights Classic Cars, the Reno/Tahoe PGA Golf Tournament, the National Championship Air Races, and the Great Reno Balloon Race. Additionally, the local response to generate new business is to increase emphasis on special events and concentrate on outdoor activities that involve Lake Tahoe, Pyramid Lake, the Sierra mountains and the vast open space. It is this quality of life coupled with low taxes, no personal or corporate income tax that makes northern Nevada appealing to companies looking to relocate their operations to this area.

The forecasted population of Washoe County at the end of the 2002-03 fiscal period is 346,680, which reflects a 26.1% increase over the 1993-94 population of 274,836. Over the last year, the County population grew by 1.6%. The annual labor force of the County is estimated at 198,000 at the end of June 2003, and the unemployment rate was established at a fiscal year average of 4.4% compared to 4.6% last year. This can be compared to the United States unemployment rate of 5.4% for the same period.

Other indicators of the economy in the County are reflected in taxable retail sales that increased 3.69% compared to the 1.67% increase in the prior year. Air traffic in Reno is up .7%, while gross income from gaming is also down 1.54%. Additionally, sales of existing homes increased 16.6% while new building permits were at 11,139 compared to 9,676 in the prior year.

In summary, Nevada and Washoe County's economy is showing signs of growth and improvement, when compared to similar statistics in recent business cycles. This year's legislative session dealt with a state's economy that needed planning for the next ten years. The deliberations on this budget and tax increases were long and difficult, but in the end,

movement was made to create new resources that will hopefully provide for school districts within this state now and in the future.

CHALLENGES FACING THE DISTRICT

Last year's report noted that the Board of Trustees reduced FY 2002-03 general fund expenditures by \$8.5 million in order to balance the budget. Again, for the FY 2003-04 school year, another reduction of approximately \$6 million was necessary. The reason? Revenue for the general fund is not keeping pace with costs. Such items as health insurance, utilities, textbooks and the operational costs associated with new schools are not fully covered by either local or state revenues. Complicating the situation this year was a delay in action from the Nevada State Legislature resulting in a delay in hiring teachers and in ordering supplies and materials.

To gauge public opinion before those cuts were made, the District held numerous Town Hall meetings to explain the financial situation and to gather input on where cuts should be made. It was clear that the public does not understand how Nevada funds its schools, where revenue comes from or how it is spent. To fill that information void, the District has published a "Community Guide To Understanding Washoe County School District's Funding." This 24-page booklet should provide a framework for future discussions and help citizens become more involved in the budgeting process.

There are no greater challenges to the District than those associated with implementing the federal No Child Left Behind Act, the latest iteration of the Elementary and Secondary Education Act. This highly prescriptive legislation is compelling districts across the nation to devote sizeable resources, both human and capital, to complying with its numerous mandates. New testing is required and the data generated are required to be analyzed and reported in new ways. That will require an investment in new technology and in additional staffing. Additional requirements in parental involvement and mandated reporting to parents will challenge existing resources.

Voters approved a major new funding mechanism on November 5, 2002 to finance new schools, the upgrading of existing schools, the improvement of the District's technology infrastructure and the expansion of other District facilities. This "rollover" bond mechanism will provide a steady and reliable source of capital improvement revenue for the next 10 years. The challenge now facing the District is to ensure that the proceeds from the various upcoming bond sales are used efficiently and effectively. To that end, the Plant/Facilities division has been completely reorganized to devote full attention to this critical issue, and a master plan has been developed to guide the process.

FINANCIAL INFORMATION

In Fiscal Year 1982-83, the District, in an effort to standardize the reporting of accounting data with its counterparts, adopted and implemented the Handbook II (Revised) accounting system which has been promulgated by the U. S. Department of Education, National Center for Education statistics, and further mandated by the Nevada Department of Education. In meeting the constant demand for educational cost information, the system standardizes resources into local, state, federal and other categories while expenditures in each fund are classified by program, function, object and responsibility center.

Budgeting Process. The Business and Financial Services Office develops and administers a budgeting system that serves as the primary means by which most of the financing, acquisition,

spending and service-delivery activities of the District are controlled. The use of an annual operating budget is prescribed under Chapter 354 of the Nevada Revised Statutes, approved by the Board of Trustees through public hearings, and is submitted to the Nevada Tax Commission for compliance review.

Budgetary highlights and next year's budget are discussed in Management's Discussion and Analysis. Compliance with the budget and other statutory issues are discussed in the notes to the financial statements.

Cash Management. The District has adopted and maintains a formal policy and regulation governing investment transactions. Cash available for investment is invested in U.S. Government securities, repurchase agreements, and the State Treasurer's Investment Pool during the year. In addition, the District utilizes Collateralized Investment Agreements for capital project bond proceeds received in December 1998 and after. The use of these agreements has allowed the District to earn the maximum amount of bond proceed interest permitted by law. As a standard procedure, the District schedules investment maturities with projected cash flow. In addition to short-term investments for idle cash, the District maintains its cash in an interest-bearing checking account with amounts exceeding FDIC insurance limits secured by securities held by a third party. The range of yield on investments, excluding debt service, was 1.2% to 5.63% during the fiscal year. As a result, the District yielded \$3.1 million of earnings on investments.

Risk Management. The District believes it has an obligation to protect itself against accidental losses, which could adversely affect its assets or prevent it from fulfilling its responsibilities to the public; and to provide this protection at the most economical cost possible. The District's risk management program addresses this obligation by using all available risk management resources and techniques including risk identification and analysis, purchase of commercial insurance, contract review, risk reduction, risk avoidance and self-insurance. Through its self-insured programs and the establishment of their corresponding funds, and the purchase of commercial insurance, the District believes it has the financial resources needed to respond to losses affecting its assets. A detail of the types of coverage and amounts is provided in the Statistical Section of this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2002. This is the second consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principals and applicable legal requirements.

A Certificate of Achievement is valid for one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Prior to this award, the District only applied and received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting award. The District received this award eight consecutive years.

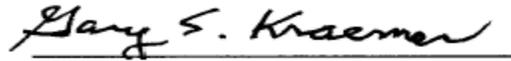
ACKNOWLEDGMENTS

The preparation of this report on a timely basis was made possible through the dedicated services of the entire accounting staff of the Business and Financial Services Division. Through their efforts, the report and its contents were compiled into an easily readable and efficiently organized document. Thanks also to the Print Shop for producing this document and to the staff from Kafoury, Armstrong & Company, Certified Public Accountants, for their contribution and support. Special thanks to the Board of Trustees for their direction and support provided in the planning and conducting of the financial operations of the District in a progressive and prudent manner.

Respectfully submitted,



James L. Hager, Ph.D.
Superintendent



Gary S. Kraemer, CPA
Chief Financial Officer

Washoe County School District Reno, Nevada



District Officials For Fiscal Year Ended June 30, 2003

Board Of Trustees

Jonnie Pullman
President

Dan Carne
Vice President

Lezlie Porter
Clerk

Nancy Hollinger
Member

Anne Loring
Member

Galen "Mitch" Mitchell
Member

Jody Ruggiero
Member

Administrative Officials

James L. Hager, Ph.D.
Superintendent

Steve Hull, Ph.D.
Assistant to the Superintendent

Paul Dugan
Area 1 Superintendent

Ken Grein
Area 2 Superintendent

Debbie Cylke
Area 3 Superintendent

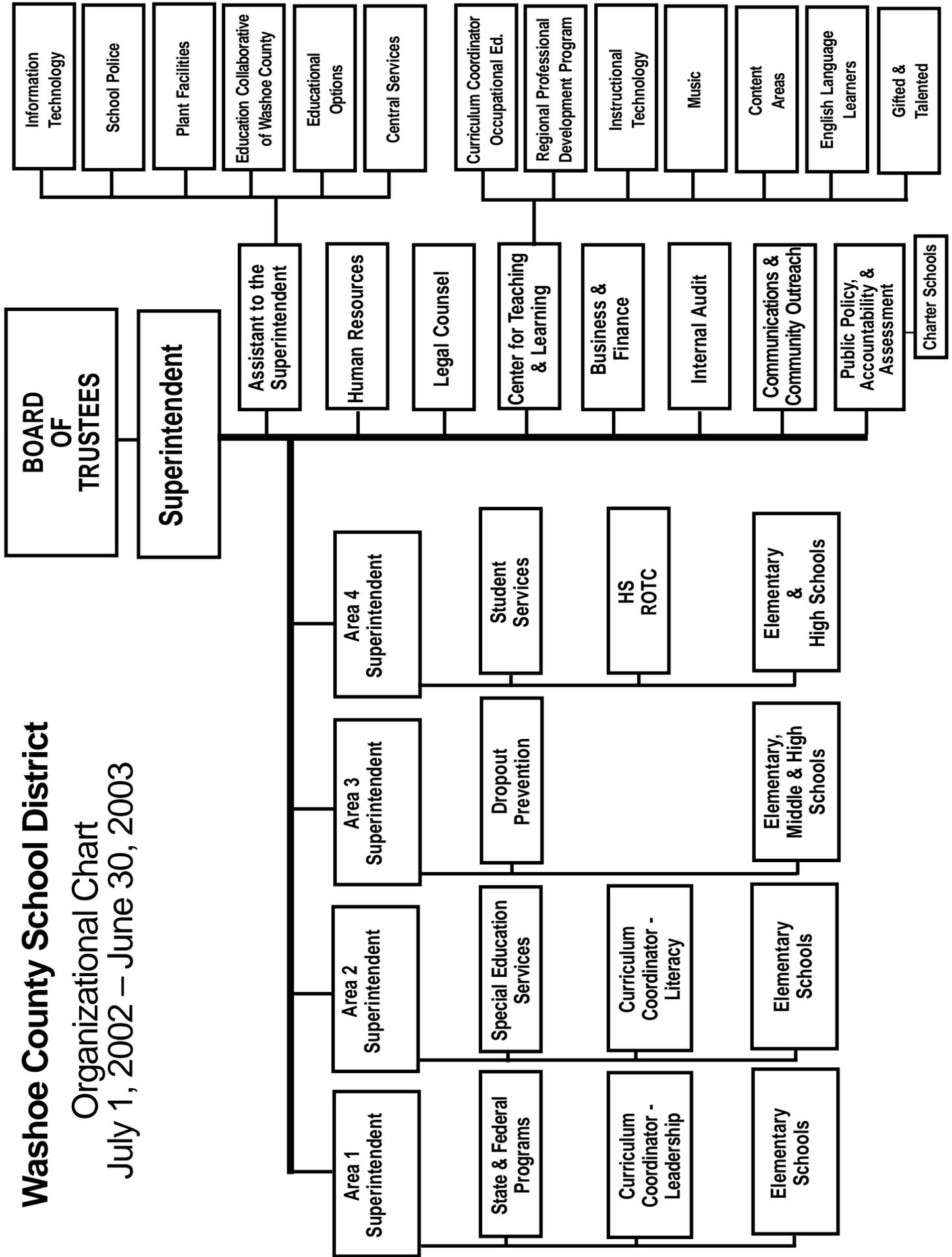
Darlene Schottle, Ed.D.
Area 4 Superintendent

Gary Kraemer, CPA
Chief Financial Officer
Business & Financial Services

Washoe County School District

Organizational Chart

July 1, 2002 – June 30, 2003



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Washoe County School District, Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2002

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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Financial

Section

- Independent Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
 - Government-Wide Financial Statements
 - Fund Financial Statements
 - Notes to Financial Statements
- Combining and Individual Fund Statements
- Capital Assets

KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Board of Trustees of the
Washoe County School District
Washoe County, Nevada

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Washoe County School District, Washoe County, Nevada (the "District") as of and for the year ended June 30, 2003, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the management of the District. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2003, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Special Education Fund, Debt Service Fund, 1999 Bond Capital Projects Fund, and the 2002 Bond Rollover Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 3, 2003 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 13 is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards (as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*) are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section and Statistical Tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements. Accordingly, we do not express an opinion on them.

Kafoury, Armstrong & Co.

Reno, Nevada
October 3, 2003

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

Washoe County School District's discussion and analysis is designed to, (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activities, (c) identify changes in the District's financial position (its ability to address the next and 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 notes to gain a more complete picture of the information presented

Financial Highlights

- The auditor's report offers an unqualified opinion on the financial statements, the highest level of assurance that can be attained.
- Government-wide net assets increased by \$19.2 million to \$143.6 million.
- Unrestricted net assets increased or improved by \$3.7 million to lower the deficit to \$(10.7) million. The negative unrestricted net assets results from the unfunded long-term obligations in the form of compensated absences totaling \$18.2 million and early separation incentives totaling \$2.6 million.
- The District's total revenues were \$408.4 million. The greatest revenues are local school support taxes (sales tax) at \$117 million, property tax (Ad Valorem) at \$109.8 and state aid at \$78.7 million.
- The District's total expenses increased by \$6.2 million to \$389.2 million. The greatest expenses were in regular instruction at \$185 million, operation and maintenance at \$33.7 million and special education instruction at \$32 million.
- Net capital assets increased to \$436.1 million. Major additions included \$26.3 million for Damonte Ranch High School (77% completed), \$6.5 million for Incline Elementary (76% completed), \$2.6 million for the completion of the Gerlach school addition, \$1.6 million for Spanish Springs Middle School (6% completed), \$1.6 million for older school improvements and \$1.7 million for the completion of the Regional Technical Institute. Depreciation expense totaling \$10.8 million is included in the government-wide statements.
- The District's general obligation bonds payable increased by \$16.4 million or 4.9%. This is the result of the issuance of \$36 million in bond rollover debt, \$1.4 on refunded bonds and \$(21) million of debt payments.
- The District has an A2 bond rating with a stable outlook from Moody's Investor Service and is rated A with a negative outlook from Standard and Poor's Corporation. While the rating agencies have a confident view of the District's overall financial picture, they are concerned with the low General Fund reserves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide an overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

In many government entities, the government-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges by reporting them as business-type activities. The District has no functions in the business-type category resulting in the entire statement representing governmental activities.

Fund Financial Statements

The Fund Financial Statements presentation is more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide statements described above. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. To provide a better understanding of the relationship between the fund statements and the government-wide statements, both the governmental fund balance sheet and governmental fund statement of revenues, expenditures and changes in fund balances provide reconciliations between the two statement types.

The focus of the governmental fund statements is on major funds. The District has 35 individual governmental funds of which the general, special education, debt service, 1999 bond and 2002 bond rollover funds are considered major. These funds are disclosed separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The remaining 30 nonmajor governmental funds are combined into a single aggregated presentation in these statements. Individual fund data for each of these nonmajor funds is reported in combining statements in the supplementary information section of this report.

Proprietary funds are comprised of enterprise funds and internal service funds. As reported previously, the District has no business-type activities to be accounted for in enterprise funds. Internal service funds are used to accumulate and allocate costs internally among the District's various programs and functions. The District uses three internal service funds to account for the self-insured cost of property and casualty, employees' health care and workers' compensation. Because internal service fund operations primarily benefit governmental funds, they are included in the governmental fund activities column in the government-wide statements.

All three 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 statements in the supplementary information section of this report.

Fiduciary funds account for resources held for other governments or individuals outside of the District. As their resources do not support District activities, they are not included in the government-wide statements.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

Notes to the Financial Statements

The notes provide required disclosure and information necessary to understand the District's activities.

Other

Supplementary information, including individual fund statements and schedules providing budget to actual and prior year comparisons, are presented after the other government-wide financial statements. These schedules test compliance with budgetary constraints and management directives to enhance accountability at the fund and function level.

Statistical information is provided on a ten-year basis, as available, for trend and historical analysis.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

In order to enhance analysis, comparative information is provided for assets, liabilities, net equity and revenues.

WASHOE COUNTY SCHOOL DISTRICT'S NET ASSETS

| | <u>2003</u> | <u>2002</u> |
|--|-----------------------|-----------------------|
| Assets | | |
| Current and other assets | \$ 171,989,074 | \$ 169,760,989 |
| Net capital assets | <u>436,075,295</u> | <u>393,892,817</u> |
| Total assets | 608,094,369 | 563,653,806 |
| Liabilities | | |
| Current liabilities | 92,608,288 | 88,233,520 |
| Long-term liabilities | <u>371,832,466</u> | <u>351,024,033</u> |
| Total liabilities | 464,440,754 | 439,257,553 |
| Net Assets | | |
| Invested in capital assets, net of related debt | 103,275,042 | 99,715,396 |
| Restricted | 51,061,565 | 39,073,756 |
| Unrestricted | <u>(10,712,992)</u> | <u>(14,392,899)</u> |
| Total net assets | <u>\$ 143,623,615</u> | <u>\$ 124,396,253</u> |

For more detailed information see the Government-Wide Statement of Net Assets and the Notes to the Financial Statements.

Net Assets: The District's assets exceeded liabilities by \$143.6 million at June 30, 2003. The largest portion of net assets (71.9%) reflects its investment in capital assets (e.g., land, buildings, equipment and construction in progress) less any outstanding related debt used to acquire those assets. The District uses these capital assets to provide services to citizens; therefore, they are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities.

- An additional portion of the District's assets (35.6%) represents resources that are subject to external restrictions (statutory, bond covenants, or granting agency) on how they may be used. At June 30, 2003, the District had negative unrestricted net assets of \$(10.7) million. The negative unrestricted net assets primarily result from the unfunded long-term obligations

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

in the form of compensated absences totaling \$18.2 million and early separation incentives totaling \$2.6 million.

Governmental activities increased the District's net assets by \$19.2 million. These increases were the result of the excess of revenues over expenses. Key elements of the increases are noted on the following table.

WASHOE COUNTY SCHOOL DISTRICT CHANGE IN NET ASSETS

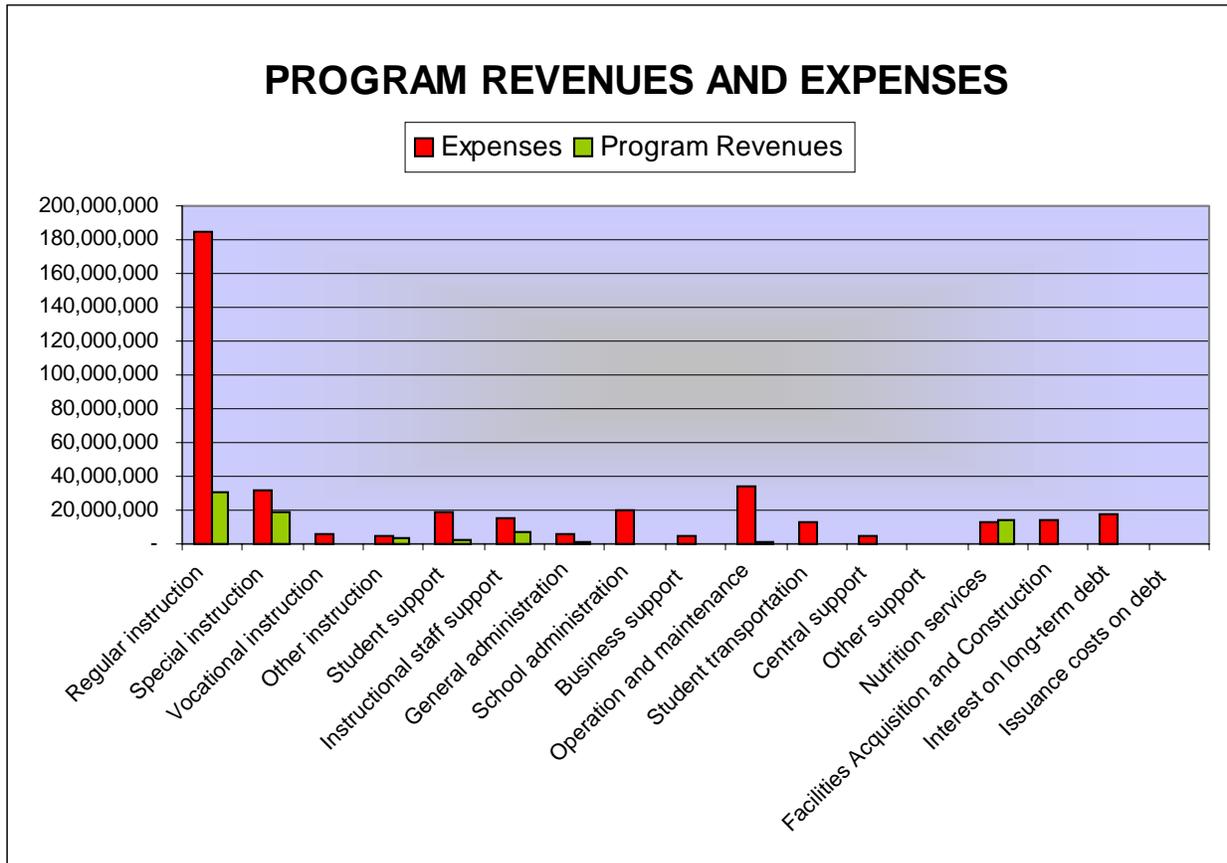
| | <u>2003</u> | <u>2002</u> |
|---|----------------------|---------------------|
| Revenues | | |
| Program revenues: | | |
| Charges for services | \$ 7,877,036 | \$ 7,679,075 |
| Operating grants and contributions | 71,314,386 | 68,176,805 |
| General revenues: | | |
| Property taxes | 109,768,083 | 102,617,739 |
| Local school support taxes | 116,959,363 | 112,258,067 |
| Government service taxes | 14,230,955 | 13,015,491 |
| Other taxes and fees | 1,697,574 | 1,516,853 |
| Unrestricted investment earnings | 4,912,745 | 7,363,521 |
| State aid not restricted to specific purposes | 78,721,232 | 75,088,119 |
| Other | 2,942,303 | 2,037,587 |
| Total revenues | <u>408,423,677</u> | <u>389,753,257</u> |
| Expenses | | |
| Instruction: | | |
| Regular instruction | 184,993,866 | 180,196,628 |
| Special instruction | 32,001,726 | 30,070,560 |
| Vocational instruction | 6,227,423 | 6,593,175 |
| Other instruction | 5,009,228 | 4,767,956 |
| Support services: | | |
| Student support | 18,448,225 | 17,903,382 |
| Instructional staff support | 15,336,683 | 13,329,522 |
| General administration | 6,077,638 | 5,542,329 |
| School administration | 19,965,103 | 18,739,572 |
| Business support | 4,218,214 | 3,989,647 |
| Operation and maintenance | 33,658,260 | 32,528,440 |
| Student transportation | 13,343,831 | 12,376,312 |
| Central support | 4,887,624 | 4,709,401 |
| Other support | 336,498 | 179,924 |
| Nutrition services | 13,373,888 | 12,554,171 |
| Facilities Acquisition and Construction | 13,737,063 | 17,369,591 |
| Interest on long-term debt | 17,121,442 | 21,945,321 |
| Issuance costs on debt | 459,603 | 216,650 |
| Total expenses | <u>389,196,315</u> | <u>383,012,581</u> |
| Increase in net assets | <u>\$ 19,227,362</u> | <u>\$ 6,740,676</u> |

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

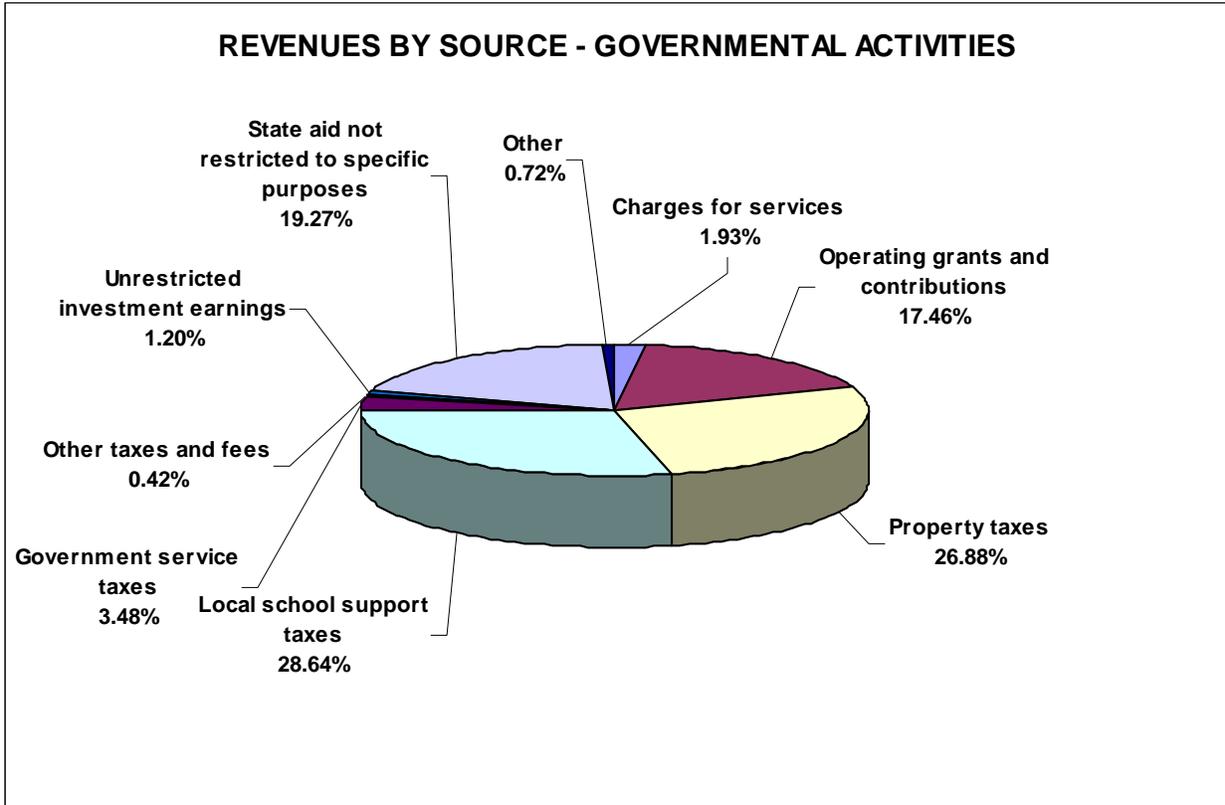
Total Revenues: Total revenue exceeded prior year revenue by 4.8%. General revenues, mainly comprised of taxes, state aid and investment earnings, represented 80.6% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

General Revenues: General revenues increased 4.9% from the prior fiscal year. The District experienced increases in all categories except interest due to declining rates and reduced proceeds available to invest.

Program Revenues: Program revenues represent 19.4% of the total revenue collected to pay costs of providing program services. The remaining program costs were financed from general revenues. The graph on this page demonstrates the governmental revenue expense coverage on a functional basis.



**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**



Governmental Activities:

- ❑ The largest revenue sources for the District are property taxes (Ad Valorem), local school support taxes and state guaranteed funding, which comprise 74.8% of total revenues.
- ❑ Ad valorem taxes increased 7.5% from the prior year due to increased tax collections and increases in assessed valuations.
- ❑ Local school support taxes increased 4.19% due to increased taxable sales.
- ❑ State revenue, as provided in the Nevada Plan (State aid guaranteed funding), increased 5.1% as a result of increased enrollment and legislative increases. However the growth was smaller this fiscal year due to larger than anticipated increases in property tax and school support tax.

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

The Washoe County School District uses fund accounting and budgetary integration to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Washoe County School District's governmental funds is to provide information on current inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's current funding requirements. In particular, unreserved fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

As of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$101.6 million, a decrease of \$(8.8) million over the prior year. Of this total, approximately \$12.7 million, or 29%, constitutes *unreserved and undesignated fund balance*,

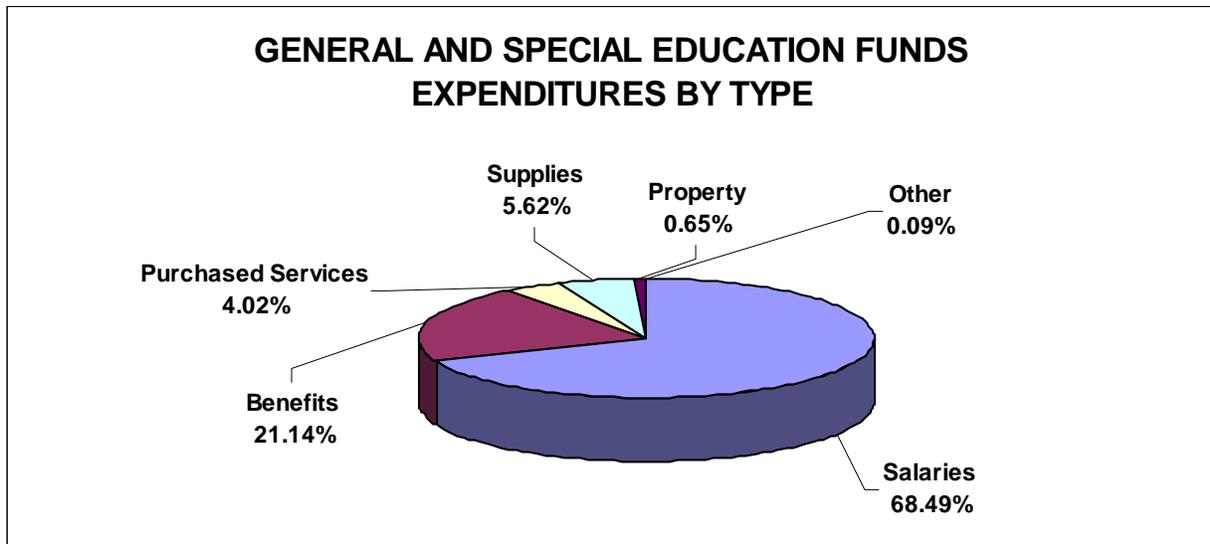
**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

which is available for spending at the District's discretion within the respective fund. The District has \$31.5 million, or 71%, *unreserved and designated fund balances* for subsequent year items. The remainder of fund balance is reserved to indicate that it is not available for spending because it has already been committed to: (1) \$16.5 million for construction contracts and encumbrances (contracts or purchase orders of the prior period), (2) \$38.3 million to pay debt service and sinking fund, and (3) \$2.5 million for inventories and capital leases.

In 1993 the State Legislature enacted legislation that required the special education program (previously accounted for in the general fund) to be accounted for in a separate special revenue fund. Because of its size and relationship to the general fund, it is included in the analysis below.

**GENERAL AND SPECIAL EDUCATION FUNDS
EXPENDITURES BY TYPE**

| | <u>2003</u> | <u>2002</u> |
|--------------------|-----------------------|-----------------------|
| Salaries | \$ 201,218,134 | \$ 194,391,198 |
| Benefits | 62,112,830 | 58,255,834 |
| Purchased Services | 11,801,410 | 12,170,899 |
| Supplies | 16,503,331 | 15,991,205 |
| Property | 1,913,210 | 5,496,377 |
| Other | <u>253,320</u> | <u>224,250</u> |
| Totals | <u>\$ 293,802,235</u> | <u>\$ 286,529,763</u> |



- ❑ Salaries and wages comprise 68.5% of total expenditures. School District's by their nature are labor intensive.
- ❑ Employee benefits average 30% of salaries and wages and 21.1% of total expenditures. Benefits include contributions on the behalf of employees for retirement (Public Employees'

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

Retirement), health insurance, medicare, old age survivors disability insurance (part-time employees), life insurance and workers' compensation.

- ❑ Purchased services, supplies and property comprise 10.3% of total expenditures. Details regarding variances on a fund level are available in separate reports.

The General Fund is the primary operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8.2 million compared to \$2.5 million in the prior year. The total fund balance was \$10.6 million compared to \$5.4 million in the prior year. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 3% of total fund expenditures while total fund balance represents 4% of that same amount.

The unreserved fund balance of the General Fund increased \$5.7 million. Key factors in this change are as follows:

- ❑ Total revenues of \$287.7 exceeded prior year revenue by \$15.9 million or 5.9%, primarily due to increased property tax (7.5%), school support tax (4.2%), government services tax (9.3%) and state aid (4.8%).
- ❑ Total expenditures of \$261 million exceeded prior year by \$5.0 million or 2.0%. Salaries and wages increased 3.1% as a result of District growth and movement on the salary schedules. Additionally, the District entered into a two-year salary contract with all bargaining groups last fiscal year which provided a Cost of Living Increase (COLA's) this fiscal year, with the exception of school police, who were provided COLA's this year and last. Employee benefits exceeded the previous year by 6.2% due largely to corresponding increases in salaries, a mandated increase in public employee retirement rates and a 10.0% increase in health insurance costs.
- ❑ Operating (non-salary) categories decreased by \$(3.5) million or (11.6)% from the prior year. The decrease was due primarily to the lease proceed expenditures of \$4 million in the prior year that did not occur in the current year.
- ❑ The excess of revenues over expenditures was \$26.7 million. Transfers to other funds were \$21.8 million. Significant transfers included \$18.0 million to the Special Education Fund, \$1.9 million to the Debt Service Fund and \$1.8 million to the Health Insurance Fund.

The Special Education Fund accounts for resources (state-aid and transfers from the General Fund) used to provide special education to eligible students. This fund has no fund balance as the District only transfers the amount needed to cover expenditures not provided by the State. Resources and expenditures totaled \$32.8 million, which exceeded the prior year by \$2.2 million or 7.2%. State aid totaling \$14.8 million and transfers from the General Fund of \$18.0 million, accounted for all the resources in the fund.

The Debt Service Fund has a total fund balance of \$38.3 million, all of which is reserved for the payment of debt service. The increase of \$10.7 million in fund balance during the current year resulted from a deposit from the 2002 bond rollover proceeds and increased property tax collections.

The 1999 Capital Projects Fund represents \$110 million of the \$178 million 1998 voter approved bonds for the construction of elementary and high schools along with older school

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

capital improvements. This fund has a total fund balance of \$17.5 million, which consists of unspent bond proceeds and investment income, which will be applied to various capital projects. During the year \$47.2 million was expended on new school construction and older school improvements. Major projects include the construction of Damonte Ranch High School (77% completed), the construction on Incline Elementary (76% completed), completing the remodel of the Regional Technical Institute and the completion of the Gerlach school addition. Additionally, new roofs, fire alarms, playground improvements, ADA renovations, cabling and phone system projects were started and some completed at many older schools during the year.

The 2002 Rollover Capital Projects Fund represents \$25.7 million of an estimated \$300-600 million 2002 voter approved bonds. Over the next ten years, rollover bonds will be issued for older school improvements along with the construction of new elementary and middle schools and the build-out of high schools. The rollover bonds allow the District to provide for the upkeep of existing facilities and to add new schools to address growth. This fund has a total fund balance of \$24 million, which consists of unspent bond proceeds and investment income. This initial bond issuance is dedicated entirely to the construction of Spanish Springs Middle School (6% completed).

Proprietary Funds: The proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The District's self-insured Property and Casualty, Health Insurance and Workers' Compensation Internal Service Funds had a deficit Net Asset balance of \$(882,457). This deficit is due to the Health Insurance Fund, which has a deficit Net Asset balance of \$(1,641,429) compared to \$(412,844) in the prior year. Additionally, the Property and Casualty Fund has a balance of \$368,915 compared to a balance in the prior year of \$119,372. The Workers' Compensation Fund finished the year with a balance of \$390,057 compared to \$2,350 in the prior year.

The District is committed to eliminating the deficit balance in the Health Insurance Fund. As part of this process, the District again worked to secure additional health care funding in the State Legislature. Additionally, the District continues its efforts to adjust premiums and modify benefits to address the national problem of increased health care costs. Finally, the District has designated \$1,793,829 in the General Fund for the restoration of health insurance fund net assets.

GENERAL FUND BUDGETARY HIGHLIGHTS

Prior to the beginning of the fiscal year, the District adopts its original budget on or before June 8. The District is required to amend the budget by January 1 of the fiscal year to reflect the official enrollment count. During the year, the Chief Financial Officer is authorized to transfer appropriations between accounts and funds, subject to the subsequent approval by the Board. The District may also augment the budget by a majority vote of the Board if anticipated resources actually available during the year exceed those estimated.

The District amended the budget on December 17, 2002 to reflect actual enrollment and other increases in resources. The District also augmented the budget on June 17, 2003. The significant changes from the original to the final budget are summarized below.

- ❑ \$4.6 million for reserved and designated opening fund balances utilized for prior year commitments.
- ❑ \$400,000 in revenue to adjust for other local revenue in excess of projections.
- ❑ \$260,000 from lease proceeds to purchase buses and vehicles.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2003 amounts to \$436.1 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, equipment, and construction in progress. The total increase in the District's investment in capital assets for the current fiscal year was 10.8%. The major capital additions this fiscal year included:

| | | | |
|------------------------------|----------------|-------------------------------|---------------|
| Damonte Ranch High School | \$26.3 million | Gerlach School Addition | \$2.6 million |
| Incline Elementary | 6.5 | Older School Improvements | 1.6 |
| Regional Technical Institute | 1.7 | Spanish Springs Middle School | 1.6 |

**WASHOE COUNTY SCHOOL DISTRICT CAPITAL ASSETS
(Net of Depreciation)**

| | <u>2003</u> | <u>2002</u> |
|-----------------------------------|-----------------------|-----------------------|
| Land | \$ 27,899,389 | \$ 24,948,956 |
| Construction in progress | 40,007,775 | 4,969,655 |
| Buildings | 359,376,069 | 355,955,151 |
| Improvements other than buildings | 1,208,377 | 0 |
| Machinery and equipment | 7,583,685 | 8,019,055 |
| Total | <u>\$ 436,075,295</u> | <u>\$ 393,892,817</u> |

WASHOE COUNTY SCHOOL DISTRICT OUTSTANDING DEBT

| | <u>2003</u> | <u>2002</u> |
|------------------------------|-----------------------|-----------------------|
| General Obligation Bonds | \$ 352,425,000 | \$ 335,985,000 |
| Capital Lease Obligations | 11,942,899 | 15,663,851 |
| Qualified Zone Academy Bonds | 5,486,899 | 5,486,899 |
| Total | <u>\$ 369,854,798</u> | <u>\$ 357,135,750</u> |

The District's outstanding debt increased by \$12.8 million during the current fiscal year primarily due to the issuance of the new rollover bonds netted with the effects of refunding debt and planned principal payments. The District also added new capital leases.

State statute (NRS 387.400) limits the amount of general obligation debt a school district may issue to 15% of its total assessed valuation. The current limitation for the Washoe County School District is \$1.2 billion, which is significantly in excess of the District's outstanding general obligation debt.

Additional information on Washoe County School District's long-term debt can be found in the notes to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003**

The Washoe County School District is the second largest county school district in the State of Nevada. The District's funding primarily comes from local ad valorem, sales and government services taxes. Additionally, the State provides funding on a per pupil basis. With this background, the following factors are provided for the FY 2003-04 budget:

- ❑ The guaranteed basic support per pupil revenue amount as provided through the State's Distributive School Account (DSA) is \$4,161 (including a \$50 per student textbook allocation), an increase of \$296 over the prior year. Special Education Units are \$30,811 per unit, an increase of \$1,235 over the prior year.
- ❑ The District will receive a special appropriation from the State for excess health insurance costs during the fiscal year. The amount will be determined from an application process for all school district's to obtain a portion of \$5.8 million set aside by the legislature over the biennium.
- ❑ The District's unweighted enrollment is 60,411 in FY 2003-04 or 2.6% more students than the prior year.
- ❑ District expenditures include the additional cost to operate a new elementary school, a new high school and 2.0% legislatively provided salary increase for employees.

With the growth in enrollment, the increases in basic support per pupil funding, increase in special education funding and other small revenue increases, the General Fund budget for FY 2003-04 will increase by \$24 million or 8.0% over the prior year. Unfortunately, the District's initial expenditure projections required an additional \$30 million to provide for ongoing costs, opening a new elementary school and a new high school, salary and benefit increases as well as other fixed/mandated cost increases.

Because these necessary and essential commitments exceeded the available resources, the District implemented a very thorough budget realignment process. This process allowed for an analysis of the District's budget and identified areas where the District could reduce costs. The realignment process trimmed \$6.0 million from the budget resulting in a balanced budget for FY 2003-04.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the Washoe County School District's finances for all interested parties. Questions concerning the information provided in this report or requests for additional financial information should be addressed to Gary S. Kraemer, Chief Financial Officer, P.O. Box 30425, Reno, NV 89520-3425. Effective January 1, 2004 this report will also be available on the web site at www.washoe.k12.nv.us.

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Basic Financial Statements

- Government-Wide Financial Statements
 - Statement of Net Assets
 - Statement of Activities

- Fund Financial Statements
 - Governmental Funds
 - Proprietary Funds
 - Fiduciary Funds

- Notes to Financial Statements

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**WASHOE COUNTY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2003**

**GOVERNMENTAL
ACTIVITIES**

ASSETS

| | |
|--------------------------------|----------------|
| Current assets: | |
| Cash and investments | \$ 120,215,281 |
| Receivables: | |
| Property taxes | 2,084,441 |
| Interest | 229,405 |
| Grants | 5,815,428 |
| Miscellaneous | 901,621 |
| Due from other governments | 32,449,132 |
| Inventories | 1,281,862 |
| Prepaid expenses | 8,531,332 |
| Due from fiduciary funds | 11,012 |
| Total current assets | 171,519,514 |
| Noncurrent assets: | |
| Restricted cash | 469,560 |
| Capital assets | 557,953,641 |
| Less: Accumulated depreciation | (121,878,346) |
| Total noncurrent assets | 436,544,855 |
| Total assets | 608,064,369 |

LIABILITIES

| | |
|--|--------------|
| Current liabilities: | |
| Accounts payable | 3,407,775 |
| Accrued liabilities | 36,487,393 |
| Construction contracts payable | 7,009,815 |
| Interest payable | 2,968,763 |
| Due to other governments | 1,101,323 |
| Deferred revenues | 1,698,008 |
| Current portion of long-term obligations | 39,935,211 |
| Total current liabilities | 92,608,288 |
| Noncurrent liabilities: | |
| General obligation bonds payable | 352,425,000 |
| Deferred premiums | 8,725,267 |
| Arbitrage payable | 2,073,085 |
| Capital leases payable | 17,429,798 |
| Accrued compensated absences | 18,226,343 |
| Accrued early separation incentive stipends | 2,642,533 |
| Accrued self-insurance pending claims | 10,245,651 |
| Less: current portion of long-term obligations | (39,935,211) |
| Total noncurrent liabilities | 371,832,466 |
| Total liabilities | 464,440,754 |

NET ASSETS

| | |
|---|----------------|
| Invested in capital assets, net of related debt | 103,275,042 |
| Restricted for: | |
| Debt service | 35,383,022 |
| Capital projects | 13,229,126 |
| Special revenue funds | 2,449,417 |
| Other purposes | - |
| Unrestricted | (10,712,992) |
| Total net assets | \$ 143,623,615 |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2003**

| FUNCTIONS/PROGRAMS | PROGRAM REVENUES | | | NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS |
|---|-----------------------|-------------------------|--|--|
| | EXPENSES | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS | |
| Governmental activities: | | | | |
| Instruction: | | | | |
| Regular instruction | \$ 184,993,866 | \$ 231,908 | \$ 30,086,572 | \$ (154,675,386) |
| Special instruction | 32,001,726 | - | 18,401,101 | (13,600,625) |
| Vocational instruction | 6,227,423 | - | - | (6,227,423) |
| Other instruction | 5,009,228 | 1,104,753 | 2,182,258 | (1,722,217) |
| Total instruction | <u>228,232,243</u> | <u>1,336,661</u> | <u>50,669,931</u> | <u>(176,225,651)</u> |
| Support services: | | | | |
| Student support | 18,448,225 | - | 2,640,702 | (15,807,523) |
| Instructional staff support | 15,336,683 | 240,161 | 7,273,867 | (7,822,655) |
| General administration | 6,077,638 | - | 1,268,561 | (4,809,077) |
| School administration | 19,965,103 | 145,547 | 316,499 | (19,503,057) |
| Business support | 4,218,214 | - | - | (4,218,214) |
| Operation and maintenance | 33,658,260 | - | 731,570 | (32,926,690) |
| Student transportation | 13,343,831 | - | 456,072 | (12,887,759) |
| Central support | 4,887,624 | - | 32,887 | (4,854,737) |
| Other support | 336,498 | - | 332,299 | (4,199) |
| Nutrition services | 13,373,888 | 6,154,667 | 7,591,998 | 372,777 |
| Facilities acquisition and construction | 13,737,063 | - | - | (13,737,063) |
| Interest on long-term debt | 17,121,442 | - | - | (17,121,442) |
| Issuance costs on debt | 459,603 | - | - | (459,603) |
| Total support services | <u>160,964,072</u> | <u>6,540,375</u> | <u>20,644,455</u> | <u>(133,779,242)</u> |
| Total school district | <u>\$ 389,196,315</u> | <u>\$ 7,877,036</u> | <u>\$ 71,314,386</u> | <u>\$ (310,004,893)</u> |
| General revenues: | | | | |
| Property taxes, levied for general purposes | | | \$ | 72,001,894 |
| Property taxes, levied for debt service | | | | 37,766,189 |
| Local school support taxes | | | | 116,959,363 |
| Government service taxes for general purposes | | | | 11,303,671 |
| Government service taxes for capital purposes | | | | 2,927,284 |
| Franchise taxes | | | | 233,187 |
| Other taxes and fees | | | | 1,464,387 |
| Unrestricted investment earnings | | | | 4,912,745 |
| Gain on the sale of capital assets | | | | 208,480 |
| State aid not restricted to specific purposes | | | | 78,721,232 |
| Other local sources | | | | 2,555,741 |
| Federal aid not restricted to specific purposes | | | | 178,082 |
| Total general revenues | | | | <u>329,232,255</u> |
| Change in net assets | | | | 19,227,362 |
| NET ASSETS - July 1 | | | | <u>124,396,253</u> |
| NET ASSETS - June 30 | | | \$ | <u>143,623,615</u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2003**

| | GENERAL FUND | SPECIAL EDUCATION FUND | DEBT SERVICE FUND |
|-------------------------------------|----------------------|------------------------------|-------------------------|
| ASSETS | | | |
| Cash and investments | \$ 7,527,520 | \$ 2,941,993 | \$ 37,601,217 |
| Receivables: | | | |
| Property taxes | 1,709,744 | - | 374,697 |
| Interest | 23,440 | - | 139,180 |
| Grants | - | - | - |
| Miscellaneous | 246,525 | - | - |
| Due from other funds | 2,836,999 | - | - |
| Due from other governments | 29,146,240 | 1,233,233 | - |
| Inventories | 547,426 | - | - |
| Cash and investments - Restricted | - | - | 469,560 |
| | <u>\$ 42,037,894</u> | <u>\$ 4,175,226</u> | <u>\$ 38,584,654</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 1,990,922 | \$ 2,320 | \$ - |
| Accrued liabilities | 27,655,188 | 4,172,906 | 38,934 |
| Construction contracts payable | - | - | - |
| Due to other funds | - | - | - |
| Due to other governments | 1,093,756 | - | - |
| Deferred revenues | 741,964 | - | 282,229 |
| | <u>31,481,830</u> | <u>4,175,226</u> | <u>321,163</u> |
| FUND BALANCES | | | |
| Reserved for: | | | |
| Encumbrances | 785,359 | - | - |
| Inventories | 547,426 | - | - |
| Capital leases | 1,000,000 | - | - |
| Construction contracts | - | - | - |
| Debt service | - | - | 37,793,931 |
| Sinking fund | - | - | 469,560 |
| Unreserved, reported in: | | | |
| General fund | 8,223,279 | - | - |
| Special revenue funds | - | - | - |
| Capital projects funds | - | - | - |
| | <u>10,556,064</u> | <u>-</u> | <u>38,263,491</u> |
| Total fund balances | <u>10,556,064</u> | <u>-</u> | <u>38,263,491</u> |
| Total liabilities and fund balances | <u>\$ 42,037,894</u> | <u>\$ 4,175,226</u> | <u>\$ 38,584,654</u> |

The notes to the financial statements are an integral part of this statement.

| 1999 BOND CAPITAL PROJECTS FUND | 2002 BOND ROLLOVER FUND | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|--|--|---|---|
| \$ 25,254,593 | \$ 24,309,695 | \$ 13,083,884 | \$ 110,718,902 |
| - | - | - | 2,084,441 |
| 25,335 | 25,354 | 9,076 | 222,385 |
| - | - | 5,815,428 | 5,815,428 |
| - | - | 224,583 | 471,108 |
| - | - | - | 2,836,999 |
| - | - | 2,069,659 | 32,449,132 |
| - | - | 734,436 | 1,281,862 |
| - | - | - | 469,560 |
| <u>\$ 25,279,928</u> | <u>\$ 24,335,049</u> | <u>\$ 21,937,066</u> | <u>\$ 156,349,817</u> |
| \$ 116,481 | \$ 360 | \$ 1,151,201 | \$ 3,261,284 |
| 1,727,407 | 77,437 | 4,466,183 | 38,138,055 |
| 5,942,469 | 234,024 | 833,322 | 7,009,815 |
| - | - | 2,825,987 | 2,825,987 |
| - | - | 7,567 | 1,101,323 |
| - | - | 1,436,517 | 2,460,710 |
| <u>7,786,357</u> | <u>311,821</u> | <u>10,720,777</u> | <u>54,797,174</u> |
| 5,210,099 | 42,568 | 607,973 | 6,645,999 |
| - | - | 734,436 | 1,281,862 |
| - | - | 182,531 | 1,182,531 |
| 7,842,159 | 363,398 | 1,690,726 | 9,896,283 |
| - | - | - | 37,793,931 |
| - | - | - | 469,560 |
| - | - | - | 8,223,279 |
| - | - | 1,714,981 | 1,714,981 |
| 4,441,313 | 23,617,262 | 6,285,642 | 34,344,217 |
| <u>17,493,571</u> | <u>24,023,228</u> | <u>11,216,289</u> | <u>101,552,643</u> |
| <u>\$ 25,279,928</u> | <u>\$ 24,335,049</u> | <u>\$ 21,937,066</u> | <u>\$ 156,349,817</u> |

**WASHOE COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2003**

| | | |
|---|----------------------|---------------------------|
| Total Fund Balances for Governmental Funds | \$ | 101,552,643 |
| <p>Amounts reported for governmental activities in the statement of net assets are different because:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p> | | |
| Governmental capital assets | \$ 557,953,641 | |
| Less accumulated depreciation | <u>(121,878,346)</u> | 436,075,295 |
| <p>Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p> | | |
| Deferred debt charges | 7,009,866 | |
| Debt issuance costs | 1,984,834 | |
| Less accumulated amortization | <u>(463,368)</u> | 8,531,332 |
| <p>Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.</p> | | |
| Governmental bonds payable | (352,425,000) | |
| Bond premium | (9,199,919) | |
| Less accumulated amortization | 474,652 | |
| Capital leases payable | (17,429,798) | |
| Compensated absences | (18,226,343) | |
| Early separation incentive stipends | <u>(2,642,533)</u> | (399,448,941) |
| Interest payable | | (2,968,763) |
| <p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore are not reported in the governmental funds.</p> | | |
| | | 764,506 |
| <p>Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of the internal service funds are reported with governmental activities.</p> | | |
| | | <u>(882,457)</u> |
| Total Net Assets of Governmental Activities | \$ | <u><u>143,623,615</u></u> |

The notes to the financial statements are an integral part of this statement.

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**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2003**

| | <u>GENERAL FUND</u> | <u>SPECIAL EDUCATION FUND</u> | <u>DEBT SERVICE FUND</u> |
|--|-------------------------|---------------------------------------|----------------------------------|
| REVENUES | | | |
| Local sources | \$ 205,742,088 | \$ - | \$ 37,951,688 |
| State sources | 81,409,735 | 14,771,785 | - |
| Federal sources | 550,817 | - | - |
| Other sources | 5,194 | - | 1,253,630 |
| | <u>287,707,834</u> | <u>14,771,785</u> | <u>39,205,318</u> |
| Total revenues | | | |
| EXPENDITURES | | | |
| Current: | | | |
| Regular programs | 153,533,437 | - | - |
| Special programs | - | 28,403,674 | - |
| Vocational programs | 6,169,534 | - | - |
| Other instructional programs | 2,776,041 | - | - |
| Adult education programs | - | - | - |
| Food service operations | - | - | - |
| Community service programs | - | - | - |
| Undistributed expenditures: | | | |
| Student support | 15,205,529 | 497,531 | - |
| Instructional staff support | 7,158,059 | 561,564 | - |
| General administration | 6,027,809 | - | - |
| School administration | 19,239,496 | 89,494 | - |
| Business support | 3,517,896 | - | - |
| Operation and maintenance | 33,074,471 | 45,318 | - |
| Student transportation | 9,469,947 | 3,165,180 | - |
| Central support | 4,867,255 | - | - |
| Other support | - | - | - |
| Capital outlay | - | - | - |
| Debt service: | | | |
| Principal | - | - | 22,144,229 |
| Interest | - | - | 16,407,620 |
| Bond issuance costs | - | - | 632,107 |
| | <u>261,039,474</u> | <u>32,762,761</u> | <u>39,183,956</u> |
| Total expenditures | | | |
| Excess (deficiency) of revenues over expenditures | <u>26,668,360</u> | <u>(17,990,976)</u> | <u>21,362</u> |

| 1999 BOND CAPITAL PROJECTS FUND | 2002 BOND ROLLOVER FUND | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|--|--|---|---|
| \$ 2,467,659 | 92,091 | \$ 12,452,643 | \$ 258,706,169 |
| - | - | 21,648,928 | 117,830,448 |
| - | - | 30,456,991 | 31,007,808 |
| - | - | - | 1,258,824 |
| <u>2,467,659</u> | <u>92,091</u> | <u>64,558,562</u> | <u>408,803,249</u> |
| - | - | 29,995,796 | 183,529,233 |
| - | - | 3,337,549 | 31,741,223 |
| - | - | - | 6,169,534 |
| - | - | - | 2,776,041 |
| - | - | 1,420,058 | 1,420,058 |
| - | - | 13,507,772 | 13,507,772 |
| - | - | 762,200 | 762,200 |
| - | - | 2,640,702 | 18,343,762 |
| - | - | 7,497,984 | 15,217,607 |
| - | - | - | 6,027,809 |
| - | - | 462,046 | 19,791,036 |
| 573,711 | 78,142 | - | 4,169,749 |
| - | - | 61,886 | 33,181,675 |
| - | - | - | 12,635,127 |
| - | - | 32,887 | 4,900,142 |
| - | - | 332,299 | 332,299 |
| 46,630,385 | 1,469,123 | 8,649,620 | 56,749,128 |
| - | - | - | 22,144,229 |
| - | - | 14,475 | 16,422,095 |
| - | 266,505 | - | 898,612 |
| <u>47,204,096</u> | <u>1,813,770</u> | <u>68,715,274</u> | <u>450,719,331</u> |
| <u>(44,736,437)</u> | <u>(1,721,679)</u> | <u>(4,156,712)</u> | <u>(41,916,082)</u> |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2003**

| | GENERAL FUND | SPECIAL EDUCATION FUND | DEBT SERVICE FUND |
|---|-----------------------------|---------------------------------------|----------------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Capital leases | \$ 259,770 | \$ - | \$ - |
| Payments for refunded capital leases | - | - | (2,881,410) |
| Bonds issued | - | - | 11,000,000 |
| Proceeds of refunding bonds | - | - | 68,940,000 |
| Debt premiums | - | - | 6,180,781 |
| Payments to refunded bonds escrow agent | - | - | (74,464,866) |
| Transfers in | - | 17,990,976 | 1,900,875 |
| Transfers out | (21,805,384) | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| Total other financing sources (uses) | (21,545,614) | 17,990,976 | 10,675,380 |
| | <u> </u> | <u> </u> | <u> </u> |
| Net change in fund balances | 5,122,746 | - | 10,696,742 |
| | <u> </u> | <u> </u> | <u> </u> |
| FUND BALANCE, July 1 | 5,433,318 | - | 27,566,749 |
| | <u> </u> | <u> </u> | <u> </u> |
| FUND BALANCE, June 30 | \$ <u>10,556,064</u> | \$ <u>-</u> | \$ <u>38,263,491</u> |

The notes to the financial statements are an integral part of this statement.

| | 1999 BOND CAPITAL PROJECTS FUND | 2002 BOND ROLLOVER FUND | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|----|--|--|---|---|
| \$ | - | - | - | 259,770 |
| | - | - | - | (2,881,410) |
| | - | 25,000,000 | - | 36,000,000 |
| | - | - | - | 68,940,000 |
| | - | 744,907 | - | 6,925,688 |
| | - | - | - | (74,464,866) |
| | 160,000 | - | 150,000 | 20,201,851 |
| | - | - | (150,000) | (21,955,384) |
| | <u>160,000</u> | <u>25,744,907</u> | <u>-</u> | <u>33,025,649</u> |
| | (44,576,437) | 24,023,228 | (4,156,712) | (8,890,433) |
| | <u>62,070,008</u> | <u>-</u> | <u>15,373,001</u> | <u>110,443,076</u> |
| \$ | <u><u>17,493,571</u></u> | <u><u>24,023,228</u></u> | <u><u>11,216,289</u></u> | <u><u>101,552,643</u></u> |

**WASHOE COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2003**

| | | |
|---|---------------------|--------------------------|
| Net Change in Fund Balances - Governmental Funds | \$ | (8,890,433) |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. | | |
| Expenditures for capital assets | \$ 53,318,529 | |
| Less current year depreciation | <u>(10,763,815)</u> | 42,554,714 |
| Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net assets and does not affect the statement of activities. | | 22,144,229 |
| Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due and thus requires current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. | | (699,347) |
| Because some property taxes will not be collected in time to pay for obligations of the current period, they are not considered available revenues in the governmental funds and are instead reported as deferred revenues. The changes in deferred revenue are accounted for as revenue in the statement of activities. | | (461,219) |
| Some of the capital assets acquired this year were financed with capital leases. The amount financed by the leases is reported in the governmental funds as a source of financing. On the other hand, the capital leases are not revenues in the statement of activities, but rather constitute long-term liabilities in the statement of net assets. | | (259,770) |
| In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balances by the net book value of the assets sold. | | (372,236) |
| Issuance of long-term debt (e.g. refunding debt) provides current financial resources to the governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. The net effect of these transactions are deferred and amortized in the statement of activities. | | |
| Certificates of Participation | 2,881,410 | |
| Bonds | (36,000,000) | |
| Refunding Bonds | (1,485,000) | |
| Deferred debt charges on refunding bonds | <u>7,009,866</u> | (27,593,724) |
| Costs associated with the issuance of long-term debt and any discount or premium realized at the time of incurring debt are recognized as an expenditure and other financing source or use respectively in the governmental funds. These items are accrued and deferred in the statement of activities and amortized over the life of the new debt. | | |
| Debt issuance costs | 898,611 | |
| Current year amortization of debt issuance costs and charges | <u>(459,602)</u> | 439,009 |
| Current year bond premiums | (6,925,688) | |
| Current year amortization of bond premiums | <u>453,883</u> | (6,471,805) |
| 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 early separation incentive stipends | (21,111) | |
| Change in long-term compensated absences | <u>(549,610)</u> | (570,721) |
| Internal service funds are used by management to charge the costs of certain insurance activities to individual funds. The change in net assets of the internal service funds is reported with governmental activities. | | <u>(591,335)</u> |
| Change in Nets Assets of Governmental Activities | \$ | <u><u>19,227,362</u></u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003**

| | BUDGET | | ACTUAL | VARIANCE TO FINAL BUDGET |
|--|---------------------|---------------------|----------------------|-------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES | | | | |
| Local sources | \$ 205,040,909 | \$ 205,450,355 | \$ 205,742,088 | \$ 291,733 |
| State sources | 80,165,700 | 80,095,620 | 81,409,735 | 1,314,115 |
| Federal sources | 495,000 | 495,000 | 550,817 | 55,817 |
| Other sources | 8,000 | 8,000 | 5,194 | (2,806) |
| | <u>285,709,609</u> | <u>286,048,975</u> | <u>287,707,834</u> | <u>1,658,859</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Regular programs | 154,067,808 | 155,495,372 | 153,533,437 | 1,961,935 |
| Vocational programs | 6,925,087 | 6,269,309 | 6,169,534 | 99,775 |
| Other instructional programs | 3,104,901 | 3,262,738 | 2,776,041 | 486,697 |
| Undistributed expenditures: | | | | |
| Student support | 15,768,243 | 15,688,197 | 15,205,529 | 482,668 |
| Instructional staff support | 6,749,201 | 7,353,943 | 7,158,059 | 195,884 |
| General administration | 5,193,123 | 6,256,802 | 6,027,809 | 228,993 |
| School administration | 19,640,594 | 19,696,316 | 19,239,496 | 456,820 |
| Business support | 3,687,413 | 3,612,604 | 3,517,896 | 94,708 |
| Operation and maintenance | 34,106,428 | 35,840,451 | 33,074,471 | 2,765,980 |
| Student transportation | 9,639,664 | 9,840,737 | 9,469,947 | 370,790 |
| Central support | 4,857,031 | 5,209,755 | 4,867,255 | 342,500 |
| | <u>263,739,493</u> | <u>268,526,224</u> | <u>261,039,474</u> | <u>7,486,750</u> |
| Excess (deficiency) of revenues over expenditures | <u>21,970,116</u> | <u>17,522,751</u> | <u>26,668,360</u> | <u>9,145,609</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Capital leases | - | 259,770 | 259,770 | - |
| Contingency | (1,142,460) | (229,863) | - | 229,863 |
| Transfers out | (22,100,021) | (21,942,192) | (21,805,384) | 136,808 |
| | <u>(23,242,481)</u> | <u>(21,912,285)</u> | <u>(21,545,614)</u> | <u>366,671</u> |
| Total other financing sources (uses) | <u>(23,242,481)</u> | <u>(21,912,285)</u> | <u>(21,545,614)</u> | <u>366,671</u> |
| Net change in fund balances | (1,272,365) | (4,389,534) | 5,122,746 | 9,512,280 |
| FUND BALANCE, July 1 | <u>2,076,361</u> | <u>5,433,318</u> | <u>5,433,318</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ 803,996</u> | <u>\$ 1,043,784</u> | <u>\$ 10,556,064</u> | <u>\$ 9,512,280</u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003**

| | <u>BUDGET</u> | | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> |
|--|---------------------|---------------------|---------------------|-------------------------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | | |
| REVENUES | | | | |
| State sources | \$ 14,707,056 | \$ 14,752,920 | \$ 14,771,785 | \$ 18,865 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Special programs | 28,762,965 | 28,512,448 | 28,403,674 | 108,774 |
| Undistributed expenditures: | | | | |
| Student support | 513,073 | 500,861 | 497,531 | 3,330 |
| Instructional staff support | 595,838 | 562,754 | 561,564 | 1,190 |
| School administration | 88,960 | 89,643 | 89,494 | 149 |
| Operation and maintenance | 43,147 | 46,900 | 45,318 | 1,582 |
| Student transportation | 3,039,630 | 3,167,098 | 3,165,180 | 1,918 |
| Total expenditures | <u>33,043,613</u> | <u>32,879,704</u> | <u>32,762,761</u> | <u>116,943</u> |
| Excess (deficiency) of revenues over expenditures | <u>(18,336,557)</u> | <u>(18,126,784)</u> | <u>(17,990,976)</u> | <u>135,808</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | <u>18,336,557</u> | <u>18,126,784</u> | <u>17,990,976</u> | <u>(135,808)</u> |
| Net change in fund balances | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2003**

| | GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS |
|---------------------------|---|
| | |
| ASSETS | |
| Current assets: | |
| Cash and investments | \$ 9,496,379 |
| Accounts receivable | 430,513 |
| Interest receivable | 7,020 |
| | 7,020 |
| Total assets | 9,933,912 |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable | 146,491 |
| Accrued liabilities | 422,423 |
| Pending claims | 7,262,651 |
| Deferred revenues | 1,804 |
| | 1,804 |
| Total current liabilities | 7,833,369 |
| Noncurrent liabilities: | |
| Pending claims | 2,983,000 |
| | 2,983,000 |
| Total liabilities | 10,816,369 |
| NET ASSETS | |
| Unrestricted | (882,457) |
| Total net assets | \$ (882,457) |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2003**

| | GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS |
|-------------------------------|---|
| | |
| OPERATING REVENUES: | |
| Charges for services | \$ <u>45,201,471</u> |
| OPERATING EXPENSES: | |
| Salaries and benefits | 53,816 |
| Employee benefits | 40,335,511 |
| Services and supplies | <u>7,235,495</u> |
| Total operating expenses | <u>47,624,822</u> |
| Operating (loss) | <u>(2,423,351)</u> |
| NONOPERATING REVENUES: | |
| Earnings on investments | <u>78,483</u> |
| Total nonoperating revenues | <u>78,483</u> |
| (Loss) before transfers | <u>(2,344,868)</u> |
| TRANSFERS IN | |
| Transfers in | <u>1,753,533</u> |
| Total transfers in | <u>1,753,533</u> |
| Change in net assets | (591,335) |
| NET ASSETS - July 1 | <u>(291,122)</u> |
| NET ASSETS - June 30 | \$ <u><u>(882,457)</u></u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2003**

| | GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS |
|---|---|
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | |
| Cash Flows from Operating Activities: | |
| Cash received for services | \$ 45,177,846 |
| Cash paid for salaries and benefits | (53,816) |
| Cash payments for employee benefits | (39,237,737) |
| Cash payments for claims and services | <u>(6,624,915)</u> |
| Net cash (used) by by operating activities | <u>(738,622)</u> |
| Cash Flows from Noncapital Financing Activities: | |
| Transfer from General Fund | <u>1,753,533</u> |
| Net cash provided by noncapital financing activities | <u>1,753,533</u> |
| Cash Flows from Investing Activities: | |
| Interest received on investments | <u>79,962</u> |
| Net increase in cash and cash equivalents | 1,094,873 |
| Cash and investments, beginning of year | <u>8,401,506</u> |
| Cash and investments, end of year | <u><u>\$ 9,496,379</u></u> |
| RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS | |
| Operating (loss) | \$ <u>(2,423,351)</u> |
| Adjustments to reconcile operating (loss) to net cash (used) by operations: | |
| Changes in assets and liabilities: | |
| Accounts receivable | (248,846) |
| Due from other funds | 228,391 |
| Accounts payable | (51,272) |
| Accrued liabilities | 98,073 |
| Pending claims | 1,661,568 |
| Deferred revenue | (3,170) |
| Due to other funds | <u>(15)</u> |
| Total adjustments | <u>1,684,729</u> |
| Net cash (used) by operations | <u><u>\$ (738,622)</u></u> |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FUDUCIARY NET ASSETS
JUNE 30, 2003**

| | PRIVATE- PURPOSE TRUST FUND | AGENCY FUNDS |
|---------------------------|--|-------------------------|
| ASSETS | | |
| Cash and investments | \$ 704,515 | \$ 5,950,021 |
| Accounts receivable | - | 20,544 |
| Total assets | 704,515 | 5,970,565 |
| LIABILITIES | | |
| Accrued liabilities | 1,000 | 691,661 |
| Due to student groups | - | 5,267,892 |
| Due to other funds | - | 11,012 |
| Total liabilities | 1,000 | 5,970,565 |
| NET ASSETS | | |
| Reserved for scholarships | \$ 703,515 | \$ - |

The notes to the financial statements are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2003**

| | | PRIVATE- PURPOSE TRUST FUND |
|-----------------------------|----|--|
| ADDITIONS | | |
| Contributions: | | |
| Donations | \$ | 84,759 |
| Interest | | <u>10,317</u> |
| Total additions | | <u>95,076</u> |
| DEDUCTIONS | | |
| Benefits | | 22,923 |
| Administrative expenses | | <u>2,638</u> |
| Total deductions | | <u>25,561</u> |
| Change in net assets | | 69,515 |
| Net assets - July 1 | | <u>634,000</u> |
| Net assets - June 30 | \$ | <u><u>703,515</u></u> |

The notes to the financial statements are an integral part of this statement.

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Notes To

Financial Statements

The notes provide required disclosure and information necessary to understand the District's activities.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE 1 – Summary of Significant Accounting Policies:

The accompanying financial statements of the Washoe County School District, Washoe County, Nevada (the "District") have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of existing Government and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Reporting Entity:

The District is organized under terms of legislation enacted in 1956 creating the countywide school districts. The governing board consists of seven members elected by the voters in the district for four-year terms, and has authority to adopt and administer budgets. The District receives funding from Local, State, and Federal government sources and must comply with the related requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity," since trustees are elected by the public, it is a legally separate government and it is fiscally independent of any other governmental entity. In addition, the District is not financially accountable for any other entity.

Basic Financial Statements – Government-wide Statements

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The reporting focus is on either the District as a whole or major individual funds and nonmajor funds in the aggregate (within the fund financial statements).

The government-wide financial statements (the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund activities relating to services provided and used between functions are not eliminated. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

In the government-wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis, and is reflected on a full accrual, economic resource basis that recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The District first utilizes restricted resources to finance qualifying activities then unrestricted resources, as they are needed.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by the general government revenues (Ad Valorem taxes, School support taxes, Distributive School funds, government services tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

reduces gross expenses (including depreciation) by related program revenues and operating grants. Program revenues include operating grants and contributions and investment earnings legally restricted to support a specific program. Program revenue must be directly associated with the function. Operating grants include operating-specific and discretionary grants. The net costs (by function) are normally covered by general revenue.

Basic Financial Statements – Fund Financial Statements:

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are intended and the means by which spending activities are controlled. 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.

The emphasis in the fund financial statements is on the major funds in the governmental type activity category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category). District management may electively add funds as major funds, when it is determined the funds have specific community or management focus. Major individual governmental funds are reported as separate columns in the fund financial statements.

The focus of the governmental funds' measurement in the fund statements is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The focus for proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and 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. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

The District's internal service funds are presented in the proprietary fund's financial statements. Because the principal users of the internal services are the District's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

The District's fiduciary funds are presented in the fiduciary fund financial statements by type. Since, by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

The District uses the following funds:

1. Major Funds:

Governmental Funds:

- **General Fund** - The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.
- **Special Education Fund** - The Special Education Fund accounts for transactions of the District relating to educational services provided to children with special needs supported by state and local sources.
- **Debt Service Fund** - The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt, capital leases and other debt of governmental activities.
- **1999 Bond Capital Projects Fund** - The 1999 Bond Capital Projects Fund accounts for the 1999 bond proceeds which were to be used for the acquisition or construction of major capital facilities, and for major improvements to the District's existing facilities.
- **2002 Bond Rollover Fund** - The 2002 Bond Rollover Capital Projects Fund accounts for the 2002 Bond Rollover proceeds. The proceeds will be used to build a middle school.

Additionally the District reports the following fund types:

Proprietary Funds:

- **Internal Service Funds** - The Internal Service Funds account for the financing of services provided by one department to other departments of the District on a cost-reimbursement basis. Currently, there are three District Internal Service Funds.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Property Casualty - accounts for self-insurance fees to provide property and liability insurance.

Health Insurance - accounts for the self-funded health plan and other contractual health insurance plans.

Workers' Compensation - accounts for the self-insurance fees to provide workers' compensation.

Fiduciary Funds:

Private Purpose Trust Fund - accounts for resources legally held in trust for use for scholarships.

Agency Funds - account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or students.

Special Revenue Funds:

The Special Revenue Funds are used to account for proceeds of specific revenue sources (other than private purpose trust or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds:

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by special revenues) and for major improvements to the District's existing facilities.

Basis of Accounting/Measurement Focus:

The measurement focus describes the types of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

WASHOE COUNTY SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2003

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. When revenues are due but will not be collected within 60 days after year-end, the receivable is recorded and an offsetting deferred revenue account is established. 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.

Most major sources of revenue reported in governmental funds are susceptible to accrual under the modified accrual basis of accounting. Below is a summary of revenue recognition policies for all major revenue sources.

| Type of Revenue | Accrued When Measurable and Available | Recognized When Received | Accrued When Earned |
|---------------------------|---------------------------------------|--------------------------|---------------------|
| AD VALOREM TAXES | X | | |
| LOCAL SCHOOL SUPPORT TAX | X | | |
| GOVERNMENT SERVICES TAXES | X | | |
| DISTRIBUTIVE SCHOOL FUND | X | | |
| INTEREST | | | X |
| GRANTS-IN-AID | | | X |
| MISCELLANEOUS REVENUE | | X | |

Proprietary Funds:

Proprietary Funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for reported claims is determined by estimating the amount, which will ultimately be paid each claimant. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the program. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Fiduciary Funds:

The accounting records for the Private Purpose Trust Fund and the agency funds are maintained on the economic resources measurement focus and accrual basis of accounting.

Property Taxes:

All real property in Washoe County is assigned a parcel number in accordance with state law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals. The valuation of the property and its improvements is being assessed at 35 percent of "taxable value" as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located. The maximum tax rate was established in the State Constitution at \$5 per \$100 of assessed valuation; however, as a result of legislative action the tax rate has been further limited to \$3.64 per \$100 of assessed value except in cases of severe financial emergency as defined in NRS 354.705.

Taxes on real property are a lien on the property and attach on July 1 (the levy date) of the year for which the taxes are levied.

Taxes may be paid in four installments payable on the third Monday in August and the first Mondays in October, January, and March to the Treasurer of Washoe County in which the District is located. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, if taxes remain unpaid, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest, and costs before sale.

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2001-02 have been written off.

Budgets and Budgetary Accounting:

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- (1) Prior to April 15, the Superintendent submits to the Board of Trustees and to both the Nevada Department of Taxation and Department of Education a tentative budget for the fiscal year commencing the following July 1. The tentative budget includes proposed expenditures and the means of financing them.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

- (2) Prior to the third Wednesday in May, a minimum of seven days' notice of public hearing on the final budget is published in a local newspaper. Public hearings are conducted prior to the adoption of the budget to obtain taxpayer comments.
- (3) On or before June 8, the budget is legally adopted by a majority vote of the Board of Trustees.
- (4) On or before January 1, the Board of Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the complete count of students.
- (5) NRS 354.615 provides that the Board of Trustees may augment the budget at any time by a majority vote of the Board providing the Board publishes notice of intention to act in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.
- (6) The legal level of budgetary control is at the function level for the General Fund, Special Revenue and Capital Projects Funds, and the sum of operating and non-operating expenses in the Internal Service Funds.
- (7) The Chief Financial Officer is authorized to transfer appropriations within and between funds if amounts do not exceed the original budget. The Board of Trustees is advised of the transfer and the transfer is recorded in the minutes. Augmentations in excess of the original budget require approval from the Board of Trustees.
- (8) Formal budgetary integration is employed as a management control device for the General Fund, Special Revenue Funds, Debt Service Fund, Internal Service Funds and Capital Projects Funds. Such funds have legally adopted annual budgets which lapse at year-end. The fund balance described as "Designated for Subsequent Year's Expenditures" represents that portion of the ending fund balance, which has been obligated in the 2003-04 budget. The ensuing year's budget is augmented to provide for the payment of prior year encumbrances. The prior year encumbrances, where applicable, have been included in the Original Budget column of the financial statements.
- (9) All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all funds except for the Private Purpose Trust Fund and agency funds, which do not require budgets.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

All budgets presented in the accompanying supplementary information reflect the original budget and final budget (which has been adjusted for legally authorized revisions of the annual budgets during the year). Appropriations except encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year.

Cash and Investments:

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. The District also voluntarily participates in the State of Nevada Local Government Investment Pool (LGIP) and Washoe County's external investment pool. Interest earned on investments is allocated to certain funds pursuant to Nevada Revised Statutes.

Investments are carried at fair value as determined by quoted market prices, net of accrued interest as provided by the pool sponsors.

Pursuant to NRS 355.170 and 355.175, the District may invest in the following types of securities:

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Securities of the United States Treasury, United States Postal Service, or the Federal National Mortgage Association maturing within ten (10) years from the date of purchase.
- Negotiable certificates of deposit from commercial banks and insured savings and loan associations, and credit unions.
- Certain securities issued by local governments of the State of Nevada.
- Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and money market mutual funds.
- Certain obligations of state and local governments.
- State of Nevada Local Government Pool Investment Fund.
- Certain "AAA" rated mutual funds that invest in federal securities.
- Other securities expressly provided by other statutes, including repurchase agreements.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Statements of Cash Flows:

For purposes of the statements of cash flows, the District considers all short-term highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Inventories:

Inventories for the General Fund and the Nutrition Services Special Revenue Fund are maintained on a consumption basis of accounting, where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventories are stated at cost on a first-in, first-out basis, except for commodities, which are stated at fair value.

Capital Assets

Capital assets, which include land, buildings, machinery and equipment, are reported in the government wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. If purchased or constructed, all capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are valued at their estimated fair value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

| | <u>YEARS</u> |
|----------------------------|--------------|
| Building/Land Improvements | 7 - 50 |
| Vehicles/Buses | 5 - 10 |
| Machinery and Equipment | 8 - 20 |

Allowance for Uncollectible Receivables:

The District has not established an allowance for uncollectible receivables since prior experience has shown that uncollectible receivables are not significant.

Accrued Liabilities:

Accrued liabilities consist principally of teacher, administrator, and other District employee salaries and benefits relating to the school program year ended June 30, 2003, but not yet paid.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Expenditures:

Expenditure data is characterized by major program classifications pursuant to the provisions of the Handbook II (Revised) Accounting System established by the Nevada Department of Education. Below is a brief description of these program classifications.

Regular programs are activities designed to provide elementary and secondary students with learning experiences to prepare them as citizens, family members, and non-vocational workers.

Special programs are activities designed primarily to serve students having special needs. Special programs include services for the gifted and talented, mentally challenged, physically handicapped, emotionally disturbed, culturally different, learning disabled, bilingual, and special programs for other types of students at all levels.

Vocational programs are learning experiences that will provide individuals with the opportunity to develop the necessary knowledge, skills, and attitudes needed for occupational employment.

Other instructional programs are activities that provide elementary and secondary students with learning experiences in school-sponsored activities, athletics, and summer school.

Adult education programs are learning experiences designed to develop knowledge and skills to meet intermediate and long-range educational objectives for adults, who having completed or interrupted formal schooling, have accepted adult roles and responsibilities.

Undistributed expenditures are charges not readily assignable to a specific program. Student and instructional staff support, overall general and administrative costs are classified as undistributed expenditures. Also included are costs of operating, maintaining, and constructing the physical facilities of the District.

Nutrition service programs consist of activities to provide food service to students and staff.

Community service programs are activities not directly related to the provision of educational services in the District. These include services such as community recreation programs, civic activities, public libraries, programs of custody and care of children and community welfare activities provided by the District for the community as a whole or some segment of the community.

Compensated Absences:

Teachers and certain hourly employees do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to specific maximum days/hours. Employees are allowed to accumulate up to 190 sick days for future use. The District pays limited accumulated sick leave benefits to certain employees upon retirement. In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as a payroll

WASHOE COUNTY SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2003

expenditure. The estimated long-term liability for compensated absences is accounted for in the government-wide financial statements.

Use of Estimates

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

Reclassification of Prior Year Information

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 – Compliance with Nevada Revised Statutes and Nevada Administrative Code:

Actual expenses exceeded budgeted appropriations in the Insurance Fund – Health Insurance by \$1,283,664, an apparent violation of NRS 354.626 (NAC 354.480).

NOTE 3 – Cash and Investments:

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2003 this pool is displayed by major and other governmental funds on the governmental funds balance sheet as "Cash and Investments."

The following is a listing of deposits indicating collateral or insurance on those deposits. The bank balance differs from the carrying amount by outstanding checks and deposits in transit.

| | <u>Carrying Amount</u> | <u>Bank Balance</u> |
|---|----------------------------|-------------------------|
| Insured, Bank of America (FDIC) | \$ 100,000 | \$ 100,000 |
| Insured, Bank of the West (FDIC) | 13,885 | 15,482 |
| Insured, Citibank (FDIC) | 2,486 | 2,486 |
| Insured, First Independent Bank of Nevada (FDIC) | 11,156 | 16,429 |
| Insured, Heritage Bank (FDIC) | 19,133 | 19,747 |
| Insured, LaSalle Bank National Association (SPIC) | 269,995 | 269,995 |
| Insured, Nevada State Bank (FDIC) | 100,000 | 100,000 |
| Insured, Nevada Security Bank (FDIC) | 19,822 | 25,781 |
| Insured, Sierra Schools Credit Union (NCUA) | 178,616 | 187,037 |
| Insured, Sun West Bank (FDIC) | 20,525 | 22,114 |
| Insured, US Bank of Nevada (FDIC) | 66,991 | 81,848 |
| Insured, Wells Fargo Bank (FDIC) | 170,570 | 170,570 |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

| | Carrying Amount | Bank Balance |
|---|---------------------|---------------------|
| Uninsured and collateralized, collateral held by District's agent in District's name | \$ 678,859 | \$ 761,920 |
| Uninsured and uncollateralized (collateral held by custodial agent of financial institution, both of which are subsidiaries of same bank holding company) | 3,133,552 | 1,509,245 |
| Uninsured and uncollateralized | 206,769 | 278,141 |
| Total Cash Deposits | \$ 4,992,359 | \$ 3,560,795 |

Investments are carried at fair value. The following is a listing of those investments indicating insurance, collateral, or securities held on those investments:

| | Category | | | Carrying Amount |
|--|----------|---|---|--------------------|
| | 1 | 2 | 3 | |
| U.S. Treasury Notes and Bills | X | | | \$ 1,446,622 |
| Federal Home Loan Mortgages | X | | | 564,292 |
| Federal Farm Credit | X | | | 47,890 |
| FNMA | X | | | 97,495 |
| Total Categorized Investments | | | | 2,156,299 |
| Investments not subject to categorization: | | | | |
| Held by Washoe County Investment Pool | | | | 37,370,719 |
| Held in State of Nevada's Local Government Investment Pool | | | | 82,820,000 |
| Total Non-categorized Investments | | | | 120,190,719 |
| Total Investments | | | | 122,347,018 |
| Total Cash (Carrying Amount) | | | | 4,992,359 |
| Total Cash and Investments ¹ | | | | \$ 127,339,377 |

¹Total cash and investments include restricted cash and investments held in the Debt Service Fund.

The District's investments are categorized as either: (1) insured or registered or for which the securities are held by the District or its agent in the District's name; (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the District's name; or (3) uninsured and unregistered for which the securities are held by the counterparty or by its trust department or agent, but not in the District's name.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

The District is a voluntary participant in the Local Government Investment Pool (LGIP), which has regulatory oversight from the State of Nevada Board of Finance. Wells Fargo determines the fair value of LGIP's investments on a monthly basis.

In addition, the District is also a voluntary participant in Washoe County's external investment pool. The Board of County Commissioners has overall responsibility for investment of County funds in accordance with NRS 355.175. The Washoe County Chief Investment Official is the Washoe County Treasurer, under authority delegated by the Board of County Commissioners. Bank of New York determines the fair value of Washoe County investments on a monthly basis.

The District's investments in both pools discussed above is equal to its original investment plus monthly allocation of interest income, and realized and unrealized gains and losses, which is the same as the value of the pool shares.

NOTE 4 – Interfund Balances and Transfers:

Interfund receivable/payable balances at June 30, 2003, are as follows:

| <u>Fund</u> | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> |
|---|---------------------------------|-------------------------------|
| General Fund - major fund | <u>\$ 2,836,999</u> | <u>\$ -</u> |
| Special Revenue Funds: | | |
| Title I | - | 700,415 |
| Title VI | - | 57,478 |
| Indian Education | - | 18,998 |
| Public Law 105-17 | - | 512,284 |
| Vocational Education | - | 58,478 |
| Special Grants | - | 55,784 |
| Drug Free Schools | - | 109,173 |
| Nevada Reading Excellence Act | - | 73,083 |
| Twenty-First Century Program | - | 141,132 |
| Title II Part A Teacher Training | - | 257,724 |
| Title III English Language Acquisition | - | 43,464 |
| Regional Professional Development Program | - | 722,244 |
| Family Resource Centers | <u>-</u> | <u>75,730</u> |
| | <u>-</u> | <u>2,825,987</u> |
| Agency Funds: | | |
| Nevada Interscholastic Athletic Association | <u>\$ -</u> | <u>\$ 11,012</u> |
| Total | <u>\$ 2,836,999</u> | <u>\$ 2,836,999</u> |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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On June 23, 1998, the Nutrition Services Fund borrowed \$1,400,000 from the District's General Fund. The payment terms include interest at 5% per annum and no prepayment penalty. This loan was paid in full in May 2003.

Interfund transfers are reported as other financing sources or uses, as appropriate, in all funds other than Proprietary Funds, where they are reported as transfers in Proprietary Funds.

Transfers between funds during the year ended June 30, 2003, are as follows:

Special Education - The transfer to the Special Education Fund from the General Fund is to supplement State funds received for Special Education.

Advanced Carpentry - The transfer to the Advanced Carpentry Fund from the Building and Sites Fund is for the construction of the student built house.

1999 Bond Fund - The transfer to the 1999 Bond Fund from the General Fund is to help pay for a portion of the cost of a new phone system.

Debt Service Fund - The transfer to the Debt Service Fund from the General Fund is for non-general obligation debt.

Health Insurance Fund - The transfer to the Health Insurance Fund from the General Fund is for the retiree subsidy.

| <u>Fund</u> | <u>Transfers In</u> | <u>Transfers Out</u> |
|--------------------------------|----------------------|----------------------|
| General Fund - major fund | \$ - | \$ 21,805,384 |
| Special Revenue Funds: | | |
| Special Education - major fund | 17,990,976 | - |
| Advanced Carpentry | <u>150,000</u> | <u>-</u> |
| | <u>18,140,976</u> | <u>-</u> |
| Capital Project Funds: | | |
| 1999 Bond Fund | 160,000 | - |
| Building and Sites | <u>-</u> | <u>150,000</u> |
| | <u>160,000</u> | <u>150,000</u> |
| Debt Service Fund - major fund | <u>1,900,875</u> | <u>-</u> |
| Total Governmental Funds | <u>20,201,851</u> | <u>21,955,384</u> |
| Internal Service Funds: | | |
| Health Insurance Fund | <u>1,753,533</u> | <u>-</u> |
| Total | <u>\$ 21,955,384</u> | <u>\$ 21,955,384</u> |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2003 was as follows:

| | June 30, 2002 Balance | Adjustment * | Additions | Deductions | June 30, 2003 Balance |
|---|-----------------------------|--------------|----------------------|----------------------|-----------------------------|
| Governmental Activities | | | | | |
| Capital assets, not being depreciated | | | | | |
| Land | \$ 24,948,956 | \$ - | \$ 3,287,471 | \$ 337,038 | \$ 27,899,389 |
| Construction in progress | 4,969,655 | - | 46,683,579 | 11,645,459 | 40,007,775 |
| Total capital assets, not being depreciated | <u>29,918,611</u> | <u>-</u> | <u>49,971,050</u> | <u>11,982,497</u> | <u>67,907,164</u> |
| Other capital assets: | | | | | |
| Buildings | 448,892,342 | - | 12,529,020 | - | 461,421,362 |
| Improvements other than buildings | - | 160,611 | 1,154,919 | - | 1,315,530 |
| Machinery and equipment | 26,516,276 | (160,611) | 1,308,999 | 355,079 | 27,309,585 |
| Total capital assets being depreciated | <u>475,408,618</u> | <u>-</u> | <u>14,992,938</u> | <u>355,079</u> | <u>490,046,477</u> |
| Total capital assets | <u>505,327,229</u> | <u>-</u> | <u>64,963,988</u> | <u>12,337,576</u> | <u>557,953,641</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings | (92,937,191) | - | (9,108,102) | - | (102,045,293) |
| Improvements other than buildings | - | (95,407) | (11,746) | - | (107,153) |
| Machinery and equipment | (18,497,221) | 95,407 | (1,643,967) | 319,881 | (19,725,900) |
| Total accumulated depreciation | <u>(111,434,412)</u> | <u>-</u> | <u>(10,763,815)</u> | <u>319,881</u> | <u>(121,878,346)</u> |
| Governmental activities capital assets, net | <u>\$393,892,817</u> | <u>\$ -</u> | <u>\$ 54,200,173</u> | <u>\$ 12,017,695</u> | <u>\$436,075,295</u> |

*The adjustment represents a reclassification to a new category titled "Improvements other than buildings."

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

| | |
|---|---------------------|
| Instruction | \$ 190,059 |
| Student support | 15,507 |
| Instructional staff support | 30,018 |
| General administration | 13,938 |
| School administration | 398 |
| Business administration | 43,740 |
| Operation/maintenance | 239,182 |
| Student transportation | 890,545 |
| Central support | 59,424 |
| Nutrition services | 4,199 |
| Community services | 97,971 |
| Facilities acquisition and construction services | <u>9,178,834</u> |
| Total governmental activities depreciation expense | <u>\$10,763,815</u> |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Furniture, equipment, and vehicles include equipment under capital leases, which consist of school buses and electrical retrofit with an aggregate carrying value of \$12,523,264 at June 30, 2003 (see Note 6).

NOTE 6 – General Long-Term Obligations:

Advance refunding

On August 1, 2002, the District issued \$68,940,000 in General Obligation (Limited Tax) Refunding Bonds, Series 2002B. These proceeds were placed in an irrevocable trust with an escrow agent for the purpose of generating resources for all future debt service payments on \$67,455,000 of refunded debt. As a result, the refunded bonds are considered to be defeased and the liability for these bonds has been removed from the Statement of Net Assets. The advance refunding was undertaken to reduce total debt service payments over the next 18 years by \$4,257,555 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,218,555.

Bonds issued

On March 1, 2003, Washoe County School District issued \$27,770,000 General Obligation School Building Bonds, Series 2003A. The proceeds of the 2003A Bonds will be used for acquiring, constructing, improving and equipping school facilities and providing a deposit of \$2,777,000 to the Washoe County School District reserve account.

On March 1, 2003, Washoe County School District issued \$8,230,000 General Obligation School Building Bonds, Series 2003B. The proceeds of the 2003B Bonds will be used for providing a deposit to the Washoe County School District debt service reserve account.

General long-term debt consists of the following at June 30, 2003:

| <u>Series</u> | <u>Date Issued</u> | <u>General Obligation Bonds</u> | | <u>Amount Issued</u> | <u>Balance June 30, 2003</u> |
|---------------|--------------------|---------------------------------|--------------------------|----------------------|------------------------------|
| | | <u>Date of Maturity</u> | <u>Interest Rate (%)</u> | | |
| 1994A | 04/01/94 | 06/01/14 | 4.3-5.75 | \$103,865,000 | \$ 5,410,000 |
| 1994B | 04/01/94 | 04/01/08 | 5.3-5.6 | 17,205,000 | 14,585,000 |
| 1997 | 09/01/97 | 04/01/13 | 4.75-5.0 | 25,680,000 | 24,990,000 |
| 1998 | 12/01/98 | 06/01/19 | 4.0-5.25 | 68,000,000 | 60,195,000 |
| 1999 | 12/01/99 | 06/01/20 | 5.0-5.875 | 110,200,000 | 24,820,000 |
| 2001A | 05/01/01 | 06/01/20 | 4.25-5.25 | 73,865,000 | 73,865,000 |
| 2002 | 05/01/02 | 06/01/20 | 3.00-5.00 | 44,665,000 | 43,620,000 |
| 2002B | 08/01/02 | 06/01/20 | 3.00-5.50 | 68,940,000 | 68,940,000 |
| 2003A | 03/01/03 | 06/01/23 | 2.00-5.25 | 27,770,000 | 27,770,000 |
| 2003B | 03/01/03 | 06/01/11 | 2.50-4.40 | 8,230,000 | <u>8,230,000</u> |
| Total | | | | | <u>\$ 352,425,000</u> |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Summary of general obligation bond debt service requirements to maturity:

| <u>Year Ending June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Requirements</u> |
|----------------------------|----------------------|----------------------|---------------------------|
| 2004 | \$ 22,180,000 | \$ 17,833,578 | \$ 40,013,578 |
| 2005 | 24,410,000 | 16,054,175 | 40,464,175 |
| 2006 | 24,285,000 | 15,012,350 | 39,297,350 |
| 2007 | 25,755,000 | 13,897,455 | 39,652,455 |
| 2008 | 26,810,000 | 12,640,418 | 39,450,418 |
| 2009 | 21,315,000 | 11,515,313 | 32,830,313 |
| 2010 | 22,390,000 | 10,464,542 | 32,854,542 |
| 2011 | 23,480,000 | 9,355,218 | 32,835,218 |
| 2012 | 24,645,000 | 8,189,301 | 32,834,301 |
| 2013 | 25,895,000 | 6,940,595 | 32,835,595 |
| 2014 | 21,595,000 | 5,617,220 | 27,212,220 |
| 2015 | 12,800,000 | 4,490,407 | 17,290,407 |
| 2016 | 13,455,000 | 3,823,725 | 17,278,725 |
| 2017 | 14,155,000 | 3,133,688 | 17,288,688 |
| 2018 | 14,885,000 | 2,396,037 | 17,281,037 |
| 2019 | 15,605,000 | 1,671,262 | 17,276,262 |
| 2020 | 10,865,000 | 911,488 | 11,776,488 |
| 2021 | 2,510,000 | 362,238 | 2,872,238 |
| 2022 | 2,630,000 | 249,287 | 2,879,287 |
| 2023 | <u>2,760,000</u> | <u>127,650</u> | <u>2,887,650</u> |
| Total | <u>\$352,425,000</u> | <u>\$144,685,947</u> | <u>\$497,110,947</u> |

Arbitrage Liability:

The District has determined it is liable to the Federal government (pursuant to federal tax laws) for arbitrage rebate on the proceeds of various capital project bond issues. The revenue reduction method of reporting is used whereby arbitrage rebate is recorded as a reduction of interest income. As of June 30, 2003, the liability has been estimated to be \$2,073,085 and is reported as a noncurrent liability in the Statement of Net Assets and as an accrued liability in each respective capital project fund. The arbitrage liability will be liquidated through the fund where excess investment earnings were earned.

Prior Years' Advance Refundings:

In prior years, the District defeased certain general obligation debt by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bonds refunded. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. As of June 30, 2003, \$146,485,000 of bonds outstanding are considered defeased.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Capital Lease Obligations:

Included in capital leases payable is a lease agreement dated May 9, 2003, in the amount of \$259,770 for the purpose of financing certain equipment within the District. The agreement matures on September 1, 2007.

The District has various other capital leases on school buses, automobiles, a tractor and office equipment. As of June 30, 2003, the assets acquired through capital leases are as follows:

| | |
|--------------------------------|---------------------|
| Machinery and Equipment | \$13,743,885 |
| Less: Accumulated amortization | <u>(1,220,621)</u> |
| Total | <u>\$12,523,264</u> |

The future minimum lease obligations and the net present value of these minimum lease payments is as follows:

| Year Ending June 30, | |
|---|---------------------|
| 2004 | \$ 1,772,265 |
| 2005 | 1,583,670 |
| 2006 | 1,315,535 |
| 2007 | 1,295,524 |
| 2008 | 1,262,561 |
| 2009-2013 | 6,153,664 |
| 2014-2018 | <u>8,464,227</u> |
| Total minimum lease payments | 21,847,446 |
| Less: amount representing interest | <u>(4,417,648)</u> |
| Present value of minimum lease payments | <u>\$17,429,798</u> |

Lease payments are made by General Fund transfers to the Debt Service Fund.

Changes in General Long-Term Obligations:

| | Balance July 1, 2002 | Additions | Reductions | Balance June 30, 2003 | Due Within One Year |
|---------------------------------------|-------------------------|-----------------------|----------------------|--------------------------|------------------------|
| General obligation bonds | \$ 335,985,000 | \$ 104,940,000 | \$ 88,500,000 | \$ 352,425,000 | \$ 22,180,000 |
| Deferred amounts for issuance premium | 2,253,461 | 6,925,689 | 453,888 | 8,725,267 | 512,753 |
| Capital lease obligations | 21,150,750 | 259,770 | 3,980,722 | 17,429,798 | 1,212,715 |
| Arbitrage payable | 1,840,952 | 232,133 | | 2,073,085 | 2,073,085 |
| Early separation incentive stipends | 2,621,422 | 618,519 | 597,408 | 2,642,533 | 615,810 |
| Compensated absences | <u>17,676,733</u> | <u>549,610</u> | - | <u>18,226,343</u> | <u>13,340,848</u> |
| Total | <u>\$ 381,528,318</u> | <u>\$ 113,525,721</u> | <u>\$ 93,532,018</u> | <u>\$ 401,522,026</u> | <u>\$ 39,935,211</u> |

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

The liabilities for compensated absences and early separation incentive stipends are liquidated through the General Fund. Capital leases are generally liquidated through transfers from the General Fund to the Debt Service Fund.

The District was, in accordance with Nevada Revised Statutes 387.400, within the legal debt limit at June 30, 2003.

NOTE 7 – Fund Balance/Net Assets - Restrictions, Reservations, Designations:

Government-wide Financial Statements:

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

Restricted assets are assets that have third-party (statutory, bond covenant or granting agency) limitation on their use. Restricted assets are classified either by function, debt service, projects, or claims.

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 projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs. Net assets restricted for claims represent the actuarially determined, legally required, amount to be held for payment of future claim liabilities in the self-insurance funds.

Unrestricted net assets represent available financial resources of the District.

Fund Financial Statements:

The District records the portion of fund balance, which is legally segregated for a specific future purpose as a reserve.

Following is a list of all reserves used by the District and a description of each:

- (1) Reserved for Encumbrances: An account used to segregate a portion of fund balance for the amount of purchase orders, contracts, and other commitments which have been initiated but for which vendor performance has not been completed as of June 30.
- (2) Reserved for Inventories: An account used to segregate the portion of fund balance which is composed of inventory and, as such, is not available for other discretionary expenditures.

WASHOE COUNTY SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2003

- (3) Reserved for Capital Leases: An account used to segregate the portion of fund balance for the amount of capital leases for which the District is committed but the capital lease project is not yet complete.
- (4) Reserved for Construction Contracts: An account used to segregate the portion of fund balance for the amount of construction contracts for which the District is committed but the capital project is not yet complete.
- (5) Reserved for Capital Projects: An account used to segregate the fund balance in accordance with Nevada Revised Statutes 354.6105 and 354.611.
- (6) Reserved for Debt Service: An account used to segregate the fund balance for Debt Service Fund resources which is legally restricted to the payment of long-term debt principal and interest amounts maturing in future years.
- (7) Sinking Fund Reserve: An account used to segregate the portion of fund balance to redeem qualified zone academy bonds before or at their maturity.

Designations of fund balances are not legally required but are segregated for a specific purpose. The District records the following designations of unreserved fund balances:

- (1) Designated for Subsequent Year's Expenditures: This amount is the budgeted opening fund balance for the forthcoming year. Amounts in excess of the budgeted opening fund balance are shown as undesignated. The designated for subsequent year's expenditures is included in the unreserved fund balance on the balance sheet. Amounts included are as follows:

| | |
|--------------------------|------------|
| General Fund | \$ 400,000 |
| 2002 Bond Rollover Fund | 23,617,262 |
| Other Governmental Funds | 2,077,509 |

- (2) Designated for Repayment Carryover of General Supply Appropriations: This account was established in 1992 which allows schools, divisions, and departments to carry over from year to year, an amount not to exceed 8% of their total appropriations for the just completed fiscal year. These balances will augment 2003/2004 appropriations. The designated amount of \$1,853,789 is presented in the General Fund.
- (3) Designated for Restoration of Health Insurance Fund Net Assets: The District has struggled to reestablish positive net assets in the Health Insurance Fund for several years. Despite premium increases and benefit reductions, the health costs continued to escalate causing net assets in the fund to decline further. Management has designated \$1,793,829 to

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

restore net assets in the Health Insurance Fund to a positive balance. Upon formal approval of a transfer in the ensuing fiscal year this amount will be transferred to the Health Insurance Fund. The amount equals an operating transfer out from the Health Insurance Fund to the General Fund made in the fiscal year ended June 30, 1995.

(4) Designated for Pre-Funding of Other Postemployment Benefits:

This item was established in anticipation of possible approval of the Proposed Statement of the Governmental Accounting Standards Board (GASB) on Other Postemployment Benefits (OPEB). District OPEB consists of subsidized retiree health care benefits as disclosed in Note 9.

If approved by GASB, this statement requires the recognition of the costs of OPEB on an actuarial basis similar to how pension costs are reported. The District presently reports OPEB on a pay-as-you-go basis, which is a generally accepted accounting method.

GASB believes that pension benefits and OPEB are a part of the compensation that employees earn each year, even though these benefits are not received until after employment has ended. Therefore, the cost of these future benefits is a part of the cost of providing public services today.

The proposed effective date of the statements is the fiscal year ending June 30, 2007 for plans and fiscal year ending June 30, 2008 for employers. Management has designated \$1,800,000 for OPEB as an initial step in addressing the overall funding issue. An actuary has completed preliminary reports and meetings have been held with management and associations to outline the size of the long-term financial obligations and commitments related to OPEB. Continuing study of funding implications will be conducted in the upcoming year.

The fund balances available to begin the subsequent year are less than budgets in the following funds:

| | |
|-------------------------|-----------|
| 2002 Bond Rollover Fund | \$700,368 |
|-------------------------|-----------|

The Health Insurance Fund has a deficit unrestricted net assets of \$1,641,429 as of June 30, 2003, compared to a deficit of \$412,844 at June 30, 2002.

WASHOE COUNTY SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2003

NOTE 8 – Defined Benefit Pension Plan:

Plan Description. Washoe County School District contributes to the Public Employees Retirement System of the State of Nevada (PERS), a cost sharing, multiple employer, defined benefit plan administered by the Public Employees Retirement System of the State of Nevada. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. Chapter 286 of the Nevada Revised Statutes establishes the benefit provisions provided to the participants of PERS. These benefit provisions may only be amended through legislation. The Public Employees Retirement System of the State of Nevada issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

Funding Policy. Benefits for plan members are funded under one of two methods. Under the employer pay contribution plan, the District is required to contribute all amounts due under the plan. The rate for those contributions was 18.75% for regular members and 28.50% for police on all covered payroll. The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the District is required to match that contribution. The rate for regular employees under this plan was 9.75%. The contribution requirements of plan members and the District are established by Chapter 286 of the Nevada Revised Statutes. The funding mechanism may only be amended through legislation.

The District's contribution rates and amounts on all covered payroll which are equal to the required contributions for the last three years are as follows:

| <u>Fiscal Year</u> | <u>Employer Pay</u> | | <u>Employee/ Employer Pay</u> | | <u>Total Employer Contribution</u> |
|--------------------|---------------------|---------------------------|---------------------------------------|-----------|--|
| | <u>Regular</u> | <u>Police Members</u> | <u>EE</u> | <u>ER</u> | |
| | | | | | |
| 2002-03 | 18.75% | 28.50% | 9.75% | 9.75% | \$38,347,049 |
| 2001-02 | 18.75% | 28.50% | 9.75% | 9.75% | 36,655,299 |
| 2000-01 | 18.75% | 28.50% | 9.75% | 9.75% | 35,170,897 |

NOTE 9 – Postretirement Benefits:

In addition to the pension benefits described in Note 8, the District provides postretirement health care benefits. Pursuant to the contracts negotiated with various bargaining units, medical premiums are subsidized for certified and administrative employees who retire from the District with at least 15 years of service; and classified employees who retire from the District with at least 10 years of service; however, classified employees hired after June 30, 1999 are not eligible. The program currently has 1,242 retirees who meet the eligibility requirements. Eligible retirees are required to contribute up to \$5,299 per year for medical, dental and vision coverage,

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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based on their gross PERS income, the number of years since their retirement and the number of years of service with the District. The District reimburses up to 100% of the amount of validated claims for medical and dental costs incurred by pre-Medicare retirees. The District serves as a secondary carrier for retirees eligible for Medicare. Expenditures for postretirement health care benefits are recognized as retirees report claims. During the year ended June 30, 2003, expenses of \$7,418,375 were recognized for postretirement health care.

NOTE 10 – Risk Management:

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District reports all of its risk management activities in the Internal Service Funds in accordance with Governmental Accounting Standards Board Statement Numbers 10 and 30.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated annually by an outside actuary who takes into consideration recently settled claims, the frequency of claims, and other economic and social factors. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using the expected future investment yield of 4.0 percent.

At June 30, 2003, the amount of these liabilities was \$10,245,651. This liability is determined by actuaries using all available information. Changes in the reported liability since July 1, 2001 are as follows:

| | <u>Property and Casualty</u> | <u>Health Insurance</u> | <u>Workers' Compensation</u> | <u>Total</u> |
|---|----------------------------------|-----------------------------|----------------------------------|----------------------|
| Claims liability, June 30, 2001 | \$ 1,290,691 | \$ 3,734,410 | \$ 2,250,000 | \$ 7,275,101 |
| Current year claims and changes in estimates | 615,612 | 31,107,829 | 1,814,890 | 33,538,331 |
| Claim payments | <u>(429,250)</u> | <u>(30,416,209)</u> | <u>(1,383,890)</u> | <u>(32,229,349)</u> |
| Claims liability, June 30, 2002 | <u>1,477,053</u> | <u>4,426,030</u> | <u>2,681,000</u> | <u>8,584,083</u> |
| Current year claims and changes in estimates | 1,672,363 | 37,538,126 | 2,047,286 | 41,257,775 |
| Claim payments | <u>(1,439,416)</u> | <u>(36,570,505)</u> | <u>(1,586,286)</u> | <u>(39,596,207)</u> |
| Claims liability, June 30, 2003 | <u>\$ 1,710,000</u> | <u>\$ 5,393,651</u> | <u>\$ 3,142,000</u> | <u>\$ 10,245,651</u> |

WASHOE COUNTY SCHOOL DISTRICT
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At June 30, 2003, the Internal Service Funds held \$9,496,379 in cash and investments designated for payment of these claims.

The District combines both self-insurance and commercial insurance to protect against risks. There was no significant reduction in those insurance coverages purchased by the District from the previous year. Settled claims have not exceeded the commercial coverage in any of the past three years. The following is a detail of coverage:

General Liability, Property and Casualty Insurance - The District is self-insured for individual losses up to a maximum of \$50,000 for damage to real and personal property, \$300,000 for general liability and automobile incidents resulting in bodily injury and/or property damage claims. The District has insurance for losses above \$50,000 and \$300,000, respectively, with maximum annual coverage of approximately \$500,000,000 for property damage and coverage of \$2,000,000 per occurrence for crime, and \$10,000,000 per occurrence for wrongful acts of the Board of Trustees, and general and automobile liability.

Health Insurance - The District is self-insured for health insurance claims up to \$200,000 per calendar year per employee with a lifetime maximum of \$2,000,000.

Workers' Compensation Insurance - The District is self-insured for individual workers' compensation claims up to \$275,000 for each accident. Accidents in excess of \$275,000 are covered by excess insurance up to State statutory limits. The District has a letter of credit to cover any excess up to \$2,589,000. At June 30, 2003, the amount outstanding on this letter of credit was \$0.

The Property Casualty, Health Insurance and Workers' Compensation Funds charge the District's insured funds monthly premiums.

NOTE 11 – Commitments and Contingencies:

Litigation:

The District is a defendant in various legal actions. The amount of liability or loss, if any, arising from such legal actions cannot be reasonably estimated at the present time. It is the opinion of management and legal counsel of the District that none of these cases would have a material impact upon the financial condition of the District.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

Construction Commitments:

As of June 30, 2003, the District had the following commitments with respect to unfinished capital projects:

| <u>Capital Project Description</u> | <u>Remaining Construction Commitment</u> | <u>Expected Date of Completion</u> |
|------------------------------------|--|--|
| 800 MHZ Radio System | \$ 431,199 | December 2003 |
| ADA Retrofit | 150,113 | September 2003 |
| Administration Building Remodel | 219,114 | September 2003 |
| Backflow Prevention Project | 98,833 | September 2003 |
| Carpet Replacement Projects | 166,239 | September 2003 |
| Damonte High School | 4,162,479 | December 2003 |
| District Wide Communication System | 1,068,493 | March 2004 |
| Double Diamond Elementary School | 86,668 | November 2003 |
| Fire Alarm Upgrades | 284,495 | September 2003 |
| Gerlach School Consolidation | 103,665 | September 2003 |
| Incline Elementary School | 1,892,659 | December 2004 |
| MS/HS Science Lab Alterations | 40,620 | September 2003 |
| North Valleys High School | 20,912 | September 2003 |
| Outdoor Site Improvements | 228,849 | September 2003 |
| Roofing Project Services | 556,141 | September 2003 |
| Spanish Springs Middle School | 363,398 | August 2004 |
| Others Under \$5,000 | 22,406 | Various |
| | <u>\$ 9,896,283</u> | |

This remaining construction commitment is included in the reserve for construction contracts on the Governmental Funds Balance Sheet.

No additional financing will be required to complete construction in progress at June 30, 2003.

NOTE 12 – Subsequent Events

On August 20, 2003, the Board of Trustees settled a dispute with Q & D Construction relating to the construction of Damonte Ranch High School in which the District paid \$1,299,239 to cover any and all acceleration costs, delay claims, extended general conditions, pass-through claims and/or any other claims. This settlement was paid out of the 1999 Bond Capital Projects Fund.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

On September 23, 2003, the Board of Trustees authorized the issuance of bonds, in one series or more, in the maximum aggregate principal amount of \$100,000,000. These bonds are to be used for constructing, expanding, improving and equipping school facilities within the District.

On July 31, 2003 the Board of Trustees authorized the issuance of up to \$3,480,000 in medium-term notes to finance the cost of acquiring and improving education software for school facilities within the District.

Nonmajor --- Governmental Funds

- Combining Balance Sheet
- Combining Statement of Revenues, Expenditures and Changes in Fund Balance

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2003**

| | <u>SPECIAL REVENUE FUNDS</u> | <u>CAPITAL PROJECTS FUNDS</u> | <u>TOTAL</u> |
|--|--------------------------------------|---------------------------------------|----------------------|
| ASSETS | | | |
| Cash and investments | \$ 3,060,234 | \$ 10,023,650 | \$ 13,083,884 |
| Receivables: | | | |
| Accrued interest | - | 9,076 | 9,076 |
| Grants | 5,815,428 | - | 5,815,428 |
| Miscellaneous | 224,583 | - | 224,583 |
| Due from other governments | 1,808,239 | 261,420 | 2,069,659 |
| Inventories | 734,436 | - | 734,436 |
| | <u>11,642,920</u> | <u>10,294,146</u> | <u>21,937,066</u> |
| Total assets | \$ <u>11,642,920</u> | \$ <u>10,294,146</u> | \$ <u>21,937,066</u> |
| LIABILITIES | | | |
| Accounts payable | \$ 904,612 | \$ 246,589 | \$ 1,151,201 |
| Accrued liabilities | 4,018,820 | 447,363 | 4,466,183 |
| Construction contracts payable | - | 833,322 | 833,322 |
| Due to other funds | 2,825,987 | - | 2,825,987 |
| Due to other governments | 7,567 | - | 7,567 |
| Deferred revenues | 1,436,517 | - | 1,436,517 |
| | <u>9,193,503</u> | <u>1,527,274</u> | <u>10,720,777</u> |
| Total liabilities | <u>9,193,503</u> | <u>1,527,274</u> | <u>10,720,777</u> |
| FUND BALANCES | | | |
| Reserved for: | | | |
| Reserved for encumbrances | - | 607,973 | 607,973 |
| Reserved for inventories | 734,436 | - | 734,436 |
| Reserved for capital leases | - | 182,531 | 182,531 |
| Reserved for construction contracts | - | 1,690,726 | 1,690,726 |
| Unreserved: | | | |
| Designated for subsequent year's expenditures | 1,238,008 | 839,501 | 2,077,509 |
| Undesignated | 476,973 | 5,446,141 | 5,923,114 |
| | <u>2,449,417</u> | <u>8,766,872</u> | <u>11,216,289</u> |
| Total fund balances | <u>2,449,417</u> | <u>8,766,872</u> | <u>11,216,289</u> |
| Total liabilities and fund balances | \$ <u>11,642,920</u> | \$ <u>10,294,146</u> | \$ <u>21,937,066</u> |

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2003**

| | SPECIAL REVENUE FUNDS | CAPITAL PROJECTS FUNDS | TOTAL |
|--|--------------------------------------|---------------------------------------|----------------------|
| REVENUES | | | |
| Local sources | \$ 8,064,390 | \$ 4,388,253 | \$ 12,452,643 |
| State sources | 21,648,928 | - | 21,648,928 |
| Federal sources | 30,456,991 | - | 30,456,991 |
| | 60,170,309 | 4,388,253 | 64,558,562 |
| EXPENDITURES | | | |
| Current: | | | |
| Regular programs | 29,995,796 | - | 29,995,796 |
| Special programs | 3,337,549 | - | 3,337,549 |
| Adult education programs | 1,420,058 | - | 1,420,058 |
| Food service operations | 13,507,772 | - | 13,507,772 |
| Community service programs | 762,200 | - | 762,200 |
| Undistributed expenditures: | | | |
| Student support | 2,640,702 | - | 2,640,702 |
| Instructional staff support | 7,497,984 | - | 7,497,984 |
| School administration | 462,046 | - | 462,046 |
| Operation and maintenance | 61,886 | - | 61,886 |
| Central support | 32,887 | - | 32,887 |
| Other support | 332,299 | - | 332,299 |
| Capital outlay | - | 8,649,620 | 8,649,620 |
| Debt service: | | | |
| Interest | 14,475 | - | 14,475 |
| | 60,065,654 | 8,649,620 | 68,715,274 |
| Total expenditures | | | |
| Excess (deficiency) of revenues over expenditures | 104,655 | (4,261,367) | (4,156,712) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | 150,000 | - | 150,000 |
| Transfers out | - | (150,000) | (150,000) |
| | 150,000 | (150,000) | - |
| Total other financing sources (uses) | | | |
| Net change in fund balances | 254,655 | (4,411,367) | (4,156,712) |
| FUND BALANCE, July 1 | 2,194,762 | 13,178,239 | 15,373,001 |
| FUND BALANCE, June 30 | \$ 2,449,417 | \$ 8,766,872 | \$ 11,216,289 |

General

Fund

To account for resources traditionally associated with governments which are not required to be accounted for in other funds.

**WASHOE COUNTY SCHOOL DISTRICT
COMPARATIVE BALANCE SHEET
GENERAL FUND
JUNE 30, 2003 AND 2002**

| | <u>2003</u> | <u>2002</u> |
|--|--------------------------|--------------------------|
| ASSETS | | |
| Cash and investments | \$ 7,527,520 | \$ 7,749,759 |
| Receivables: | | |
| Property taxes | 1,709,744 | 1,158,213 |
| Interest | 23,440 | 38,197 |
| Grants | - | 65,298 |
| Miscellaneous | 246,525 | 92,663 |
| Due from other funds | 2,836,999 | 2,640,493 |
| Due from other governments | 29,146,240 | 22,846,706 |
| Inventories | <u>547,426</u> | <u>643,784</u> |
| Total assets | <u>\$ 42,037,894</u> | <u>\$ 35,235,113</u> |
| LIABILITIES | | |
| Accounts payable | \$ 1,990,922 | \$ 2,021,017 |
| Accrued liabilities | 27,655,188 | 26,533,039 |
| Due to other funds | - | 176,910 |
| Due to other governments | 1,093,756 | - |
| Deferred revenues | <u>741,964</u> | <u>1,070,829</u> |
| Total liabilities | <u>31,481,830</u> | <u>29,801,795</u> |
| FUND BALANCES | | |
| Reserved for: | | |
| Encumbrances | 785,359 | 1,274,050 |
| Inventories | 547,426 | 643,784 |
| Capital leases | 1,000,000 | 1,000,000 |
| Unreserved: | | |
| Designated for subsequent year's expenditures | 400,000 | 400,000 |
| Designated for repayment carryover of general supply appropriations | 1,853,789 | 1,764,841 |
| Designated for restoration of health insurance fund net assets | 1,793,829 | - |
| Designated for pre-funding of other postemployment benefits | 1,800,000 | - |
| Undesignated | <u>2,375,661</u> | <u>350,643</u> |
| Total fund balances | <u>10,556,064</u> | <u>5,433,318</u> |
| Total liabilities and fund balances | <u>\$ 42,037,894</u> | <u>\$ 35,235,113</u> |

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|---------------------|---------------------|----------------------|-----------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources | \$ 205,040,909 | \$ 205,450,355 | \$ 205,742,088 | \$ 291,733 | \$ 194,662,348 |
| State sources | 80,165,700 | 80,095,620 | 81,409,735 | 1,314,115 | 76,568,120 |
| Federal sources | 495,000 | 495,000 | 550,817 | 55,817 | 515,713 |
| Other sources | 8,000 | 8,000 | 5,194 | (2,806) | 14,996 |
| Total revenues | <u>285,709,609</u> | <u>286,048,975</u> | <u>287,707,834</u> | <u>1,658,859</u> | <u>271,761,177</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs | 154,067,808 | 155,495,372 | 153,533,437 | 1,961,935 | 148,089,728 |
| Vocational programs | 6,925,087 | 6,269,309 | 6,169,534 | 99,775 | 6,564,020 |
| Other instructional programs: | 3,104,901 | 3,262,738 | 2,776,041 | 486,697 | 2,930,266 |
| Undistributed Expenditures: | | | | | |
| Student support | 15,768,243 | 15,688,197 | 15,205,529 | 482,668 | 14,951,115 |
| Instructional staff support | 6,749,201 | 7,353,943 | 7,158,059 | 195,884 | 6,684,918 |
| General administration | 5,193,123 | 6,256,802 | 6,027,809 | 228,993 | 5,502,641 |
| School administration | 19,640,594 | 19,696,316 | 19,239,496 | 456,820 | 18,175,805 |
| Business support | 3,687,413 | 3,612,604 | 3,517,896 | 94,708 | 3,523,634 |
| Operation and maintenance | 34,106,428 | 35,840,451 | 33,074,471 | 2,765,980 | 35,662,590 |
| Student transportation | 9,639,664 | 9,840,737 | 9,469,947 | 370,790 | 9,276,802 |
| Central support services | 4,857,031 | 5,209,755 | 4,867,255 | 342,500 | 4,615,507 |
| Total expenditures | <u>263,739,493</u> | <u>268,526,224</u> | <u>261,039,474</u> | <u>7,486,750</u> | <u>255,977,026</u> |
| Excess of Revenues Over Expenditures | <u>21,970,116</u> | <u>17,522,751</u> | <u>26,668,360</u> | <u>9,145,609</u> | <u>15,784,151</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital leases | - | 259,770 | 259,770 | - | 5,661 |
| Contingency | (1,142,460) | (229,863) | - | 229,863 | - |
| Transfers out | (22,100,021) | (21,942,192) | (21,805,384) | 136,808 | (20,419,591) |
| Total other financing sources (uses) | <u>(23,242,481)</u> | <u>(21,912,285)</u> | <u>(21,545,614)</u> | <u>366,671</u> | <u>(20,413,930)</u> |
| Net change in fund balances | (1,272,365) | (4,389,534) | 5,122,746 | 9,512,280 | (4,629,779) |
| FUND BALANCE, July 1 | <u>2,076,361</u> | <u>5,433,318</u> | <u>5,433,318</u> | <u>-</u> | <u>10,063,097</u> |
| FUND BALANCE, June 30 | <u>\$ 803,996</u> | <u>\$ 1,043,784</u> | <u>\$ 10,556,064</u> | <u>\$ 9,512,280</u> | <u>\$ 5,433,318</u> |

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---------------------------------------|---------------|---------------|---------------|-----------------------------|---------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Ad Valorem taxes | \$ 70,957,747 | \$ 70,957,747 | \$ 72,277,614 | \$ 1,319,867 | \$ 67,239,288 |
| School support taxes | 118,219,230 | 118,219,230 | 116,959,363 | (1,259,867) | 112,258,067 |
| Franchise taxes | 180,000 | 180,000 | 233,187 | 53,187 | 230,353 |
| Government services tax | 10,911,932 | 10,911,932 | 11,303,671 | 391,739 | 10,338,568 |
| Revenue in lieu of taxes | 120,000 | 120,000 | 141,275 | 21,275 | 139,865 |
| Tuition - regular day school | 270,000 | 270,000 | 408,967 | 138,967 | 274,101 |
| Tuition - summer school | 680,000 | 680,000 | 695,401 | 15,401 | 645,686 |
| Tuition - adult continuing education | 25,000 | 25,000 | 385 | (24,615) | 15,155 |
| Earnings on investments | 850,000 | 850,000 | 439,873 | (410,127) | 778,074 |
| Refunds | 90,000 | 90,000 | 49,632 | (40,368) | 32,427 |
| Indirect costs | 625,000 | 715,000 | 904,422 | 189,422 | 744,818 |
| Transportation | 593,000 | 593,000 | 456,072 | (136,928) | 526,025 |
| Reimbursements | 885,000 | 1,070,000 | 1,213,618 | 143,618 | 886,749 |
| Other | 634,000 | 768,446 | 658,608 | (109,838) | 553,172 |
| Total local sources | 205,040,909 | 205,450,355 | 205,742,088 | 291,733 | 194,662,348 |
| State sources: | | | | | |
| Distributive school fund | 77,477,197 | 77,407,117 | 78,721,232 | 1,314,115 | 75,088,119 |
| Special appropriations | 2,688,503 | 2,688,503 | 2,688,503 | - | 1,480,001 |
| Total state sources | 80,165,700 | 80,095,620 | 81,409,735 | 1,314,115 | 76,568,120 |
| Federal sources: | | | | | |
| Forest reserve | 5,000 | 5,000 | 6,440 | 1,440 | 6,684 |
| Revenue in lieu of taxes, P.L. 81-874 | 140,000 | 140,000 | 171,642 | 31,642 | 146,590 |
| E-Rate refund | 350,000 | 350,000 | 372,735 | 22,735 | 362,439 |
| Total federal sources | 495,000 | 495,000 | 550,817 | 55,817 | 515,713 |
| Other sources | 8,000 | 8,000 | 5,194 | (2,806) | 14,996 |
| Total revenues | 285,709,609 | 286,048,975 | 287,707,834 | 1,658,859 | 271,761,177 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs | | | | | |
| Instruction | | | | | |
| Salaries | 112,809,688 | 114,067,807 | 112,902,996 | 1,164,811 | 108,559,472 |
| Benefits | 34,706,202 | 34,095,328 | 33,939,885 | 155,443 | 32,637,765 |
| Purchased services | 1,492,447 | 1,638,369 | 1,465,281 | 173,088 | 1,577,841 |
| Supplies | 4,272,646 | 4,674,016 | 4,101,767 | 572,249 | 4,392,690 |
| Property | 754,707 | 967,734 | 1,068,436 | (100,702) | 901,275 |
| Other | 32,118 | 52,118 | 55,072 | (2,954) | 20,685 |
| Total regular programs | 154,067,808 | 155,495,372 | 153,533,437 | 1,961,935 | 148,089,728 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| Vocational programs | | | | | |
| Instruction | | | | | |
| Salaries | \$ 5,097,526 | \$ 4,615,745 | \$ 4,613,704 | \$ 2,041 | \$ 4,930,637 |
| Benefits | 1,566,201 | 1,402,420 | 1,400,040 | 2,380 | 1,504,751 |
| Purchased services | 73,160 | 61,930 | 46,047 | 15,883 | 18,019 |
| Supplies | 176,766 | 170,680 | 92,493 | 78,187 | 97,950 |
| Property | 10,579 | 17,519 | 16,407 | 1,112 | 11,987 |
| Other | 855 | 1,015 | 843 | 172 | 676 |
| Total vocational programs | 6,925,087 | 6,269,309 | 6,169,534 | 99,775 | 6,564,020 |
| Other instructional programs: | | | | | |
| Summer school | | | | | |
| Salaries | 908,649 | 908,647 | 625,069 | 283,578 | 841,567 |
| Benefits | 30,695 | 27,376 | 18,339 | 9,037 | 28,491 |
| Purchased services | 17,698 | 17,698 | 9,036 | 8,662 | 21,840 |
| Supplies | 12,122 | 12,604 | 6,451 | 6,153 | 9,985 |
| Property | 2,400 | 2,400 | - | 2,400 | 6,301 |
| Total summer school | 971,564 | 968,725 | 658,895 | 309,830 | 908,184 |
| Athletics | | | | | |
| Salaries | 1,407,223 | 1,514,055 | 1,377,962 | 136,093 | 1,331,561 |
| Benefits | 173,486 | 157,412 | 142,015 | 15,397 | 170,258 |
| Purchased services | 502,234 | 531,822 | 529,591 | 2,231 | 460,626 |
| Supplies | 14,344 | 54,674 | 7,428 | 47,246 | 7,777 |
| Property | 250 | 250 | 9,530 | (9,280) | - |
| Other | 35,800 | 35,800 | 50,620 | (14,820) | 51,860 |
| Total athletics | 2,133,337 | 2,294,013 | 2,117,146 | 176,867 | 2,022,082 |
| Total other instructional programs | 3,104,901 | 3,262,738 | 2,776,041 | 486,697 | 2,930,266 |
| Undistributed Expenditures: | | | | | |
| Student support | | | | | |
| Salaries | 11,477,094 | 11,551,755 | 11,398,937 | 152,818 | 11,127,715 |
| Benefits | 3,735,092 | 3,581,546 | 3,556,619 | 24,927 | 3,416,367 |
| Purchased services | 264,092 | 262,518 | 88,437 | 174,081 | 188,885 |
| Supplies | 265,910 | 266,323 | 107,133 | 159,190 | 176,799 |
| Property | 25,955 | 25,955 | 54,373 | (28,418) | 41,349 |
| Other | 100 | 100 | 30 | 70 | - |
| Total student support | 15,768,243 | 15,688,197 | 15,205,529 | 482,668 | 14,951,115 |
| Instructional staff support | | | | | |
| Salaries | 4,447,986 | 4,831,377 | 4,798,530 | 32,847 | 4,427,951 |
| Benefits | 1,386,072 | 1,495,711 | 1,497,362 | (1,651) | 1,310,467 |
| Purchased services | 340,508 | 393,743 | 284,615 | 109,128 | 358,337 |
| Supplies | 523,273 | 575,833 | 513,144 | 62,689 | 492,892 |
| Property | 46,470 | 52,387 | 53,156 | (769) | 62,989 |
| Other | 4,892 | 4,892 | 11,252 | (6,360) | 32,282 |
| Total instructional staff support | 6,749,201 | 7,353,943 | 7,158,059 | 195,884 | 6,684,918 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| General administration | | | | | |
| Salaries | \$ 1,711,681 | \$ 1,677,153 | \$ 1,684,078 | \$ (6,925) | \$ 1,720,430 |
| Benefits | 742,294 | 712,361 | 692,128 | 20,233 | 672,600 |
| Purchased services | 2,623,129 | 3,561,798 | 3,519,973 | 41,825 | 3,005,423 |
| Supplies | 89,929 | 287,925 | 42,314 | 245,611 | 46,824 |
| Property | 10,787 | 3,662 | 32,902 | (29,240) | 20,166 |
| Other | 15,303 | 13,903 | 56,414 | (42,511) | 37,198 |
| Total general administration | 5,193,123 | 6,256,802 | 6,027,809 | 228,993 | 5,502,641 |
| School administration | | | | | |
| Salaries | 14,995,814 | 14,911,666 | 14,725,808 | 185,858 | 14,083,734 |
| Benefits | 4,306,219 | 4,325,431 | 4,321,758 | 3,673 | 3,924,045 |
| Purchased services | 166,160 | 225,682 | 77,989 | 147,693 | 64,671 |
| Supplies | 141,251 | 197,737 | 76,339 | 121,398 | 51,408 |
| Property | 25,650 | 30,150 | 30,555 | (405) | 29,175 |
| Other | 5,500 | 5,650 | 7,047 | (1,397) | 22,772 |
| Total school administration | 19,640,594 | 19,696,316 | 19,239,496 | 456,820 | 18,175,805 |
| Business support | | | | | |
| Salaries | 2,256,427 | 2,389,071 | 2,376,013 | 13,058 | 2,315,508 |
| Benefits | 801,162 | 750,656 | 745,861 | 4,795 | 745,192 |
| Purchased services | 448,545 | 282,065 | 300,497 | (18,432) | 366,068 |
| Supplies | 151,284 | 161,062 | 54,623 | 106,439 | 52,993 |
| Property | 25,465 | 25,220 | 34,588 | (9,368) | 39,089 |
| Other | 4,530 | 4,530 | 6,314 | (1,784) | 4,784 |
| Total business support | 3,687,413 | 3,612,604 | 3,517,896 | 94,708 | 3,523,634 |
| Operation and maintenance | | | | | |
| Salaries | 14,791,832 | 14,465,453 | 14,405,035 | 60,418 | 14,320,317 |
| Benefits | 4,841,343 | 5,155,569 | 5,092,198 | 63,371 | 4,331,587 |
| Purchased services | 4,787,909 | 5,192,014 | 4,260,163 | 931,851 | 4,626,786 |
| Supplies | 9,631,744 | 9,917,003 | 9,220,301 | 696,702 | 8,663,819 |
| Property | 40,025 | 1,065,158 | 48,416 | 1,016,742 | 3,681,877 |
| Other | 13,575 | 45,254 | 48,358 | (3,104) | 38,204 |
| Total operation and maintenance | 34,106,428 | 35,840,451 | 33,074,471 | 2,765,980 | 35,662,590 |
| Student transportation | | | | | |
| Salaries | 5,383,328 | 5,092,080 | 5,115,357 | (23,277) | 5,119,216 |
| Benefits | 1,836,514 | 2,049,246 | 2,066,786 | (17,540) | 1,607,360 |
| Purchased services | 1,004,383 | 797,626 | 321,961 | 475,665 | 343,647 |
| Supplies | 1,288,938 | 1,546,082 | 1,598,718 | (52,636) | 1,628,760 |
| Property | 111,501 | 340,703 | 354,332 | (13,629) | 565,940 |
| Other | 15,000 | 15,000 | 12,793 | 2,207 | 11,879 |
| Total student transportation | 9,639,664 | 9,840,737 | 9,469,947 | 370,790 | 9,276,802 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|---|---------------------|---------------------|----------------------|-------------------------------------|---------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| Central support services | | | | | |
| Salaries | \$ 2,931,814 | \$ 2,898,554 | \$ 2,825,398 | \$ 73,156 | \$ 2,690,666 |
| Benefits | 792,847 | 780,064 | 764,212 | 15,852 | 728,909 |
| Purchased services | 905,373 | 1,032,614 | 594,190 | 438,424 | 864,788 |
| Supplies | 173,438 | 307,464 | 494,382 | (186,918) | 212,761 |
| Property | 50,829 | 188,329 | 186,890 | 1,439 | 115,998 |
| Other | 2,730 | 2,730 | 2,183 | 547 | 2,385 |
| Total central support | <u>4,857,031</u> | <u>5,209,755</u> | <u>4,867,255</u> | <u>342,500</u> | <u>4,615,507</u> |
| Total undistributed expenditures | <u>99,641,697</u> | <u>103,498,805</u> | <u>98,560,462</u> | <u>4,938,343</u> | <u>98,393,012</u> |
| Total expenditures | <u>263,739,493</u> | <u>268,526,224</u> | <u>261,039,474</u> | <u>7,486,750</u> | <u>255,977,026</u> |
| Excess of Revenues Over Expenditures | <u>21,970,116</u> | <u>17,522,751</u> | <u>26,668,360</u> | <u>9,145,609</u> | <u>15,784,151</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital leases | - | 259,770 | 259,770 | - | 5,661 |
| Contingency | (1,142,460) | (229,863) | - | 229,863 | - |
| Transfers out | (22,100,021) | (21,942,192) | (21,805,384) | 136,808 | (20,419,591) |
| Total other financing sources (uses) | <u>(23,242,481)</u> | <u>(21,912,285)</u> | <u>(21,545,614)</u> | <u>366,671</u> | <u>(20,413,930)</u> |
| Net change in fund balances | (1,272,365) | (4,389,534) | 5,122,746 | 9,512,280 | (4,629,779) |
| FUND BALANCE, July 1 | <u>2,076,361</u> | <u>5,433,318</u> | <u>5,433,318</u> | <u>-</u> | <u>10,063,097</u> |
| FUND BALANCE, June 30 | <u>\$ 803,996</u> | <u>\$ 1,043,784</u> | <u>\$ 10,556,064</u> | <u>\$ 9,512,280</u> | <u>\$ 5,433,318</u> |

Special

Revenue Funds

To account for the proceeds of specific revenue sources (other than for private-purpose trust or major capital projects) that are legally restricted to expenditure for the specified purposes. Individual funds include the following:

Federal Projects:

To account for transactions relating to federally assisted grant programs including: **Title I, Title V, Indian Education, Public Law 105-17 (Special Education), Vocational Education, Special Grants, Drug-Free Schools, Early Childhood LEA (Special Education), Nevada Reading Excellence, Title II, Title III, and Twenty-First Century Funds.**

State Programs:

To account for transactions relating to the State of Nevada funded programs including: **Vocational Education, Special Grants, Early Childhood, Class Size Reduction, Adult Education, Remedial Education SB585, Regional Professional Development Program, and Special Appropriations.**

Local Programs:

To account for transactions relating to locally funded programs including: **Family Resource Centers, Community Education, Gifts and Donations, Advanced Carpentry, Wellness, and Special Events.**

Special Education:

To account for transactions of the District relating to educational services provided to children with special needs.

Nutrition Services:

To account for transactions relating to the food services provided to District schools. Financing is provided by user charges and federal subsidies.

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 ACTUAL | 2003 VARIANCE TO FINAL BUDGET | 2002 |
|-----------------------------------|---------------|---------------|----------------|-------------------------------------|---------------|
| | ORIGINAL | FINAL | | | ACTUAL |
| REVENUES | | | | | |
| State sources: | | | | | |
| Distributive school account | \$ 14,707,056 | \$ 14,752,920 | \$ 14,771,785 | \$ 18,865 | \$ 13,887,475 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Special programs | | | | | |
| Instruction | | | | | |
| Salaries | 21,574,672 | 21,564,268 | 21,540,388 | 23,880 | 20,210,841 |
| Benefits | 7,085,655 | 6,844,032 | 6,767,793 | 76,239 | 6,338,920 |
| Purchased services | 16,391 | 16,391 | 30,267 | (13,876) | 37,781 |
| Supplies | 78,247 | 79,757 | 41,139 | 38,618 | 44,436 |
| Property | 8,000 | 8,000 | 21,753 | (13,753) | 16,986 |
| Other | - | - | 2,334 | (2,334) | 1,525 |
| Total special programs | 28,762,965 | 28,512,448 | 28,403,674 | 108,774 | 26,650,489 |
| Undistributed expenditures: | | | | | |
| Student support | | | | | |
| Salaries | 388,778 | 391,656 | 387,971 | 3,685 | 362,853 |
| Benefits | 124,295 | 109,205 | 109,560 | (355) | 111,825 |
| Total student support | 513,073 | 500,861 | 497,531 | 3,330 | 474,678 |
| Instructional staff support | | | | | |
| Salaries | 401,626 | 375,707 | 375,100 | 607 | 355,168 |
| Benefits | 118,772 | 111,607 | 110,976 | 631 | 104,280 |
| Purchased services | 66,775 | 66,775 | 71,172 | (4,397) | 66,569 |
| Supplies | 6,665 | 6,665 | 2,384 | 4,281 | 6,452 |
| Property | 2,000 | 2,000 | 1,872 | 128 | 3,245 |
| Other | - | - | 60 | (60) | - |
| Total instructional staff support | 595,838 | 562,754 | 561,564 | 1,190 | 535,714 |
| School administration | | | | | |
| Salaries | 68,713 | 69,605 | 69,475 | 130 | 66,100 |
| Benefits | 20,247 | 20,038 | 20,019 | 19 | 19,130 |
| Total school administration | 88,960 | 89,643 | 89,494 | 149 | 85,230 |
| Operations and maintenance | | | | | |
| Salaries | 32,263 | 34,594 | 33,114 | 1,480 | 30,925 |
| Benefits | 10,884 | 12,306 | 12,204 | 102 | 10,301 |
| Total operations and maintenance | 43,147 | 46,900 | 45,318 | 1,582 | 41,226 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|--|---------------------|---------------------|---------------------|-------------------------------------|---------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| Student transportation | | | | | |
| Salaries | \$ 2,008,447 | \$ 1,981,031 | \$ 1,963,199 | \$ 17,832 | \$ 1,896,537 |
| Benefits | 684,277 | 839,161 | 855,075 | (15,914) | 593,586 |
| Purchased services | 199,927 | 199,927 | 202,191 | (2,264) | 169,618 |
| Supplies | 146,979 | 146,979 | 144,715 | 2,264 | 105,659 |
| Total student transportation | <u>3,039,630</u> | <u>3,167,098</u> | <u>3,165,180</u> | <u>1,918</u> | <u>2,765,400</u> |
| Total undistributed expenditures | <u>4,280,648</u> | <u>4,367,256</u> | <u>4,359,087</u> | <u>8,169</u> | <u>3,902,248</u> |
| Total expenditures | <u>33,043,613</u> | <u>32,879,704</u> | <u>32,762,761</u> | <u>116,943</u> | <u>30,552,737</u> |
| Excess (deficiency) of revenues over expenditures | <u>(18,336,557)</u> | <u>(18,126,784)</u> | <u>(17,990,976)</u> | <u>135,808</u> | <u>(16,665,262)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | <u>18,336,557</u> | <u>18,126,784</u> | <u>17,990,976</u> | <u>(135,808)</u> | <u>16,665,262</u> |
| Excess of revenues and other financing sources over expenditures | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2003
(Page 1 of 2)**

| | <u>TITLE I</u> | <u>TITLE V</u> | <u>INDIAN EDUCATION</u> | <u>PUBLIC LAW 105-17</u> | <u>VOCATIONAL EDUCATION</u> | <u>SPECIAL GRANTS</u> |
|--|---------------------|-------------------|-----------------------------|----------------------------------|---------------------------------|---------------------------|
| ASSETS | | | | | | |
| Cash and investments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receivables: | | | | | | |
| Grants | 1,092,434 | 110,195 | 62,734 | 880,104 | 150,142 | 831,145 |
| Miscellaneous | - | - | - | 7,500 | - | 5,688 |
| Due from other governments | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Total assets | <u>\$ 1,092,434</u> | <u>\$ 110,195</u> | <u>\$ 62,734</u> | <u>\$ 887,604</u> | <u>\$ 150,142</u> | <u>\$ 836,833</u> |
| LIABILITIES | | | | | | |
| Accounts payable | \$ 40,111 | \$ 2,882 | \$ 1,780 | \$ 57,981 | \$ 31,533 | \$ 310,646 |
| Accrued liabilities | 333,634 | 49,835 | 41,956 | 265,205 | 15,684 | 178,777 |
| Due to other funds | 700,415 | 57,478 | 18,998 | 512,284 | 58,478 | 55,784 |
| Due to other governments | - | - | - | - | 3 | 7,564 |
| Deferred revenues | 18,274 | - | - | 52,134 | 44,444 | 284,062 |
| | 18,274 | - | - | 52,134 | 44,444 | 284,062 |
| Total liabilities | <u>1,092,434</u> | <u>110,195</u> | <u>62,734</u> | <u>887,604</u> | <u>150,142</u> | <u>836,833</u> |
| FUND BALANCE | | | | | | |
| Reserved for: | | | | | | |
| Inventories | - | - | - | - | - | - |
| Unreserved: | | | | | | |
| Designated for subsequent year's expenditures | - | - | - | - | - | - |
| Undesignated | - | - | - | - | - | - |
| | - | - | - | - | - | - |
| Total fund balance | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total liabilities and fund balance | <u>\$ 1,092,434</u> | <u>\$ 110,195</u> | <u>\$ 62,734</u> | <u>\$ 887,604</u> | <u>\$ 150,142</u> | <u>\$ 836,833</u> |

| <u>DRUG FREE SCHOOLS</u> | <u>EARLY CHILDHOOD</u> | <u>CLASS SIZE REDUCTION</u> | <u>ADULT EDUCATION</u> | <u>NUTRITION SERVICES</u> | <u>REMEDIAL EDUCATION SB 585</u> | <u>NEVADA READING EXCELLENCE ACT</u> | <u>TWENTY-FIRST CENTURY</u> |
|----------------------------------|----------------------------|-------------------------------------|----------------------------|-------------------------------|--|--|---------------------------------|
| \$ - | \$ 81,216 | \$ 147,814 | \$ 608,561 | \$ 640,334 | \$ 159,991 | \$ - | \$ - |
| 148,237 | 3,070 | - | - | 219,132 | - | 158,628 | 252,819 |
| - | - | - | - | 201,746 | - | - | - |
| - | - | 1,808,239 | - | - | - | - | - |
| - | - | - | - | 734,436 | - | - | - |
| <u>\$ 148,237</u> | <u>\$ 84,286</u> | <u>\$ 1,956,053</u> | <u>\$ 608,561</u> | <u>\$ 1,795,648</u> | <u>\$ 159,991</u> | <u>\$ 158,628</u> | <u>\$ 252,819</u> |
| \$ 29,671 | \$ 11,490 | \$ - | \$ 1,241 | \$ 102,965 | \$ 1,403 | \$ 1,114 | \$ 80,440 |
| 9,213 | 26,921 | 1,956,053 | 181,401 | 358,485 | 41,513 | 80,833 | 26,093 |
| 109,173 | - | - | - | - | - | 73,083 | 141,132 |
| - | - | - | - | - | - | - | - |
| 180 | 45,875 | - | 425,919 | 227,606 | 117,075 | 3,598 | 5,154 |
| <u>148,237</u> | <u>84,286</u> | <u>1,956,053</u> | <u>608,561</u> | <u>689,056</u> | <u>159,991</u> | <u>158,628</u> | <u>252,819</u> |
| - | - | - | - | 734,436 | - | - | - |
| - | - | - | - | 303,035 | - | - | - |
| - | - | - | - | 69,121 | - | - | - |
| - | - | - | - | 1,106,592 | - | - | - |
| <u>\$ 148,237</u> | <u>\$ 84,286</u> | <u>\$ 1,956,053</u> | <u>\$ 608,561</u> | <u>\$ 1,795,648</u> | <u>\$ 159,991</u> | <u>\$ 158,628</u> | <u>\$ 252,819</u> |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2003
(Page 2 of 2)**

| | TITLE II PART A TEACHER TRAINING | TITLE III ENGLISH LANGUAGE ACQUISITION | REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM | COMMUNITY EDUCATION |
|--|---|---|--|--------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ - | \$ - | \$ - | \$ 342,107 |
| Receivables: | | | | |
| Grants | 419,392 | 112,139 | 1,220,512 | - |
| Miscellaneous | - | - | - | - |
| Due from other governments | - | - | - | - |
| Inventories | - | - | - | - |
| | 419,392 | 112,139 | 1,220,512 | 342,107 |
| Total assets | \$ 419,392 | \$ 112,139 | \$ 1,220,512 | \$ 342,107 |
| LIABILITIES | | | | |
| Accounts payable | \$ 23,479 | \$ - | \$ 134,517 | \$ 6,927 |
| Accrued liabilities | 138,189 | 68,169 | 206,176 | 14,222 |
| Due to other funds | 257,724 | 43,464 | 722,244 | - |
| Due to other governments | - | - | - | - |
| Deferred revenues | - | 506 | 157,575 | - |
| | 419,392 | 112,139 | 1,220,512 | 21,149 |
| Total liabilities | 419,392 | 112,139 | 1,220,512 | 21,149 |
| FUND BALANCE | | | | |
| Reserved for: | | | | |
| Inventories | - | - | - | - |
| Unreserved: | | | | |
| Designated for subsequent year's expenditures | - | - | - | 224,790 |
| Undesignated | - | - | - | 96,168 |
| | - | - | - | 320,958 |
| Total fund balance | - | - | - | 320,958 |
| Total liabilities and fund balance | \$ 419,392 | \$ 112,139 | \$ 1,220,512 | \$ 342,107 |

| <u>GIFTS AND DONATIONS</u> | <u>ADVANCED CARPENTRY PROJECT</u> | <u>WELLNESS</u> | <u>FAMILY RESOURCE CENTERS</u> | <u>TOTAL</u> |
|------------------------------------|---|-------------------|--|----------------------|
| \$ 586,817 | \$ 166,778 | \$ 326,616 | \$ - | \$ 3,060,234 |
| - | - | - | 154,745 | 5,815,428 |
| 4,150 | - | 5,499 | - | 224,583 |
| - | - | - | - | 1,808,239 |
| - | - | - | - | 734,436 |
| <u>\$ 590,967</u> | <u>\$ 166,778</u> | <u>\$ 332,115</u> | <u>\$ 154,745</u> | <u>\$ 11,642,920</u> |
| \$ 54,688 | \$ 4,797 | \$ 699 | \$ 6,248 | \$ 904,612 |
| 4,435 | 37 | 3,337 | 18,652 | 4,018,820 |
| - | - | - | 75,730 | 2,825,987 |
| - | - | - | - | 7,567 |
| - | - | - | 54,115 | 1,436,517 |
| <u>59,123</u> | <u>4,834</u> | <u>4,036</u> | <u>154,745</u> | <u>9,193,503</u> |
| - | - | - | - | 734,436 |
| 354,139 | 101,480 | 254,564 | - | 1,238,008 |
| <u>177,705</u> | <u>60,464</u> | <u>73,515</u> | <u>-</u> | <u>476,973</u> |
| <u>531,844</u> | <u>161,944</u> | <u>328,079</u> | <u>-</u> | <u>2,449,417</u> |
| <u>\$ 590,967</u> | <u>\$ 166,778</u> | <u>\$ 332,115</u> | <u>\$ 154,745</u> | <u>\$ 11,642,920</u> |

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2003
(Page 1 of 2)**

| | <u>TITLE I</u> | <u>TITLE V</u> | <u>INDIAN EDUCATION</u> | <u>PUBLIC LAW 105-17</u> | <u>VOCATIONAL EDUCATION</u> | <u>SPECIAL GRANTS</u> |
|---|------------------|----------------|-----------------------------|----------------------------------|---------------------------------|---------------------------|
| REVENUES | | | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 447,530 |
| State sources | - | - | - | - | 16,583 | 815,840 |
| Federal sources | <u>6,854,064</u> | <u>989,577</u> | <u>253,634</u> | <u>6,163,637</u> | <u>615,966</u> | <u>2,445,861</u> |
| Total revenues | <u>6,854,064</u> | <u>989,577</u> | <u>253,634</u> | <u>6,163,637</u> | <u>632,549</u> | <u>3,709,231</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Regular programs | 6,572,357 | 848,681 | 253,634 | - | - | 2,076,452 |
| Special programs | - | - | - | 3,141,321 | - | - |
| Adult education programs | - | - | - | - | - | - |
| Nutrition services | - | - | - | - | - | - |
| Community service programs | - | - | - | - | - | - |
| Undistributed expenditures: | | | | | | |
| Student support | - | - | - | 2,107,009 | - | 320,051 |
| Instructional staff support | 281,707 | 140,896 | - | 915,307 | 632,549 | 947,542 |
| School administration | - | - | - | - | - | - |
| Operation and maintenance | - | - | - | - | - | - |
| Central support | - | - | - | - | - | 32,887 |
| Other support | - | - | - | - | - | 332,299 |
| Debt service | | | | | | |
| Interest | - | - | - | - | - | - |
| Total expenditures | <u>6,854,064</u> | <u>989,577</u> | <u>253,634</u> | <u>6,163,637</u> | <u>632,549</u> | <u>3,709,231</u> |
| Excess (deficiency) of revenues over expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| OTHER FINANCING SOURCES: | | | | | | |
| Transfers in | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total other financing sources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

| <u>DRUG FREE SCHOOLS</u> | <u>EARLY CHILDHOOD</u> | <u>CLASS SIZE REDUCTION</u> | <u>ADULT EDUCATION</u> | <u>NUTRITION SERVICES</u> | <u>REMEDIAL EDUCATION SB 585</u> | <u>NEVADA READING EXCELLENCE ACT</u> | <u>TWENTY-FIRST CENTURY</u> |
|----------------------------------|----------------------------|-------------------------------------|----------------------------|-------------------------------|--|--|---------------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 6,154,667 | \$ - | \$ - | \$ - |
| - | 509,125 | 14,320,201 | 2,012,085 | - | 806,710 | - | - |
| <u>240,120</u> | <u>346,395</u> | <u>-</u> | <u>-</u> | <u>7,591,998</u> | <u>-</u> | <u>711,619</u> | <u>1,840,234</u> |
| <u>240,120</u> | <u>855,520</u> | <u>14,320,201</u> | <u>2,012,085</u> | <u>13,746,665</u> | <u>806,710</u> | <u>711,619</u> | <u>1,840,234</u> |
| - | 501,886 | 14,320,201 | - | - | 806,710 | 708,906 | 1,008,799 |
| - | 196,228 | - | - | - | - | - | - |
| - | - | - | 1,420,058 | - | - | - | - |
| - | - | - | - | 13,507,772 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | 213,642 | - | - | - | - |
| <u>240,120</u> | <u>157,406</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,713</u> | <u>831,435</u> |
| - | - | - | 316,499 | - | - | - | - |
| - | - | - | 61,886 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 14,475 | - | - | - |
| <u>240,120</u> | <u>855,520</u> | <u>14,320,201</u> | <u>2,012,085</u> | <u>13,522,247</u> | <u>806,710</u> | <u>711,619</u> | <u>1,840,234</u> |
| - | - | - | - | 224,418 | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | 224,418 | - | - | - |
| - | - | - | - | 882,174 | - | - | - |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,106,592</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2003
 (Page 2 of 2)

| | TITLE II PART A TEACHER TRAINING | TITLE III ENGLISH LANGUAGE ACQUISITION | REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM | COMMUNITY EDUCATION |
|---|---|---|--|--------------------------------|
| REVENUES | | | | |
| Local sources | \$ - | \$ - | \$ - | \$ 377,455 |
| State sources | - | - | 2,168,825 | - |
| Federal sources | 1,464,943 | 621,261 | - | - |
| Total revenues | 1,464,943 | 621,261 | 2,168,825 | 377,455 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Regular programs | 509,576 | 621,261 | - | 232,453 |
| Special programs | - | - | - | - |
| Adult education programs | - | - | - | - |
| Nutrition services | - | - | - | - |
| Community service programs | - | - | - | - |
| Undistributed expenditures: | | | | |
| Student support | - | - | - | - |
| Instructional staff support | 955,367 | - | 2,168,825 | - |
| School administration | - | - | - | 145,547 |
| Operation and maintenance | - | - | - | - |
| Central support | - | - | - | - |
| Other support | - | - | - | - |
| Debt service | | | | |
| Interest | - | - | - | - |
| Total expenditures | 1,464,943 | 621,261 | 2,168,825 | 378,000 |
| Excess (deficiency) of revenues over expenditures | - | - | - | (545) |
| OTHER FINANCING SOURCES: | | | | |
| Transfers in | - | - | - | - |
| Total other financing sources | - | - | - | - |
| Net change in fund balances | - | - | - | (545) |
| FUND BALANCE, July 1 | - | - | - | 321,503 |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ 320,958 |

| <u>GIFTS AND DONATIONS</u> | <u>ADVANCED CARPENTRY PROJECT</u> | <u>WELLNESS</u> | <u>FAMILY RESOURCE CENTERS</u> | <u>NEW TEACHER SIGNING BONUS</u> | <u>TOTAL</u> |
|------------------------------------|---|-------------------|--|--|---------------------|
| \$ 765,618 | \$ - | \$ 240,161 | \$ 78,959 | \$ - | \$ 8,064,390 |
| - | - | - | 365,559 | 634,000 | 21,648,928 |
| - | - | - | 317,682 | - | 30,456,991 |
| <u>765,618</u> | <u>-</u> | <u>240,161</u> | <u>762,200</u> | <u>634,000</u> | <u>60,170,309</u> |
| 845,562 | 55,318 | - | - | 634,000 | 29,995,796 |
| - | - | - | - | - | 3,337,549 |
| - | - | - | - | - | 1,420,058 |
| - | - | - | - | - | 13,507,772 |
| - | - | - | 762,200 | - | 762,200 |
| - | - | - | - | - | 2,640,702 |
| - | - | 224,117 | - | - | 7,497,984 |
| - | - | - | - | - | 462,046 |
| - | - | - | - | - | 61,886 |
| - | - | - | - | - | 32,887 |
| - | - | - | - | - | 332,299 |
| - | - | - | - | - | 14,475 |
| <u>845,562</u> | <u>55,318</u> | <u>224,117</u> | <u>762,200</u> | <u>634,000</u> | <u>60,065,654</u> |
| <u>(79,944)</u> | <u>(55,318)</u> | <u>16,044</u> | <u>-</u> | <u>-</u> | <u>104,655</u> |
| <u>-</u> | <u>150,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>150,000</u> |
| <u>-</u> | <u>150,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>150,000</u> |
| (79,944) | 94,682 | 16,044 | - | - | 254,655 |
| <u>611,788</u> | <u>67,262</u> | <u>312,035</u> | <u>-</u> | <u>-</u> | <u>2,194,762</u> |
| <u>\$ 531,844</u> | <u>\$ 161,944</u> | <u>\$ 328,079</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,449,417</u> |

**WASHOE COUNTY SCHOOL DISTRICT
TITLE I - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Title I | \$ 4,558,552 | \$ 7,762,040 | \$ 6,854,064 | \$ (907,976) | \$ 4,728,549 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 2,507,684 | 3,543,591 | 3,224,707 | 318,884 | 2,385,366 |
| Benefits | 679,891 | 1,158,014 | 991,815 | 166,199 | 659,505 |
| Purchased services | 407,965 | 943,906 | 740,255 | 203,651 | 519,255 |
| Supplies | 481,472 | 1,050,678 | 918,475 | 132,203 | 795,387 |
| Property | 59,437 | 410,651 | 385,424 | 25,227 | 13,832 |
| Other | 157,723 | 349,164 | 311,681 | 37,483 | 159,254 |
| Total regular programs | 4,294,172 | 7,456,004 | 6,572,357 | 883,647 | 4,532,599 |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 199,595 | 244,857 | 233,345 | 11,512 | 146,366 |
| Benefits | 51,041 | 45,830 | 42,442 | 3,388 | 39,358 |
| Purchased services | 8,342 | 14,789 | 5,705 | 9,084 | 10,196 |
| Supplies | 115 | - | - | - | - |
| Property | 5,247 | - | - | - | - |
| Other | 40 | 560 | 215 | 345 | 30 |
| Total undistributed expenditures | 264,380 | 306,036 | 281,707 | 24,329 | 195,950 |
| Total expenditures | 4,558,552 | 7,762,040 | 6,854,064 | 907,976 | 4,728,549 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
TITLE V - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|-------------|--------------|------------|-----------------------------|------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Title V | \$ 464,611 | \$ 1,035,217 | \$ 989,577 | \$ (45,640) | \$ 315,842 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 91,947 | 345,888 | 341,634 | 4,254 | 109,510 |
| Benefits | 25,294 | 104,333 | 93,047 | 11,286 | 31,750 |
| Purchased services | 259,046 | 106,862 | 98,271 | 8,591 | 57,803 |
| Supplies | 15,528 | 259,771 | 254,634 | 5,137 | 65,922 |
| Property | - | 67,774 | 60,364 | 7,410 | - |
| Other | - | 830 | 731 | 99 | - |
| Total regular programs | 391,815 | 885,458 | 848,681 | 36,777 | 264,985 |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 36,401 | 56,286 | 53,580 | 2,706 | 31,799 |
| Benefits | 11,541 | 12,687 | 11,622 | 1,065 | 7,066 |
| Purchased services | 6,102 | 25,213 | 22,662 | 2,551 | 1,688 |
| Supplies | 1,316 | 15,596 | 13,880 | 1,716 | 511 |
| Property | - | 6,766 | 6,683 | 83 | - |
| Other | 17,436 | 33,211 | 32,469 | 742 | 9,793 |
| Total undistributed expenditures | 72,796 | 149,759 | 140,896 | 8,863 | 50,857 |
| Total expenditures | 464,611 | 1,035,217 | 989,577 | 45,640 | 315,842 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

WASHOE COUNTY SCHOOL DISTRICT
INDIAN EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|--------------------------------------|--------------------|--------------------|--------------------|-----------------------------|--------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Title VII - Indian education program | \$ 233,647 | \$ 306,127 | \$ 253,634 | \$ (52,493) | \$ 214,246 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 142,677 | 177,393 | 148,635 | 28,758 | 148,487 |
| Benefits | 40,447 | 65,833 | 55,856 | 9,977 | 44,169 |
| Purchased services | 20,618 | 29,918 | 20,243 | 9,675 | 9,287 |
| Supplies | 21,135 | 6,895 | 4,988 | 1,907 | 4,636 |
| Property | - | 13,525 | 13,525 | - | 75 |
| Other | 8,770 | 12,563 | 10,387 | 2,176 | 7,592 |
| Total expenditures | <u>233,647</u> | <u>306,127</u> | <u>253,634</u> | <u>52,493</u> | <u>214,246</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

**WASHOE COUNTY SCHOOL DISTRICT
PUBLIC LAW 105-17 - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|-----------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Education of the handicapped | \$ 6,515,318 | \$ 7,538,827 | \$ 6,163,637 | \$ (1,375,190) | \$ 5,640,394 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Special programs: | | | | | |
| Instruction | | | | | |
| Salaries | 2,688,444 | 3,097,655 | 2,509,437 | 588,218 | 2,605,170 |
| Benefits | 545,922 | 773,602 | 612,065 | 161,537 | 514,494 |
| Property | - | 19,950 | 19,819 | 131 | - |
| Total special programs | 3,234,366 | 3,891,207 | 3,141,321 | 749,886 | 3,119,664 |
| Undistributed expenditures: | | | | | |
| Student support | | | | | |
| Salaries | 566,234 | 1,075,917 | 714,841 | 361,076 | 618,289 |
| Benefits | 118,207 | 254,287 | 164,929 | 89,358 | 149,043 |
| Purchased services | 574,548 | 437,978 | 390,487 | 47,491 | 376,579 |
| Supplies | 395,886 | 334,406 | 279,897 | 54,509 | 157,871 |
| Property | 112,480 | 80,000 | 73,877 | 6,123 | 1,975 |
| Other | 309,613 | 549,725 | 482,978 | 66,747 | 377,693 |
| Total student support | 2,076,968 | 2,732,313 | 2,107,009 | 625,304 | 1,681,450 |
| Instructional staff support | | | | | |
| Salaries | 853,964 | 663,573 | 663,573 | - | 570,130 |
| Benefits | 254,203 | 219,502 | 219,502 | - | 190,279 |
| Purchased services | 42,113 | - | - | - | - |
| Supplies | 7,030 | - | - | - | 32,410 |
| Property | 3,965 | - | - | - | 18,857 |
| Other | 42,709 | 32,232 | 32,232 | - | 27,604 |
| Total instructional staff support | 1,203,984 | 915,307 | 915,307 | - | 839,280 |
| Total undistributed expenditures | 3,280,952 | 3,647,620 | 3,022,316 | 625,304 | 2,520,730 |
| Total expenditures | 6,515,318 | 7,538,827 | 6,163,637 | 1,375,190 | 5,640,394 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
VOCATIONAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|-------------|---------|-----------|-----------------------------|-----------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| State sources: | | | | | |
| Vocational education | \$ - | \$ - | \$ 16,583 | \$ 16,583 | \$ 45,496 |
| Federal sources: | | | | | |
| Vocational education | 787,788 | 695,069 | 615,966 | (79,103) | 793,149 |
| Total revenues | 787,788 | 695,069 | 632,549 | (62,520) | 838,645 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 182,669 | 79,987 | 79,281 | 706 | 179,719 |
| Benefits | 60,968 | 14,516 | 13,877 | 639 | 39,651 |
| Purchased services | 150,527 | 161,105 | 160,192 | 913 | 191,474 |
| Supplies | 115,414 | 158,231 | 153,368 | 4,863 | 316,802 |
| Property | 226,597 | 267,948 | 212,810 | 55,138 | 38,130 |
| Other | 51,613 | 13,282 | 13,021 | 261 | 72,869 |
| Total undistributed expenditures | 787,788 | 695,069 | 632,549 | 62,520 | 838,645 |
| Total expenditures | 787,788 | 695,069 | 632,549 | 62,520 | 838,645 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|-----------------------------------|-------------|------------|------------|-----------------------------|------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources | \$ 407,583 | \$ 589,000 | \$ 447,530 | \$ (141,470) | \$ 134,397 |
| State sources | 747,235 | 1,079,832 | 815,840 | (263,992) | 2,523,915 |
| Federal sources | 2,241,703 | 3,239,494 | 2,445,861 | (793,633) | 4,339,782 |
| Total revenues | 3,396,521 | 4,908,326 | 3,709,231 | (1,199,095) | 6,998,094 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 869,986 | 1,151,286 | 905,004 | 246,282 | 1,865,086 |
| Benefits | 182,412 | 227,473 | 170,132 | 57,341 | 376,286 |
| Purchased services | 525,677 | 548,486 | 458,809 | 89,677 | 647,894 |
| Supplies | 421,309 | 341,265 | 258,939 | 82,326 | 413,710 |
| Property | 394,002 | 273,623 | 237,658 | 35,965 | 47,317 |
| Other | 70,243 | 64,693 | 45,910 | 18,783 | 117,793 |
| Total regular programs | 2,463,629 | 2,606,826 | 2,076,452 | 530,374 | 3,468,086 |
| Undistributed expenditures: | | | | | |
| Student support | | | | | |
| Salaries | 11,044 | 103,222 | 93,596 | 9,626 | 32,873 |
| Benefits | 239 | 24,353 | 21,643 | 2,710 | 6,017 |
| Purchased services | 13,146 | 271,016 | 181,580 | 89,436 | 305,282 |
| Supplies | 1,169 | 10,857 | 6,744 | 4,113 | 9,712 |
| Property | 4,093 | 15,639 | 7,246 | 8,393 | 22,008 |
| Other | 61,835 | 13,438 | 9,242 | 4,196 | 12,450 |
| Total student support | 91,526 | 438,525 | 320,051 | 118,474 | 388,342 |
| Instructional staff support | | | | | |
| Salaries | 280,768 | 503,728 | 363,596 | 140,132 | 1,220,965 |
| Benefits | 57,008 | 77,667 | 65,270 | 12,397 | 235,103 |
| Purchased services | 225,000 | 658,314 | 309,057 | 349,257 | 857,710 |
| Supplies | 30,000 | 83,027 | 67,137 | 15,890 | 329,672 |
| Property | 2,592 | 110,578 | 110,379 | 199 | 49,262 |
| Other | 105,556 | 57,509 | 32,103 | 25,406 | 118,071 |
| Total instructional staff support | 700,924 | 1,490,823 | 947,542 | 543,281 | 2,810,783 |
| Other support | | | | | |
| Salaries | - | 73,169 | 71,566 | 1,603 | 46,746 |
| Benefits | - | 20,383 | 19,660 | 723 | 12,895 |
| Purchased services | - | 13,834 | 10,923 | 2,911 | 34,465 |
| Supplies | - | 11,690 | 10,887 | 803 | 52,744 |
| Property | - | 215,171 | 215,171 | - | 16,798 |
| Other | - | 4,187 | 4,092 | 95 | 3,858 |
| Total other support | - | 338,434 | 332,299 | 6,135 | 167,506 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|----------------------------------|--------------------|--------------|---------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| Student transportation | | | | | |
| Property | \$ - | \$ - | \$ - | \$ - | \$ 100,000 |
| Central support | | | | | |
| Salaries | - | 19,380 | 19,380 | - | 13,942 |
| Benefits | - | 11,054 | 11,054 | - | 10,495 |
| Purchased services | 79,167 | 1,284 | 453 | 831 | 8,761 |
| Supplies | - | - | - | - | 7,609 |
| Property | 61,275 | 2,000 | 2,000 | - | 22,570 |
| Total central support | 140,442 | 33,718 | 32,887 | 831 | 63,377 |
| Total undistributed expenditures | 792,450 | 2,301,500 | 1,632,779 | 668,721 | 3,530,008 |
| Total expenditures | 3,396,521 | 4,908,326 | 3,709,231 | 1,199,095 | 6,998,094 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
DRUG FREE SCHOOLS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|-------------|------------|------------|-----------------------------|------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Safe and drug free schools act | \$ 247,250 | \$ 325,152 | \$ 240,120 | \$ (85,032) | \$ 252,594 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 175,000 | 191,748 | 151,105 | 40,643 | 162,617 |
| Benefits | 40,250 | 37,281 | 23,572 | 13,709 | 20,726 |
| Purchased services | 23,000 | 12,599 | 9,944 | 2,655 | 8,280 |
| Supplies | 5,000 | 69,032 | 44,001 | 25,031 | 49,797 |
| Other | 4,000 | 14,492 | 11,498 | 2,994 | 11,174 |
| Total undistributed expenditures | 247,250 | 325,152 | 240,120 | 85,032 | 252,594 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
EARLY CHILDHOOD - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|-----------------------------------|-------------|------------|------------|-----------------------------|---------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| State sources | \$ 558,948 | \$ 561,430 | \$ 509,125 | \$ (52,305) | \$ - |
| Federal sources | 372,632 | 374,287 | 346,395 | (27,892) | 303,170 |
| Total revenues | 931,580 | 935,717 | 855,520 | (80,197) | 303,170 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 175,000 | 182,026 | 180,374 | 1,652 | - |
| Benefits | 45,000 | 57,458 | 53,149 | 4,309 | - |
| Purchased services | 200,000 | 227,800 | 190,785 | 37,015 | - |
| Supplies | 40,000 | 40,220 | 39,146 | 1,074 | - |
| Property | 10,000 | 21,469 | 21,252 | 217 | - |
| Other | 15,000 | 18,788 | 17,180 | 1,608 | - |
| Total regular programs | 485,000 | 547,761 | 501,886 | 45,875 | - |
| Special programs: | | | | | |
| Instruction | | | | | |
| Salaries | 275,613 | 182,700 | 170,059 | 12,641 | 144,634 |
| Benefits | 52,608 | 29,702 | 26,169 | 3,533 | 23,654 |
| Total special programs | 328,221 | 212,402 | 196,228 | 16,174 | 168,288 |
| Undistributed expenditures: | | | | | |
| Student support | | | | | |
| Salaries | - | - | - | - | 4,748 |
| Purchased services | - | - | - | - | 11,860 |
| Supplies | - | - | - | - | 72,133 |
| Property | - | - | - | - | 3,270 |
| Other | - | - | - | - | 9,741 |
| Total student support | - | - | - | - | 101,752 |
| Instructional staff support | | | | | |
| Salaries | 3,980 | 115,999 | 109,250 | 6,749 | 452 |
| Benefits | 337 | 32,523 | 27,599 | 4,924 | - |
| Purchased services | 44,564 | 1,300 | - | 1,300 | 12,604 |
| Supplies | 38,746 | 5,539 | 2,573 | 2,966 | 16,490 |
| Property | 14,514 | 6,000 | 6,000 | - | 2,348 |
| Other | 16,218 | 14,193 | 11,984 | 2,209 | 1,236 |
| Total instructional staff support | 118,359 | 175,554 | 157,406 | 18,148 | 33,130 |
| Total undistributed expenditures | 118,359 | 175,554 | 157,406 | 18,148 | 134,882 |
| Total expenditures | 931,580 | 935,717 | 855,520 | 80,197 | 303,170 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

WASHOE COUNTY SCHOOL DISTRICT
CLASS SIZE REDUCTION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|--|--------------------|---------------|---------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| State sources: | | | | | |
| Special appropriations | \$ 14,367,422 | \$ 14,367,422 | \$ 14,320,201 | \$ (47,221) | \$ 13,460,189 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 10,930,982 | 10,791,553 | 10,821,238 | (29,685) | 10,263,136 |
| Benefits | 3,575,869 | 3,575,869 | 3,498,963 | 76,906 | 3,197,053 |
| Total expenditures | 14,506,851 | 14,367,422 | 14,320,201 | 47,221 | 13,460,189 |
| Excess (Deficiency) of Revenues Over Expenditures | (139,429) | - | - | - | - |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | 139,429 | - | - | - | - |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
ADULT EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| State sources: | | | | | |
| High school diploma program | \$ 2,053,107 | \$ 2,412,651 | \$ 2,012,085 | \$ (400,566) | \$ 1,659,981 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Adult education programs: | | | | | |
| Instruction | | | | | |
| Salaries | 866,487 | 1,111,003 | 909,700 | 201,303 | 697,038 |
| Benefits | 154,069 | 226,430 | 174,567 | 51,863 | 114,584 |
| Purchased services | 75,644 | 145,365 | 82,874 | 62,491 | 61,649 |
| Supplies | 136,323 | 118,916 | 79,788 | 39,128 | 146,911 |
| Property | 35,374 | 110,000 | 106,030 | 3,970 | 17,733 |
| Other | 94,134 | 81,565 | 67,099 | 14,466 | 52,127 |
| Total adult education programs | 1,362,031 | 1,793,279 | 1,420,058 | 373,221 | 1,090,042 |
| Undistributed expenditures: | | | | | |
| Student support | | | | | |
| Salaries | 149,633 | 180,000 | 166,859 | 13,141 | 155,819 |
| Benefits | 39,496 | 53,082 | 46,543 | 6,539 | 42,884 |
| Purchased services | 17,859 | - | - | - | 18,759 |
| Supplies | 46,730 | 240 | 240 | - | 19,665 |
| Property | 32,491 | - | - | - | 3,122 |
| Other | 2,796 | - | - | - | 4,776 |
| Total student support | 289,005 | 233,322 | 213,642 | 19,680 | 245,025 |
| School administration | | | | | |
| Salaries | 260,197 | 251,638 | 247,518 | 4,120 | 209,751 |
| Benefits | 66,869 | 71,212 | 68,981 | 2,231 | 56,641 |
| Total school administration | 327,066 | 322,850 | 316,499 | 6,351 | 266,392 |
| Operations and maintenance | | | | | |
| Salaries | 60,091 | 48,600 | 48,003 | 597 | 46,867 |
| Benefits | 14,914 | 14,600 | 13,883 | 717 | 11,655 |
| Total operations and maintenance | 75,005 | 63,200 | 61,886 | 1,314 | 58,522 |
| Total undistributed expenditures | 691,076 | 619,372 | 592,027 | 27,345 | 569,939 |
| Total expenditures | 2,053,107 | 2,412,651 | 2,012,085 | 400,566 | 1,659,981 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|-------------------------------|-------------------|-------------------|---------------------|--------------------------|-------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Regular food program | \$ 6,150,737 | \$ 6,150,737 | \$ 6,154,591 | \$ 3,854 | \$ 6,175,534 |
| Other | - | - | 76 | 76 | - |
| State sources: | | | | | |
| State lunch program | - | - | - | - | 12,426 |
| Federal sources: | | | | | |
| National school lunch program | 5,662,198 | 5,662,198 | 5,617,600 | (44,598) | 5,226,759 |
| School breakfast program | 1,171,816 | 1,171,816 | 1,243,475 | 71,659 | 1,184,124 |
| Commodity foods program | - | 730,923 | 730,923 | - | 717,798 |
| Total revenues | <u>12,984,751</u> | <u>13,715,674</u> | <u>13,746,665</u> | <u>30,991</u> | <u>13,316,641</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Food service operations: | | | | | |
| Salaries | 4,189,853 | 4,189,853 | 4,293,841 | (103,988) | 4,070,767 |
| Benefits | 1,099,750 | 1,099,750 | 1,224,539 | (124,789) | 973,463 |
| Purchased services | 1,045,353 | 1,045,353 | 965,745 | 79,608 | 1,028,580 |
| Supplies | 6,164,828 | 6,895,751 | 6,587,908 | 307,843 | 6,217,781 |
| Property | 563,984 | 563,984 | 397,649 | 166,335 | 238,157 |
| Other | 34,040 | 34,040 | 38,090 | (4,050) | 48,169 |
| Total food service operations | <u>13,097,808</u> | <u>13,828,731</u> | <u>13,507,772</u> | <u>320,959</u> | <u>12,576,917</u> |
| Debt service | | | | | |
| Interest | <u>14,475</u> | <u>14,475</u> | <u>14,475</u> | <u>-</u> | <u>29,500</u> |
| Total debt service | <u>14,475</u> | <u>14,475</u> | <u>14,475</u> | <u>-</u> | <u>29,500</u> |
| Total expenditures | <u>13,112,283</u> | <u>13,843,206</u> | <u>13,522,247</u> | <u>320,959</u> | <u>12,606,417</u> |
| Net change in fund balances | <u>(127,532)</u> | <u>(127,532)</u> | <u>224,418</u> | <u>351,950</u> | <u>710,224</u> |
| FUND BALANCE, July 1 | <u>271,648</u> | <u>520,041</u> | <u>882,174</u> | <u>(362,133)</u> | <u>171,950</u> |
| FUND BALANCE, June 30 | <u>\$ 144,116</u> | <u>\$ 392,509</u> | <u>\$ 1,106,592</u> | <u>\$ (10,183)</u> | <u>\$ 882,174</u> |

**WASHOE COUNTY SCHOOL DISTRICT
 REMEDIAL EDUCATION SB 585 - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2003
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|------------------------------|--------------------|----------------|----------------|-------------------------------------|----------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| State sources: | | | | | |
| Legislative appropriation | \$ 523,750 | \$ 923,835 | \$ 806,710 | \$ (117,125) | \$ 881,854 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 125,000 | 378,695 | 327,993 | 50,702 | 184,864 |
| Benefits | 28,750 | 105,782 | 88,446 | 17,336 | 51,391 |
| Purchased services | 115,000 | 146,192 | 121,498 | 24,694 | 146,174 |
| Supplies | 225,000 | 258,711 | 236,148 | 22,563 | 353,696 |
| Property | 30,000 | 34,455 | 32,625 | 1,830 | 145,729 |
| Total expenditures | <u>523,750</u> | <u>923,835</u> | <u>806,710</u> | <u>117,125</u> | <u>881,854</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**WASHOE COUNTY SCHOOL DISTRICT
NEVADA READING EXCELLENCE ACT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|----------------------------------|--------------------|----------------|----------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Reading excellence act | \$ 685,000 | \$ 913,876 | 711,619 | \$ (202,257) | \$ - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 500,000 | 513,199 | 499,808 | 13,391 | - |
| Benefits | 125,000 | 137,392 | 132,494 | 4,898 | - |
| Purchased services | 40,000 | 175,919 | 38,302 | 137,617 | - |
| Supplies | 10,000 | 36,239 | 10,419 | 25,820 | - |
| Property | - | 3,130 | 3,026 | 104 | - |
| Other | 10,000 | 35,332 | 24,857 | 10,475 | - |
| Total regular programs | <u>685,000</u> | <u>901,211</u> | <u>708,906</u> | <u>192,305</u> | <u>-</u> |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | - | 10,622 | 2,655 | 7,967 | - |
| Benefits | - | 2,043 | 58 | 1,985 | - |
| Total undistributed expenditures | <u>-</u> | <u>12,665</u> | <u>2,713</u> | <u>9,952</u> | <u>-</u> |
| Total expenditures | <u>685,000</u> | <u>913,876</u> | <u>711,619</u> | <u>202,257</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**WASHOE COUNTY SCHOOL DISTRICT
 TWENTY-FIRST CENTURY - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2003
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|----------------------------------|--------------------|------------------|------------------|-------------------------------------|------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Twenty-first century | \$ 1,386,956 | \$ 2,550,611 | \$ 1,840,234 | \$ (710,377) | \$ 2,291,668 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 542,508 | 833,800 | 668,876 | 164,924 | 916,915 |
| Benefits | 58,000 | 114,408 | 79,914 | 34,494 | 108,524 |
| Purchased services | 252,707 | 233,010 | 160,237 | 72,773 | 238,134 |
| Supplies | 129,221 | 104,378 | 57,460 | 46,918 | 172,918 |
| Property | 34,183 | 20,964 | 12,206 | 8,758 | 1,243 |
| Other | 7,473 | 38,950 | 30,106 | 8,844 | 13,430 |
| Total regular programs | <u>1,024,092</u> | <u>1,345,510</u> | <u>1,008,799</u> | <u>336,711</u> | <u>1,451,164</u> |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 115,944 | 387,935 | 330,252 | 57,683 | 324,779 |
| Benefits | 31,907 | 92,684 | 74,999 | 17,685 | 66,794 |
| Purchased services | 128,420 | 555,931 | 326,511 | 229,420 | 305,560 |
| Supplies | 4,614 | 75,532 | 29,821 | 45,711 | 57,066 |
| Property | 4,179 | 9,092 | 4,743 | 4,349 | 1,994 |
| Other | 77,800 | 83,927 | 65,109 | 18,818 | 84,311 |
| Total undistributed expenditures | <u>362,864</u> | <u>1,205,101</u> | <u>831,435</u> | <u>373,666</u> | <u>840,504</u> |
| Total expenditures | <u>1,386,956</u> | <u>2,550,611</u> | <u>1,840,234</u> | <u>710,377</u> | <u>2,291,668</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**WASHOE COUNTY SCHOOL DISTRICT
TITLE II, PART A, TEACHER TRAINING - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|----------------------------------|--------------|--------------|--------------|-----------------------------|--------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Title II, Part A | \$ 1,255,000 | \$ 1,846,173 | \$ 1,464,943 | \$ (381,230) | \$ - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 375,000 | 381,548 | 381,546 | 2 | - |
| Benefits | 140,000 | 129,876 | 128,030 | 1,846 | - |
| Total regular programs | 515,000 | 511,424 | 509,576 | 1,848 | - |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 400,000 | 582,800 | 453,056 | 129,744 | - |
| Benefits | 68,000 | 59,915 | 49,118 | 10,797 | - |
| Purchased services | 200,000 | 438,465 | 314,542 | 123,923 | - |
| Supplies | 45,000 | 175,481 | 74,608 | 100,873 | - |
| Property | 2,000 | 11,000 | 10,579 | 421 | - |
| Other | 25,000 | 67,088 | 53,464 | 13,624 | - |
| Total undistributed expenditures | 740,000 | 1,334,749 | 955,367 | 379,382 | - |
| Total expenditures | 1,255,000 | 1,846,173 | 1,464,943 | 381,230 | - |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

WASHOE COUNTY SCHOOL DISTRICT
TITLE III, ENGLISH LANGUAGE ACQUISITION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|--|--------------------|--------------------|--------------------|-----------------------------|--------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Federal sources: | | | | | |
| Title III - English language acquisition | \$ 595,000 | \$ 641,565 | \$ 621,261 | \$ (20,304) | \$ - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 405,000 | 407,791 | 404,365 | 3,426 | - |
| Benefits | 135,000 | 135,439 | 123,244 | 12,195 | - |
| Purchased services | 20,000 | 24,982 | 24,233 | 749 | - |
| Supplies | 18,000 | 47,531 | 43,597 | 3,934 | - |
| Property | 12,000 | 13,244 | 13,244 | - | - |
| Other | 5,000 | 12,578 | 12,578 | - | - |
| Total expenditures | <u>595,000</u> | <u>641,565</u> | <u>621,261</u> | <u>20,304</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

**WASHOE COUNTY SCHOOL DISTRICT
REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|------------------------------|--------------------|------------------|------------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| State sources: | | | | | |
| Legislative appropriation | \$ 1,162,723 | \$ 2,384,400 | \$ 2,168,825 | \$ (215,575) | \$ - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Instructional staff support | | | | | |
| Salaries | 500,000 | 1,014,092 | 936,662 | 77,430 | - |
| Benefits | 122,000 | 200,030 | 173,970 | 26,060 | - |
| Purchased services | 290,393 | 428,517 | 388,282 | 40,235 | - |
| Supplies | 228,330 | 555,729 | 495,935 | 59,794 | - |
| Property | 2,000 | 102,350 | 99,415 | 2,935 | - |
| Other | 20,000 | 83,682 | 74,561 | 9,121 | - |
| Total expenditures | <u>1,162,723</u> | <u>2,384,400</u> | <u>2,168,825</u> | <u>215,575</u> | <u>-</u> |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

**WASHOE COUNTY SCHOOL DISTRICT
COMMUNITY EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|----------------------------------|--------------------|--------------|---------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Local sources | \$ 307,500 | \$ 307,500 | \$ 377,455 | \$ 69,955 | \$ 363,595 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 120,161 | 117,661 | 114,850 | 2,811 | 89,209 |
| Benefits | 6,154 | 6,154 | 5,752 | 402 | 4,798 |
| Purchased services | 92,964 | 95,464 | 94,456 | 1,008 | 96,765 |
| Supplies | 21,108 | 14,259 | 16,014 | (1,755) | 8,317 |
| Property | 1,381 | 1,381 | - | 1,381 | 1,048 |
| Other | 11,572 | 11,573 | 1,381 | 10,192 | 5,239 |
| Total regular programs | 253,340 | 246,492 | 232,453 | 14,039 | 205,376 |
| Undistributed expenditures: | | | | | |
| School administration | | | | | |
| Salaries | 107,018 | 122,307 | 111,323 | 10,984 | 110,452 |
| Benefits | 28,599 | 35,414 | 34,224 | 1,190 | 31,660 |
| Total undistributed expenditures | 135,617 | 157,721 | 145,547 | 12,174 | 142,112 |
| Total expenditures | 388,957 | 404,213 | 378,000 | 26,213 | 347,488 |
| Net change in fund balances | (81,457) | (96,713) | (545) | 96,168 | 16,107 |
| FUND BALANCE, July 1 | 257,470 | 321,503 | 321,503 | - | 305,396 |
| FUND BALANCE, June 30 | \$ 176,013 | \$ 224,790 | \$ 320,958 | \$ 96,168 | \$ 321,503 |

**WASHOE COUNTY SCHOOL DISTRICT
 GIFTS AND DONATIONS - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2003
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------|-------------|------------|------------|--------------------------|------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources | \$ 728,510 | \$ 728,510 | \$ 765,618 | \$ 37,108 | \$ 744,952 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 125,698 | 154,700 | 160,825 | (6,125) | 106,017 |
| Benefits | 26,116 | 11,291 | 11,212 | 79 | 9,755 |
| Purchased services | 220,558 | 424,576 | 331,793 | 92,783 | 212,876 |
| Supplies | 164,078 | 209,373 | 186,586 | 22,787 | 163,864 |
| Property | 119,412 | 176,003 | 145,785 | 30,218 | 97,273 |
| Other | 33,593 | 10,215 | 9,361 | 854 | 4,540 |
| Total expenditures | 689,455 | 986,158 | 845,562 | 140,596 | 594,325 |
| Net change in fund balances | 39,055 | (257,648) | (79,944) | 177,704 | 150,627 |
| FUND BALANCE, July 1 | 687,766 | 611,788 | 611,788 | - | 461,161 |
| FUND BALANCE, June 30 | \$ 726,821 | \$ 354,140 | \$ 531,844 | \$ 177,704 | \$ 611,788 |

**WASHOE COUNTY SCHOOL DISTRICT
 ADVANCED CARPENTRY PROJECT - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2003
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|---------------------------------|----------------------------|--------------------------|--------------------------|-------------------------------------|-------------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Purchased services | \$ 100,038 | \$ 9,172 | \$ 1,306 | \$ 7,866 | \$ 18,604 |
| Supplies | 52,383 | 98,095 | 47,626 | 50,469 | 69,848 |
| Property | 25,000 | - | - | - | 1,795 |
| Other | 10,000 | 8,515 | 6,386 | 2,129 | 3,908 |
| Total expenditures | <u>187,421</u> | <u>115,782</u> | <u>55,318</u> | <u>60,464</u> | <u>94,155</u> |
| OTHER FINANCING SOURCES: | | | | | |
| Transfers in | <u>-</u> | <u>150,000</u> | <u>150,000</u> | <u>-</u> | <u>130,000</u> |
| Net change in fund balances | (187,421) | 34,218 | 94,682 | 60,464 | 35,845 |
| FUND BALANCE, July 1 | <u>71,978</u> | <u>67,262</u> | <u>67,262</u> | <u>-</u> | <u>31,417</u> |
| FUND BALANCE, June 30 | <u><u>\$ (115,443)</u></u> | <u><u>\$ 101,480</u></u> | <u><u>\$ 161,944</u></u> | <u><u>\$ 60,464</u></u> | <u><u>\$ 67,262</u></u> |

**WASHOE COUNTY SCHOOL DISTRICT
WELLNESS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|----------------------------------|--------------------|--------------|---------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Local sources | \$ - | \$ 228,680 | \$ 240,161 | \$ 11,481 | \$ 205,004 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Instructional Staff Support | | | | | |
| Salaries | - | 35,951 | 38,118 | (2,167) | 47,057 |
| Benefits | - | 227,157 | 168,716 | 58,441 | 133,135 |
| Purchased services | - | 2,372 | 1,779 | 593 | - |
| Supplies | - | 1,203 | 902 | 301 | 87 |
| Property | - | 19,468 | 14,602 | 4,866 | 6,031 |
| Total undistributed expenditures | - | 286,151 | 224,117 | 62,034 | 186,310 |
| Total expenditures | - | 286,151 | 224,117 | 62,034 | 186,310 |
| Net change in fund balances | - | (57,471) | 16,044 | 73,515 | 18,694 |
| FUND BALANCE, July 1 | - | 312,035 | 312,035 | - | 293,341 |
| FUND BALANCE, June 30 | \$ - | \$ 254,564 | \$ 328,079 | \$ 73,515 | \$ 312,035 |

**WASHOE COUNTY SCHOOL DISTRICT
FAMILY RESOURCE CENTER GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------|-------------|-----------|-----------|-----------------------------|-----------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources | \$ 50,000 | \$ 83,457 | \$ 78,959 | \$ (4,498) | \$ 30,322 |
| State sources | 240,000 | 400,593 | 365,559 | (35,034) | 363,516 |
| Federal sources | 210,000 | 350,518 | 317,682 | (32,836) | 308,070 |
| Total revenues | 500,000 | 834,568 | 762,200 | (72,368) | 701,908 |
| EXPENDITURES | | | | | |
| Community service programs: | | | | | |
| Salaries | 380,000 | 504,992 | 485,109 | 19,883 | 456,730 |
| Benefits | 75,000 | 150,791 | 143,408 | 7,383 | 122,411 |
| Purchased services | 25,000 | 94,789 | 74,233 | 20,556 | 59,932 |
| Supplies | 10,000 | 20,176 | 12,962 | 7,214 | 27,289 |
| Property | 5,000 | 8,234 | 5,284 | 2,950 | - |
| Other | 5,000 | 55,586 | 41,204 | 14,382 | 35,546 |
| Total community service | 500,000 | 834,568 | 762,200 | 72,368 | 701,908 |
| Total expenditures | 500,000 | 834,568 | 762,200 | 72,368 | 701,908 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

WASHOE COUNTY SCHOOL DISTRICT
NEW TEACHER SIGNING BONUS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------|-------------|------------|------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| State sources: | | | | | |
| Special appropriation | \$ 300,000 | \$ 634,000 | \$ 634,000 | \$ - | \$ 6,110,111 |
| EXPENDITURES | | | | | |
| Regular programs: | | | | | |
| Instruction | | | | | |
| Salaries | 300,000 | 634,000 | 634,000 | - | 6,110,111 |
| Net change in fund balances | - | - | - | - | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

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Debt Service

Fund

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**WASHOE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--|----------------------|----------------------|----------------------|-----------------------------|----------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Ad valorem taxes | \$ 36,756,112 | \$ 36,756,112 | \$ 37,951,688 | \$ 1,195,576 | \$ 35,327,857 |
| Earnings on investments | 1,400,000 | 1,400,000 | 1,113,618 | (286,382) | 1,289,972 |
| Net increase in the fair value of investments | - | - | 140,012 | 140,012 | 113,442 |
| Total revenues | <u>38,156,112</u> | <u>38,156,112</u> | <u>39,205,318</u> | <u>1,049,206</u> | <u>36,731,271</u> |
| EXPENDITURES | | | | | |
| Debt service: | | | | | |
| Principal | 21,124,346 | 24,398,081 | 22,144,229 | 2,253,852 | 20,028,992 |
| Interest | 18,369,751 | 18,448,102 | 16,407,620 | 2,040,482 | 19,863,055 |
| Bond issuance costs | - | - | 632,107 | (632,107) | 216,650 |
| Other | 40,000 | 110,000 | - | 110,000 | 888,535 |
| Total expenditures | <u>39,534,097</u> | <u>42,956,183</u> | <u>39,183,956</u> | <u>3,772,227</u> | <u>40,997,232</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,377,985)</u> | <u>(4,800,071)</u> | <u>21,362</u> | <u>4,821,433</u> | <u>(4,265,961)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Refunded capital leases | - | - | - | - | 9,710,001 |
| Payments for refunded capital leases | - | - | (2,881,410) | (2,881,410) | (5,959,017) |
| Bonds issued | - | 11,000,000 | 11,000,000 | - | - |
| Proceeds of refunding bonds | - | 75,241,604 | 68,940,000 | (6,301,604) | 44,665,000 |
| Debt premium | - | - | 6,180,781 | 6,180,781 | 2,274,230 |
| Payment to refunded bonds escrow agent | - | (77,835,669) | (74,464,866) | 3,370,803 | (46,707,069) |
| Transfers in | 1,913,556 | 1,900,875 | 1,900,875 | - | 2,225,493 |
| Total other financing sources (uses) | <u>1,913,556</u> | <u>10,306,810</u> | <u>10,675,380</u> | <u>368,570</u> | <u>6,208,638</u> |
| Net change in fund balances | 535,571 | 5,506,739 | 10,696,742 | 5,190,003 | 1,942,677 |
| FUND BALANCE, July 1 | <u>25,045,492</u> | <u>27,566,749</u> | <u>27,566,749</u> | - | <u>25,624,072</u> |
| FUND BALANCE, June 30 | <u>\$ 25,581,063</u> | <u>\$ 33,073,488</u> | <u>\$ 38,263,491</u> | <u>\$ 5,190,003</u> | <u>\$ 27,566,749</u> |

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Capital Projects --- Funds

To account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by special revenue funds).

Individual funds include the following:

Capital Projects Funds: To account for costs related to the building and acquisition, construction, and improvements for schools and other District-owned properties.

Building and Sites Fund: To account for various other capital projects.

Extraordinary Maintenance Funds: To account for costs related to extraordinary maintenance, repair or improvement of existing facilities or facilities which replace those facilities.

**WASHOE COUNTY SCHOOL DISTRICT
1999 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|-------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ 2,000,000 | \$ 2,287,659 | \$ 287,659 | \$ 4,673,053 |
| Other | - | - | 180,000 | 180,000 | - |
| Total revenues | - | 2,000,000 | 2,467,659 | 467,659 | 4,673,053 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Business support | | | | | |
| Salaries | 251,799 | 392,499 | 425,112 | (32,613) | 197,387 |
| Benefits | 74,915 | 114,765 | 122,974 | (8,209) | 57,501 |
| Purchased services | - | 8,000 | 325 | 7,675 | 50 |
| Supplies | 25,000 | 25,450 | 1,038 | 24,412 | 1,023 |
| Property | 20,000 | 46,000 | 24,262 | 21,738 | 43,712 |
| Other | - | 35,000 | - | 35,000 | - |
| Total undistributed expenditures | 371,714 | 621,714 | 573,711 | 48,003 | 299,673 |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Land acquisition | | | | | |
| Property | 929,291 | 3,000,000 | 2,309,348 | 690,652 | 478,296 |
| Total land acquisition | 929,291 | 3,000,000 | 2,309,348 | 690,652 | 478,296 |
| Site improvement | | | | | |
| Purchased services | 15,000 | 2,015,000 | 41,705 | 1,973,295 | 12,664 |
| Total site improvement | 15,000 | 2,015,000 | 41,705 | 1,973,295 | 12,664 |
| Architecture and engineering services | | | | | |
| Salaries | 68,380 | 65,968 | 69,212 | (3,244) | 39,628 |
| Benefits | 19,886 | 19,986 | 20,152 | (166) | 11,434 |
| Purchased services | 902,177 | 3,238,889 | 1,556,574 | 1,682,315 | 1,298,257 |
| Property | - | - | - | - | 2,237 |
| Total architecture and engineering services | 990,443 | 3,324,843 | 1,645,938 | 1,678,905 | 1,351,556 |
| Building improvement | | | | | |
| Purchased services | 4,543,475 | 5,661,632 | 3,639,157 | 2,022,475 | 1,620,588 |
| Property | 190,000 | 190,000 | 11,617 | 178,383 | - |
| Other | 15,000 | 15,000 | 120 | 14,880 | 23,894 |
| Total building improvement | 4,748,475 | 5,866,632 | 3,650,894 | 2,215,738 | 1,644,482 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
1999 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|---------------------|---------------------|----------------------|--------------------------|----------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| Building acquisition and construction | | | | | |
| Salaries | \$ 136,629 | \$ 111,629 | \$ 90,895 | \$ 20,734 | \$ 66,617 |
| Benefits | 24,202 | 24,202 | 22,902 | 1,300 | 13,690 |
| Purchased services | 44,411,537 | 42,094,159 | 36,242,262 | 5,851,897 | 22,015,993 |
| Supplies | 2,820,021 | 2,660,521 | 917,986 | 1,742,535 | 1,508,337 |
| Property | 4,954,595 | 4,341,559 | 1,041,372 | 3,300,187 | 4,974,736 |
| Other | 216,749 | 170,749 | 667,083 | (496,334) | 1,304,402 |
| Total building acquisition and construction | <u>52,563,733</u> | <u>49,402,819</u> | <u>38,982,500</u> | <u>10,420,319</u> | <u>29,883,775</u> |
| Total capital outlay, facilities acquisition and construction | <u>59,246,942</u> | <u>63,609,294</u> | <u>46,630,385</u> | <u>16,978,909</u> | <u>33,370,773</u> |
| Total expenditures | <u>59,618,656</u> | <u>64,231,008</u> | <u>47,204,096</u> | <u>17,026,912</u> | <u>33,670,446</u> |
| Excess (deficiency) of revenues over expenditures | <u>(59,618,656)</u> | <u>(62,231,008)</u> | <u>(44,736,437)</u> | <u>17,494,571</u> | <u>(28,997,393)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | <u>-</u> | <u>161,000</u> | <u>160,000</u> | <u>(1,000)</u> | <u>-</u> |
| Net change in fund balances | <u>(59,618,656)</u> | <u>(62,070,008)</u> | <u>(44,576,437)</u> | <u>17,493,571</u> | <u>(28,997,393)</u> |
| FUND BALANCE, July 1 | <u>59,618,656</u> | <u>62,070,008</u> | <u>62,070,008</u> | <u>-</u> | <u>91,067,401</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,493,571</u> | <u>\$ 17,493,571</u> | <u>\$ 62,070,008</u> |

**WASHOE COUNTY SCHOOL DISTRICT
2002 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|-------------|--------------|-------------|-----------------------------|--------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ 92,091 | \$ 92,091 | \$ - |
| Total revenues | - | - | 92,091 | 92,091 | - |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Business support | | | | | |
| Purchased Services | - | - | 931 | (931) | - |
| Other | - | 500,000 | 77,211 | 422,789 | - |
| Total Undistributed Expenditures | - | 500,000 | 78,142 | 421,858 | - |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Land acquisition | | | | | |
| Property | - | 2,500,000 | - | 2,500,000 | - |
| Site improvement | | | | | |
| Purchased services | - | 2,000,000 | - | 2,000,000 | - |
| Architecture and engineering services | | | | | |
| Purchased services | - | 2,000,000 | 977,023 | 1,022,977 | - |
| Other | - | - | 25,322 | (25,322) | - |
| Total architecture and engineering services | - | 2,000,000 | 1,002,345 | 997,655 | - |
| Educational specifications development | | | | | |
| Purchased services | - | 1,600,000 | - | 1,600,000 | - |
| Building acquisition and construction | | | | | |
| Purchased services | - | 1,400,000 | 232,790 | 1,167,210 | - |
| Other | - | - | 233,988 | (233,988) | - |
| Total building acquisition and construction | - | 1,400,000 | 466,778 | 933,222 | - |
| Total capital outlay, facilities acquisition and construction | - | 9,500,000 | 1,469,123 | 8,030,877 | - |
| Debt service: | | | | | |
| Bond issuance costs | - | - | 266,505 | (266,505) | - |
| Total expenditures | - | 10,000,000 | 1,813,770 | 8,186,230 | - |
| Excess (deficiency) of revenues over expenditures | - | (10,000,000) | (1,721,679) | 8,278,321 | - |

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
2002 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|--------------------------------|--------------------|---------------|---------------|-------------------------------------|---------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| OTHER FINANCING SOURCES | | | | | |
| Bonds issued | \$ - | \$ 25,638,746 | \$ 25,000,000 | \$ (638,746) | \$ - |
| Bond premium | - | - | 744,907 | 744,907 | - |
| Total other financing sources | - | 25,638,746 | 25,744,907 | 106,161 | - |
| Net change in fund balances | - | 15,638,746 | 24,023,228 | 8,384,482 | - |
| FUND BALANCE, July 1 | - | - | - | - | - |
| FUND BALANCE, June 30 | \$ - | \$ 15,638,746 | \$ 24,023,228 | \$ 8,384,482 | \$ - |

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**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2003**

| | GOVERNMENT SERVICES TAX FUND | 1992 BOND FUND | 1998 BOND FUND | BUILDING AND SITES FUND |
|---|---|---------------------------|---------------------------|--|
| ASSETS | | | | |
| Cash and investments | \$ 5,760,084 | \$ 1,385,737 | \$ 384,071 | \$ 651,422 |
| Receivables: | | | | |
| Interest | 5,508 | 1,375 | 306 | 882 |
| Due from other governments | 261,420 | - | - | - |
| Total assets | <u>\$ 6,027,012</u> | <u>\$ 1,387,112</u> | <u>\$ 384,377</u> | <u>\$ 652,304</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 241,917 | \$ 17 | \$ - | \$ 1,752 |
| Accrued liabilities | 47,129 | 2,183 | 381,410 | - |
| Construction contracts payable | 137,347 | 481,480 | - | - |
| Total liabilities | <u>426,393</u> | <u>483,680</u> | <u>381,410</u> | <u>1,752</u> |
| FUND BALANCE | | | | |
| Reserved for: | | | | |
| Encumbrances | 493,307 | 54,383 | - | - |
| Capital leases | - | - | - | - |
| Construction contracts | 558,792 | 693,008 | - | - |
| Unreserved: | | | | |
| Designated for subsequent year's expenditures | - | - | - | - |
| Undesignated | 4,548,520 | 156,041 | 2,967 | 650,552 |
| Total fund balance | <u>5,600,619</u> | <u>903,432</u> | <u>2,967</u> | <u>650,552</u> |
| Total liabilities and fund balance | <u>\$ 6,027,012</u> | <u>\$ 1,387,112</u> | <u>\$ 384,377</u> | <u>\$ 652,304</u> |

| FACILITIES EXTRAORDINARY MAINTENANCE FUND | 1998 BOND EXTRAORDINARY MAINTENANCE FUND | 1999 BOND EXTRAORDINARY MAINTENANCE FUND | TOTAL |
|--|---|---|----------------------|
| \$ 853,614 | \$ 307,450 | \$ 681,272 | \$ 10,023,650 |
| 15 | 317 | 673 | 9,076 |
| - | - | - | 261,420 |
| <u>\$ 853,629</u> | <u>\$ 307,767</u> | <u>\$ 681,945</u> | <u>\$ 10,294,146</u> |
| \$ 19 | \$ 2,884 | \$ - | \$ 246,589 |
| - | 4,600 | 12,041 | 447,363 |
| 214,495 | - | - | 833,322 |
| <u>214,514</u> | <u>7,484</u> | <u>12,041</u> | <u>1,527,274</u> |
| 17,658 | 42,625 | - | 607,973 |
| 182,531 | - | - | 182,531 |
| 438,926 | - | - | 1,690,726 |
| - | 200,000 | 639,501 | 839,501 |
| - | 57,658 | 30,403 | 5,446,141 |
| <u>639,115</u> | <u>300,283</u> | <u>669,904</u> | <u>8,766,872</u> |
| <u>\$ 853,629</u> | <u>\$ 307,767</u> | <u>\$ 681,945</u> | <u>\$ 10,294,146</u> |

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2003**

| | <u>GOVERNMENT SERVICES TAX FUND</u> | <u>1992 BOND FUND</u> | <u>1998 BOND FUND</u> | <u>BUILDING AND SITES FUND</u> |
|--|---|---------------------------|---------------------------|--|
| REVENUES | | | | |
| Local sources | \$ 3,664,412 | \$ 35,787 | \$ - | \$ 636,000 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Capital outlay | <u>2,054,383</u> | <u>1,842,715</u> | <u>252,205</u> | <u>1,453,344</u> |
| Excess (deficiency) of revenues over expenditures | <u>1,610,029</u> | <u>(1,806,928)</u> | <u>(252,205)</u> | <u>(817,344)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers out | <u>-</u> | <u>-</u> | <u>-</u> | <u>(150,000)</u> |
| Net change in fund balances | 1,610,029 | (1,806,928) | (252,205) | (967,344) |
| FUND BALANCE, July 1 | <u>3,990,590</u> | <u>2,710,360</u> | <u>255,172</u> | <u>1,617,896</u> |
| FUND BALANCE, June 30 | <u>\$ 5,600,619</u> | <u>\$ 903,432</u> | <u>\$ 2,967</u> | <u>\$ 650,552</u> |

| FACILITIES EXTRAORDINARY MAINTENANCE FUND | 1998 BOND EXTRAORDINARY MAINTENANCE FUND | 1999 BOND EXTRAORDINARY MAINTENANCE FUND | TOTAL |
|--|---|---|---------------------|
| \$ 7,680 | \$ 13,971 | \$ 30,403 | \$ 4,388,253 |
| 2,933,453 | 113,520 | - | 8,649,620 |
| (2,925,773) | (99,549) | 30,403 | (4,261,367) |
| - | - | - | (150,000) |
| (2,925,773) | (99,549) | 30,403 | (4,411,367) |
| 3,564,888 | 399,832 | 639,501 | 13,178,239 |
| <u>\$ 639,115</u> | <u>\$ 300,283</u> | <u>\$ 669,904</u> | <u>\$ 8,766,872</u> |

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENT SERVICES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|------------------|------------------|---------------------|-----------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Government services tax | \$ 1,900,000 | \$ 1,900,000 | \$ 2,927,284 | \$ 1,027,284 | \$ 2,676,923 |
| Earnings on investments | 100,000 | 100,000 | 65,740 | (34,260) | 95,031 |
| Other | - | - | 671,388 | 671,388 | - |
| Total revenues | <u>2,000,000</u> | <u>2,000,000</u> | <u>3,664,412</u> | <u>1,664,412</u> | <u>2,771,954</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Site improvement | | | | | |
| Purchased services | 266,168 | 771,575 | 246,961 | 524,614 | 721,090 |
| Other | - | - | 30 | (30) | - |
| Total site improvement | <u>266,168</u> | <u>771,575</u> | <u>246,991</u> | <u>524,584</u> | <u>721,090</u> |
| Architecture and engineering services | | | | | |
| Salaries | 240,000 | 240,000 | 199,642 | 40,358 | 159,260 |
| Benefits | 65,100 | 65,100 | 58,243 | 6,857 | 44,891 |
| Purchased services | 471,902 | 697,500 | 140,585 | 556,915 | 153,570 |
| Other | - | - | 2,053 | (2,053) | - |
| Total architecture and engineering services | <u>777,002</u> | <u>1,002,600</u> | <u>400,523</u> | <u>602,077</u> | <u>357,721</u> |
| Building improvement | | | | | |
| Purchased services | 4,281,860 | 4,093,308 | 1,129,225 | 2,964,083 | 1,355,461 |
| Supplies | 20,097 | 20,097 | 2,873 | 17,224 | 3,409 |
| Property | 83,010 | 83,010 | 140,453 | (57,443) | 99,994 |
| Other | 20,000 | 20,000 | 134,318 | (114,318) | 8,134 |
| Total building improvement | <u>4,404,967</u> | <u>4,216,415</u> | <u>1,406,869</u> | <u>2,809,546</u> | <u>1,466,998</u> |
| Total capital outlay, facilities acquisition and construction | <u>5,448,137</u> | <u>5,990,590</u> | <u>2,054,383</u> | <u>3,936,207</u> | <u>2,545,809</u> |
| Total expenditures | <u>5,448,137</u> | <u>5,990,590</u> | <u>2,054,383</u> | <u>3,936,207</u> | <u>2,545,809</u> |
| Net change in fund balances | (3,448,137) | (3,990,590) | 1,610,029 | 5,600,619 | 226,145 |
| FUND BALANCE, July 1 | <u>3,448,137</u> | <u>3,990,590</u> | <u>3,990,590</u> | - | <u>3,764,445</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,600,619</u> | <u>\$ 5,600,619</u> | <u>\$ 3,990,590</u> |

WASHOE COUNTY SCHOOL DISTRICT
1987 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|--|-------------|-------|--------|-----------------------------|----------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ - | \$ - | \$ 1,351 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Building improvement | | | | | |
| Purchased services | - | - | - | - | 86,282 |
| Net change in fund balances | - | - | - | - | (84,931) |
| FUND BALANCE, July 1 | - | - | - | - | 84,931 |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

**WASHOE COUNTY SCHOOL DISTRICT
1992 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--|-------------|-------------|-------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ 35,787 | \$ 35,787 | \$ 71,461 |
| Other | - | - | - | - | 50,155 |
| Total revenues | - | - | 35,787 | 35,787 | 121,616 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Site improvement | | | | | |
| Purchased services | - | 160,000 | - | 160,000 | 2,142 |
| Architecture and engineering services | | | | | |
| Purchased services | 14,885 | 267,000 | 149,544 | 117,456 | 18,752 |
| Building improvement | | | | | |
| Purchased services | 1,640,270 | 2,283,360 | 1,693,156 | 590,204 | - |
| Other | - | - | 15 | (15) | - |
| Total building improvement | 1,640,270 | 2,283,360 | 1,693,171 | 590,189 | - |
| Total expenditures | 1,655,155 | 2,710,360 | 1,842,715 | 867,645 | 20,894 |
| Net change in fund balances | (1,655,155) | (2,710,360) | (1,806,928) | 903,432 | 100,722 |
| FUND BALANCE, July 1 | 1,655,155 | 2,710,360 | 2,710,360 | - | 2,609,638 |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ 903,432 | \$ 903,432 | \$ 2,710,360 |

**WASHOE COUNTY SCHOOL DISTRICT
1998 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|-------------|---------|---------|-----------------------------|------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ - | \$ - | \$ 174,794 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Undistributed expenditures: | | | | | |
| Business support | | | | | |
| Salaries | - | - | - | - | 131,297 |
| Benefits | - | - | - | - | 29,062 |
| Other | - | - | - | - | 45 |
| Total business support | - | - | - | - | 160,404 |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Site improvement | | | | | |
| Purchased services | - | - | - | - | 360,827 |
| Property | - | - | - | - | 30 |
| Total site improvement | - | - | - | - | 360,857 |
| Architecture and engineering services | | | | | |
| Salaries | - | - | - | - | 31,016 |
| Benefits | - | - | - | - | 7,838 |
| Purchased services | 107,673 | 64,450 | 64,450 | - | 806,820 |
| Total architecture and engineering services | 107,673 | 64,450 | 64,450 | - | 845,674 |
| Building improvement | | | | | |
| Salaries | - | - | - | - | 16,214 |
| Benefits | - | - | - | - | 878 |
| Purchased services | 6,200 | 6,200 | 6,200 | - | 1,280,372 |
| Other | - | - | - | - | 77 |
| Total building improvement | 6,200 | 6,200 | 6,200 | - | 1,297,541 |
| Building acquisition and construction | | | | | |
| Salaries | - | - | - | - | 42,835 |
| Benefits | - | - | - | - | 8,290 |
| Purchased services | - | 184,522 | 181,555 | 2,967 | 2,603,718 |
| Supplies | - | - | - | - | 591,839 |
| Property | - | - | - | - | 1,805,100 |
| Total building acquisition and construction | - | 184,522 | 181,555 | 2,967 | 5,051,782 |

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
1998 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|--|--------------------|----------------|-----------------|-------------------------------------|-------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| Total capital outlay, facilities acquisition and construction | \$ 113,873 | \$ 255,172 | \$ 252,205 | \$ 2,967 | \$ 7,555,854 |
| Total expenditures | <u>113,873</u> | <u>255,172</u> | <u>252,205</u> | <u>2,967</u> | <u>7,716,258</u> |
| Net change in fund balances | (113,873) | (255,172) | (252,205) | 2,967 | (7,541,464) |
| FUND BALANCE, July 1 | <u>113,873</u> | <u>255,172</u> | <u>255,172</u> | <u>-</u> | <u>7,796,636</u> |
| FUND BALANCE, June 30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,967</u> | <u>\$ 2,967</u> | <u>\$ 255,172</u> |

**WASHOE COUNTY SCHOOL DISTRICT
BUILDING AND SITES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--|-------------|-------------|------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Rental income | \$ 50,000 | \$ 50,000 | \$ 45,955 | \$ (4,045) | \$ 39,378 |
| Earnings on investments | - | - | 14,523 | 14,523 | 46,330 |
| Sale of property | - | 425,000 | 575,522 | 150,522 | 360,165 |
| Total revenues | 50,000 | 475,000 | 636,000 | 161,000 | 445,873 |
| EXPENDITURES | | | | | |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Land acquisition | | | | | |
| Purchased services | - | - | 8,837 | (8,837) | 5,342 |
| Property | - | 1,100,000 | 978,425 | 121,575 | 239,086 |
| Other | - | - | - | - | 1,763 |
| Total land acquisition | - | 1,100,000 | 987,262 | 112,738 | 246,191 |
| Site improvement | | | | | |
| Purchased services | - | 682,896 | 407,476 | 275,420 | - |
| Other | - | - | 30,015 | (30,015) | - |
| Total site improvement | - | 682,896 | 437,491 | 245,405 | - |
| Building acquisition and construction | | | | | |
| Purchased services | - | - | - | - | 1,270 |
| Property | - | - | - | - | 162,706 |
| Other | - | - | - | - | 7 |
| Total building acquisition and construction | - | - | - | - | 163,983 |
| Architecture and engineering services | | | | | |
| Purchased services | 50,000 | 50,000 | 19,058 | 30,942 | 5,648 |
| Building improvement | | | | | |
| Purchased services | - | - | - | - | 91 |
| Supplies | - | - | 87 | (87) | 3,229 |
| Property | - | 50,000 | 9,446 | 40,554 | 23,426 |
| Total building improvement | - | 50,000 | 9,533 | 40,467 | 26,746 |
| Total expenditures | 50,000 | 1,882,896 | 1,453,344 | 429,552 | 442,568 |
| Excess (deficiency) of revenues over expenditures | - | (1,407,896) | (817,344) | 590,552 | 3,305 |
| OTHER FINANCING USES: | | | | | |
| Transfers out | - | (150,000) | (150,000) | - | (130,000) |
| Net change in fund balances | - | (1,557,896) | (967,344) | 590,552 | (126,695) |
| FUND BALANCE, July 1 | - | 1,617,896 | 1,617,896 | - | 1,744,591 |
| FUND BALANCE, June 30 | \$ - | \$ 60,000 | \$ 650,552 | \$ 590,552 | \$ 1,617,896 |

**WASHOE COUNTY SCHOOL DISTRICT
FACILITIES EXTRAORDINARY MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--|-------------|-------------|-------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ 7,680 | \$ 7,680 | \$ 17,032 |
| EXPENDITURES | | | | | |
| Capital outlay, facilities acquisition, and construction: | | | | | |
| Site improvement | | | | | |
| Purchased services | 42,064 | 200,000 | 62,503 | 137,497 | 308,296 |
| Architecture and engineering services | | | | | |
| Purchased services | 55,821 | 150,000 | 68,630 | 81,370 | 90,319 |
| Building improvement | | | | | |
| Purchased services | 309,925 | 3,214,888 | 2,802,290 | 412,598 | 980,418 |
| Other | - | - | 30 | (30) | 6,819 |
| Total building improvement | 309,925 | 3,214,888 | 2,802,320 | 412,568 | 987,237 |
| Total expenditures | 407,810 | 3,564,888 | 2,933,453 | 631,435 | 1,385,852 |
| Excess (deficiency) of revenue over expenditures | (407,810) | (3,564,888) | (2,925,773) | 639,115 | (1,368,820) |
| OTHER FINANCING SOURCES: | | | | | |
| Capital leases | - | - | - | - | 3,939,908 |
| Total other financing sources (uses) | - | - | - | - | 3,939,908 |
| Net change in fund balances | (407,810) | (3,564,888) | (2,925,773) | 639,115 | 2,571,088 |
| FUND BALANCE, July 1 | 407,810 | 3,564,888 | 3,564,888 | - | 993,800 |
| FUND BALANCE, June 30 | \$ - | \$ - | \$ 639,115 | \$ 639,115 | \$ 3,564,888 |

**WASHOE COUNTY SCHOOL DISTRICT
1998 BOND EXTRAORDINARY MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|---|--------------------|-------------------|-------------------|-------------------------------------|-------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ 13,971 | \$ 13,971 | \$ 18,045 |
| EXPENDITURES | | | | | |
| Capital outlay, facilities acquisition, and construction | | | | | |
| Building improvement: | | | | | |
| Purchased services | - | 199,832 | 113,505 | 86,327 | - |
| Other | - | - | 15 | (15) | - |
| Total expenditures | - | 199,832 | 113,520 | 86,312 | - |
| Net change in fund balances | - | (199,832) | (99,549) | 100,283 | 18,045 |
| FUND BALANCE, July 1 | <u>393,001</u> | <u>399,832</u> | <u>399,832</u> | <u>-</u> | <u>381,787</u> |
| FUND BALANCE, June 30 | <u>\$ 393,001</u> | <u>\$ 200,000</u> | <u>\$ 300,283</u> | <u>\$ 100,283</u> | <u>\$ 399,832</u> |

WASHOE COUNTY SCHOOL DISTRICT
1999 BOND EXTRAORDINARY MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | <u>2003 BUDGET</u> | | <u>2003</u> | | <u>2002</u> |
|------------------------------|--------------------|-------------------|-------------------|-------------------------------------|-------------------|
| | <u>ORIGINAL</u> | <u>FINAL</u> | <u>ACTUAL</u> | <u>VARIANCE TO FINAL BUDGET</u> | <u>ACTUAL</u> |
| REVENUES | | | | | |
| Local sources: | | | | | |
| Earnings on investments | \$ - | \$ - | \$ 30,403 | \$ 30,403 | \$ 34,781 |
| FUND BALANCE, July 1 | <u>629,000</u> | <u>639,501</u> | <u>639,501</u> | <u>-</u> | <u>604,720</u> |
| FUND BALANCE, June 30 | <u>\$ 629,000</u> | <u>\$ 639,501</u> | <u>\$ 669,904</u> | <u>\$ 30,403</u> | <u>\$ 639,501</u> |

Internal

Service Funds

To account for transactions relating to risk management services provided to other departments of the District on a cost-reimbursement basis. The funds in this category are:

Insurance Fund–Property and Casualty:

To account for the self-insured Property and Casualty costs of the District.

Insurance Fund–Health Insurance: To account for the self-insured Health Benefit costs of District employees.

Insurance Fund–Workers' Compensation:

To account for the self-insured Workers' Compensation costs of the District.

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2003**

| | INSURANCE FUND (PROPERTY CASUALTY) | INSURANCE FUND (HEALTH INSURANCE) | INSURANCE FUND (WORKERS' COMPENSATION) | TOTAL |
|-----------------------------|---|--|---|--------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and Investments | \$ 2,224,417 | \$ 3,742,535 | \$ 3,529,427 | \$ 9,496,379 |
| Accounts receivable | - | 430,513 | - | 430,513 |
| Accrued interest receivable | 1,583 | 2,249 | 3,188 | 7,020 |
| Total assets | \$ 2,226,000 | \$ 4,175,297 | \$ 3,532,615 | \$ 9,933,912 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 145,783 | \$ 209 | \$ 499 | \$ 146,491 |
| Accrued liabilities | 1,302 | 421,062 | 59 | 422,423 |
| Pending claims | 681,000 | 5,393,651 | 1,188,000 | 7,262,651 |
| Deferred revenue | - | 1,804 | - | 1,804 |
| Total current liabilities | 828,085 | 5,816,726 | 1,188,558 | 7,833,369 |
| Noncurrent liabilities: | | | | |
| Pending claims | 1,029,000 | - | 1,954,000 | 2,983,000 |
| Total liabilities | 1,857,085 | 5,816,726 | 3,142,558 | 10,816,369 |
| NET ASSETS | | | | |
| Unrestricted | 368,915 | (1,641,429) | 390,057 | (882,457) |
| Total net assets | \$ 368,915 | \$ (1,641,429) | \$ 390,057 | \$ (882,457) |

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2002)**

| | <u>INSURANCE FUND (PROPERTY CASUALTY)</u> | <u>INSURANCE FUND (HEALTH INSURANCE)</u> | <u>INSURANCE FUND (WORKERS' COMPENSATION)</u> | <u>TOTAL</u> |
|--------------------------------|---|--|---|---------------|
| OPERATING REVENUES | | | | |
| Charges for services | \$ 3,571,606 | \$ 38,961,296 | \$ 2,668,569 | \$ 45,201,471 |
| OPERATING EXPENSES | | | | |
| Salaries and benefits | - | 53,816 | - | 53,816 |
| Employee benefits | - | 40,335,511 | - | 40,335,511 |
| Claims and services | 3,331,296 | 1,582,826 | 2,321,373 | 7,235,495 |
| Total operating expenses | 3,331,296 | 41,972,153 | 2,321,373 | 47,624,822 |
| Operating income (loss) | 240,310 | (3,010,857) | 347,196 | (2,423,351) |
| NONOPERATING REVENUES | | | | |
| Earnings on investments | 9,233 | 28,739 | 40,511 | 78,483 |
| Income (loss) before transfers | 249,543 | (2,982,118) | 387,707 | (2,344,868) |
| TRANSFERS IN | | | | |
| General Fund | - | 1,753,533 | - | 1,753,533 |
| Change in net assets | 249,543 | (1,228,585) | 387,707 | (591,335) |
| NET ASSETS - July 1 | 119,372 | (412,844) | 2,350 | (291,122) |
| NET ASSETS - June 30 | \$ 368,915 | \$ (1,641,429) | \$ 390,057 | \$ (882,457) |

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2003**

| | INSURANCE FUND (PROPERTY CASUALTY) | INSURANCE FUND (HEALTH INSURANCE) | INSURANCE FUND (WORKERS' COMPENSATION) | TOTAL |
|---|---|--|---|---------------------|
| INCREASE (DECREASE) IN CASH AND INVESTMENTS | | | | |
| Cash flows from operating activities: | | | | |
| Cash received for services | \$ 3,571,606 | \$ 38,709,280 | \$ 2,896,960 | \$ 45,177,846 |
| Cash paid for salaries and benefits | - | (53,816) | - | (53,816) |
| Cash payments for employee benefits | - | (39,237,737) | - | (39,237,737) |
| Cash payments for claims and services | (3,116,675) | (1,582,826) | (1,925,414) | (6,624,915) |
| Net cash provided (used) by operating activities | <u>454,931</u> | <u>(2,165,099)</u> | <u>971,546</u> | <u>(738,622)</u> |
| Cash flows from noncapital financing activities: | | | | |
| Transfer from General Fund | - | 1,753,533 | - | 1,753,533 |
| Cash flows from investing activities: | | | | |
| Interest received on investments | 8,803 | 30,010 | 41,149 | 79,962 |
| Net increase (decrease) in cash and cash equivalents | 463,734 | (381,556) | 1,012,695 | 1,094,873 |
| Cash and investments, July 1 | <u>1,760,683</u> | <u>4,124,091</u> | <u>2,516,732</u> | <u>8,401,506</u> |
| Cash and investments, June 30 | <u>\$ 2,224,417</u> | <u>\$ 3,742,535</u> | <u>\$ 3,529,427</u> | <u>\$ 9,496,379</u> |

**RECONCILIATION OF OPERATING
INCOME (LOSS) TO NET CASH
PROVIDED (USED) BY OPERATIONS**

| | | | | |
|---|-------------------|-----------------------|-------------------|---------------------|
| Operating income (loss) | \$ 240,310 | \$ (3,010,857) | \$ 347,196 | \$ (2,423,351) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operations: | | | | |
| Changes in assets and liabilities: | | | | |
| Accounts receivable | - | (248,846) | - | (248,846) |
| Due from other funds | - | - | 228,391 | 228,391 |
| Accounts payable | (16,505) | 209 | (34,976) | (51,272) |
| Accrued liabilities | (1,821) | 129,959 | (30,065) | 98,073 |
| Pending claims | 232,947 | 967,621 | 461,000 | 1,661,568 |
| Deferred revenue | - | (3,170) | - | (3,170) |
| Due to other funds | - | (15) | - | (15) |
| Total adjustments | <u>214,621</u> | <u>845,758</u> | <u>624,350</u> | <u>1,684,729</u> |
| Net cash provided (used) by operations | <u>\$ 454,931</u> | <u>\$ (2,165,099)</u> | <u>\$ 971,546</u> | <u>\$ (738,622)</u> |

WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------|--------------|--------------|--------------|-----------------------------|--------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 1,908,697 | \$ 3,477,103 | \$ 3,571,606 | \$ 94,503 | \$ 2,164,034 |
| OPERATING EXPENSES | | | | | |
| General Government: | | | | | |
| Claims and services | 2,184,183 | 3,532,452 | 3,331,296 | 201,156 | 2,018,978 |
| Operating income (loss) | (275,486) | (55,349) | 240,310 | 295,659 | 145,056 |
| NONOPERATING REVENUES | | | | | |
| Earnings on investments | 35,000 | 7,642 | 9,233 | 1,591 | 25,906 |
| Change in net assets | (240,486) | (47,707) | 249,543 | 297,250 | 170,962 |
| NET ASSETS - July 1 | 290,748 | 119,372 | 119,372 | - | (51,590) |
| NET ASSETS - June 30 | \$ 50,262 | \$ 71,665 | \$ 368,915 | \$ 297,250 | \$ 119,372 |

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| INCREASE (DECREASE) IN CASH AND INVESTMENTS | | | | | |
| Cash flows from operating activities: | | | | | |
| Cash received for services | \$ 1,908,697 | \$ 3,477,103 | \$ 3,571,606 | \$ 94,503 | \$ 2,282,276 |
| Cash payments for claims and services | (2,184,183) | (3,299,505) | (3,116,675) | 182,830 | (2,038,622) |
| Net cash provided (used) by operating activities | (275,486) | 177,598 | 454,931 | 277,333 | 243,654 |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | 35,000 | 7,642 | 8,803 | 1,161 | 29,094 |
| Net increase (decrease) in cash and cash equivalents | (240,486) | 185,240 | 463,734 | 278,494 | 272,748 |
| Cash and investments, July 1 | <u>1,760,683</u> | <u>1,760,683</u> | <u>1,760,683</u> | - | <u>1,487,935</u> |
| Cash and investments, June 30 | <u>\$ 1,520,197</u> | <u>\$ 1,945,923</u> | <u>\$ 2,224,417</u> | <u>\$ 278,494</u> | <u>\$ 1,760,683</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS | | | | | |
| Operating income (loss) | \$ (275,486) | \$ (55,349) | \$ 240,310 | \$ 295,659 | \$ 145,056 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operations: | | | | | |
| Changes in assets and liabilities: | | | | | |
| Accounts receivable | - | - | - | - | 118,242 |
| Accounts payable | - | - | (16,505) | (16,505) | 148,840 |
| Accrued liabilities | - | - | (1,821) | (1,821) | (354,846) |
| Pending claims | - | 232,947 | 232,947 | - | 186,362 |
| Total adjustments | - | 232,947 | 214,621 | (18,326) | 98,598 |
| Net cash provided (used) by operations | <u>\$ (275,486)</u> | <u>\$ 177,598</u> | <u>\$ 454,931</u> | <u>\$ 277,333</u> | <u>\$ 243,654</u> |

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|--------------------------------|------------------|-------------------|-----------------------|-----------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 39,741,422 | \$ 39,741,422 | \$ 38,961,296 | \$ (780,126) | \$ 34,300,978 |
| OPERATING EXPENSES | | | | | |
| General Government: | | | | | |
| Salaries and benefits | 33,452 | 33,702 | 53,816 | (20,114) | 54,109 |
| Employee benefits | 38,726,762 | 38,726,512 | 40,335,511 | (1,608,999) | 33,624,624 |
| Services and supplies | 1,928,275 | 1,928,275 | 1,582,826 | 345,449 | 1,525,052 |
| Total operating expenses | 40,688,489 | 40,688,489 | 41,972,153 | (1,283,664) | 35,203,785 |
| Operating income (loss) | (947,067) | (947,067) | (3,010,857) | (2,063,790) | (902,807) |
| NONOPERATING REVENUES | | | | | |
| Earnings on investments | 37,256 | 37,256 | 28,739 | (8,517) | 35,011 |
| Income (loss) before transfers | (909,811) | (909,811) | (2,982,118) | (2,072,307) | (867,796) |
| TRANSFERS IN | | | | | |
| General Fund | 1,712,170 | 1,753,533 | 1,753,533 | - | 1,528,836 |
| Change in net assets | 802,359 | 843,722 | (1,228,585) | (2,072,307) | 661,040 |
| NET ASSETS - July 1 | <u>(720,853)</u> | <u>(412,844)</u> | <u>(412,844)</u> | - | <u>(1,073,884)</u> |
| NET ASSETS - June 30 | <u>\$ 81,506</u> | <u>\$ 430,878</u> | <u>\$ (1,641,429)</u> | <u>\$ (2,072,307)</u> | <u>\$ (412,844)</u> |

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|---------------------|---------------------|---------------------|-----------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| INCREASE (DECREASE) IN CASH AND INVESTMENTS | | | | | |
| Cash flows from operating activities: | | | | | |
| Cash received for services | \$ 39,741,422 | \$ 39,741,422 | \$ 38,709,280 | \$ (1,032,142) | \$ 34,401,225 |
| Cash paid for salaries | (33,452) | (33,702) | (53,816) | (20,114) | (54,109) |
| Cash payments for employee benefits | (38,036,762) | (38,076,512) | (39,237,737) | (1,161,225) | (33,218,602) |
| Cash payments for services and supplies | (1,928,275) | (1,928,275) | (1,582,826) | 345,449 | (1,525,052) |
| Net cash (used) by operating activities | (257,067) | (297,067) | (2,165,099) | (1,868,032) | (396,538) |
| Cash flows from noncapital financing activities: | | | | | |
| Transfer from General Fund | 1,753,533 | 1,753,533 | 1,753,533 | - | 1,528,836 |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | 37,256 | 37,256 | 30,010 | (7,246) | 37,750 |
| Net increase (decrease) in cash and cash equivalents | 1,533,722 | 1,493,722 | (381,556) | (1,875,278) | 1,170,048 |
| Cash and investments, July 1 | 4,124,091 | 4,124,091 | 4,124,091 | - | 2,954,043 |
| Cash and investments, June 30 | \$ 5,657,813 | \$ 5,617,813 | \$ 3,742,535 | \$ (1,875,278) | \$ 4,124,091 |
| RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATIONS | | | | | |
| Operating income (loss) | \$ (947,067) | \$ (947,067) | \$ (3,010,857) | \$ (2,063,790) | \$ (902,807) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operations: | | | | | |
| Changes in assets and liabilities: | | | | | |
| Accounts receivable | - | - | (248,846) | (248,846) | 104,322 |
| Accounts payable | - | - | 209 | 209 | (9,036) |
| Accrued liabilities | - | - | 129,959 | 129,959 | (276,557) |
| Pending claims | 690,000 | 650,000 | 967,621 | 317,621 | 691,620 |
| Deferred revenue | - | - | (3,170) | (3,170) | (4,075) |
| Due to other funds | - | - | (15) | (15) | (5) |
| Total Adjustments | 690,000 | 650,000 | 845,758 | 195,758 | 506,269 |
| Net cash (used) by operations | \$ (257,067) | \$ (297,067) | \$ (2,165,099) | \$ (1,868,032) | \$ (396,538) |

WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)

| | 2003 BUDGET | | 2003 | | 2002 |
|------------------------------|-------------------|-------------------|-------------------|-----------------------------|-----------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| OPERATING REVENUES | | | | | |
| Charges for services | \$ 2,509,886 | \$ 2,751,860 | \$ 2,668,569 | \$ (83,291) | \$ 2,172,181 |
| OPERATING EXPENSES | | | | | |
| General Government: | | | | | |
| Claims and services | 2,587,867 | 2,632,611 | 2,321,373 | 311,238 | 2,254,602 |
| Operating income (loss) | (77,981) | 119,249 | 347,196 | 227,947 | (82,421) |
| NONOPERATING REVENUES | | | | | |
| Earnings on investments | 55,000 | 37,611 | 40,511 | 2,900 | 50,683 |
| Change in net assets | (22,981) | 156,860 | 387,707 | 230,847 | (31,738) |
| NET ASSETS - July 1 | <u>207,778</u> | <u>2,350</u> | <u>2,350</u> | <u>-</u> | <u>34,088</u> |
| NET ASSETS - June 30 | <u>\$ 184,797</u> | <u>\$ 159,210</u> | <u>\$ 390,057</u> | <u>\$ 230,847</u> | <u>\$ 2,350</u> |

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2003
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2002)**

| | 2003 BUDGET | | 2003 | | 2002 |
|---|---------------------|---------------------|---------------------|--------------------------|---------------------|
| | ORIGINAL | FINAL | ACTUAL | VARIANCE TO FINAL BUDGET | ACTUAL |
| INCREASE IN CASH AND INVESTMENTS | | | | | |
| Cash Flows from operating activities: | | | | | |
| Cash received for services | \$ 2,509,886 | \$ 2,751,860 | \$ 2,896,960 | \$ 145,100 | \$ 2,097,240 |
| Payments for claims and services | (2,317,867) | (2,171,611) | (1,925,414) | 246,197 | (1,776,514) |
| Net cash provided by operating activities | 192,019 | 580,249 | 971,546 | 391,297 | 320,726 |
| Cash flows from investing activities: | | | | | |
| Interest received on investments | 55,000 | 37,611 | 41,149 | 3,538 | 51,073 |
| Net increase in cash and cash equivalents | 247,019 | 617,860 | 1,012,695 | 394,835 | 371,799 |
| Cash and investments, July 1 | 2,516,732 | 2,516,732 | 2,516,732 | - | 2,144,933 |
| Cash and investments, June 30 | \$ 2,763,751 | \$ 3,134,592 | \$ 3,529,427 | \$ 394,835 | \$ 2,516,732 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS | | | | | |
| Operating income (loss) | \$ (77,981) | \$ 119,249 | \$ 347,196 | \$ 227,947 | \$ (82,421) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operations: | | | | | |
| Changes in assets and liabilities: | | | | | |
| Accounts receivable | - | - | - | - | 17,896 |
| Due from other funds | - | - | 228,391 | 228,391 | (92,837) |
| Accounts payable | - | - | (34,976) | (34,976) | 16,964 |
| Accrued liabilities | - | - | (30,065) | (30,065) | 30,124 |
| Pending claims | 270,000 | 461,000 | 461,000 | - | 431,000 |
| Total adjustments | 270,000 | 461,000 | 624,350 | 163,350 | 403,147 |
| Net cash provided by operations | \$ 192,019 | \$ 580,249 | \$ 971,546 | \$ 391,297 | \$ 320,726 |

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Fiduciary Funds

Fiduciary funds account for activities in which the District acts in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Individual funds include the following:

Private-Purpose Trust Fund:

Scholarship Trust Fund: To account for funds contributed by individuals and entities outside the District that are used to provide scholarships to prospective college students.

Agency Funds:

Student Activities Fund: To account for student activity funds under the control of the respective schools in the District.

80/5 Plan Fund: To account for employee contributions to the District's 80/5 Plan.

NIAA Fund: To account for transactions related to the statewide Nevada Interscholastic Athletic Association.

**WASHOE COUNTY SCHOOL DISTRICT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2003**

| | <u>JUNE 30, 2002</u> | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>JUNE 30, 2003</u> |
|--|----------------------|------------------|-------------------|----------------------|
| Student Activities | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 5,013,488 | \$ 13,585,098 | \$ 13,330,694 | \$ 5,267,892 |
| LIABILITIES | | | | |
| Due to student groups and others | \$ 5,013,488 | \$ 13,585,098 | \$ 13,330,694 | \$ 5,267,892 |
| 80/5 Salary Plan | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 689,618 | \$ 239,247 | \$ 246,736 | \$ 682,129 |
| LIABILITIES | | | | |
| Accrued liabilities | \$ 689,618 | \$ 239,247 | \$ 246,736 | \$ 682,129 |
| Nevada Interscholastic Athletic Association | | | | |
| ASSETS | | | | |
| Receivables | \$ 52,255 | \$ 20,544 | \$ 52,255 | \$ 20,544 |
| LIABILITIES | | | | |
| Accrued liabilities | \$ 8,432 | \$ 116,538 | \$ 115,438 | \$ 9,532 |
| Due to other funds | 43,823 | 11,013 | 43,824 | 11,012 |
| Total liabilities | \$ 52,255 | \$ 127,551 | \$ 159,262 | \$ 20,544 |
| Totals - All Agency Funds | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 5,703,106 | \$ 13,824,345 | \$ 13,577,430 | \$ 5,950,021 |
| Receivables | 52,255 | 20,544 | 52,255 | 20,544 |
| Total assets | \$ 5,755,361 | \$ 13,844,889 | \$ 13,629,685 | \$ 5,970,565 |
| LIABILITIES | | | | |
| Accrued liabilities | \$ 698,050 | \$ 355,785 | \$ 362,174 | \$ 691,661 |
| Due to student groups and others | 5,013,488 | 13,585,098 | 13,330,694 | 5,267,892 |
| Due to other funds | 43,823 | 11,013 | 43,824 | 11,012 |
| Total liabilities | \$ 5,755,361 | \$ 13,951,896 | \$ 13,736,692 | \$ 5,970,565 |

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

| <u>SCHOOLS</u> | <u>BALANCE JUNE 30, 2002</u> | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>BALANCE JUNE 30, 2003</u> |
|----------------------------|----------------------------------|------------------|-------------------|----------------------------------|
| ELEMENTARY SCHOOLS: | | | | |
| Allen | \$ 12,967 | \$ 39,859 | \$ 40,858 | \$ 11,968 |
| Anderson | 30,115 | 68,629 | 80,048 | 18,696 |
| Beasley** | 15,053 | 95,488 | 89,048 | 21,493 |
| Beck | 8,468 | 52,034 | 50,681 | 9,821 |
| Bennett** | 13,474 | 41,927 | 39,913 | 15,488 |
| Booth | 53,801 | 46,459 | 55,264 | 44,996 |
| Brown | 38,059 | 84,275 | 86,454 | 35,880 |
| Cannan | 24,848 | 45,066 | 45,075 | 24,839 |
| Caughlin Ranch | 21,275 | 112,644 | 103,978 | 29,941 |
| Corbett | 9,960 | 52,122 | 42,702 | 19,380 |
| Desert Heights | 10,714 | 19,738 | 20,927 | 9,525 |
| Diedrichsen | 9,899 | 36,917 | 36,507 | 10,309 |
| Dodson | 19,467 | 33,570 | 32,512 | 20,525 |
| Donner Springs | 22,765 | 61,110 | 69,990 | 13,885 |
| Double Diamond | - | 97,406 | 86,072 | 11,334 |
| Drake | 18,738 | 73,651 | 75,240 | 17,149 |
| Duncan | (2,232) | 45,570 | 41,475 | 1,863 |
| Dunn** | 29,222 | 54,639 | 45,069 | 38,792 |
| Elmcrest | 16,299 | 39,399 | 48,545 | 7,153 |
| Gomes | 24,135 | 69,090 | 69,512 | 23,713 |
| Gomm | 19,438 | 83,401 | 80,602 | 22,237 |
| Greenbrae | 8,834 | 95,806 | 101,351 | 3,289 |
| Hidden Valley** | 11,111 | 47,109 | 50,755 | 7,465 |
| Huffaker | 22,974 | 179,324 | 173,821 | 28,477 |
| Hunsberger | 39,227 | 196,247 | 205,545 | 29,929 |
| Hunter Lake | 48,488 | 47,660 | 49,086 | 47,062 |
| Incline | 49,247 | 162,444 | 170,321 | 41,370 |
| Juniper | 15,080 | 60,572 | 58,995 | 16,657 |
| Lemmon Valley** | 46,774 | 83,310 | 86,813 | 43,271 |
| Lenz | 28,423 | 48,741 | 39,631 | 37,533 |
| Lincoln Park | 2,612 | 58,033 | 45,310 | 15,335 |
| Loder | 23,041 | 37,751 | 35,606 | 25,186 |
| Mathews | 15,805 | 121,061 | 87,829 | 49,037 |
| Maxwell | 13,816 | 29,454 | 30,635 | 12,635 |
| Melton | - | 90,294 | 81,061 | 9,233 |
| Mitchell | 4,812 | 24,357 | 21,060 | 8,109 |
| Moss | 26,074 | 62,199 | 62,438 | 25,835 |
| Mount Rose | 16,526 | 19,347 | 19,788 | 16,085 |
| Natchez | 9,845 | 16,547 | 15,410 | 10,982 |
| Palmer | 8,163 | 46,914 | 47,884 | 7,193 |
| Peavine | 14,378 | 45,190 | 45,063 | 14,505 |
| Picollo | 64,666 | 202,017 | 174,126 | 92,557 |
| Pleasant Valley | 24,169 | 85,819 | 87,747 | 22,241 |
| Risley | 18,749 | 31,279 | 40,513 | 9,515 |
| Sierra Vista | 7,265 | 29,587 | 34,068 | 2,784 |
| Silver Lake | 17,153 | 67,510 | 72,588 | 12,075 |
| Smith, Alice | 32,091 | 57,862 | 53,506 | 36,447 |
| Smith, Kate | 3,905 | 25,032 | 21,908 | 7,029 |
| Smithridge | 6,087 | 48,782 | 38,149 | 16,720 |
| Spanish Springs | 28,768 | 116,795 | 106,813 | 38,750 |
| Stead | 22,991 | 45,577 | 50,454 | 18,114 |
| Sun Valley | 26,733 | 53,779 | 54,022 | 26,490 |
| Taylor | 14,893 | 99,463 | 104,646 | 9,710 |
| Towles** | 21,415 | 56,137 | 60,689 | 16,863 |

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2003**

| <u>SCHOOLS</u> | <u>BALANCE JUNE 30, 2002</u> | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>BALANCE JUNE 30, 2003</u> |
|--|----------------------------------|-----------------------------|-----------------------------|----------------------------------|
| ELEMENTARY SCHOOLS (CONTINUED): | | | | |
| Van Gorder | \$ 18,090 | \$ 90,872 | \$ 86,738 | \$ 22,224 |
| Verdi | 12,182 | 56,923 | 55,072 | 14,033 |
| Veterans** | 15,774 | 47,521 | 36,454 | 26,841 |
| Warner | 13,509 | 29,911 | 34,061 | 9,359 |
| Westergard | 33,254 | 56,916 | 72,424 | 17,746 |
| Whitehead | 25,265 | 54,281 | 52,681 | 26,865 |
| Winnemucca** | 16,458 | 126,810 | 128,073 | 15,195 |
| | <u>1,225,112</u> | <u>4,108,227</u> | <u>4,033,606</u> | <u>1,299,733</u> |
| Total Elementary Schools | | | | |
| MIDDLE SCHOOLS: | | | | |
| Billinghurst** | 119,650 | 205,840 | 192,523 | 132,967 |
| Clayton | 57,120 | 118,090 | 106,618 | 68,592 |
| Dilworth | 38,812 | 93,956 | 98,905 | 33,863 |
| Incline | 56,334 | 109,687 | 120,106 | 45,915 |
| Mendive | 97,899 | 232,202 | 231,294 | 98,807 |
| O'Brien** | 59,103 | 165,307 | 167,861 | 56,549 |
| Pine** | 89,845 | 234,744 | 273,863 | 50,726 |
| Sparks | 43,285 | 176,306 | 163,867 | 55,724 |
| Swope** | 38,396 | 135,247 | 140,224 | 33,419 |
| Traner | 19,480 | 32,619 | 38,100 | 13,999 |
| Vaughn | 39,698 | 124,630 | 122,052 | 42,276 |
| | <u>659,622</u> | <u>1,628,628</u> | <u>1,655,413</u> | <u>632,837</u> |
| Total Middle Schools | | | | |
| HIGH SCHOOLS: | | | | |
| Damonte Ranch | - | 9,176 | 3,388 | 5,788 |
| Galena** | 451,632 | 1,255,155 | 1,189,797 | 516,990 |
| Gerlach (1) | 51,902 | 66,747 | 58,905 | 59,744 |
| Hug** | 257,744 | 310,105 | 387,910 | 179,939 |
| Incline** | 116,027 | 322,189 | 327,965 | 110,251 |
| McQueen | 609,777 | 1,026,721 | 995,262 | 641,236 |
| North Valleys | 103,794 | 532,633 | 447,834 | 188,593 |
| Reed** | 289,691 | 974,133 | 943,860 | 319,964 |
| Regional Technical Institute | 70,171 | 127,651 | 144,388 | 53,434 |
| Reno | 510,951 | 1,243,917 | 1,269,410 | 485,458 |
| Spanish Springs | 118,605 | 888,178 | 808,748 | 198,035 |
| Sparks** | 181,157 | 480,229 | 445,512 | 215,874 |
| TMCC | 24,954 | 34,265 | 17,849 | 41,370 |
| Washoe | 73,789 | 48,866 | 45,917 | 76,738 |
| Wooster | 268,560 | 528,278 | 554,930 | 241,908 |
| | <u>3,128,754</u> | <u>7,848,243</u> | <u>7,641,675</u> | <u>3,335,322</u> |
| Total High Schools | | | | |
| TOTALS | \$ <u>5,013,488</u> | \$ <u>13,585,098</u> | \$ <u>13,330,694</u> | \$ <u>5,267,892</u> |

(1) Includes E.M. Johnson Elementary

** Audited by Internal Audit

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Capital Assets

Governmental Funds

-  Schedule by Source
-  Schedule by Function and Activity
-  Schedule of Changes by Function and Activity

**WASHOE COUNTY SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
JUNE 30, 2003 AND 2002**

| | <u>2003</u> | <u>2002</u> |
|---|-----------------------|-----------------------|
| Governmental funds capital assets: | | |
| Land | \$ 27,899,389 | \$ 24,948,956 |
| Buildings | 461,421,362 | 448,892,342 |
| Improvements other than buildings | 1,315,530 | - |
| Machinery and equipment | 27,309,585 | 26,516,276 |
| Construction in progress | 40,007,775 | 4,969,655 |
| Total governmental funds capital assets | <u>\$ 557,953,641</u> | <u>\$ 505,327,229</u> |
| Investments in governmental funds capital assets by source: | | |
| General fund | \$ 136,696,280 | \$ 133,853,538 |
| Special revenue funds | 2,664,563 | 2,242,720 |
| Capital projects funds | 417,800,337 | 368,415,215 |
| Donations | 792,461 | 815,756 |
| Total governmental funds capital assets | <u>\$ 557,953,641</u> | <u>\$ 505,327,229</u> |

**WASHOE COUNTY SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2003**

| <u>FUNCTION AND ACTIVITY</u> | <u>GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2002</u> | <u>ADDITIONS</u> | <u>DEDUCTIONS</u> | <u>GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2003</u> |
|---|--|----------------------|-------------------|--|
| General Government: | | | | |
| Instruction | \$ 3,224,175 | \$ 251,666 | \$ 50,536 | \$ 3,425,305 |
| Student support | 146,232 | 55,768 | - | 202,000 |
| Instructional staff support | 425,160 | 26,721 | 18,793 | 433,088 |
| General administration | 187,085 | 21,998 | - | 209,083 |
| School administration | 7,954 | - | - | 7,954 |
| Business administration | 544,625 | 24,220 | 14,755 | 554,090 |
| Operation and maintenance | 10,795,786 | 23,100 | 30,400 | 10,788,486 |
| Student transportation | 16,408,213 | 297,620 | 176,960 | 16,528,873 |
| Central support | 550,341 | 100,887 | - | 651,228 |
| Other support | 42,853 | - | - | 42,853 |
| Nutrition services | 1,107,086 | 325,650 | - | 1,432,736 |
| Facilities acquisition and construction | 471,887,719 | 52,190,899 | 400,673 | 523,677,945 |
| Total government funds capital assets | <u>\$ 505,327,229</u> | <u>\$ 53,318,529</u> | <u>\$ 692,117</u> | <u>\$ 557,953,641</u> |

**WASHOE COUNTY SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2003**

| <u>FUNCTION AND ACTIVITY</u> | <u>LAND</u> | <u>BUILDINGS</u> | <u>IMPROVMENTS OTHER THAN BUILDINGS</u> | <u>MACHINERY AND EQUIPMENT</u> | <u>CONSTRUCTION IN PROGRESS</u> | <u>TOTAL</u> |
|---|----------------------|-----------------------|---|--|---|-----------------------|
| General Government: | | | | | | |
| Instruction | \$ 131,639 | \$ 237,065 | \$ 25,603 | \$ 3,030,998 | \$ - | \$ 3,425,305 |
| Student support | - | - | - | 202,000 | - | 202,000 |
| Instructional staff support | - | - | - | 433,088 | - | 433,088 |
| General administration | - | - | - | 209,083 | - | 209,083 |
| School administration | - | - | - | 7,954 | - | 7,954 |
| Business administration | - | 11,836 | - | 542,254 | - | 554,090 |
| Operation/maintenance | - | 9,929,637 | - | 858,849 | - | 10,788,486 |
| Student transportation | - | 9,139 | - | 16,519,734 | - | 16,528,873 |
| Central support | - | - | - | 651,228 | - | 651,228 |
| Other support | - | - | - | 42,853 | - | 42,853 |
| Nutrition services operation | - | - | - | 1,432,736 | - | 1,432,736 |
| Facilities acquisition and construction | <u>27,767,750</u> | <u>451,233,685</u> | <u>1,289,927</u> | <u>3,378,808</u> | <u>40,007,775</u> | <u>523,677,945</u> |
| Total governmental funds capital assets | <u>\$ 27,899,389</u> | <u>\$ 461,421,362</u> | <u>\$ 1,315,530</u> | <u>\$ 27,309,585</u> | <u>\$ 40,007,775</u> | <u>\$ 557,953,641</u> |

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Statistical

Section

Washoe County School District
Washoe County, Nevada

Table A

Government-Wide Expenses by Function

| | 2002-03 | 2001-02 |
|---|------------------------------|------------------------------|
| Instruction: | | |
| Regular Instruction | \$ 184,993,866 | \$ 180,196,628 |
| Special Instruction | 32,001,726 | 30,070,560 |
| Vocational Instruction | 6,227,423 | 6,593,175 |
| Other Instruction | <u>5,009,228</u> | <u>4,767,956</u> |
| Total Instruction: | <u>228,232,243</u> | <u>221,628,319</u> |
| Support Services: | | |
| Student Support | 18,448,225 | 17,903,382 |
| Instructional Staff Support | 15,336,683 | 13,329,522 |
| General Administration | 6,077,638 | 5,542,329 |
| School Administration | 19,965,103 | 18,739,572 |
| Business support | 4,218,214 | 3,989,647 |
| Operation and Maintenance | 33,658,260 | 32,528,440 |
| Student Transportation | 13,343,831 | 12,376,312 |
| Central Support | 4,887,624 | 4,709,401 |
| Other Support | 336,498 | 179,924 |
| Nutrition Services | 13,373,888 | 12,554,171 |
| Facilities Acquisition and Construction | 13,737,063 | 17,369,591 |
| Interest on Long Term Debt | 17,121,442 | 21,945,321 |
| Issuance Costs on Debt | <u>459,603</u> | <u>216,650</u> |
| Total Support Services: | <u>160,964,072</u> | <u>161,384,262</u> |
| Total | <u>\$ 389,196,315</u> | <u>\$ 383,012,581</u> |

NOTE: FY 01/02 is the first year that District costs have been presented under GASB 34 guidelines. As such, prior years' data in this format is not available.

Source: Washoe County School District Business Office

**Washoe County School District
Washoe County, Nevada**

Table B

Government-Wide Revenues

| | 2002-03 | 2001-02 |
|------------------------------------|------------------------------|------------------------------|
| Program Revenues: | | |
| Charges for Services | \$ 7,877,036 | \$ 7,679,075 |
| Operating Grants and Contributions | <u>71,314,386</u> | <u>68,176,805</u> |
| Total Program Revenues: | 79,191,422 | 75,855,880 |
| General Revenues: | | |
| Taxes | 242,655,975 | 229,408,150 |
| Unrestricted Investment Earnings | 4,912,745 | 7,363,521 |
| State Aide | 78,721,232 | 75,088,119 |
| Other | <u>2,942,303</u> | <u>2,037,587</u> |
| Total General Revenues: | <u>329,232,255</u> | <u>313,897,377</u> |
| Total | <u>\$ 408,423,677</u> | <u>\$ 389,753,257</u> |

NOTE: FY 01/02 is the first year that District revenues have been presented under GASB 34 guidelines. As such, prior years' data in this format is not available.

Source: Washoe County School District Business Office

Washoe County School District
Washoe County, Nevada

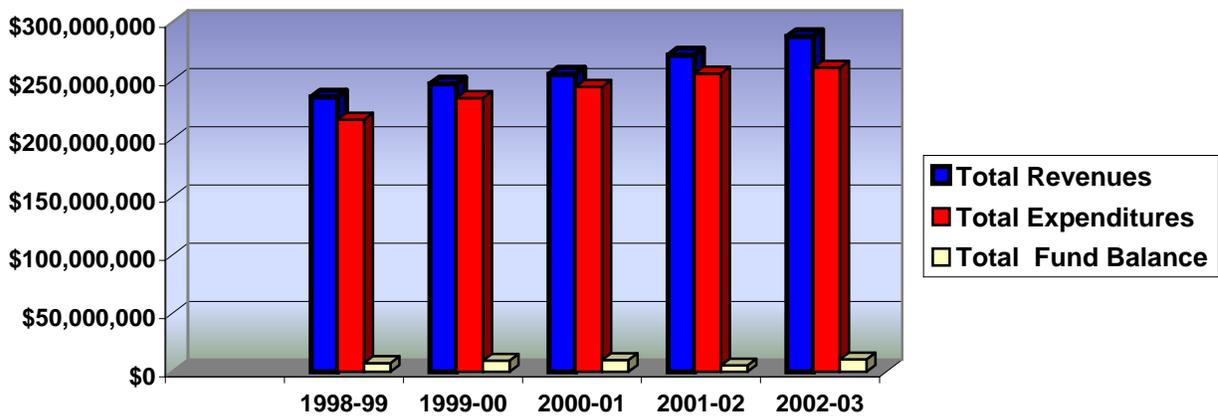
General Fund Revenues, Expenditures and Fund Balance
Last Five Fiscal Years

Table C

| Fiscal Year | Total Revenues | Total Expenditures | Total Fund Balance |
|-------------|----------------|--------------------|--------------------|
| 1998-99 | \$ 235,875,508 | \$ 216,363,915 | \$ 7,429,903 |
| 1999-00 | 247,073,632 | 234,960,258 | 9,538,868 |
| 2000-01 | 255,354,125 | 244,489,008 | 10,063,097 |
| 2001-02 | 271,761,177 | 255,977,026 | 5,433,318 |
| 2002-03 | 287,707,834 | 261,039,474 | 10,556,064 |

Source: Washoe County School District Business Office

Washoe County School District
General Fund Revenues, Expenditures and Fund Balance
Five Year History



Washoe County School District

Washoe County, Nevada

**General Fund Expenditures and Other Uses by Program
Last Ten Fiscal Years**

Table D

| Fiscal Year | Regular Instructional Programs | Special Instructional Programs | Vocational / Other Instructional Programs | Undistributed Programs - Support Services | Operating Transfers Out | Totals |
|--------------------|---------------------------------------|---------------------------------------|--|--|--------------------------------|----------------|
| 1993-94 | \$ 93,079,870 | \$ - | \$ 1,636,594 | \$ 57,652,907 | \$ 9,881,014 | \$ 162,250,385 |
| 1994-95 | 100,295,383 | - | 1,680,951 | 62,021,890 | 10,374,770 | 174,372,994 |
| 1995-96 | 109,572,287 | - | 2,015,948 | 66,371,757 | 11,500,974 | 189,460,966 |
| 1996-97 | 116,896,924 | - | 2,139,791 | 73,150,731 | 13,366,281 | 205,553,727 |
| 1997-98 | 127,475,577 | - | 2,377,196 | 76,523,228 | 15,881,458 | 222,257,459 |
| 1998-99 | 133,447,327 | - | 2,432,938 | 80,483,650 | 17,221,091 | 233,585,006 |
| 1999-00 | 141,900,693 | - | 2,426,113 | 90,633,452 | 17,526,355 | 252,486,613 |
| 2000-01 | 149,055,330 | - | 2,477,598 | 92,956,080 | 17,393,345 | 261,882,353 |
| 2001-02 | 148,089,728 | - | 9,494,286 | 98,393,012 | 20,419,591 | 276,396,617 |
| 2002-03 | 153,533,437 | - | 8,945,575 | 98,560,462 | 21,805,384 | 282,844,858 |

(2)

(1)

(1) Includes Debt Service for fiscal years prior to FY 2001-2002.

(2) Vocational programs were shown in Regular Instructional Programs prior to FY 2001-02.

Source: Washoe County School District Business Office

Washoe County School District

Washoe County, Nevada

General Fund Expenditures by Function

Table E

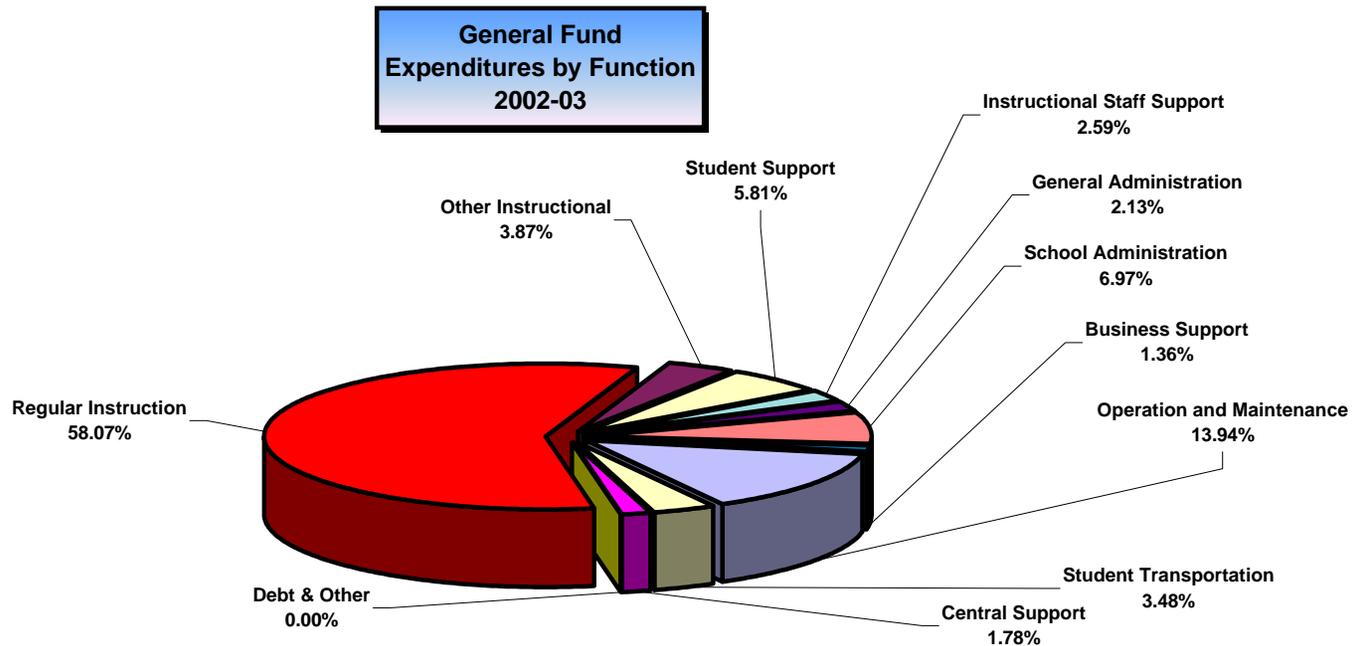
Last Five Fiscal Years

| Fiscal Year | Regular Instruction | Vocational / Other Instructional | Student Support | Instructional Staff Support | General Administration | School Administration | Business Support | Operation and Maintenance | Student Transportation | Central Support Services | Debt & Other | Totals |
|-------------|---------------------|----------------------------------|-----------------|-----------------------------|------------------------|-----------------------|------------------|---------------------------|------------------------|--------------------------|--------------|----------------|
| 1998-99 | \$ 133,447,327 | \$ 2,432,938 | \$ 12,828,623 | \$ 5,787,447 | \$ 2,971,152 | \$ 15,280,615 | \$ 3,402,836 | \$ 26,628,272 | \$ 8,978,212 | \$ 3,674,533 | \$ 931,960 | \$ 216,363,915 |
| 1999-00 | 141,900,693 | 2,426,113 | 13,910,087 | 6,097,010 | 4,325,521 | 16,238,869 | 3,513,579 | 32,021,556 | 9,404,735 | 3,959,523 | 1,162,572 | 234,960,258 |
| 2000-01 | 149,055,330 | 2,477,598 | 14,128,389 | 6,245,600 | 4,623,777 | 16,715,516 | 3,656,442 | 31,549,996 | 9,698,151 | 4,789,559 | 1,548,650 | 244,489,008 |
| 2001-02 | 148,089,728 | 9,494,286 | 14,951,115 | 6,684,918 | 5,502,641 | 18,175,805 | 3,523,634 | 35,662,590 | 9,276,802 | 4,615,507 | - | 255,977,026 |
| 2002-03 | 153,533,437 | 8,945,575 | 15,205,529 | 7,158,059 | 6,027,809 | 19,239,496 | 3,517,896 | 33,074,471 | 9,469,947 | 4,867,255 | - | 261,039,474 |

Notes: For comparison purposes, we listed the last five years.
 Beginning in FY 2001-02, all debt service payments for the District are being paid out of the Debt Service Fund.
 Vocational programs were shown in Regular Instructional Programs prior to FY 2001-02.

Source: Washoe County School District Business Office

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Washoe County School District
Washoe County, Nevada

General Fund Revenues and Other Financing Sources by Source
Last Ten Fiscal Years

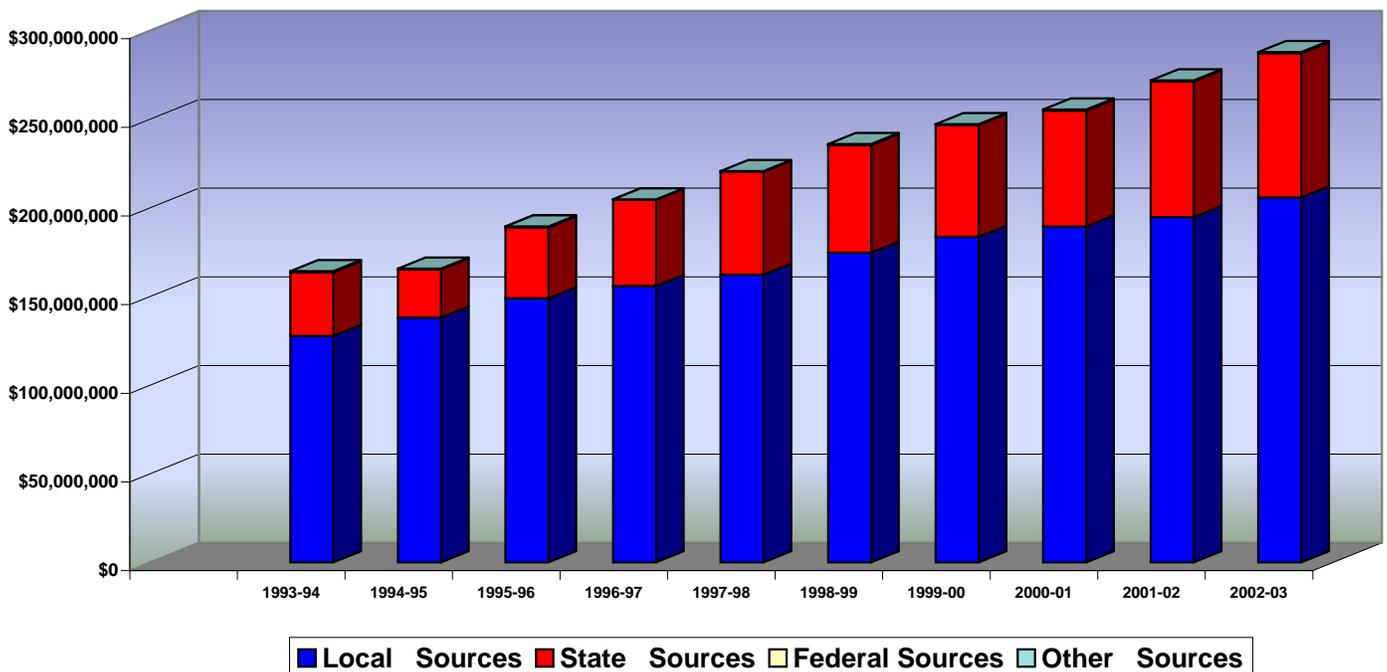
Table F

| Fiscal Year | Local Sources | State Sources | Federal Sources | Other Sources | Totals |
|-------------|----------------|---------------|-----------------|---------------|----------------|
| 1993-94 | \$ 127,627,808 | \$ 36,051,978 | \$ 501,512 | \$ 9,015 | \$ 164,190,313 |
| 1994-95 | 137,949,876 | 27,258,028 | 406,410 | 17,804 | 165,632,118 |
| 1995-96 | 148,878,489 | 39,965,035 | 515,036 | 1,868 | 189,360,428 |
| 1996-97 | 155,870,455 | 48,649,919 | 108,824 | 3,910 | 204,633,108 |
| 1997-98 | 162,195,600 | 58,194,507 | 191,787 | 16,343 | 220,598,237 |
| 1998-99 | 174,585,455 | 60,817,440 | 167,172 | 305,441 | 235,875,508 |
| 1999-00 | 183,581,627 | 63,148,037 | 155,303 | 188,665 | 247,073,632 |
| 2000-01 | 189,382,812 | 65,294,451 | 655,318 | 21,544 | 255,354,125 |
| 2001-02 | 194,662,348 | 76,568,120 | 515,713 | 14,996 | 271,761,177 |
| 2002-03 | 205,742,088 | 81,409,735 | 550,817 | 5,194 | 287,707,834 |

Note: Other sources excluding operating transfers-in and proceeds from capital leases.

Source: Washoe County School District Business Office

**Washoe County School District
Revenues by Source
Ten Year History**



Washoe County School District

Washoe County, Nevada

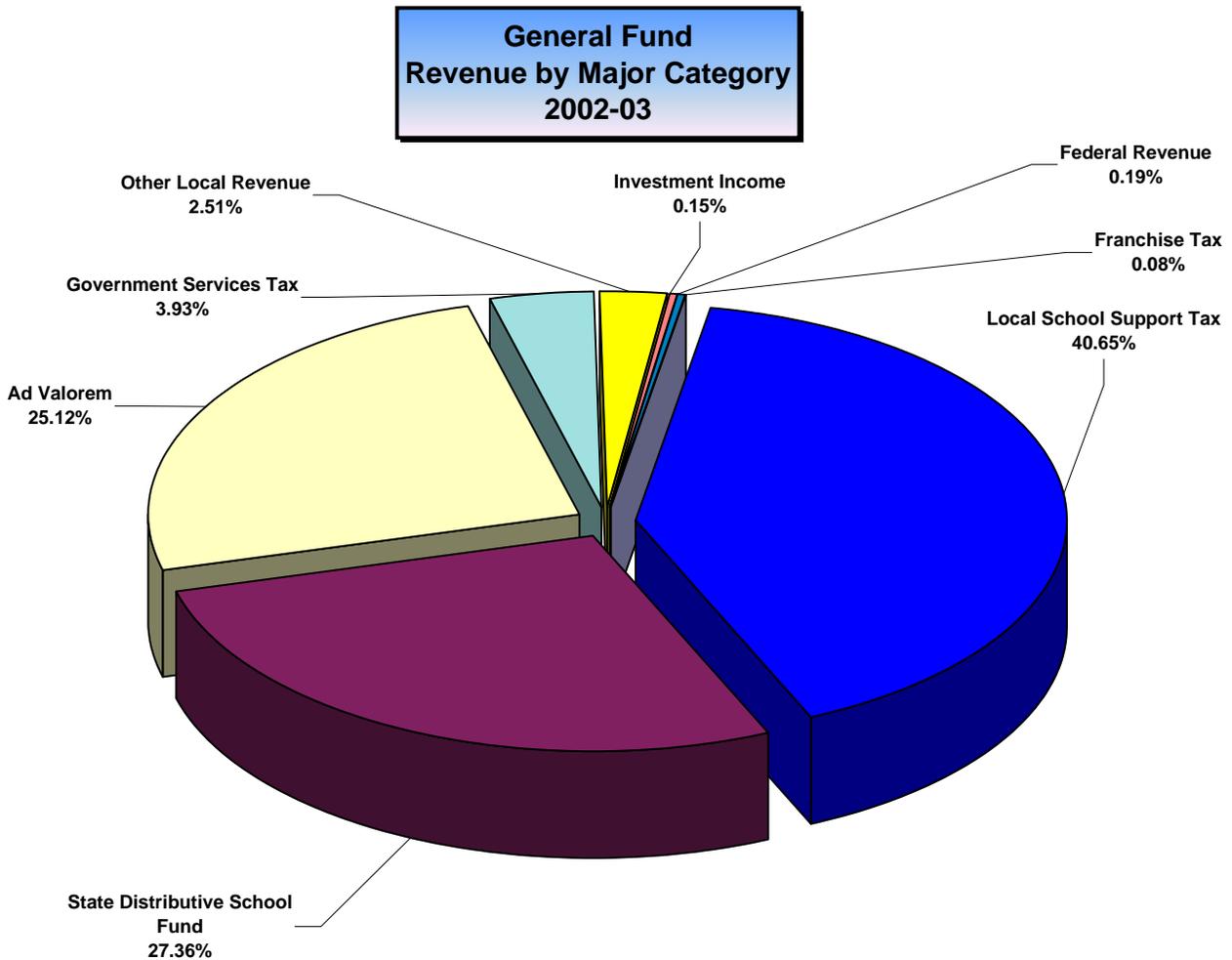
General Fund Revenues and Other Financing Sources by Major Category
Last Ten Fiscal Years

Table G

| Fiscal Year | State Distributive School Fund | Ad Valorem Taxes | Franchise Tax | Government Services Tax | Local School Support Tax (Sales Tax) | Investment Income | Federal Revenue | Other State and Local Revenue | Totals |
|-------------|--------------------------------|------------------|---------------|-------------------------|--------------------------------------|-------------------|-----------------|-------------------------------|----------------|
| 1993-94 | \$ 36,051,978 | \$ 39,176,583 | \$ 206,878 | \$ 5,550,753 | \$ 80,248,269 | \$ 903,704 | \$ 501,512 | \$ 1,550,636 | \$ 164,190,313 |
| 1994-95 | 27,258,028 | 41,419,816 | 223,186 | 6,042,325 | 87,154,169 | 1,361,506 | 406,410 | 4,295,627 | 168,161,067 |
| 1995-96 | 39,965,035 | 44,586,668 | 236,865 | 6,604,373 | 94,527,172 | 1,262,310 | 515,036 | 1,662,969 | 189,360,428 |
| 1996-97 | 48,649,919 | 48,541,046 | 241,072 | 7,172,449 | 97,193,220 | 927,976 | 108,824 | 1,798,602 | 204,633,108 |
| 1997-98 | 58,194,507 | 52,118,169 | 256,725 | 7,643,219 | 99,258,703 | 972,954 | 191,787 | 1,962,173 | 220,598,237 |
| 1998-99 | 60,817,440 | 57,148,332 | 303,384 | 7,863,772 | 105,775,263 | 1,477,680 | 167,172 | 2,322,465 | 235,875,508 |
| 1999-00 | 63,148,037 | 61,583,871 | 261,743 | 9,455,201 | 108,093,526 | 1,680,737 | 155,303 | 2,695,214 | 247,073,632 |
| 2000-01 | 65,294,451 | 64,667,692 | 165,560 | 9,662,929 | 110,894,639 | 1,589,520 | 655,318 | 2,424,016 | 255,354,125 |
| 2001-02 | 75,088,119 | 67,239,288 | 230,353 | 10,338,568 | 112,258,067 | 778,074 | 515,713 | 5,312,995 | 271,761,177 |
| 2001-02 | 78,721,232 | 72,277,614 | 233,187 | 11,303,671 | 116,959,363 | 439,873 | 550,817 | 7,222,077 | 287,707,834 |

NOTE: In years prior to fiscal year 2001-2002, the Government Services Tax was named Motor Vehicles Privilege Tax.

Source: Washoe County School District Business Office



Washoe County School District
Washoe County, Nevada

Local Tax Support Per Pupil
Last Ten Fiscal Years

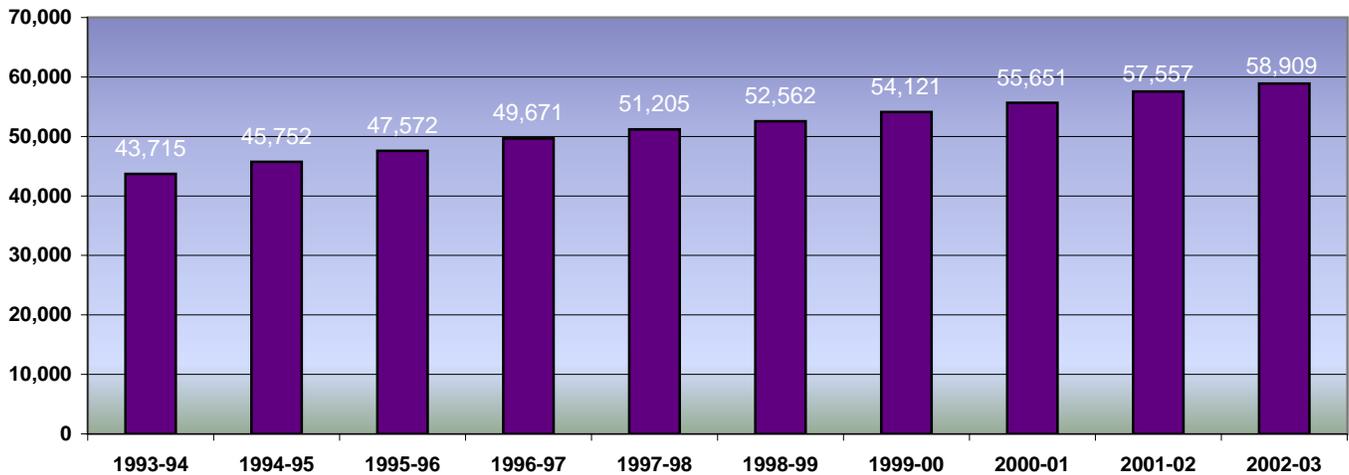
Table H

| Fiscal Year | Student Enrollment | County Assessed Valuation | Assessed Value Per SE | Ad Valorem Tax | Ad Valorem Tax Per SE | School Support Tax | School Support Per SE | Government Services Tax | Government Services Tax Per SE |
|-------------|--------------------|---------------------------|-----------------------|----------------|-----------------------|--------------------|-----------------------|-------------------------|--------------------------------|
| 1993-94 | 43,715 | \$ 5,179,851,368 | \$ 118,491 | \$ 39,176,583 | \$ 896 | \$ 80,248,269 | \$ 1,836 | \$ 5,550,753 | \$ 127 |
| 1994-95 | 45,752 | 5,440,391,018 | 118,910 | 41,419,816 | 905 | 87,154,169 | 1,905 | 6,042,325 | 132 |
| 1995-96 | 47,572 | 5,863,539,334 | 123,256 | 44,586,668 | 937 | 94,527,172 | 1,987 | 6,604,373 | 139 |
| 1996-97 | 49,671 | 6,482,286,575 | 130,504 | 48,541,046 | 977 | 97,193,220 | 1,957 | 7,172,449 | 144 |
| 1997-98 | 51,205 | 6,948,775,738 | 135,705 | 52,118,169 | 1,018 | 99,258,703 | 1,938 | 7,643,219 | 149 |
| 1998-99 | 52,562 | 7,500,857,034 | 142,705 | 57,148,332 | 1,087 | 105,775,263 | 2,012 | 7,863,772 | 150 |
| 1999-00 | 54,121 | 8,085,545,770 | 149,398 | 61,583,871 | 1,138 | 108,093,526 | 1,997 | 9,455,201 | 175 |
| 2000-01 | 55,651 | 8,624,386,889 | 154,973 | 64,667,692 | 1,162 | 110,894,639 | 1,993 | 9,662,929 | 174 |
| 2001-02 | 57,557 | 9,096,697,594 | 158,047 | 67,239,288 | 1,168 | 112,258,067 | 1,950 | 10,338,568 | 180 |
| 2002-03 | 58,909 | 9,461,964,345 (1) | 160,620 | 72,277,614 | 1,227 | 116,959,363 | 1,985 | 11,303,671 | 192 |

(1) Washoe County Comptroller's Office

Student Enrollment (SE): Student enrollment taken at fourth week of school.
SE data provided by the Washoe County School District Public Policy, Accountability & Assessment.

Washoe County School District
Student Enrollment
Ten Year History



Washoe County School District

Washoe County, Nevada

**Property Tax Levies and Collections for All Governments
Last Ten Fiscal Years**

Table I

| Fiscal Year | Net Secured Roll Tax Levy | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collections | Total Collections As Percent of Current Levy | Outstanding Delinquent Taxes | Outstanding Delinquent Taxes As Percent of Current Levy |
|--------------------|----------------------------------|--------------------------------|----------------------------------|-----------------------------------|------------------------------|---|-------------------------------------|--|
| 1993-94 | \$ 152,405,532 | \$ 148,474,493 | 97.421% | \$ 3,899,524 | \$ 152,374,017 | 99.979% | \$ 31,515 | 0.021% |
| 1994-95 | 165,037,382 | 161,793,362 | 98.034% | 3,209,220 | 165,002,582 | 99.979% | 34,800 | 0.021% |
| 1995-96 | 179,262,002 | 176,651,156 | 98.544% | 2,579,009 | 179,230,165 | 99.982% | 31,837 | 0.018% |
| 1996-97 | 197,485,658 | 194,326,837 | 98.400% | 3,122,929 | 197,449,766 | 99.982% | 35,892 | 0.018% |
| 1997-98 | 212,203,187 | 208,715,129 | 98.356% | 3,450,150 | 212,165,279 | 99.982% | 37,908 | 0.018% |
| 1998-99 | 239,267,466 | 235,399,065 | 98.383% | 3,819,929 | 239,218,994 | 99.980% | 48,472 | 0.020% |
| 1999-00 | 261,772,324 | 258,385,749 | 98.706% | 3,320,408 | 261,706,157 | 99.975% | 66,167 | 0.025% |
| 2000-01 | 273,864,229 | 270,702,031 | 98.845% | 2,955,783 | 273,657,814 | 99.925% | 206,415 | 0.075% |
| 2001-02 | 291,602,632 | 288,339,841 | 98.881% | 2,502,711 | 290,842,552 | 99.739% | 760,080 | 0.261% |
| 2002-03 | 320,080,572 | 316,660,506 | 98.931% | - | 316,660,506 | 98.931% | 3,420,066 | 1.069% |

Source: Washoe County Comptroller's Office

Washoe County School District

Washoe County, Nevada

**Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Table J

| Fiscal Year | Real Property | | Personal Property | | Total Property | | Ratio of Assessed Value To Estimated Value |
|-------------|------------------|------------------------|-------------------|------------------------|------------------|------------------------|--|
| | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | Assessed Value | Estimated Actual Value | |
| 1993-94 | \$ 4,800,765,233 | \$ 13,716,472,094 | \$ 379,086,135 | \$ 1,083,103,243 | \$ 5,179,851,368 | \$ 14,799,575,337 | 35.000% |
| 1994-95 | 5,063,646,763 | 14,467,562,180 | 376,744,255 | 1,076,412,157 | 5,440,391,018 | 15,543,974,337 | 35.000% |
| 1995-96 | 5,426,028,813 | 15,502,939,466 | 437,510,521 | 1,250,030,060 | 5,863,539,334 | 16,752,969,526 | 35.000% |
| 1996-97 | 6,043,276,023 | 17,266,502,923 | 439,010,552 | 1,254,315,863 | 6,482,286,575 | 18,520,818,786 | 35.000% |
| 1997-98 | 6,462,337,241 | 18,463,820,689 | 486,438,497 | 1,389,824,277 | 6,948,775,738 | 19,853,644,966 | 35.000% |
| 1998-99 | 6,953,107,345 | 19,866,020,986 | 547,749,689 | 1,564,999,111 | 7,500,857,034 | 21,431,020,097 | 35.000% |
| 1999-00 | 7,531,190,690 | 21,517,687,686 | 554,355,080 | 1,583,871,657 | 8,085,545,770 | 23,101,559,343 | 35.000% |
| 2000-01 | 8,063,195,101 | 23,037,700,289 | 561,191,788 | 1,603,405,109 | 8,624,386,889 | 24,641,105,397 | 35.000% |
| 2001-02 | 8,498,435,597 | 24,281,244,563 | 598,261,997 | 1,709,319,991 | 9,096,697,594 | 25,990,564,554 | 35.000% |
| 2002-03 | 8,564,036,703 | 24,468,676,294 | 897,927,642 | 2,565,507,549 | 9,461,964,345 | 27,034,183,843 | 35.000% |

Source: Washoe County Comptroller's Office

Washoe County School District

Washoe County, Nevada

Property Tax Rates per \$100 Assessed Valuation - All Direct and Overlapping Governments Last Ten Fiscal Years

Table K

| Fiscal Year | Washoe County School District | Washoe County | State of Nevada | Total Washoe County | City of Reno | Total Washoe County | Combined Special District Tax Rate | Total City of Reno | City of Sparks | Total Washoe County | Combined Special District Tax Rate | Total City of Sparks |
|-------------|-------------------------------|---------------|-----------------|---------------------|--------------|---------------------|------------------------------------|--------------------|----------------|---------------------|------------------------------------|----------------------|
| 1992-93 | 1.0835 | 1.2048 | 0.1440 | 2.4323 | 0.7169 | 2.4323 | 0.0050 | 3.1542 | 0.8329 | 2.4323 | 0.0050 | 3.2702 |
| 1993-94 | 1.1135 | 1.2100 | 0.1500 | 2.4735 | 0.7451 | 2.4735 | 0.0050 | 3.2236 | 0.8329 | 2.4735 | 0.0050 | 3.3114 |
| 1994-95 | 1.1135 | 1.2443 | 0.1500 | 2.5078 | 0.7487 | 2.5078 | 0.0050 | 3.2615 | 0.8825 | 2.5078 | 0.0050 | 3.3953 |
| 1995-96 | 1.1135 | 1.2443 | 0.1500 | 2.5078 | 0.7401 | 2.5078 | 0.0050 | 3.2529 | 0.8825 | 2.5078 | 0.0050 | 3.3953 |
| 1996-97 | 1.1135 | 1.2443 | 0.1500 | 2.5078 | 0.7534 | 2.5078 | 0.0050 | 3.2662 | 0.7071 | 2.5078 | 0.0050 | 3.2199 |
| 1997-98 | 1.0985 | 1.2495 | 0.1500 | 2.4980 | 0.8546 | 2.4980 | 0.0000 | 3.3526 | 0.7071 | 2.4980 | 0.0000 | 3.2051 |
| 1998-99 | 1.0985 | 1.2495 | 0.1500 | 2.4980 | 0.9076 | 2.4980 | 0.0000 | 3.4056 | 0.8106 | 2.4980 | 0.0000 | 3.3086 |
| 1999-00 | 1.1385 | 1.2495 | 0.1500 | 2.5380 | 0.9076 | 2.5380 | 0.0000 | 3.4456 | 0.8106 | 2.5380 | 0.0000 | 3.3486 |
| 2000-01 | 1.1385 | 1.2495 | 0.1500 | 2.5380 | 0.9076 | 2.5380 | 0.0000 | 3.4456 | 0.8106 | 2.5380 | 0.0000 | 3.3486 |
| 2002-03 | 1.1385 | 1.3453 | 0.1500 | 2.6338 | 0.9456 | 2.6338 | 0.0005 | 3.5799 | 0.9361 | 2.6338 | 0.0005 | 3.5704 |

Sources: Local Government Red Book
Ad Valorem Tax Rates, Budget Summaries for Nevada Local Governments
Nevada Department of Taxation

Washoe County School District

Washoe County, Nevada

**Principal Taxpayers in Washoe County
Ten Largest for FY 2003-04**

Table L

| Taxpayer | Type of Business | Assessed Valuation | Percent of Total Assessed Valuation |
|---|-------------------------|---------------------------------|--|
| 1. Circus Circus & Eldorado Joint Venture | Hotel / Casino | \$ 81,925,907 | 0.79% |
| 2. Dermody Industrial Group | Warehousing | 45,036,566 | 0.43% |
| 3. DP Industrial LLC | Industrial Real Estate | 39,641,939 | 0.38% |
| 4. Eldorado Resorts LLC | Hotel / Casino | 38,664,878 | 0.37% |
| 5. Harrah's Club | Hotel / Casino | 35,030,934 | 0.34% |
| 6. Washoe Medical Center Inc | Health Care | 34,995,799 | 0.34% |
| 7. Golden Road Motor Inn Inc | Hotel / Casino | 33,679,605 | 0.32% |
| 8. Spark's Nugget Inc | Hotel / Casino | 33,416,166 | 0.32% |
| 9. Circus Circus Casinos Inc | Hotel / Casino | 33,140,526 | 0.32% |
| 10. International Game Technology | Gaming | <u>30,636,288</u> | <u>0.29%</u> |
| SUBTOTAL | | 406,168,608 | 3.90% |
| All Other Taxpayers | | <u>10,003,418,820</u> | <u>96.10%</u> |
| TOTAL ASSESSED VALUATION | | <u><u>\$ 10,409,587,428</u></u> | <u><u>100.00%</u></u> |

Source: Washoe County Assessor's Office

Washoe County School District
Washoe County, Nevada

Computation of Legal Debt Margin
June 30, 2003

Table M

| | |
|--|-------------------------|
| Current Assessed Valuation for 2003/2004 Tax Year | <u>\$10,409,587,428</u> |
| Debt Limit for School Districts - 15% of Assessed Vauation | \$1,561,438,114 |
| Total Washoe County School District Bonded Debt | <u>352,425,000</u> |
| Legal Debt Margin | <u>\$1,209,013,114</u> |

The statutory debt limit for school districts in the State of Nevada is 15% of the assessed value of all taxable property in the county as set forth in Chapter 387.400 of the Nevada Revised Statutes.

Washoe County School District

Washoe County, Nevada

Table N

Last Ten Fiscal Years

| Fiscal Year | Principal | Interest | Total Debt Service | Total General Fund Expenditures | Debt Service/ General Fund Ratio |
|--------------------|------------------|-----------------|---------------------------|--|---|
| 1993-94 | \$ 8,920,000 | \$ 10,199,541 | \$ 19,119,541 | \$ 152,369,371 | 12.55% |
| 1994-95 | 6,860,000 | 14,909,066 | 21,769,066 | 163,998,224 | 13.27% |
| 1995-96 | 4,985,000 | 13,751,480 | 18,736,480 | 177,959,992 | 10.53% |
| 1996-97 | 6,880,000 | 13,405,523 | 20,285,523 | 192,187,446 | 10.56% |
| 1997-98 | 8,455,000 | 12,215,475 | 20,670,475 | 206,376,001 | 10.02% |
| 1998-99 | 9,870,000 | 13,850,078 | 23,720,078 | 216,363,915 | 10.96% |
| 1999-00 | 15,325,000 | 19,023,514 | 34,348,514 | 234,960,258 | 14.62% |
| 2000-01 | 17,475,000 | 20,293,809 | 37,768,809 | 244,489,008 | 15.45% |
| 2001-02 | 20,028,992 | 19,863,055 | 39,892,047 | 255,977,026 | 15.58% |
| 2002-03 | 22,144,229 | 16,407,620 | 38,551,849 | 261,039,474 | 14.77% |

(1)

(1) This data reflects only the Principal and Interest component of Debt Service.

Source: Washoe County School District Business Office

Washoe County School District

Washoe County, Nevada

Table O

**Obligation Bonded Debt Per Capita
Last Ten Fiscal Years**

| Fiscal Year | Population | Assessed Value | Total Bonded Debt Outstanding | Ratio of Bonded Debt to Assessed Value | Bonded Debt Per Capita |
|--------------------|-------------------|-----------------------|--------------------------------------|---|-------------------------------|
| 1993-94 | 274,836 | \$ 5,179,851,368 | \$ 244,505,000 | 4.72% | 890 |
| 1994-95 | 283,178 | 5,440,391,018 | 237,645,000 | 4.37% | 839 |
| 1995-96 | 290,754 | 5,863,539,334 | 232,666,000 | 3.97% | 800 |
| 1996-97 | 298,665 | 6,482,286,575 | 225,780,000 | 3.48% | 756 |
| 1997-98 | 310,500 | 6,948,775,738 | 219,130,000 | 3.15% | 706 |
| 1998-99 | 317,080 | 7,500,857,034 | 277,260,000 | 3.70% | 874 |
| 1999-00 | 326,838 | 8,085,545,770 | 372,135,000 | 4.60% | 1,139 |
| 2000-01 | 333,134 | 8,624,386,889 | 355,190,000 | 4.12% | 1,066 |
| 2001-02 | 341,134 | 9,096,697,594 | 335,985,000 | 3.69% | 985 |
| 2002-03 | 346,680 (1) | 9,461,964,345 (2) | 352,425,000 | 3.72% | 1,017 |

Notes: Population estimates included in years prior to FY 97-98 were obtained from the Washoe County Department of Comprehensive Planning. Beginning with FY 97-98, estimates have been obtained from the Bureau of the Census, U.S. Department of Commerce.

Some assessed values included in prior year's reports reflected preliminary estimates. These amounts have been revised in this year's report and now reflect the final assessed values.

Source: (1) Bureau of the Census, U.S. Department of Commerce.

(2) Washoe County Comptroller's Office

Washoe County School District

Washoe County, Nevada

**Computation of General Obligation
Direct and Overlapping Debt**

Table P

As of June 30, 2003

| Name of Government Unit: | General Obligation Debt <u>Outstanding</u> | Present Self-Supporting General <u>Obligation Debt</u> | Percent Applicable To Washoe County* | Applicable Net Debt |
|---|---|---|---|--------------------------------|
| Washoe County-Governmental Fund Bonds | \$ 147,031,294 | \$ 40,980,431 | 100% | \$106,050,863 |
| Washoe County-Proprietary Fund Bonds | 37,083,854 | 37,083,854 | 100% | - |
| Washoe County-Special Assessment Bonds | 2,178,000 | 2,178,000 | 100% | - |
| Washoe County-South Truckee Meadows GID | 320,000 | 320,000 | 100% | - |
| Washoe County School District | 352,425,000 | - | 100% | 352,425,000 |
| Reno/Sparks Convention/Visitor's Authority | 144,774,771 | 144,774,771 | 100% | - |
| City of Reno | 41,915,000 | - | 100% | 41,915,000 |
| City of Reno-supported by sewer & golf revenues | 7,945,000 | 7,945,000 | 100% | - |
| City of Reno supported by sales tax & room tax revenues | 222,870,000 | 222,870,000 | 100% | - |
| Redevelopment Agency of the City of Reno** | 44,335,000 | - | 100% | 44,335,000 |
| Reno-Special Assessment Bonds (1) | 17,096,557 | 17,096,557 | 100% | - |
| City of Sparks | 4,655,000 | - | 100% | 4,655,000 |
| Redevelopment Agency of the City of Sparks** | 34,100,000 | - | 100% | 34,100,000 |
| Sparks-Sewer/Utility Bonds | 25,440,941 | 25,440,941 | 100% | - |
| Incline Village GID | 19,660,000 | - | 100% | 19,660,000 |
| Sun Valley Water District | 280,000 | - | 100% | 280,000 |
| State Of Nevada | 2,374,868,159 | 1,481,095,000 | | 893,773,159 |
| Total Direct and Overlapping Debt | <u>\$3,476,978,576</u> | <u>\$1,979,784,554</u> | | <u>\$1,497,194,022</u> |

* Percent applicable to Washoe County is a geographic interpretation.

** These are not general obligation bonds.

(1) Special assessment bonds are not general obligations of Washoe County, or the Cities of Reno and Sparks.

If, however, the special assessments collected, with all other available resources, were insufficient to meet debt service requirements of these bonds, the respective bond ordinances require that the deficiency be made up with the governments' general funds.

Source: Washoe County Comptroller's Office

Washoe County School District

Washoe County, Nevada

Demographic Statistics Last Ten Fiscal Years

Table Q

| <u>Fiscal Year</u> | <u>Population</u> | <u>Per Capita Income</u> | <u>School Enrollment</u> | <u>Total Personal Income</u> | <u>Unemployment Rate</u> | <u>Total Labor Force</u> | <u>Construction Activity Total Value</u> | <u>Residential Permits Issued</u> | <u>Taxable Sales</u> | <u>Gross Income From Gaming</u> | <u>Total Passenger Air Traffic</u> |
|--------------------|-------------------|--------------------------|--------------------------|------------------------------|--------------------------|--------------------------|--|-----------------------------------|----------------------|---------------------------------|------------------------------------|
| 1993-94 | 274,836 | \$ 25,320 | 43,715 | \$ 6,958,964,000 | 5.9% | 159,500 | \$ 672,319,705 | 3,004 | \$ 3,276,983,000 | \$ 920,454,000 | 5,037,084 |
| 1994-95 | 283,178 | 26,468 | 45,752 | 7,495,118,000 | 5.5% | 161,300 | 840,697,179 | 2,636 | 3,517,656,000 | 890,898,000 | 5,673,953 |
| 1995-96 | 290,754 | 28,126 | 47,572 | 8,177,812,000 | 4.5% | 163,700 | 773,527,115 | 2,759 | 4,030,257,375 | 1,003,003,000 | 6,178,441 |
| 1996-97 | 298,665 | 28,347 | 49,671 | 8,498,406,000 | 4.2% | 166,300 | 754,369,874 | 7,642 | 4,228,528,576 | 980,778,000 | 6,914,216 |
| 1997-98 | 310,500 | 28,403 | 51,205 | 8,819,000,000 | 3.8% | 170,800 | 813,700,946 | 8,744 | 4,359,037,576 | 1,009,350,000 | 7,047,660 |
| 1998-99 | 317,080 | 29,209 | 52,562 | 9,261,636,000 | 3.8% | 175,200 | 947,247,963 | 9,413 | 4,669,485,533 | 1,038,805,132 | 6,318,665 |
| 1999-00 | 326,838 | 31,643 | 54,121 | 10,342,000,000 | 2.7% | 183,700 | 1,022,515,973 | 9,693 | 4,957,234,787 | 1,121,396,380 | 5,925,944 |
| 2000-01 | 333,134 | 35,343 | 55,651 | 11,773,954,962 | 3.4% | 180,900 | 1,166,876,844 | 10,219 | 5,194,146,044 | 1,113,289,199 | 5,333,101 |
| 2001-02 | 341,134 | 34,879 | 57,557 | 11,898,412,786 | 4.6% | 186,100 | 1,075,616,546 | 9,676 | 5,280,706,327 | 1,049,151,610 | 4,485,369 |
| 2002-03 | 346,680 | 35,988 | 58,909 | 12,476,301,846 | 4.4% | 198,000 | 1,221,547,391 | 11,139 | 5,475,601,736 | 1,032,987,724 | 4,514,225 |
| | (1) | (2) | (3) | (2) | (2) | (2) | (5) | (5) | (6) | (7) | (4) |

Source: (1) Bureau of the Census, U.S. Department of Commerce.
 (2) State of Nevada Employment Security Department-Research & Analysis Bureau
 (3) Washoe County School District
 (4) Reno Airport Authority
 (5) Washoe County Building Department; City of Reno Building Department; City of Sparks Building Department
 (6) State of Nevada Department of Taxation
 (7) State of Nevada Gaming Control

Washoe County School District

Washoe County, Nevada

Property Values and Construction Activity Last Ten Fiscal Years

Table R

| Fiscal Year | Commercial Construction | | Residential Construction | | Miscellaneous | | Property Value | | |
|-------------|-------------------------|-------------|--------------------------|-------------|-------------------|-------------|----------------|---------------|-------------|
| | Number of Permits | Value | Number of Permits | Value | Number of Permits | Value | Residential | Commercial | Industrial |
| 1993-94 | 356 | 180,021,386 | 3,004 | 310,911,349 | 10,392 | 181,386,970 | 3,559,149,394 | 1,448,663,911 | 339,383,263 |
| 1994-95 | 459 | 376,442,992 | 2,636 | 284,672,823 | 10,965 | 179,581,364 | 3,792,588,859 | 1,535,069,817 | 364,548,883 |
| 1995-96 | 450 | 254,931,073 | 2,759 | 299,295,558 | 9,894 | 219,300,484 | 4,095,695,479 | 1,789,729,667 | 400,848,530 |
| 1996-97 | 3,142 | 258,873,217 | 7,642 | 462,386,040 | 4,372 | 33,110,617 | 4,455,026,407 | 1,920,041,972 | 467,018,226 |
| 1997-98 | 554 | 222,395,223 | 8,744 | 552,723,149 | 3,572 | 38,582,574 | 5,471,143,270 | 2,062,946,653 | 569,512,125 |
| 1998-99 | 593 | 245,345,315 | 9,413 | 661,945,875 | 2,548 | 39,956,773 | 5,874,220,839 | 2,196,919,746 | 601,523,402 |
| 1999-00 | 572 | 279,570,906 | 9,693 | 703,569,081 | 2,811 | 39,375,986 | 6,246,994,548 | 2,218,614,338 | 638,010,868 |
| 2000-01 | 508 | 344,200,534 | 10,219 | 787,551,366 | 2,545 | 35,124,944 | 6,488,637,393 | 2,244,740,101 | 679,762,127 |
| 2001-02 | 421 | 238,322,000 | 9,676 | 794,619,586 | 2,804 | 42,674,960 | 7,179,117,056 | 2,294,031,914 | 714,336,167 |
| 2002-03 | 450 | 216,057,447 | 11,139 | 962,923,188 | 2,582 | 42,566,756 | 7,885,462,769 | 2,099,691,893 | 720,840,723 |
| | (1) | (1) | (1) | (1) | (1)(a) | (1)(a) | (2)(b) | (2)(b) | (2)(b) |

(a) Miscellaneous permits are for remodeling, minor additions, etc., for Washoe County and the City of Sparks.

Remodeling and minor additions for the City of Reno are included in either commercial or residential categories as appropriate.

(b) These property values represent gross assessed values and will not equal the net assessed valuations provided by Nevada Department of Taxation.

Source: (1) Washoe County Building Department; City of Reno Building Department; City of Sparks Building Department

(2) Washoe County Comptroller

Washoe County School District
Washoe County, Nevada

Insurance Coverages and Limits
June 30, 2003

Table S

| Type of Coverage | Company | Limitations | Deductibles or Retentions | Annual Premium |
|-----------------------|-----------------------|-------------------------------------|------------------------------------|----------------------|
| Property | F.M. Global | \$500,000,000 | \$50,000 / Occurrence | \$600,375 |
| Flood | Omaha P/C Flood Pgm | \$500,000 | \$1,000 or \$5,000 / Occurrence | 22,206 |
| Crime Coverage | Great American Ins. | \$2,000,000 Faithful Performance | \$10,000 / Occurrence | 6,367 |
| Boiler & Machinery | Hartford Steam Boiler | \$25 million | \$10,000 / Accident | 22,008 |
| Errors & Omissions | Genesis | \$10,000,000 / Occurrence | \$300,000 / Occurrence | Included in Gen Liab |
| General Liability | Genesis | \$10,000,000 / Occurrence | \$300,000 / Occurrence | 492,820 |
| Auto Liability | Genesis | \$10,000,000 / Occurrence | \$300,000 / Occurrence | Included in Gen Liab |
| Earthquake | F.M. Global | \$25,000,000 | 3% / Location \$100,000 Minimum | Included in Property |
| Workers' Compensation | Midwest Employers | Statutory | \$275,000 / Accident | 58,508 |
| | | | Total | <u>\$1,202,284</u> |

Source: Washoe County School District Risk Management Office

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Compliance & Controls

-  Information Required Pursuant to the Single Audit Act
-  Auditor's Comments/Reports Pursuant to Nevada Revised Statutes

KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Compliance and on Internal
Control Over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Board of Trustees of the
Washoe County School District,
Washoe County, Nevada

We have audited the basic financial statements of the Washoe County School District, Washoe County, Nevada (the "District"), as of and for the year ended June 30, 2003, and have issued our report thereon dated October 3, 2003. 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.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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*. We also noted certain immaterial instances of noncompliance, which we have reported to management of the District in a separate letter dated October 3, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to management of the District in a separate letter dated October 3, 2003.

This report is intended solely for the information and use of management, Board of Trustees, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Reno, Nevada
October 3, 2003

KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Compliance with Requirements
Applicable to each Major Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133**

To the Board of Trustees
of the Washoe County School District
Washoe County, Nevada

Compliance

We have audited the compliance of the Washoe County School District, Washoe County, Nevada (the "District") with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2003. The District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District'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. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 03-1.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted one matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the District's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 03-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that the reportable condition described above is not a material weakness.

This report is intended solely for the information and use of the management, Board of Trustees, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Kafoury, Armstrong & Co.

Reno, Nevada
October 3, 2003

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003
(Page 1 of 5)

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | AGENCY OR PASS-THROUGH NUMBER | FEDERAL EXPENDITURES |
|--|---------------------------|-------------------------------------|-------------------------|
| <u>U.S. Department of Education:</u> | | | |
| DIRECT - Impact Aid PL 81-874 | 84.041 | n/a | \$ 171,642 |
| DIRECT - Title IX - Indian Education | 84.060A | S060A021031 | 253,634 |
| DIRECT - 21st Century Grant # 1 | 84.287A | R287A990260-01 | 391,955 |
| DIRECT - 21st Century Grant # 2 Rural Schools | 84.287B | S287B010410-02 | 309,322 |
| DIRECT - 21st Century Grant # 3 Urban Schools | 84.287A | S287A012654-02 | 1,079,360 |
| | | | <u>1,780,637</u> |
| DIRECT - Teaching American History | 84.215X | S215X010302 | 220,451 |
| DIRECT - Title VII Bilingual Education COW Bus | 84.288S | T288S010220-02 | 180,628 |
| DIRECT - IGRAD School Dropout Prevention | 84.360A | S360A020128 | 167,104 |
| Total Direct | | | <u>2,774,096</u> |
| <u>Passed through the State of Nevada Department of Education</u> | | | |
| Special Education Cluster | | | |
| PL 105-17 - Individuals with Disabilities Education Act | 84.027 | 03-2715-16 | 5,228,511 |
| PL 105-17 - Special Education Case Load Reduction | 84.027 | 03-2715-36 | 915,307 |
| PL 105-17 - Early Childhood Education | 84.173 | 03-2715-56 | 346,395 |
| Total Special Education Cluster | | | <u>6,490,213</u> |
| Title I - Basic | 84.010 | 2003-271221 | 6,385,818 |
| Title I - Anderson School Improvement | 84.010 | 2003-2712-95-AE | 5,000 |
| Title I - Sierra Vista School Improvement | 84.010 | 2003-2712-96-SVE | 5,000 |
| | | | <u>6,395,818</u> |
| Title I - Even Start | 84.213C | 2003-2712-64 | 141,474 |
| Title I - Migrant | 84.011 | 2003-271231 | 58,696 |
| Title I - Accountability, 7 Elementary Schools | 84.348A | 2003-271250 | 268,076 |
| PL 101-392 - Carl D Perkins Basic/Reserve/Non-Traditional | 84.048A | 03-2676-16 | 562,697 |
| Immigrant Education Grant | 84.162 | 2002-270926 | 530 |
| Title IV - Safe & Drug-Free Schools & Community | 84.186 | 03-260521 | 240,120 |
| McKinney Homeless | 84.196 | 2003-2709-43 | 25,762 |

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003

(Page 2 of 5)

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | AGENCY OR PASS-THROUGH NUMBER | FEDERAL EXPENDITURES |
|---|---------------------------|-------------------------------------|-------------------------|
| Nevada Goals 2000 | 84.276A | 2002-2706-47 | \$ 6,679 |
| Federal STC - Supplemental Transition Close Out | 84.278 | 01-2678-20 | 13,627 |
| Federal STC - Workers Compensation | 84.278 | 00-2678-20 | 606 |
| Federal STC - Supplemental Transition | 84.278 | 01-2678-20 | 33,237 |
| Federal STC - Transition Services Valpar Competitive | 84.278 | 01-2678-20 | 5,494 |
| Federal STC - Career Trek Competitive | 84.278 | 01-2678-20 | 195 |
| Federal STC - Counselor Training Competitive | 84.278 | 01-2678-20 | 110 |
| | | | <u>53,269</u> |
| PL 103-382 D. D. Eisenhower Professional Development | 84.281 | 02-2713-27 | <u>50,780</u> |
| 21st Century Grant - Smithridge | 84.287 | 2003-2709-140 | <u>50,319</u> |
| Title V - PL 103-382 Innovative Programs * | 84.298 | 03-2713-16 | <u>367,807</u> |
| PL 103-382 Technology Literacy Challenge | 84.318 | 2002-2706-18 | 41,160 |
| Title II, Part D - Formula | 84.318 | 03-2713-76 | 185,826 |
| Title II, Part D - Competitive | 84.318 | 03-2713-86 | 40,774 |
| | | | <u>267,760</u> |
| Advanced Placement Incentive | 84.330 | 2003-270913 | <u>28,073</u> |
| PL 105-79 CSRD # 1 - Original | 84.332 | 2002-271246 | 2,965 |
| PL 105-79 CSRD # 2 - North Valley Consortium | 84.332 | 2003-271247 | 114,994 |
| PL 105-79 CSRD # 3 - Greenbrae ES | 84.332 | 2003-271274 | 103,994 |
| PL 105-79 CSRD # 4 - Corbett ES | 84.332 | 2003-2712-80 | 13,506 |
| PL 105-79 CSRD # 4 - Hug HS | 84.332 | 2003-2712-81 | 26,533 |
| | | | <u>261,992</u> |
| Gear Up Program 34 CRF 964 Traner MS | 84.334S | 03-2678-12 | <u>40,177</u> |
| Teacher Quality Enhancement | 84.336A | 2003-270903 | <u>49,356</u> |
| Reading Excellence Act | 84.338 | 03-2709-67 | 711,619 |
| REA - UNR Professor | 84.338 | n/a | 66,934 |
| REA - Tutorial Mathews | 84.338 | 02-2709-87 | 42,323 |
| REA - Tutorial Sierra Vista | 84.338 | 03-2709-69 | 26,770 |
| REA - Caserta-Henry | 84.338 | 03-2709-82 | 80,646 |
| | | | <u>928,292</u> |
| Title II, Part A | 84.340 | 03-2706-51 | 377,976 |
| Title VI - Class Size Reduction | 84.340 | 02-2706-66 | <u>950</u> |
| | | | <u>378,926</u> |

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003
(Page 3 of 5)

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | AGENCY OR PASS-THROUGH NUMBER | FEDERAL EXPENDITURES |
|---|---------------------------|-------------------------------------|-------------------------|
| PL 105-17 - School Renovation, IDEA & Technology | 84.352 | 2003-2709122 | \$ 19,819 |
| Title III - English Language Acquisition, LEP | 84.365A | 2003-270926 | 491,215 |
| Title III - English Language Acquisition, Immigrant Education | 84.365A | 2003-270937 | 130,046 |
| | | | <u>621,261</u> |
| Title V, Pl 103-382 - Innovative Programs | 84.367 | 03-2713-27 | 621,770 |
| Title II, Part A * | 84.367 | 03-2713-27 | 1,086,967 |
| | | | <u>1,708,737</u> |
| Learn and Serve America | 94.004 | 03-2706-05 | 30,057 |
| | | | <u>30,057</u> |
| Total Funding Passed through the State of Nevada Department of Education | | | <u>19,046,690</u> |
| <i>Passed through the YMCA</i> | | | |
| YMCA 21st Century Grant - Anderson ES | 84.287 | 2003-2709-141 | 9,279 |
| | | | <u>9,279</u> |
| Total U.S. Department of Education | | | <u>21,830,065</u> |
| *CFDA 84.367 contains \$621,770 transferred from Title II to Title V through "No Child Left Behind" transferability provisions. | | | |
| <u>U.S. Department of Agriculture:</u> | | | |
| <i>Passed through the State Department of General Services</i> | | | |
| Commodity Foods/Food Distribution Program** | 10.550 | | 730,923 |
| | | | <u>730,923</u> |
| <i>Passed through State of Nevada Department of Education</i> | | | |
| Child Nutrition Cluster | | | |
| School Breakfast Program | 10.553 | | 1,241,847 |
| National School Lunch Program | 10.555 | | 5,617,600 |
| Special Milk Program | 10.556 | | 1,628 |
| Total Child Nutrition Cluster | | | <u>6,861,075</u> |
| <i>Passed through University of Nevada Reno</i> | | | |
| Growing Green Kids: Nutrition Education | 10.574 | | 5,229 |
| | | | <u>5,229</u> |
| Total U.S. Department of Agriculture | | | <u>7,597,227</u> |

** Amounts shown as expenditures represent the value of commodity foods received by the District.

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003
(Page 4 of 5)

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | AGENCY OR PASS-THROUGH NUMBER | FEDERAL EXPENDITURES |
|---|---------------------------|-------------------------------------|-------------------------|
| <u>U.S. Department of Health and Human Services:</u> | | | |
| <i>Passed through Nevada Department of Human Resources</i> | | | |
| Title IV-B FRC Coalition CY 2002 | 93.556 | IV-B 00-02/127 | \$ 38,972 |
| Title IV-B FRC Coalition CY 2003 | 93.556 | IV-B 02-05/127 | 91,367 |
| | | | 130,339 |
| BADA - World of Wooster: An Odyssey | 93.959 | 03075PX | 351 |
| BADA - P.O.W.E.R | 93.959 | 03072PX | 52,461 |
| BADA - Family Strengthening | 93.959 | 03126PX | 61,796 |
| | | | 114,608 |
| Title XX - Life Services COW Bus | 93.667 | n/a | 28,120 |
| Children's Trust Fund NorthEast FRC | 93.669 | 93.669 | 37,000 |
| Children's Trust Fund Ribera FRC | 93.669 | 93.669 | 18,000 |
| | | | 55,000 |
| | | | 328,067 |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| <i>Passed through Washoe County</i> | | | |
| WCHSC - CDBG Washoe County | 14.218 | n/a | 60,479 |
| | | | 60,479 |
| <u>U.S. Department of Justice</u> | | | |
| <i>Passed through Nevada Department of Juvenile Justice</i> | | | |
| Title V - NovaNet Summer AIP | 16.548 | n/a | 9,840 |
| <i>Passed through Reno Police Department</i> | | | |
| Police Byrne Anti-Gang Task Force | 16.579 | 02-NC-032 | 30,434 |
| | | | 40,274 |
| <u>U.S. Department of Libraries and Archives</u> | | | |
| <i>Passed through Nevada Department of Museums, Library and Arts</i> | | | |
| LSTA - Swope Library Grant | 45.310 | LSTA 2003-14 | 209 |
| LSTA - Allen Library Grant | 45.310 | LSTA 2001-26 | 1,905 |
| | | | 2,114 |
| <u>U.S. Department of Corporation for National and Community Service</u> | | | |

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2003
(Page 5 of 5)

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | AGENCY OR PASS-THROUGH NUMBER | FEDERAL EXPENDITURES |
|--|---------------------------|-------------------------------------|-------------------------|
| DIRECT- Americorps Grant | 94.006 | 99ARCNV029 | \$ 32,977 |
| DIRECT- Americorps VISTA Grant | 94.013 | 01VPPNV006 | 102,878 |
| Total U.S. Department of Corporation for National and Community Service | | | 135,855 |
| <u>U.S. Department of Labor</u> | | | |
| <i>Passed through Nevada Department of Welfare</i> | | | |
| Apprenticeship Training Base Grant | 93.575 | n/a | 388,802 |
| Apprenticeship Accreditation Grant | 93.575 | n/a | 235,685 |
| Total U.S. Department of Labor | | | 624,487 |
| <u>U.S. Federal Emergency Management Agency (FEMA)</u> | | | |
| DIRECT - FRC Coalition Emergency Food & Shelter | 83.523 | n/a | 10,067 |
| Total U.S. Federal Emergency Management Agency | | | 10,067 |
| TOTAL | | | \$ 30,628,635 |

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003

Summary of Auditor's Results:

- Kafoury, Armstrong & Co. issued an unqualified opinion on the basic financial statements of Washoe County School District for the year ended June 30, 2003.
- The audit disclosed no instances of noncompliance which were material to the financial statements of Washoe County School District.
- The audit of the financial statements disclosed no reportable conditions.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major programs of Washoe County School District.
- One reportable condition in internal control over major federal award programs disclosed during the audit is reported as finding 03-1. This reportable condition is not reported as a material weakness.
- Washoe County School District had seven major programs for the year ended June 30, 2003, as follows:

Commodity Food Distribution Program – CFDA #10.550

Child Nutrition Cluster – CFDA #10.553 & 10.555

21st Century Community Learning Centers – CFDA # 84.287A

Title II, Part A – CFDA #84.367

Title III, English Language Acquisition – CFDA #84.365A

Title V, Innovative Education – CFDA #84.298

Reading Excellence – CFDA #84.338

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2003, was \$918,859.
- Washoe County School District qualified as a low risk auditee for the year ended June 30, 2003 under the criteria set forth in section .530 of OMB Circular A-133.

Findings Relating to the Financial Statements Reported in Accordance with Generally Accepted Governmental Auditing Standards (GAGAS):

There were no such findings in relation to the financial statement audit of Washoe County School District for the year ended June 30, 2003.

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003

Findings and Questioned Costs for Federal Awards:

DEPARTMENT OF EDUCATION:

Finding 03-1:

English Language Acquisition Grants, CFDA 84.365A.

| | |
|--------------------------------|--|
| <i>Grant Award Number:</i> | Affects all grant awards included under CFDA 84.365A. |
| <i>Condition and Criteria:</i> | The Circular A-133 Compliance Supplement states that the educational agency receiving financial assistance for this program must provide eligible private school children and their teachers or other educational personnel with equitable services or benefits. During testing of this program it was noted that the District did not engage in consultation with private school officials regarding the program opportunities available. |
| <i>Questioned Cost:</i> | None. |
| <i>Context:</i> | The condition noted above appears to be a systemic problem. |
| <i>Effect:</i> | Benefits were not made available to private school children and personnel. |
| <i>Cause:</i> | The Program Coordinator and Grant Analyst at the District were not aware of the requirement to conduct timely consultation with private school officials to determine the kind of educational services to provide to private school children and personnel. Controls were not in place to ensure that private schools were included in program services. |
| <i>Recommendation:</i> | The control procedures for contacting and consulting with private schools that are currently in place at the District for Title II and Title V programs should be applied to the Title III – English Language Acquisition grant. |

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2003

Findings and Questioned Costs for Federal Awards:

DEPARTMENT OF EDUCATION:

Management's Response to Finding 03-1:

This fiscal year was the first year HR 1 and the No Child Left Behind Act were mandated and prior to that time the District was not required to provide consultation for private schools. During this time the District's Specialist responsible for this requirement resigned in September of 2002 and a replacement was not found until January 2003.

The District's ESL program now has a control procedure for contacting and consulting with private and charter schools in place. A letter was sent on July 3, 2003 to 53 private and charter schools in Washoe County. These schools were invited to participate in Title III activities. In addition, the schools were invited to send a representative to participate in the 2003-2004 planning session for the Title III Limited English and Immigrant Student grant. The meeting was held on September 3, 2003.

WASHOE COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2003

There were no audit findings or questioned costs for the year ended June 30, 2002.

KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANT'S REPORT ON
NEVADA REVISED STATUTE 354.6241**

To the Board of Trustees of the
Washoe County School District
Washoe County, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624 (5) (a):

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2003 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2003 (except as previously noted under statute compliance),
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of the Washoe County School District.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

Kafoury, Armstrong & Co.

Reno, Nevada
October 3, 2003

WASHOE COUNTY SCHOOL DISTRICT
JUNE 30, 2003

AUDITOR'S COMMENTS

STATUTE COMPLIANCE

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

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The Washoe County School District conformed to all significant statutory constraints on its financial administration for the year ended June 30, 2002.

PRIOR YEAR RECOMMENDATIONS

There were no recommendations made in the audit report for the year ended June 30, 2003.

CURRENT YEAR RECOMMENDATIONS

We did not find any financial weaknesses of a magnitude to justify inclusion within our report. Our audit did identify recommendations to improve procedures and accountability that have been included in our management letter, dated October 3, 2003.

NEVADA REVISED STATUTE

354.6113
JUNE 30, 2003

Nevada Revised Statute 354.6113 requires a statement from the auditor indicating whether the local government has complied with the provisions of this subsection. There were no funds created during 2002-2003 under this authority.

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