

Washoe County School District - Reno, Nevada

Fiscal Year Ended June 30, 2007

Comprehensive

Annual

Financial

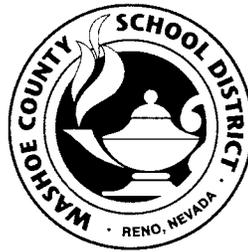
Report



Washoe County School District

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2007



Prepared By:
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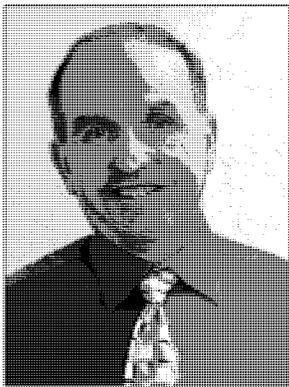
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Washoe County School District Superintendent & Board of Trustees



Paul Dugan
Superintendent



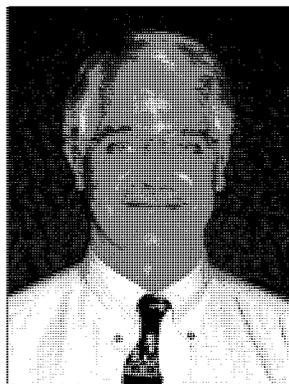
Jody Ruggiero
Board of Trustees
President



Barbara Price
Board of Trustees
Vice President



Jonnie Pullman
Board of Trustees
Clerk



Dan Carne
Board of Trustees
Member



Barbara Clark
Board of Trustees
Member



Nancy Hollinger
Board of Trustees
Member



Lezlie Porter
Board of Trustees
Member

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2007

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Excellence in Financial Reporting*



Washoe County School District

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Board of Trustees: Jody Ruggiero, President • Barbara Price, Vice President • Jonnie Pullman, Clerk
Dan Carne • Barbara Clark • Nancy Hollinger • Lezlie Porter • Paul Dugan, Superintendent

October 22, 2007

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, 2007, 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's 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.

Kafoury, Armstrong & Co., Certified Public Accountants, have issued an unqualified ("clean") opinion on the District's financial statements for the year ended June 30, 2007. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

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 local, state, and federal programs. As with all school districts in Nevada, its boundaries are conterminous with the County. During fiscal year 2006-07, the District operated sixty-four elementary schools (including one special education facility), fifteen middle schools, and fourteen high schools (including two alternative high schools). The District employed approximately 8,528 employees (certified, classified, administrative and substitutes) and served 63,044 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.

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. The budget is approved by the Board of Trustees through public hearings and is submitted to the Nevada Tax Commission for compliance review.

LOCAL ECONOMY

The District is located in the northwestern part of the State of Nevada in the boundaries designated as Washoe County. The County itself is the second largest (population wise) in the State 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 62.7 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 2006-2007 fiscal period is 415,775, which reflects a 26.8% increase over the 1997-98 population of 327,899. Over the last year, the County population is forecasted to increase by 6,690 or 1.64%. The annual labor force of the County is estimated at 222,610 at the end of June 2007, and the unemployment rate was established at a fiscal year average of 4.2% compared to 4.0% last year. This can be compared to the United States unemployment rate of 4.5% for the same period.

Other indicators of the economy in the County are reflected in taxable sales that decreased (.59%) compared to an 8.35% increase in the prior year. Air traffic in Reno is down (2.63%), while gross income from gaming was down (.31%). Additionally, sales of existing homes decreased (250) or (5.08%) while new family units were at 557 compared to 851 in the prior year. The County experienced expansive property value growth for two plus years in 2003 to 2005, this growth has softened in the last two years as the market adjusts for the larger than average growth. In summary, Washoe County's economy has experienced some slower growth and improvement, when compared to similar statistics in recent business cycles.

LONG-TERM FINANCIAL PLANNING

In 2007, the Chief Financial Officer continued to provide recommendations of “best practices” for financial policies for adoption by the District as directed by the Board of Trustees. The process is expected to continue during the next fiscal year. The Board approved financial policies regarding a minimum contingency budget and a minimum budgeted ending fund balance starting in fiscal year 2007-2008. Work began on internal service fund policies with final approval expected for fiscal year 2008-2009. The District intends to continue this strategy of improving its financial policies and the goal of maintaining prudent reserves.

The Board has adopted the Vision 2015 Plan, a long-range facility planning process, as a tool for evaluating and recommending future capital project plans for the Rollover Bond program. The District also has projected its facility needs through 2012 and has a 5-year Capital Improvement Plan that estimates capital construction needs in more detail.

The District is continuing its efforts to address the overall funding issue of the retiree health insurance unfunded liability that the District will start recognizing in fiscal year 2008 in accordance with the two new GASB pronouncements. The District has already set up a pre-funding fund that is expected to have \$18 million available in it during fiscal year 2008. The budgeted transfer to this fund is \$5 million for fiscal year 2008. The Nevada Legislature passed Senate Bill 457 in 2007, which allows for the creation of a trust to be used for funding the retiree health insurance liability. The District has initiated the setting up a new pension-type trust fund to be used for funding the retiree costs and liability in 2008. Updated actuarial studies have been completed and the new trust fund will be operational by June 30, 2008. The Legislature sunsetted entrance of retirees into the Public Employees Benefit Program as of November 29, 2008, resulting in making that program a closed plan after that date. This change results in a substantial reduction of the actuarial liability and annual required contributions for the District.

MAJOR INITIATIVES

Enrollment Analysis

In the last three fiscal years the District has experienced a flattening of our enrollment growth. More specifically the District grew by 1.09% or 688 students in the fiscal year ending June 30, 2007 compared to .5% or 283 students in the prior year. For fiscal year 2007-2008 we just completed our enrollment count and the District grew by .94% or 594 students. Prior to this, the District experienced growth that averaged about 2.8% over the last seven years. To better understand the slower growth in enrollment, the District looked to local experts to analyze our enrollment data. Consisting of realtors, developers, city and county planners and the State Demographer, the group concluded that our experience appears to reflect a major shift in the local housing market. The escalation in housing prices appears to have squeezed out young families. Attracted to the area in increasing numbers are older “empty-nesters” and retirees. Moving forward, slower enrollment growth will require us to be more conservative in our budgeting practices. Additionally, planners in our Capital Projects and Planning area will need to continue to work closely with local developers and monitor this situation.

Building Needs

Building new schools to address growth is important but equally important is maintaining our existing schools. Over half of the District’s schools are over twenty years old and of that amount, approximately 38% are over forty years old. With these aging schools comes needed repairs and upgrades to technology to close the gap between older schools and new ones. In 2007, the District went to the legislature seeking additional funding options to address an estimated \$500 million deficit needed to finance the construction of new schools and rehabilitating older schools. What came out of the legislature was an agreement to delegate

this problem to a fifteen member committee made up of various Washoe County interests. They include legislative representatives, representatives from various business interests, citizens and school district participants. The charge of this committee is to craft a broad based ballot question that addresses the District's funding shortfall which will be presented to the voters of Washoe County for their consideration in the November 2008 election.

District Governance

The Board of Trustees has now operated under a new model of governance over the last year. Focusing on "High Impact Governing" they have dedicated three board meetings each month to the specific areas of "budgeting and planning," "performance monitoring" and "external relations." This new structure is designed to allow detailed staff reports and in-depth discussion. As part of this new governance, the District did receive its certification under the ISO: 9001-2000 program. This Continuous Systems Improvement project was undertaken to improve every service that the District offers to the schools. To maintain this certification, the District is audited twice a year.

New Curriculum Programs

The District has introduced the Gateway Curriculum at the high school level. Starting with the 2006-2007 freshman class all students are automatically enrolled in three years of science and four years of math, and they will be required to carry a full class load their senior year. In the past, as we looked at course-taking patterns, there was a disturbing divide between majority and minority students. Our minority students were not challenging themselves with junior and senior level math and science classes. This program puts an end to that not so subtle "discrimination of low expectations." As the name of the program implies, high school should be the gateway to success, not a gatekeeper where students are sifted and sorted by income, race or ethnicity.

Lastly, at the recommendation of the Governor, the legislature approved the creation of Empowerment Schools at school districts within the state. An empowerment school is a school in which the key decision-making rests with the people closest to the students – namely, the principal in collaboration with the staff and school community. Categories, which are affected by this new "shared decision-making" model, include budgeting, staff allocations, schedules, professional development, instructional practices, curriculum and other organizational elements.

During this fiscal year, District staff will be planning the creation of five empowerment schools at the elementary, middle and high school level. Existing schools will apply to be one of the five new empowerment schools in the District. These empowerment schools will begin operating in Fiscal Year 2008-09.

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 judgments 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.

AWARDS AND ACKNOWLEDGMENTS

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, 2006. This is the sixth 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 principles and applicable legal requirements.

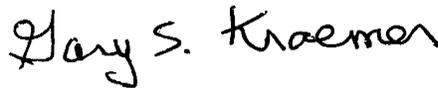
A Certificate of Achievement is valid for one year. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate. Prior to this award, the District only applied for the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting award and received this award for eight consecutive years.

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 & Co., 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,



Paul S. Dugan
Superintendent



Gary S. Kraemer, CPA
Chief Financial Officer

Washoe County School District Reno, Nevada



District Officials For Fiscal Year Ended June 30, 2007

Board Of Trustees

Jody Ruggiero
President

Barbara Price
Vice President

Jonnie Pullman
Clerk

Dan Carne
Member

Barbara Clark
Member

Nancy Hollinger
Member

Leslie Porter
Member

Administrative Officials

Paul Dugan
Superintendent

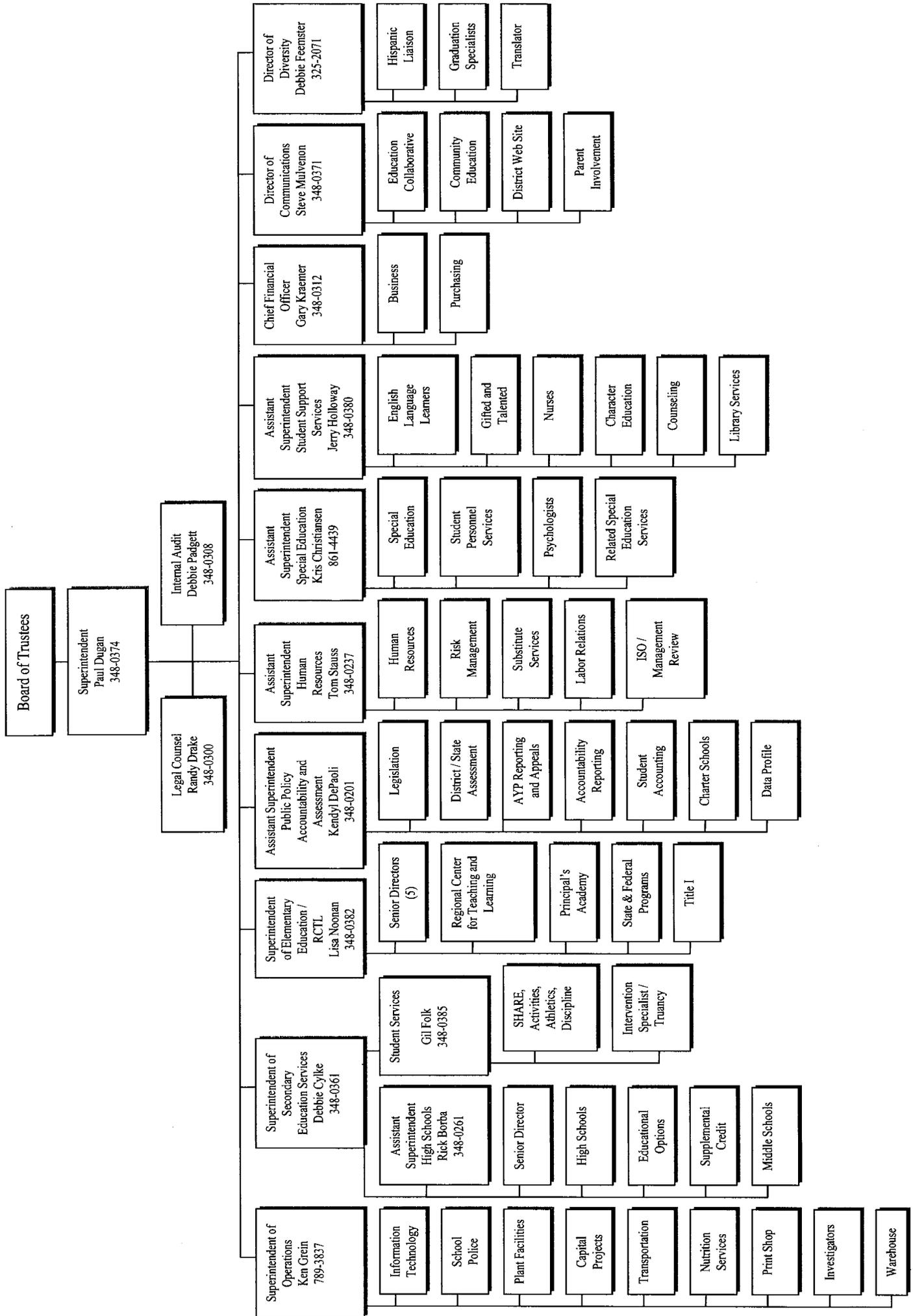
Elisabeth Noonan, Ed.D.
Superintendent, Elementary Education

Debbie Cylke
Superintendent, Secondary Education

Ken Grein
Superintendent of Operations

Gary Kraemer, CPA
Chief Financial Officer
Business & Financial Services

WASHOE COUNTY SCHOOL DISTRICT ORGANIZATIONAL CHART 2006-2007



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, 2006

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

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, the business-type 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, 2007, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Special Education 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 22, 2007 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis on pages 3 through 16 is not a required part of the basic financial statements but is supplementary information required by 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 Introductory Section, nonmajor combining and individual fund financial statements and schedules, Schedules of Capital Assets Used in the Operation of Governmental Funds, 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*) and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The nonmajor combining and individual fund financial statements and schedules, Schedules of Capital Assets Used in the Operation of Governmental Funds, 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 Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Kafoury, Armstrong & Co.

Reno, Nevada
October 22, 2007

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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

- Government-wide net assets increased by \$39.7 million to \$275.9 million.
- Unrestricted net assets increased or improved by \$9.9 million to \$31 million.
- The District's total revenues increased by \$46.9 million to \$558.8 million. The most significant revenues are local school support taxes (sales tax) at \$156.9 million, property tax (Ad Valorem) at \$150.4 million and state aid at \$92.1 million.
- The District's total expenses increased by \$42.2 million to \$519.1 million. The most significant expenses were in regular instruction at \$237.5 million, operation and maintenance at \$45.2 million and special education instruction at \$43.6 million.
- Net capital assets increased to \$540.3 million. Major additions include \$2.4 million for Cold Springs Middle School, \$1.5 million for Shaw Middle School, \$1.4 million for Hall Elementary, \$.4 million for Sepulveda Elementary, \$1.1 million in School Additions, \$11.8 million for School Renewal and \$1.4 million for All Day Kindergarten. Depreciation expense totaling \$15.6 million is included in the government-wide statements.
- The District's general obligation bonds payable increased by \$41 million or 9.44%. This is the result of the issuance of \$65 million in bond rollover debt, \$27 million of debt payments and net refunded debt of \$3 million.
- The District maintained an Aa3 bond rating with a stable outlook from Moody's Investor Service, improved to A+ from an A with a stable outlook from Standard and Poor's Corporation and received an initial AA- with a stable outlook from Fitch Ratings. The stable outlook reflects the expectation that the District's financial reserves will remain at least at or above current levels.

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 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.

Both of the government-wide financial statements distinguish functions that are supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are

**WASHOE COUNTY SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District's funds 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 40 individual governmental funds of which the general, special education, debt service, 2007 bond rollover, 2006 bond rollover, 2005 bond rollover, 2003 bond rollover 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 33 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. Enterprise funds are used to report an activity where a fee is charged to external users. The District's sole enterprise fund, the Nutrition Services Enterprise Fund, is used to account for the nutrition service operation of the District. 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 its self-insurance 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 along with the sole enterprise fund in a separate column. Individual fund data for the internal service funds and the enterprise fund 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. The District has three fiduciary funds which are the Student Activities for schools in the district, an 80/5 Salary Plan for employees and the Nevada Interscholastic Athletic Association for all school districts in Nevada.

Notes to the Financial Statements

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

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Other

In addition to the basic financial statements and accompanying notes, this report presents certain *required supplementary information* concerning the District's General and Special Education funds. Required supplementary information can be found on pages 27 and 28 of this report.

Supplementary information, including combining and 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 assets, revenues and expenses.

WASHOE COUNTY SCHOOL DISTRICT'S NET ASSETS

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Assets						
Current and other assets	\$ 343,893,231	\$ 281,125,736	\$ 3,577,979	\$ 3,765,719	\$ 347,471,210	\$ 284,891,455
Net capital assets	540,302,754	535,371,741	503,245	542,397	540,805,999	535,914,138
Total assets	884,195,985	816,497,477	4,081,224	4,308,116	888,277,209	820,805,593
Liabilities						
Current liabilities	116,101,842	124,476,022	910,234	608,979	117,012,076	125,085,001
Long-term liabilities	495,404,263	459,563,730	-	-	495,404,263	459,563,730
Total liabilities	611,506,105	584,039,752	910,234	608,979	612,416,339	584,648,731
Net Assets						
Invested in capital assets, net of related debt	146,148,691	136,809,928	503,245	542,397	146,651,936	137,352,325
Restricted	98,216,742	77,735,351	-	-	98,216,742	77,735,351
Unrestricted	28,324,447	17,912,446	2,667,745	3,156,740	30,992,192	21,069,186
Total net assets	\$ 272,689,880	\$ 232,457,725	\$ 3,170,990	\$ 3,699,137	\$ 275,860,870	\$ 236,156,862

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 \$275.9 million at June 30, 2007. The largest portion of net assets (53.2%) 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, 2007, the District had unrestricted net assets of \$31 million.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Governmental activities. Governmental activities increased the District's net assets by \$40.2 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

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program revenues:						
Charges for services	\$ 2,215,979	\$ 1,805,959	\$ 6,870,401	\$ 6,945,811	\$ 9,086,380	\$ 8,751,770
Operating grants and contributions	105,380,311	86,523,775	9,575,174	9,313,397	114,955,485	95,837,172
General revenues:						
Property taxes	150,413,632	136,445,205	-	-	150,413,632	136,445,205
Local school support taxes	156,893,557	161,027,372	-	-	156,893,557	161,027,372
Government service taxes	18,677,186	18,277,143	-	-	18,677,186	18,277,143
Other taxes and fees	2,837,924	2,833,827	-	-	2,837,924	2,833,827
Unrestricted investment earnings	10,277,185	7,304,748	-	-	10,277,185	7,304,748
State aid not restricted to specific purposes	92,147,678	77,280,007	-	-	92,147,678	77,280,007
Other	3,508,708	4,137,772	-	-	3,508,708	4,137,772
Total revenues	<u>542,352,160</u>	<u>495,635,808</u>	<u>16,445,575</u>	<u>16,259,208</u>	<u>558,797,735</u>	<u>511,895,016</u>
Expenses						
Instruction:						
Regular instruction	237,531,977	219,283,856	-	-	237,531,977	219,283,856
Special instruction	43,558,232	40,361,274	-	-	43,558,232	40,361,274
Vocational instruction	6,859,471	7,978,977	-	-	6,859,471	7,978,977
Other instruction	5,983,182	4,908,141	-	-	5,983,182	4,908,141
Support services:						
Student support	28,176,004	27,775,369	-	-	28,176,004	27,775,369
Instructional staff support	21,037,319	18,234,230	-	-	21,037,319	18,234,230
General administration	8,181,454	7,195,661	-	-	8,181,454	7,195,661
School administration	26,058,599	24,734,884	-	-	26,058,599	24,734,884
Business support	6,805,662	6,831,633	-	-	6,805,662	6,831,633
Operation and maintenance	45,212,457	42,085,877	-	-	45,212,457	42,085,877
Student transportation	17,172,992	16,311,285	-	-	17,172,992	16,311,285
Central support	8,271,832	7,543,020	-	-	8,271,832	7,543,020
Other support	231,449	29,117	-	-	231,449	29,117
Nutrition services	-	-	16,973,722	15,603,133	16,973,722	15,603,133
Facilities	25,817,244	16,272,050	-	-	25,817,244	16,272,050
Interest on long-term debt	20,107,992	20,921,135	-	-	20,107,992	20,921,135
Issuance costs on debt	1,114,139	804,603	-	-	1,114,139	804,603
Total expenses	<u>502,120,005</u>	<u>461,271,112</u>	<u>16,973,722</u>	<u>15,603,133</u>	<u>519,093,727</u>	<u>476,874,245</u>
Increase in net assets	<u>\$ 40,232,155</u>	<u>\$ 34,364,696</u>	<u>\$ (528,147)</u>	<u>\$ 656,075</u>	<u>\$ 39,704,008</u>	<u>\$ 35,020,771</u>

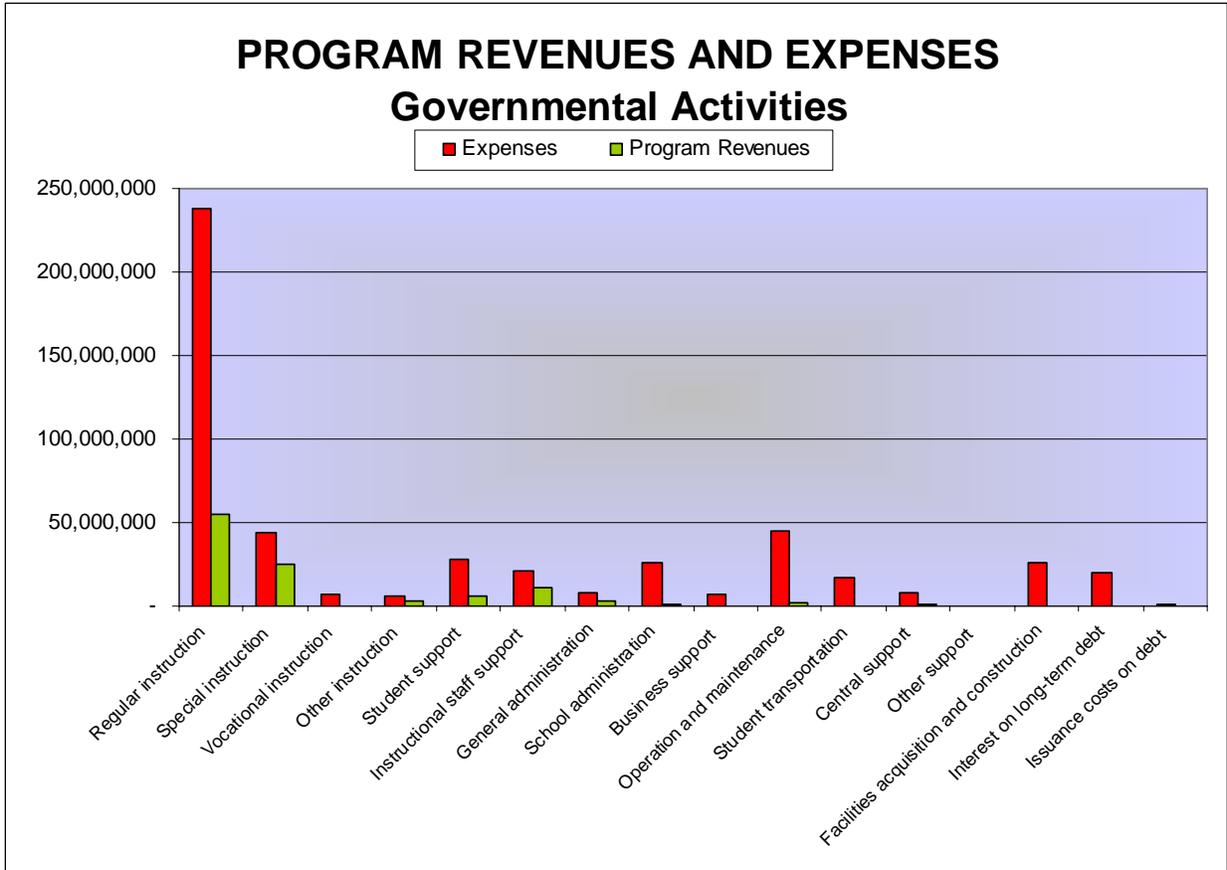
Total Revenues: Total revenues exceeded prior year revenues by 9.4%. General revenues, mainly comprised of taxes, state aid and investment earnings, represented 80.2% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

General Revenues: General revenues increased 6.7% from the prior fiscal year. The District experienced increases in all categories except local school support tax which was offset by state aid.

Program Revenues: Program revenues represent 19.8% of the total revenues collected to pay costs of providing program services. Charges for services increased 22.7% and operating grants and contributions increased 21.8%.

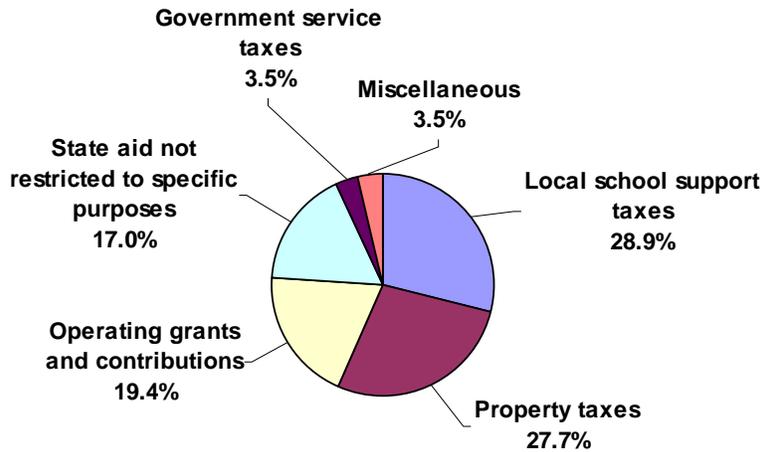
**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

The graph below demonstrates the governmental activities revenue and expense coverage on a functional basis.



**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

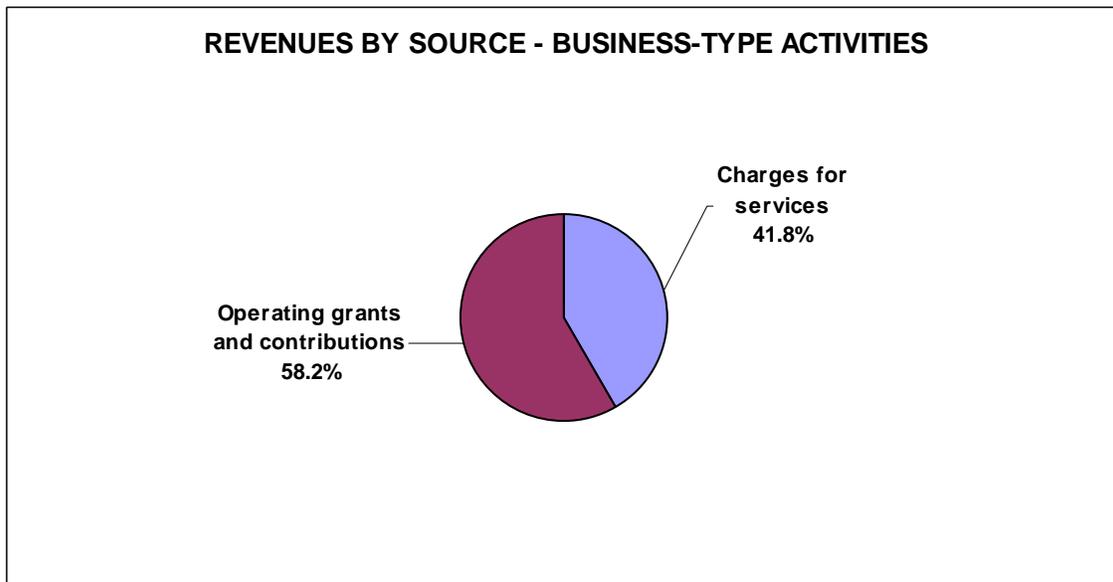
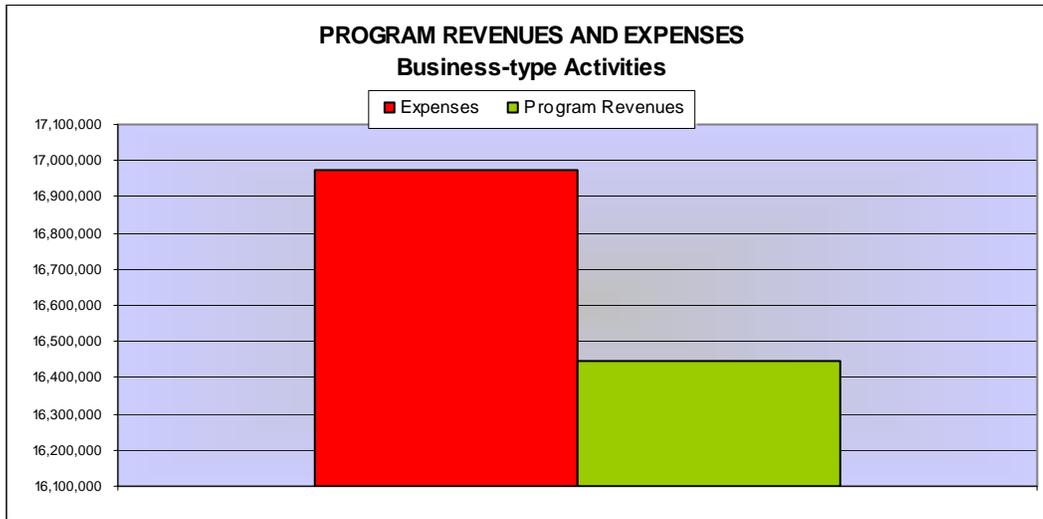
REVENUES BY SOURCE - GOVERNMENTAL ACTIVITIES



- ❑ The largest and main revenue sources for the District are property taxes (Ad Valorem), local school support taxes and state aid, which comprise 73.6% of total revenues.
- ❑ Ad Valorem taxes increased 10.2% from the prior year due to increased tax collections and increases in assessed valuations.
- ❑ Local school support taxes decreased (2.6%) due to decreased taxable sales.
- ❑ State revenue, as provided in the Nevada Plan (State aid guaranteed funding), increased 19.2%. The increased state aid results from lower than anticipated increases in school support tax offset partially by increased property taxes, which increases the contribution required by the state.

Business-type activities. Business-type activities consist solely of the District's Nutrition Services Enterprise Fund. In the current fiscal year this activity decreased net assets by \$(528,147). Nutrition services charges and federal subsidies including contributions of commodity food products account for almost 100% of revenues received by business-type activities, with student charges representing 41.8% and federal subsidies accounting for 58.2%. The majority of expenses in the business-type activities are for food purchases and salary expenses to maintain the District's nutrition services program. The decreased net assets resulted from higher than anticipated expenses in salaries coupled with food cost adjustments from the prior year.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**



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 \$228.7 million, an increase of \$64.8 million over the prior year. Of this total, \$159.1 million is unreserved and approximately \$24.7 million, or 16%, constitutes *unreserved and undesignated fund balance*, which is available for spending at the District's discretion within the

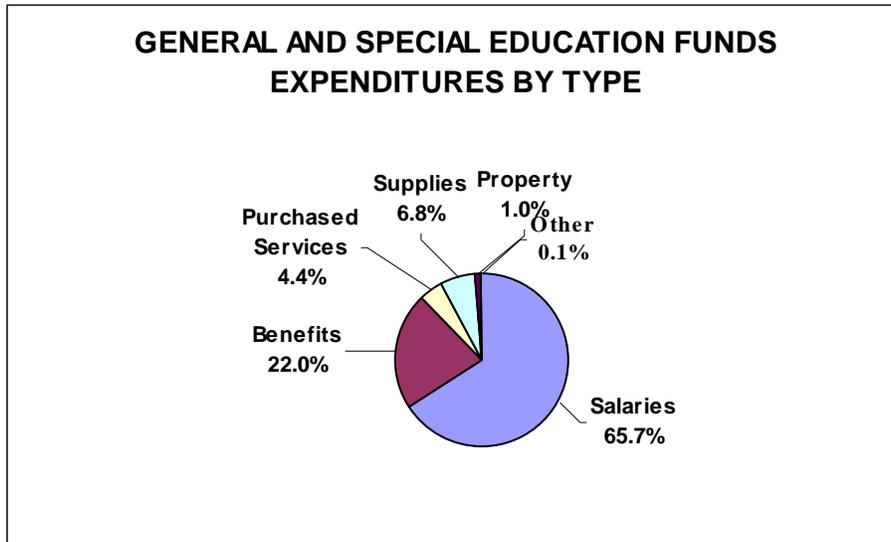
**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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respective fund. The District has \$134.4 million, or 84%, *unreserved and designated fund balances* for subsequent year items. The remainder of fund balance is reserved to indicate that it is not available for spending because it has already been committed to: (1) \$13.5 million for construction contracts and encumbrances (contracts or purchase orders of the prior period), (2) \$55.4 million to pay debt service and sinking fund, and (3) \$.8 million for inventories.

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>2007</u>	<u>2006</u>
Salaries	\$ 246,619,087	\$ 234,098,471
Benefits	82,789,869	77,874,086
Purchased Services	16,615,935	15,013,095
Supplies	25,652,343	25,208,765
Property	3,623,913	1,828,473
Other	<u>297,002</u>	<u>257,030</u>
Totals	<u>\$ 375,598,149</u>	<u>\$ 354,279,920</u>



- ❑ Salaries comprise 65.7% of total expenditures. School districts by their nature are labor intensive.
- ❑ Employee benefits average 33.6% of salaries and 22.0% of total expenditures. Benefits include contributions on the behalf of employees for retirement (Public Employees' Retirement), health insurance, medicare, old age survivors disability insurance (part-time employees), life insurance and workers' compensation.
- ❑ Purchased services, supplies and property comprise 12.3% of total expenditures. Details regarding variances on a fund level are available in separate reports.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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 \$34.9 million compared to \$28.9 million in the prior year. The total fund balance was \$37.8 million compared to \$31.9 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 10.5% of total fund expenditures while total fund balance represents 11.4% of that same amount.

The unreserved fund balance of the General Fund increased \$6 million. Key factors in this change are as follows:

- Total revenues of \$375.2 million exceeded prior year revenue by \$23.3 million or 6.6%, primarily due to increases in state aid 19.2%, property tax 10.2%, earnings on investments 31.5% and government services tax 2.2%.
- Total expenditures of \$330.6 million exceeded the prior year by \$17.2 million or 5.5%. Salaries increased 4.6% as a result of District growth and movement on the salary schedules. Additionally, the District is in the second year of a two-year salary contract with all bargaining groups which provided a Cost of Living Increase (COLA's) during the fiscal year. Employee benefits exceeded the previous year by 5.8% due largely to increased costs that result from rates (i.e. retirement, medicare, workers' compensation, etc) applied to increasing salaries along with a 6% rate increase in health insurance costs.
- Operating (non-salary) categories increased by \$3.8 million or 9.3% from the prior year. The majority of the increase is attributable to additional buses purchased, utilities, property/liability insurance premiums and building repairs and maintenance while other expenditures experienced smaller rates of growth.
- The excess of revenues over expenditures was \$44.5 million. Transfers to other funds were \$40.4 million. Significant transfers included \$25.3 million to the Special Education Fund, \$3.3 million to the Debt Service Fund, \$1.9 million to the Health Insurance Fund and \$4 million to the Pre-Funded Retiree Health Benefits 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 \$45 million, which exceeded the prior year by \$4.1 million or 10.1%. State aid totaling \$19.7 million and transfers from the General Fund of \$25.3 million, accounted for all the resources in the fund.

The Debt Service Fund has a total fund balance of \$55.4 million, all of which is reserved for the payment of debt service. The fund balance increased by \$7.9 million primarily as a result of increased property tax and investment revenues.

The 2002 Rollover Capital Projects Fund represents \$25.7 million of an estimated \$300-600 million 2002 voter approved bonds. During the ten year rollover period, bonds have and 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. The total fund balance at year-end was \$1.4 million, compared to \$2 million in the prior year and consists of unspent bond proceeds and investment income. This bond issuance was originally dedicated to the construction of Shaw Middle School which was opened in August, 2004. Any remaining balance

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

in this fund will be used on subsequent rollover bond projects. During the year \$.68 million was expended on additional projects including the new Career and Technical School (11% expended) and roofing schools (100% expended).

The 2003 Rollover Capital Projects Fund represents \$55 million of the estimated \$300-600 million 2002 voter approved ten year rollover bonds. The total fund balance at year-end was \$4.3 million compared to \$7.4 million in the prior year and consists of unspent bond proceeds and investment income. During the year \$3.3 million was expended on new school construction, school renewal and information technology projects. This bond issuance is dedicated to the construction of Cold Springs Middle School (100% expended), construction of Sepulveda Elementary School (100% expended), Site and Water Rights acquisition (100% expended), School Renewal Projects (75% expended) and Information Technology Projects (75% expended). Any remaining balance in this fund will be used on subsequent rollover bond projects. During the year additional projects included Roofing Projects (100% expended) and Middle School Technical Labs (10% expended).

The 2005 Rollover Capital Projects Fund represents \$66 million of the estimated \$300-600 million 2002 voter approved ten year rollover bonds. The total fund balance at year-end was \$13.8 million compared to \$23.7 million in the prior year and consists of unspent bond proceeds and investment income. During the year \$10.5 million was expended on new school construction, school renewal and information technology projects. This bond issuance is dedicated to the construction of Hall Elementary School (100% expended), completion of Cold Springs Middle School (100% expended); completion of Sepulveda Elementary School (100% expended), School Expansions at North Valleys High School, Spanish Springs High School and Echo Loder Elementary School (100% expended), School Renewal Projects (90% expended), Site and Water Rights acquisition (100% expended) and Information Technology Projects (60% expended). Any remaining balance in this fund will be used on subsequent rollover bond projects. During the year additional projects included the design of the Incline Elementary School addition is (50% expended), the design of the New South Meadows Middle School (50% expended), Roofing Projects (100% expended) and other School Renewal Projects (100% expended).

The 2006 Rollover Capital Projects Fund represents \$30 million of the estimated \$300-600 million 2002 voter approved ten year rollover bonds. The total fund balance at year-end was \$20.7 million compared to \$28.6 million in the prior year and consists of unspent bond proceeds and investment income. During the year \$8.9 million was expended on school renewal projects and information technology projects. This bond issuance is dedicated to School Renewal Projects (50% expended), Site and Water Rights acquisition (26% expended), Information Technology Projects (20% expended), and other projects including Transportation Renewal (81% expended). Any remaining balance in this fund will be used on subsequent rollover bond projects. During the year additional projects included Information Technology Projects (30% expended), Roofing Projects (100% expended), Capital Renewal (30% expended) and School Renewal Projects (50% expended).

The 2007 Rollover Capital Projects Fund represents \$65 million of the estimated \$300-600 million 2002 voter approved ten year rollover bonds. The total fund balance at the end of this first year was \$65.1 million. This fund balance consists of unspent bond proceeds and investment income. During the year \$.58 million was expended on new school construction, school renewal projects, information technology projects and bond issuance costs. This bond issuance is dedicated to the construction of a new middle school (2% expended), School Renewal Projects (1% expended) and Information Technology Projects (14% expended).

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

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 have a combined Net Asset balance of \$24.9 million. The Health Insurance Fund has a Net Asset balance of \$17.4 million compared to \$12.4 million in the prior year. Additionally, the Property and Casualty Fund has a balance of \$3 million compared to a balance in the prior year of \$1.6 million. The Workers' Compensation Fund finished the year with a balance of \$4.5 million compared to \$3.5 million in the prior year. Insurance funds, by their nature, are very difficult to forecast. As a result, the District continues to work to maintain the proper reserves in these funds.

The District's Nutrition Services Enterprise Fund has a Net Asset balance of \$3.2 million. The factors concerning the finances in this fund were addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Prior to the beginning of the fiscal year, the District adopts its original budget on or before June 8. Because of a legislative year, the District is allowed to adopt an amended budget within 30 days of the legislative adjournment. The District is also 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 of Trustees. 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.

During the year, the District augmented the budget by \$22.4 million. \$10 million of this represented reserved or designated opening fund balances and the expenditures were augmented accordingly. \$6.8 million was related to unreserved opening fund balance and \$5.1 million of this was utilized to increase the unreserved ending fund balance while \$1.7 million was designated for classroom computer replacement.

Additional Ad Valorem taxes and State DSA revenue for actual enrollment exceeding budget enrollment accounted for \$4.3 million. These funds along with some salary savings were allocated towards the district's unfunded liability for OPEB (\$2 million), designation to continue the implementation of the District's compensation study (\$1 million) and creating funds to apply towards an administration building (\$3 million).

Other augmentations included \$1.7 million from lease proceeds to purchase buses and \$1.4 million in State revenue earmarked for retiree health insurance subsidies and other State sponsored programs.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

GENERAL FUND BUDGET ADJUSTMENTS

	<u>2007 BUDGET</u>		
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>DIFFERENCE</u>
REVENUES			
Local sources	\$ 290,474,285	\$ 293,289,024	\$ 2,814,739
State sources	76,014,334	78,910,706	2,896,372
Federal sources	530,000	530,000	-
Other sources	5,000	5,000	-
Total revenues	<u>367,023,619</u>	<u>372,734,730</u>	<u>5,711,111</u>
OTHER FINANCING SOURCES			
Capital Leases	-	1,703,112	1,703,112
FUND BALANCE, July 1	<u>16,952,686</u>	<u>31,901,194</u>	<u>14,948,508</u>
TOTAL SOURCES	<u>\$ 383,976,305</u>	<u>\$ 406,339,036</u>	<u>\$ 22,362,731</u>
EXPENDITURES			
Current:			
Regular programs	\$ 187,414,702	\$ 188,304,572	\$ 889,870
Vocational programs	8,492,183	7,873,984	(618,199)
Other instructional programs:	4,046,404	4,262,241	215,837
Undistributed Expenditures:			
Student support	21,892,781	22,304,394	411,613
Instructional staff support	9,783,698	10,602,464	818,766
General administration	8,346,971	8,373,617	26,646
School administration	26,516,326	26,105,475	(410,851)
Business support	4,983,325	5,386,408	403,083
Operation and maintenance	44,133,322	45,085,866	952,544
Student transportation	14,269,500	16,507,635	2,238,135
Central support services	7,575,040	8,874,502	1,299,462
Total expenditures	<u>337,454,252</u>	<u>343,681,158</u>	<u>6,226,906</u>
OTHER FINANCING USES			
Contingency	2,362,076	-	(2,362,076)
Transfers out	<u>32,162,540</u>	<u>41,163,835</u>	<u>9,001,295</u>
Total other financing uses	<u>34,524,616</u>	<u>41,163,835</u>	<u>6,639,219</u>
FUND BALANCE, June 30	<u>11,997,437</u>	<u>21,494,043</u>	<u>9,496,606</u>
TOTAL APPLICATIONS	<u>\$ 383,976,305</u>	<u>\$ 406,339,036</u>	<u>\$ 22,362,731</u>

Actual expenditures were 96.2% of the final budget and all functions are within the appropriate budgetary authority.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental and business-type activities as of June 30, 2007 amounts to \$540.8 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 net capital assets for the current fiscal year was 1%. The major capital additions this fiscal year included:

School Renewals	\$ 11.8 million	Shaw Middle School	\$ 1.5 million
Cold Springs Middle School	2.4	School Additions	1.1
Hall Elementary	1.4	All Day Kindergarten	1.4
Sepulveda Elementary	.4		

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

Additional information on the District's capital assets can be found in Note 5 on pages 47-48 of this report.

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

Governmental Activities:

	<u>2007</u>	<u>2006</u>
Land	\$ 32,659,032	\$ 32,703,529
Construction in progress	6,718,180	79,955,233
Buildings	473,417,410	399,156,525
Improvements other than buildings	8,336,888	5,566,968
Machinery and equipment	19,171,244	17,989,486
	<u>\$ 540,302,754</u>	<u>\$ 535,371,741</u>

Business-type Activities:

Machinery and equipment	\$ 503,245	\$ 542,397
-------------------------	------------	------------

WASHOE COUNTY SCHOOL DISTRICT OUTSTANDING DEBT

	<u>2007</u>	<u>2006</u>
General Obligation Bonds	\$ 474,945,000	\$ 433,985,000
Capital Lease Obligations	13,440,622	14,003,259
Qualified Zone Academy Bonds	7,268,997	7,268,997
Total	<u>\$ 495,654,619</u>	<u>\$ 455,257,256</u>

The District's outstanding debt increased by \$40.4 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 a new capital lease during the year.

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 \$2.3 billion, which is significantly in excess of the District's outstanding general obligation debt. Additional information on the District's long-term debt can be found in Note 6 on pages 48-51 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Washoe County School District is the second largest county school district in the State of Nevada. The District's funding primarily comes from sales taxes, property taxes, state support and government services taxes. The State funding is approved by the Legislature and is calculated after considering all other District revenues. The State revenue is expressed as a guaranteed per pupil amount which includes the sales tax revenue and 1/3 of the property tax

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

revenue with the balance based on a contribution from the State. By guaranteeing a per pupil amount the State has provided stability to the amount of revenue the District can expect for general operating purposes.

The guaranteed basic support per pupil revenue as provided through the State's Distributive School Account (DSA) is \$5,131 for the next fiscal year, as presented in the amended final budget. This is an increase of \$466 over the prior year. State funding for special education units will be \$36,541 per unit, an increase of \$1,419 over the prior year. These funds help continue all existing District programs and provide for increases related to: cost of living adjustments related to salaries, salary roll-ups, enrollment growth, utilities, gasoline and textbooks. Other factors include:

- The District projected enrollment growth over the prior year of 1.0% (631 students) to 63,589 students. Actual enrollment growth appears to be slightly less but this has been provided for in an enrollment contingency account.
- The past legislature appropriated additional funding for retiree health insurance, retirement credit for teachers working at at-risk schools and in hard to fill positions.
- The District will continue the pre-funding for other post employment benefits (OPEB) for the upcoming year by committing \$5 million. Ongoing and increased funding for this requirement will continue to be a concern to the District.
- The District was able to provide \$8.4 million for various budget priorities. Additions will be made to assist classroom instruction, provide additional student support, increase OPEB contributions, fully implement the compensation study, address maintenance issues and update the wide area network.
- The District will also, provide for replacing classroom computers, implement a science textbook adoption and provide for other routine cost increases.

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, 2008 this report will also be available on the web site at www.washoe.k12.nv.us.

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, 2007**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Current assets:			
Cash and investments	\$ 276,472,994	\$ 2,362,986	\$ 278,835,980
Receivables:			
Property taxes	3,044,391	-	3,044,391
Interest	2,077,736	-	2,077,736
Grants	14,937,853	-	14,937,853
Miscellaneous	1,019,750	482,786	1,502,536
Due from other governments	29,077,077	-	29,077,077
Inventories	758,574	731,937	1,490,511
Deferred charges	14,386,684	270	14,386,954
	<u>341,775,059</u>	<u>3,577,979</u>	<u>345,353,038</u>
Total current assets			
Noncurrent assets:			
Restricted cash	2,118,172	-	2,118,172
Capital assets:			
Land and construction in progress	39,377,212	-	39,377,212
Other capital assets, net of depreciation	500,925,542	503,245	501,428,787
	<u>542,420,926</u>	<u>503,245</u>	<u>542,924,171</u>
Total noncurrent assets			
	<u>884,195,985</u>	<u>4,081,224</u>	<u>888,277,209</u>
Total assets			
LIABILITIES			
Current liabilities:			
Accounts payable	9,614,382	240,374	9,854,756
Accrued liabilities	44,440,885	348,004	44,788,889
Construction contracts payable	2,792,774	-	2,792,774
Interest payable	2,298,597	-	2,298,597
Due to other governments	345,281	-	345,281
Unearned revenue	4,324,626	321,856	4,646,482
Current portion of long-term obligations	52,285,297	-	52,285,297
	<u>116,101,842</u>	<u>910,234</u>	<u>117,012,076</u>
Total current liabilities			
Noncurrent liabilities:			
General obligation bonds payable	474,945,000	-	474,945,000
Deferred premiums	13,791,231	-	13,791,231
Arbitrage payable	284,834	-	284,834
Capital leases payable	20,709,619	-	20,709,619
Accrued compensated absences	23,195,602	-	23,195,602
Accrued early separation incentive stipends	2,136,111	-	2,136,111
Accrued self-insurance pending claims	12,627,163	-	12,627,163
Less: current portion of long-term obligations	(52,285,297)	-	(52,285,297)
	<u>495,404,263</u>	<u>-</u>	<u>495,404,263</u>
Total noncurrent liabilities			
	<u>611,506,105</u>	<u>910,234</u>	<u>612,416,339</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	146,148,691	503,245	146,651,936
Restricted for:			
Debt service	54,194,190	-	54,194,190
Capital projects	19,102,729	-	19,102,729
Self-insurance activities	24,919,823	-	24,919,823
Unrestricted	28,324,447	2,667,745	30,992,192
	<u>272,689,880</u>	<u>3,170,990</u>	<u>275,860,870</u>
Total net assets			

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, 2007**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental activities:						
Instruction:						
Regular instruction	\$ 237,531,977	\$ 290,232	\$ 55,148,706	\$ (182,093,039)	\$ -	\$ (182,093,039)
Special instruction	43,558,232	-	25,450,699	(18,107,533)	-	(18,107,533)
Vocational instruction	6,859,471	-	-	(6,859,471)	-	(6,859,471)
Other instruction	5,983,182	1,193,347	2,123,275	(2,666,560)	-	(2,666,560)
Total instruction	293,932,862	1,483,579	82,722,680	(209,726,603)	-	(209,726,603)
Support services:						
Student support	28,176,004	-	6,034,409	(22,141,595)	-	(22,141,595)
Instructional staff support	21,037,319	580,332	10,290,460	(10,166,527)	-	(10,166,527)
General administration	8,181,454	-	2,809,622	(5,371,832)	-	(5,371,832)
School administration	26,058,599	152,068	360,367	(25,546,164)	-	(25,546,164)
Business support	6,805,662	-	-	(6,805,662)	-	(6,805,662)
Operation and maintenance	45,212,457	-	2,048,420	(43,164,037)	-	(43,164,037)
Student transportation	17,172,992	-	354,680	(16,818,312)	-	(16,818,312)
Central support	8,271,832	-	542,560	(7,729,272)	-	(7,729,272)
Other support	231,449	-	217,113	(14,336)	-	(14,336)
Facilities	25,817,244	-	-	(25,817,244)	-	(25,817,244)
Interest on long-term debt	20,107,992	-	-	(20,107,992)	-	(20,107,992)
Amortization of issuance costs on debt	1,114,139	-	-	(1,114,139)	-	(1,114,139)
Total support services	208,187,143	732,400	22,657,631	(184,797,112)	-	(184,797,112)
Total governmental activities	502,120,005	2,215,979	105,380,311	(394,523,715)	-	(394,523,715)
Business-type activities:						
Nutrition Services	16,973,722	6,870,401	9,575,174	-	(528,147)	(528,147)
Total business-type activities	16,973,722	6,870,401	9,575,174	-	(528,147)	(528,147)
Total school district	\$ 519,093,727	\$ 9,086,380	\$ 114,955,485	(394,523,715)	(528,147)	(395,051,862)
General revenues:						
Property taxes, levied for general purposes				98,624,924	-	98,624,924
Property taxes, levied for debt service				51,788,708	-	51,788,708
Local school support taxes				156,893,557	-	156,893,557
Government service taxes for general purposes				14,834,870	-	14,834,870
Government service taxes for capital purposes				3,842,316	-	3,842,316
Franchise taxes				305,996	-	305,996
Other taxes and fees				2,531,928	-	2,531,928
Unrestricted investment earnings				10,277,185	-	10,277,185
Gain on the sale of capital assets				377,406	-	377,406
State aid not restricted to specific purposes				92,147,678	-	92,147,678
Other local sources				2,912,581	-	2,912,581
Federal aid not restricted to specific purposes				218,721	-	218,721
Total general revenues				434,755,870	-	434,755,870
Change in net assets				40,232,155	(528,147)	39,704,008
NET ASSETS - July 1				232,457,725	3,699,137	236,156,862
NET ASSETS - June 30				\$ 272,689,880	\$ 3,170,990	\$ 275,860,870

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

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2007**

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	2007 BOND ROLLOVER FUND
ASSETS				
Cash and investments	\$ 36,315,952	\$ 5,476,809	\$ 52,743,622	\$ 65,077,747
Receivables:				
Property taxes	2,431,999	-	612,392	-
Interest	222,958	-	427,156	348,066
Grants	-	-	-	-
Miscellaneous	740,179	-	-	-
Due from other funds	7,373,556	-	-	-
Due from other governments	28,735,731	-	-	-
Inventories	758,574	-	-	-
Cash and investments - restricted	-	-	2,118,172	-
	\$ 76,578,949	\$ 5,476,809	\$ 55,901,342	\$ 65,425,813
LIABILITIES				
Accounts payable	\$ 4,012,243	\$ 39,235	-	\$ 64,593
Accrued liabilities	33,053,877	5,437,574	4,008	77,387
Construction contracts payable	-	-	-	209,089
Due to other funds	-	-	-	-
Due to other governments	261,000	-	-	-
Deferred revenues	1,490,814	-	491,392	-
	38,817,934	5,476,809	495,400	351,069
FUND BALANCES				
Reserved for:				
Encumbrances	2,138,021	-	-	281,820
Inventories	758,574	-	-	-
Construction contracts	-	-	-	2,035,596
Debt service	-	-	53,287,770	-
Sinking fund	-	-	2,118,172	-
Unreserved, reported in:				
General fund	34,864,420	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	62,757,328
	37,761,015	-	55,405,942	65,074,744
Total liabilities and fund balances	\$ 76,578,949	\$ 5,476,809	\$ 55,901,342	\$ 65,425,813

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

<u>2006 BOND ROLLOVER FUND</u>	<u>2005 BOND ROLLOVER FUND</u>	<u>2003 BOND ROLLOVER FUND</u>	<u>2002 BOND ROLLOVER FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 21,289,207	\$ 13,930,217	\$ 4,800,112	\$ 1,590,723	\$ 37,736,391	238,960,780
-	-	-	-	-	3,044,391
557,833	248,769	72,670	20,354	47,172	1,944,978
-	-	-	-	14,937,853	14,937,853
-	-	-	-	99,571	839,750
-	-	-	-	-	7,373,556
-	-	-	-	341,346	29,077,077
-	-	-	-	-	758,574
-	-	-	-	-	2,118,172
<u>\$ 21,847,040</u>	<u>\$ 14,178,986</u>	<u>\$ 4,872,782</u>	<u>\$ 1,611,077</u>	<u>\$ 53,162,333</u>	<u>299,055,131</u>
\$ 115,147	\$ 7,136	\$ 31,570	\$ -	\$ 5,280,230	9,550,154
294,332	176,228	25,517	-	5,443,098	44,512,021
707,186	170,276	469,670	235,251	1,001,302	2,792,774
-	-	-	-	7,373,556	7,373,556
-	-	-	-	84,281	345,281
-	-	-	-	3,769,458	5,751,664
<u>1,116,665</u>	<u>353,640</u>	<u>526,757</u>	<u>235,251</u>	<u>22,951,925</u>	<u>70,325,450</u>
854,859	62,750	273,006	-	488,557	4,099,013
-	-	-	-	-	758,574
2,664,601	1,540,686	606,266	1,232,842	1,313,356	9,393,347
-	-	-	-	-	53,287,770
-	-	-	-	-	2,118,172
-	-	-	-	-	34,864,420
-	-	-	-	14,959,439	14,959,439
<u>17,210,915</u>	<u>12,221,910</u>	<u>3,466,753</u>	<u>142,984</u>	<u>13,449,056</u>	<u>109,248,946</u>
<u>20,730,375</u>	<u>13,825,346</u>	<u>4,346,025</u>	<u>1,375,826</u>	<u>30,210,408</u>	<u>228,729,681</u>
<u>\$ 21,847,040</u>	<u>\$ 14,178,986</u>	<u>\$ 4,872,782</u>	<u>\$ 1,611,077</u>	<u>\$ 53,162,333</u>	<u>299,055,131</u>

**WASHOE COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

Total Fund Balances for Governmental Funds	\$	228,729,681
<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>		
Land and construction in progress	\$ 39,377,212	
Capital assets subject to depreciation	672,617,646	
Less accumulated depreciation	<u>(171,692,104)</u>	540,302,754
<p>Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Deferred debt charges	12,583,420	
Debt issuance costs	5,264,960	
Less accumulated amortization	<u>(3,461,696)</u>	14,386,684
<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	(474,945,000)	
Bond premium	(17,692,240)	
Less accumulated amortization	3,901,009	
Capital leases payable	(20,709,619)	
Compensated absences	(23,195,602)	
Early separation incentive stipends	<u>(2,136,111)</u>	(534,777,563)
Interest payable		(2,298,597)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore is not reported in the governmental funds.</p>		
		1,427,098
<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>24,919,823</u>
Total Net Assets of Governmental Activities	\$	<u><u>272,689,880</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, 2007**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2007 BOND ROLLOVER FUND</u>
REVENUES				
Local sources	\$ 279,242,321	\$ -	\$ 54,789,321	\$ 469,293
State sources	95,209,218	19,644,528	-	-
Federal sources	696,715	-	-	-
Other sources	32,032	-	-	-
	<u>375,180,286</u>	<u>19,644,528</u>	<u>54,789,321</u>	<u>469,293</u>
Total revenues				
EXPENDITURES				
Current:				
Regular programs	184,526,365	-	-	-
Special programs	-	38,426,280	-	-
Vocational programs	6,925,974	-	-	-
Other instructional programs	3,917,914	-	-	-
Adult education programs	-	-	-	-
Community service programs	-	-	-	-
Undistributed expenditures:				
Student support	21,142,043	1,178,548	-	-
Instructional staff support	10,321,261	671,532	-	-
General administration	7,915,960	-	-	-
School administration	25,590,770	204,648	-	-
Business support	4,636,778	-	-	8,099
Operation and maintenance	43,564,778	51,024	-	-
Student transportation	14,634,812	4,432,845	-	-
Central support	7,456,617	-	-	-
Other support	-	-	-	-
Capital outlay	-	-	-	226,745
Debt service:				
Principal	-	-	29,302,637	-
Interest	-	-	20,276,179	-
Bond issuance costs	-	-	167,674	344,122
Other	-	-	14,900	-
	<u>330,633,272</u>	<u>44,964,877</u>	<u>49,761,390</u>	<u>578,966</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>44,547,014</u>	<u>(25,320,349)</u>	<u>5,027,931</u>	<u>(109,673)</u>

<u>2006 BOND ROLLOVER FUND</u>	<u>2005 BOND ROLLOVER FUND</u>	<u>2003 BOND ROLLOVER FUND</u>	<u>2002 BOND ROLLOVER FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 1,051,858	\$ 648,825	\$ 187,423	\$ 43,756	\$ 8,773,891	\$ 345,206,688
-	-	-	-	48,735,362	163,589,108
-	-	-	-	31,527,079	32,223,794
-	-	-	-	-	32,032
<u>1,051,858</u>	<u>648,825</u>	<u>187,423</u>	<u>43,756</u>	<u>89,036,332</u>	<u>541,051,622</u>
-	-	-	-	55,239,312	239,765,677
-	-	-	-	5,554,253	43,980,533
-	-	-	-	-	6,925,974
-	-	-	-	-	3,917,914
-	-	-	-	1,268,709	1,268,709
-	-	-	-	854,566	854,566
-	-	-	-	6,029,411	28,350,002
-	-	-	-	10,293,539	21,286,332
-	-	-	-	332,321	8,248,281
-	-	-	-	512,435	26,307,853
721,036	2,040,516	209,233	-	-	7,615,662
-	-	-	-	2,050,716	45,666,518
-	-	-	-	-	19,067,657
515,298	-	-	-	542,560	8,514,475
-	-	-	-	217,113	217,113
7,702,475	8,485,641	3,051,468	676,922	8,574,960	28,718,211
-	-	-	-	-	29,302,637
-	-	-	-	-	20,276,179
-	-	-	-	-	511,796
-	-	-	-	-	14,900
<u>8,938,809</u>	<u>10,526,157</u>	<u>3,260,701</u>	<u>676,922</u>	<u>91,469,895</u>	<u>540,810,989</u>
<u>(7,886,951)</u>	<u>(9,877,332)</u>	<u>(3,073,278)</u>	<u>(633,166)</u>	<u>(2,433,563)</u>	<u>240,633</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2007 BOND ROLLOVER FUND</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	\$ 1,705,000	\$ -	\$ -	\$ -
Bonds issued	-	-	-	65,000,000
Refunding bonds issued	-	-	66,585,000	-
Debt premiums	-	-	-	184,417
Payments to refunded bonds escrow agent	-	-	(67,010,175)	-
Transfers in	-	25,320,349	3,332,918	-
Transfers out	<u>(40,392,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(38,687,193)</u>	<u>25,320,349</u>	<u>2,907,743</u>	<u>65,184,417</u>
Net change in fund balances	5,859,821	-	7,935,674	65,074,744
FUND BALANCE, July 1 (as restated)	<u>31,901,194</u>	<u>-</u>	<u>47,470,268</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 37,761,015</u>	<u>\$ -</u>	<u>\$ 55,405,942</u>	<u>\$ 65,074,744</u>

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

<u>2006 BOND ROLLOVER FUND</u>	<u>2005 BOND ROLLOVER FUND</u>	<u>2003 BOND ROLLOVER FUND</u>	<u>2002 BOND ROLLOVER FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,705,000
-	-	-	-	-	65,000,000
-	-	-	-	-	66,585,000
-	-	-	-	-	184,417
-	-	-	-	-	(67,010,175)
-	-	-	-	9,918,000	38,571,267
-	-	-	-	(50,000)	(40,442,193)
-	-	-	-	9,868,000	64,593,316
(7,886,951)	(9,877,332)	(3,073,278)	(633,166)	7,434,437	64,833,949
<u>28,617,326</u>	<u>23,702,678</u>	<u>7,419,303</u>	<u>2,008,992</u>	<u>22,775,971</u>	<u>163,895,732</u>
<u>\$ 20,730,375</u>	<u>\$ 13,825,346</u>	<u>\$ 4,346,025</u>	<u>\$ 1,375,826</u>	<u>\$ 30,210,408</u>	<u>\$ 228,729,681</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, 2007**

Net Change in Fund Balances - Governmental Funds	\$	64,833,949
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	\$ 21,753,919	
Less current year depreciation	<u>(15,603,541)</u>	6,150,378
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.		29,302,637
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.		168,187
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.		269,127
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.		(1,705,000)
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.		(1,219,366)
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.		
Bonds	(65,000,000)	
Refunding bonds issued	(66,585,000)	
Payment of refunded bonds	63,590,000	
Deferred debt charges on refunding bonds	<u>3,420,175</u>	(64,574,825)
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	328,696	
Current year amortization of debt issuance costs and charges	<u>(931,040)</u>	(602,344)
Current year bond premiums	(184,417)	
Current year amortization of bond premiums	<u>1,031,411</u>	846,994
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	455,499	
Change in long-term compensated absences	<u>(1,081,942)</u>	(626,443)
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>7,388,861</u>
Change in Net Assets of Governmental Activities	\$	<u><u>40,232,155</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, 2007**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local sources	\$ 290,474,285	\$ 293,289,024	\$ 279,242,321	\$ (14,046,703)
State sources	76,014,334	78,910,706	95,209,218	16,298,512
Federal sources	530,000	530,000	696,715	166,715
Other sources	5,000	5,000	32,032	27,032
Total revenues	<u>367,023,619</u>	<u>372,734,730</u>	<u>375,180,286</u>	<u>2,445,556</u>
EXPENDITURES				
Current:				
Regular programs	187,414,702	188,304,572	184,526,365	3,778,207
Vocational programs	8,492,183	7,873,984	6,925,974	948,010
Other instructional programs	4,046,404	4,262,241	3,917,914	344,327
Undistributed expenditures:				
Student support	21,892,781	22,304,394	21,142,043	1,162,351
Instructional staff support	9,783,698	10,602,464	10,321,261	281,203
General administration	8,346,971	8,373,617	7,915,960	457,657
School administration	26,516,326	26,105,475	25,590,770	514,705
Business support	4,983,325	5,386,408	4,636,778	749,630
Operation and maintenance	44,133,322	45,085,866	43,564,778	1,521,088
Student transportation	14,269,500	16,507,635	14,634,812	1,872,823
Central support	7,575,040	8,874,502	7,456,617	1,417,885
Total expenditures	<u>337,454,252</u>	<u>343,681,158</u>	<u>330,633,272</u>	<u>13,047,886</u>
Excess of revenues over expenditures	<u>29,569,367</u>	<u>29,053,572</u>	<u>44,547,014</u>	<u>15,493,442</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	-	1,703,112	1,705,000	1,888
Contingency	(2,362,076)	-	-	-
Transfers out	(32,162,540)	(41,163,835)	(40,392,193)	771,642
Total other financing sources (uses)	<u>(34,524,616)</u>	<u>(39,460,723)</u>	<u>(38,687,193)</u>	<u>773,530</u>
Net change in fund balances	(4,955,249)	(10,407,151)	5,859,821	16,266,972
FUND BALANCE, July 1	<u>16,952,686</u>	<u>31,901,194</u>	<u>31,901,194</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 11,997,437</u>	<u>\$ 21,494,043</u>	<u>\$ 37,761,015</u>	<u>\$ 16,266,972</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, 2007**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
State sources	\$ 19,808,808	\$ 19,598,076	\$ 19,644,528	\$ 46,452
Total revenues	<u>19,808,808</u>	<u>19,598,076</u>	<u>19,644,528</u>	<u>46,452</u>
 EXPENDITURES				
Current:				
Special programs	38,174,721	38,555,601	38,426,280	129,321
Undistributed expenditures:				
Student support	860,241	1,244,873	1,178,548	66,325
Instructional staff support	655,733	758,828	671,532	87,296
School administration	155,067	212,822	204,648	8,174
Operation and maintenance	55,559	53,859	51,024	2,835
Student transportation	4,557,183	4,614,084	4,432,845	181,239
Total expenditures	<u>44,458,504</u>	<u>45,440,067</u>	<u>44,964,877</u>	<u>475,190</u>
Excess (deficiency) of revenues over expenditures	<u>(24,649,696)</u>	<u>(25,841,991)</u>	<u>(25,320,349)</u>	<u>521,642</u>
 OTHER FINANCING SOURCES (USES)				
Transfers in	<u>24,647,249</u>	<u>25,839,544</u>	<u>25,320,349</u>	<u>(519,195)</u>
Net change in fund balances	(2,447)	(2,447)	-	2,447
FUND BALANCE, July 1	<u>2,447</u>	<u>2,447</u>	<u>-</u>	<u>(2,447)</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, 2007**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	TOTAL
ASSETS			
Current assets:			
Cash and investments	\$ 2,362,986	\$ 37,512,214	\$ 39,875,200
Accounts receivable	482,786	180,000	662,786
Interest receivable	-	132,758	132,758
Inventories	731,937	-	731,937
Prepays	270	-	270
	<u>3,577,979</u>	<u>37,824,972</u>	<u>41,402,951</u>
Total current assets			
Capital Assets			
Machinery and equipment	1,577,056	-	1,577,056
Less: Allowance for depreciation	(1,073,811)	-	(1,073,811)
Total capital assets	<u>503,245</u>	<u>-</u>	<u>503,245</u>
	<u>4,081,224</u>	<u>37,824,972</u>	<u>41,906,196</u>
Total assets			
LIABILITIES			
Current liabilities:			
Accounts payable	240,374	64,228	304,602
Accrued liabilities	348,004	213,698	561,702
Pending claims	-	9,101,831	9,101,831
Deferred revenues	321,856	60	321,916
	<u>910,234</u>	<u>9,379,817</u>	<u>10,290,051</u>
Total current liabilities			
Noncurrent liabilities:			
Pending claims	-	3,525,332	3,525,332
	<u>910,234</u>	<u>12,905,149</u>	<u>13,815,383</u>
Total liabilities			
NET ASSETS			
Invested in capital assets, net of related debt	503,245	-	503,245
Unrestricted	2,667,745	24,919,823	27,587,568
	<u>3,170,990</u>	<u>24,919,823</u>	<u>28,090,813</u>
Total net assets	<u>\$ 3,170,990</u>	<u>\$ 24,919,823</u>	<u>\$ 28,090,813</u>

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 NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	TOTAL	2006
OPERATING REVENUES:				
Charges for services	\$ 6,870,401	\$ 54,840,550	\$ 61,710,951	\$ 60,348,330
OPERATING EXPENSES:				
Food and supplies	8,193,380	-	8,193,380	7,643,730
Salaries and benefits	7,315,609	51,865	7,367,474	6,565,973
Employee benefits	-	42,838,709	42,838,709	44,663,484
Services and supplies	-	7,902,704	7,902,704	6,672,341
Purchased services	1,002,347	-	1,002,347	1,003,086
Property	-	-	-	6,283
Depreciation	102,035	-	102,035	102,505
Other	360,351	-	360,351	330,772
Total operating expenses	16,973,722	50,793,278	67,767,000	66,988,174
Operating income (loss)	(10,103,321)	4,047,272	(6,056,049)	(6,639,844)
NONOPERATING REVENUES:				
Federal subsidies	8,633,082	-	8,633,082	8,305,362
Commodity revenue	800,534	-	800,534	915,273
State matching funds	87,626	-	87,626	90,704
Other revenue	53,932	-	53,932	2,058
Earnings on investments	-	1,470,663	1,470,663	976,938
Total nonoperating revenues	9,575,174	1,470,663	11,045,837	10,290,335
Income before transfers	(528,147)	5,517,935	4,989,788	3,650,491
TRANSFERS IN				
Total transfers in	-	1,870,926	1,870,926	1,898,499
Change in net assets	(528,147)	7,388,861	6,860,714	5,548,990
NET ASSETS - July 1	3,699,137	17,530,962	21,230,099	15,681,109
NET ASSETS - June 30	\$ 3,170,990	\$ 24,919,823	\$ 28,090,813	\$ 21,230,099

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, 2007**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS	TOTAL
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
Cash flows from operating activities:			
Cash received for services	\$ 7,110,160	\$ 55,664,951	\$ 62,775,111
Cash paid for salaries and benefits	(7,315,609)	(51,865)	(7,367,474)
Cash payments for employee benefits	-	(42,838,709)	(42,838,709)
Cash payments for claims and services	-	(7,176,779)	(7,176,779)
Cash paid for food and supplies	(8,193,380)	-	(8,193,380)
Cash payments for purchased services	(1,002,347)	-	(1,002,347)
Cash payments for other	(360,351)	-	(360,351)
	<u>(9,761,527)</u>	<u>5,597,598</u>	<u>(4,163,929)</u>
Net cash provided (used) by operating activities			
Cash flows from capital and related financing activities:			
Purchase of equipment	(62,883)	-	(62,883)
Cash flows from noncapital financing activities:			
Federal reimbursements	8,633,082	1,870,926	10,504,008
Commodity revenue	800,534	-	800,534
State matching funds	87,626	-	87,626
Miscellaneous revenue	53,932	-	53,932
	<u>9,575,174</u>	<u>1,870,926</u>	<u>11,446,100</u>
Net cash provided by noncapital financing activities			
Cash flows from investing activities:			
Interest received on investments	-	1,470,663	1,470,663
	<u>-</u>	<u>1,470,663</u>	<u>1,470,663</u>
Net (decrease) increase in cash and cash equivalents			
	(249,236)	8,939,187	8,689,951
Cash and investments, beginning of year	<u>2,612,222</u>	<u>28,573,027</u>	<u>31,185,249</u>
Cash and investments, end of year	<u>\$ 2,362,986</u>	<u>\$ 37,512,214</u>	<u>\$ 39,875,200</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS			
Operating income (loss)	\$ (10,103,321)	\$ 4,047,272	\$ (6,056,049)
Adjustments to reconcile operating income to net cash provided by operations:			
Depreciation	102,035	-	102,035
Changes in assets and liabilities:			
Accounts receivable	(82,022)	824,459	742,437
Inventories	18,507	-	18,507
Prepays	2,019	-	2,019
Accounts payable	(34,193)	(40,478)	(74,671)
Accrued liabilities	131,854	185,959	317,813
Pending claims	-	580,444	580,444
Deferred revenue	203,594	(58)	203,536
	<u>341,794</u>	<u>1,550,326</u>	<u>1,892,120</u>
Total adjustments	<u>341,794</u>	<u>1,550,326</u>	<u>1,892,120</u>
Net cash provided (used) by operations	<u>\$ (9,761,527)</u>	<u>\$ 5,597,598</u>	<u>\$ (4,163,929)</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, 2007**

	PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and investments	\$ 849,083	\$ 8,411,707
Accounts receivable	-	44,569
Total assets	849,083	8,456,276
LIABILITIES		
Accounts payable	-	27,330
Accrued liabilities	-	677,480
Due to student groups	-	7,751,466
Total liabilities	-	8,456,276
NET ASSETS		
Held in trust for scholarships	\$ 849,083	\$ -

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, 2007**

	PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND
ADDITIONS	
Contributions:	
Donations	\$ 8,633
Interest	<u>42,961</u>
Total additions	<u>51,594</u>
DEDUCTIONS	
Benefits	<u>28,211</u>
Total deductions	<u>28,211</u>
Change in net assets	23,383
Net assets - July 1	<u>825,700</u>
Net assets - June 30	<u>\$ <u>849,083</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, 2007**

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. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. 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 consolidated financial position of the District is presented at year-end, in separate columns, for both governmental and business-type activities, 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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

interest income not legally restricted for specific programs, etc.). The Statement of Activities 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 and business-type activity categories. Nonmajor governmental funds are summarized into a single column. GASB Statement No. 34 sets forth criteria for the determination of major funds. District management may electively add funds as major funds when it is determined the funds have specific community or management focus. Major individual governmental and business-type 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.

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 third parties and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

The District uses the following funds:

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.
- **2002 Bond Rollover Fund** - The 2002 Bond Rollover Capital Projects Fund accounts for the 2002 Bond Rollover proceeds. The proceeds were primarily used to build a middle school.
- **2003 Bond Rollover Fund** - The 2003 Bond Rollover Capital Projects Fund accounts for the 2003 Bond Rollover proceeds. The proceeds will be used to build a new middle school and a new elementary school and to fund school renewal and information technology projects.
- **2005 Bond Rollover Fund** - The 2005 Bond Rollover Capital Projects Fund accounts for the 2005 Bond Rollover proceeds. The proceeds will be used for the completion of one middle school and one elementary school, the expansion of two high schools, the construction of one new elementary school, and to fund school renewal and information technology projects.
- **2006 Bond Rollover Fund** - The 2006 Bond Rollover Capital Projects Fund accounts for the 2006 Bond Rollover proceeds. The proceeds will be used for site and water rights acquisition, advanced planning and technology costs, school renewal projects and transportation yard improvements.
- **2007 Bond Rollover Fund** - The 2007 Bond Rollover Capital Projects Fund accounts for the 2007 Bond Rollover proceeds. The proceeds will be used for new school construction, school renewal projects and information technology projects.

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Proprietary Funds:

- **Enterprise Fund** - The District's sole enterprise fund, the Nutrition Services Enterprise Fund, is used to account for the nutrition services operation of the District.

Additionally the District reports the following fund types:

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:

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 student activity funds under the control of the respective schools in the District, employee contributions to the District's 80/5 reduced salary leave plan, and transactions related to the statewide Nevada Interscholastic Athletic Association.

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 when all eligibility requirements imposed by the provider have been met.

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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. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the program.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

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Fiduciary Funds:

The accounting records for the Private Purpose Trust Fund are maintained on the economic resources measurement focus and accrual basis of accounting. The accounting records for the agency funds do not have a measurement focus and are maintained on the 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 2005-06 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.

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- (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 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 Enterprise and Internal Service Funds. State statute does not require that debt service payments be limited by the budget.
- (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, Enterprise Fund, Internal Service Funds and Capital Projects Funds. Such funds have legally adopted annual budgets which lapse at year-end. 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.

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.

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Cash and Investments:

Cash balances from all funds are combined and, to the extent practicable, invested as permitted by law. The District 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 Investment Pool.
- Certain "AAA" rated mutual funds that invest in federal securities.
- Other securities expressly provided by other statutes, including repurchase agreements and collateralized investment contracts.

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 Enterprise 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 for the General Fund and the lower of cost or market for the Nutrition Services Enterprise Fund, using the first-in, first-out (FIFO) method of valuation.

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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 the 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, 2007, but not yet paid.

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 provide individuals with the opportunity to develop the necessary knowledge, skills, and attitudes needed for occupational employment.

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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.

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.

Undistributed expenditures are charges not readily assignable to a specific program. Student and instructional staff support and 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.

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 expenditure. The current portion is defined as those benefits actually paid or accrued as a result of employees who have terminated employment by June 30. 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:

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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NOTE 3 – Cash and Investments:

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2007 this pool is displayed by major and other governmental funds on the Governmental Funds Balance Sheet and on the Enterprise Fund Statement of Net Assets as "Cash and Investments."

As of June 30, 2007, the District had the following amounts reported as cash and investments:

Government-Wide Balances:	
Pooled Cash	\$ 179,621
Investments	<u>280,774,531</u>
	<u>280,954,152</u>
 Fiduciary Funds Balances:	
Pooled Cash	1,509,324
Cash held by Student Activity Agency Fund	3,595,412
Investments	<u>4,156,054</u>
	<u>9,260,790</u>
 Total Pooled Cash and Investments	 <u><u>\$ 290,214,942</u></u>

Except for financial reporting purposes, the cash and investments balances in the Fiduciary Funds are not normally considered part of the District's pooled cash and investments. These amounts represent cash and investments held in an agency capacity by the District and cannot be used in the District's normal operations.

As of June 30, 2007, the District had the following investments and maturities:

Government-Wide Balances:

	Fair Value	Less than 1	Investment Maturities (In Years)		
			1 to 4	4 to 6	6 to 10
Investments:					
Money Market Mutual Fund	\$ 1,286,923	\$ 1,286,923	\$ -	\$ -	\$ -
State of Nevada Local Government Investment Pool	96,268,946	96,268,946 *	-	-	-
Washoe County Investment Pool	52,404,125	22,390,683	24,082,966	3,654,610	2,275,866
Guaranteed Investment Contracts	106,296,138	106,296,138	-	-	-
U.S. Agencies	20,581,989	4,790,750	12,023,846	2,061,187	1,706,206
Asset-Backed Corporate Securities	3,936,410	-	2,647,223	1,289,187	-
Total Investments	<u>\$ 280,774,531</u>	<u>\$ 231,033,440</u>	<u>\$ 38,754,035</u>	<u>\$ 7,004,984</u>	<u>\$ 3,982,072</u>

Fiduciary Fund Balances:

	Fair Value	Investment Maturities (In Years)
		Less than 1
Investments:		
State of Nevada Local Government Investment Pool	4,156,054	4,156,054 *
	<u>\$ 4,156,054</u>	<u>\$ 4,156,054</u>

* Average weighted maturity of 72 days.

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Interest Rate Risk. Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. To limit exposure to interest rate risk, Nevada Statutes and the District's investment policy limits bankers' acceptances to 180 days maturities, repurchase agreements to 90 days, U.S. Treasuries and Agencies to less than 10 years, and commercial paper to 270 days maturities. The District's investment in U.S. Agencies consist of securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and Federal Home Loans Bank. Since investments in these agencies are in many cases backed by assets such as mortgages they are subject to prepayment risk. The District's investments in mortgage-backed securities are also subject to prepayment risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation and is a function of the credit quality ratings of its investments. The State of Nevada LGIP and the Washoe County Investment Pool are unrated external investment pools. The Guaranteed Investment Contracts are unrated. Nevada Statutes and the District's investment policy limit investment in money market mutual funds and asset-backed securities to the "AAA" rating (or equivalent) by a nationally recognized statistical rating organization. All of the District's money market mutual funds and asset-backed securities investments are rated by nationally recognized statistical rating organizations as "AAA".

Concentration of Credit Risk. To limit exposure to concentrations of credit risk, the District's investment policy limits investment in bankers' acceptance notes to 15%, repurchase agreements to 25%, commercial paper to 20%, and money market mutual funds to 25%, of the entire portfolio on the date of purchase.

At June 30, 2007, the following investments exceeded 5% of the District's total:

Guaranteed Investment Contracts:			
Citigroup	\$	71,551,771	25%
FSA		21,453,600	7%
MBIA		<u>13,290,767</u>	5%
Total Guaranteed Investment Contracts	\$	<u>106,296,138</u>	

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. The District's bank deposits are generally covered by FDIC insurance and are collateralized by the Office of the State Treasurer/ Nevada Collateral Pool.

The State of Nevada Local Government Investment Pool is an external pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance. Investment in the Local Government Investment Pool is carried at fair value, which is the same as the value of the pool shares.

The Washoe County Board of Commissioners administers and is responsible for the Washoe County Investment Pool in accordance with NRS 355.175. The external investment pool is not registered with the SEC as an investment company. Bank of New York determines the fair value of the investment pool monthly. Washoe County has not provided or obtained any legally

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binding guarantees during the year to support the value of shares. Each participant's share is equal to their original investment plus or minus monthly allocation of interest income, realized and unrealized gains and losses.

NOTE 4 – Interfund Balances and Transfers:

Interfund receivable/payable balances at June 30, 2007 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund - major fund	Other Governmental Funds	<u>\$ 7,373,556</u>
Total		<u>\$ 7,373,556</u>

The purpose of the interfund balance listed above is to address nonmajor Special Revenue Funds which are reimbursement-type funds that would otherwise have negative cash balances at the end of the year.

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.

Transfers between funds during the year ended June 30, 2007, are as follows:

	<u>Transfer In:</u>				<u>Total</u>
	<u>Special Education Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Internal Service Fund</u>	
Transfer out:					
General Fund	\$ 25,320,349	\$ 3,332,918	\$ 9,868,000	\$ 1,870,926	\$ 40,392,193
Other Governmental Funds	-	-	50,000	-	50,000
Total	<u>\$ 25,320,349</u>	<u>\$ 3,332,918</u>	<u>\$ 9,918,000</u>	<u>\$ 1,870,926</u>	<u>\$ 40,442,193</u>

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

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

Other Governmental Funds - The transfer to the Pre-Funded Retiree Fund from the General Fund is to increase the fund balance for this fund. The \$50,000 transfer from the Building and Sites Fund to the Advanced Carpentry Fund is to purchase supplies for student-built housing projects.

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

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NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2007 was as follows:

	July 1, 2006 Balance	Increases	Decreases	June 30, 2007 Balance
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 32,703,530	\$ -	\$ (44,498)	\$ 32,659,032
Construction in progress	79,955,232	16,766,718	(90,003,770)	6,718,180
Total capital assets not being depreciated	112,658,762	16,766,718	(90,048,268)	\$ 39,377,212
Other capital assets				
Buildings	532,168,238	86,276,721	(19,076)	618,425,883
Improvements other than buildings	6,239,320	3,840,836	(830,129)	9,250,027
Machinery and equipment	42,794,352	4,917,911	(2,770,527)	44,941,736
Total capital assets being depreciated	581,201,910	95,035,468	(3,619,732)	672,617,646
Total capital assets	693,860,672	111,802,186	(93,668,000)	711,994,858
Less accumulated depreciation for:				
Buildings	(133,011,714)	(12,013,164)	16,405	(145,008,473)
Improvements other than buildings	(672,352)	(327,259)	86,472	(913,139)
Machinery and equipment	(24,804,865)	(3,263,118)	2,297,491	(25,770,492)
Total accumulated depreciation	(158,488,931)	(15,603,541)	2,400,368	(171,692,104)
Governmental activities capital assets, net	\$535,371,741	\$ 96,198,645	\$(91,267,632)	\$540,302,754
Business-Type Activities				
Machinery and equipment	\$ 1,525,693	\$ 62,883	\$ (11,520)	\$ 1,577,056
Less accumulated depreciation:	(983,296)	(102,035)	11,520	(1,073,811)
Business-Type Activities capital assets, net	\$ 542,397	\$ (39,152)	\$ -	\$ 503,245

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

Governmental activities:	
Instruction	\$ 723,418
Student support	118,185
Instructional staff support	38,988
General administration	20,567
School administration	3,354
Business support	57,473
Operation/maintenance	333,450
Student transportation	1,359,928
Central support	221,028
Other support	1,520
Facilities	<u>12,725,630</u>
 Total governmental activities depreciation expense	 <u><u>\$ 15,603,541</u></u>
 Business-type activities:	
Nutrition services operations	<u>\$ 102,035</u>
 Total business-type activities depreciation expense	 <u><u>\$ 102,035</u></u>

Furniture, equipment, and vehicles include equipment under capital leases, which consist of school buses and electrical retrofit with an aggregate carrying value of \$15,828,420 at June 30, 2007 (see Note 6).

NOTE 6 – General Long-Term Obligations:

Advance Refunding:

On January 4, 2007, the District issued \$24,190,000 in General Obligation (Limited Tax) Refunding Bonds, Series 2007A. 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 \$24,410,000 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 6 years by \$960,072 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$873,816.

In addition, on February 1, 2007, the District issued \$42,395,000 in General Obligation Refunding Bonds, Series 2007B. 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 \$39,180,000 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 \$2,569,770 and resulted in an economic gain of \$2,022,243.

**WASHOE COUNTY SCHOOL DISTRICT
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Bonds Issued:

On May 1, 2007, Washoe County School District issued \$65,000,000 in General Obligation School Improvement Bonds, Series 2007C. The proceeds of the 2007C Bonds will be used for constructing, improving and equipping school facilities.

General long-term debt consists of the following at June 30, 2007:

<u>General Obligation Bonds</u>					
<u>Series</u>	<u>Date Issued</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount Issued</u>	<u>Balance June 30, 2007</u>
1998	12/01/98	06/01/19	4.0-5.25%	68,000,000	\$ 6,400,000
1999	12/01/99	06/01/20	5.0-5.875%	110,200,000	9,230,000
2001A	05/01/01	06/01/20	4.25-5.25%	73,865,000	62,455,000
2002	05/01/02	06/01/20	3.00-5.00%	44,665,000	7,465,000
2002B	08/01/02	06/01/20	3.00-5.50%	68,940,000	68,435,000
2003A	03/01/03	06/01/23	2.00-4.625%	27,770,000	18,205,000
2003B	03/01/03	06/01/11	2.50-4.40%	8,230,000	4,625,000
2003C	12/01/03	06/01/24	2.75-5.00%	55,000,000	38,275,000
2004	01/01/04	04/01/08	2.00-4.00%	11,820,000	3,090,000
2004B	09/01/04	06/01/15	5.000%	22,970,000	22,970,000
2005A	03/24/05	06/01/25	4.00-5.00%	66,000,000	42,915,000
2005B	01/05/06	06/01/20	3.950%	29,820,000	29,705,000
2006	04/05/06	06/01/26	4.00-5.50%	30,000,000	30,000,000
2007A	01/04/07	04/01/13	4.010%	24,190,000	24,190,000
2007B	02/01/07	06/01/25	3.895%	42,395,000	41,985,000
2007C	05/01/07	06/01/27	3.250-5.250%	65,000,000	65,000,000
Total					<u>\$ 474,945,000</u>

Summary of general obligation bond debt service requirements to maturity:

<u>Year(s) Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2008	\$ 29,565,000	\$ 22,120,632	\$ 51,685,632
2009	26,685,000	20,499,574	47,184,574
2010	26,410,000	19,289,062	45,699,062
2011	28,745,000	18,060,727	46,805,727
2012	29,685,000	16,726,968	46,411,968
2013-2017	137,915,000	62,200,619	200,115,619
2018-2022	126,215,000	30,191,243	156,406,243
2023-2027	69,725,000	6,577,628	76,302,628
Total	<u>\$ 474,945,000</u>	<u>\$ 195,666,453</u>	<u>\$ 670,611,453</u>

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

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, 2007, the liability has been estimated to be \$284,834 and is reported as a noncurrent liability on the Statement of Net Assets (included in the balance of the current portion of long-term obligations) 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, 2007, \$187,855,000 of bonds outstanding are considered defeased.

Capital Lease Obligations:

Included in capital leases payable is a lease agreement dated June 15, 2007, in the amount of \$1,705,000 for the purpose of financing school buses for the District. The agreement matures on June 15, 2011.

The District has various other capital leases on school buses, automobiles, and educational software. As of June 30, 2007, the assets acquired through capital leases are as follows:

Machinery and Equipment	\$20,381,557
Less: Accumulated amortization	<u>(4,553,137)</u>
Total	<u>\$15,828,420</u>

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

Year Ending <u>June 30,</u>		
2008	\$	3,344,243
2009		2,835,822
2010		2,514,554
2011		2,246,457
2012		1,273,630
2013-2017		11,466,519
2018		<u>144,988</u>
Total minimum lease payments		23,826,213
Less: amount representing interest		<u>(3,116,594)</u>
Present value of minimum lease payments		<u>\$ 20,709,619</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

Changes in General Long-Term Obligations:

	Balance July 1, 2006	Additions	Reductions	Balance June 30, 2007	Due Within One Year
General obligation bonds	\$ 433,985,000	\$ 131,585,000	\$ 90,625,000	\$ 474,945,000	\$ 29,565,000
Deferred amounts for issuance of premium	14,638,225	184,417	1,031,411	13,791,231	1,034,370
Capital lease obligations	21,272,256	1,705,000	2,267,637	20,709,619	2,712,384
Arbitrage payable	34,149	250,685	-	284,834	-
Early separation incentive pay	2,591,610	337,607	793,106	2,136,111	670,955
Compensated	22,113,660	19,384,529	18,302,587	23,195,602	18,302,588
Total	<u>\$ 494,634,900</u>	<u>\$ 153,447,238</u>	<u>\$ 113,019,741</u>	<u>\$ 535,062,397</u>	<u>\$ 52,285,297</u>

The liabilities for compensated absences and early separation incentive stipends are typically 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, 2007.

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 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 capital projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs. Net assets restricted for self-insurance activities represent the net assets of the self-insurance funds, which are legally restricted for the purposes for which the funds were established.

Unrestricted net assets represent available financial resources of the District.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

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 comprised of inventory and, as such, is not available for other discretionary expenditures.
- (3) 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.
- (4) 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.
- (5) 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	\$ 16,634,672
Special Revenue Funds	\$ 1,130,756

- (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 2007/2008 appropriations. The designated amount of \$3,508,868 is presented in the General Fund.
- (3) Designated for computer refresh: This balance is designated for the purchase of computers used for instructional purposes. The designated amount of \$1,700,000 is presented in the General Fund.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

- (4) Designated for compensation study: This balance is designated for District's compensation study scheduled for fiscal year 2008. The designated amount of \$1,000,000 is presented in the General Fund.
- (5) Designated for Connect Ed: This balance is designated for the implementation of a District-wide communication system. The designated amount of \$235,000 is presented in the General Fund.
- (6) Designated for expenditures: This balance is designated for budget priorities and one-time expenditures occurring in fiscal year 2008. The designated amount of \$1,087,250 is presented in the General Fund.
- (7) Designated for capital projects: This balance is designated for capital projects and will be transferred from the General Fund as needed. The designated amount of \$250,000 is presented in the General Fund.
- (8) Designated for retiree health benefits: This balance is designated to fund the cost of post-employment health benefits. The designated amount of \$13,041,126 is included in the Pre-Funded Retiree Health Benefits special revenue fund.

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 19.75% for regular members and 32.00% 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 10.50%.

The contribution requirements of plan members and the District are established by Chapter 286 of the Nevada Revised Statutes and may only be amended through legislation.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

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>	
2006-07	19.75%	32.00%	10.50%	10.50%	\$ 50,926,425
2005-06	19.75%	32.00%	10.50%	10.50%	\$ 47,830,922
2004-05	20.25%	28.50%	10.50%	10.50%	\$ 46,196,612

NOTE 9 – Postemployment Benefits:

In addition to the pension benefits described in Note 8, the District provides postemployment 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, certified employees who retire after August 31, 2006, and administrative employees who retire after June 30, 2006 are not eligible to participate in the program. The program currently has 1,089 retirees who receive postemployment health care benefits. Retirees are required to contribute up to \$6,176 per year for medical, dental and vision coverage, 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 postemployment health care benefits are recognized as retirees report claims. During the year ended June 30, 2007, expenses of \$7,604,596 were recognized for postemployment health care.

Also, pursuant to NRS 287.023, retirees have the option to participate in the District's program for postemployment health care benefits or to join the Public Employees' Benefit Program (PEBP) offered by the State of Nevada. Local governments are required to pay the same portion of cost of coverage for those persons joining PEBP that the State of Nevada pays for those persons retired from state service who have continued to participate in the plan. As of June 30, 2007, 601 retirees were utilizing this benefit, which is being funded on a current basis. The cost for this coverage for the year ended June 30, 2007 was \$2,640,546.

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 Statements Number 10 and 30.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

Claims expenses 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, 2007, the amount of this liability was \$12,627,163. This liability is determined by actuaries using all available information. Changes in the reported liability since July 1, 2005 are as follows:

	<u>Property and Casualty</u>	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
Claims liability, July 1, 2005	\$ 2,302,000	\$ 5,165,958	\$ 4,053,000	\$ 11,520,958
Current year claims and changes in estimates	1,612,571	40,621,074	1,215,795	43,449,440
Claim payments	<u>(1,474,571)</u>	<u>(39,734,313)</u>	<u>(1,714,795)</u>	<u>(42,923,679)</u>
Claims liability, June 30, 2006	<u>2,440,000</u>	<u>6,052,719</u>	<u>3,554,000</u>	<u>12,046,719</u>
Current year claims and changes in estimates	1,486,878	39,818,127	2,038,837	43,343,842
Claim payments	<u>(1,115,878)</u>	<u>(39,602,683)</u>	<u>(2,044,837)</u>	<u>(42,763,398)</u>
Claims liability, June 30, 2007	<u>\$ 2,811,000</u>	<u>\$ 6,268,163</u>	<u>\$ 3,548,000</u>	<u>\$ 12,627,163</u>
Due within one year	<u>\$ 1,440,240</u>	<u>\$ 6,268,163</u>	<u>\$ 1,393,428</u>	<u>\$ 9,101,831</u>

At June 30, 2007, the Internal Service Funds held \$37,512,214 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

Health Insurance - The District is self-insured for health insurance claims up to \$300,000 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 \$450,000 for each accident. Accidents in excess of \$450,000 are covered by excess insurance up to State statutory limits. The District maintains an account with a market value of \$2,798,320 as of June 30, 2007 to meet its State of Nevada security deposit requirement.

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

NOTE 11 – Commitments and Contingencies:

Construction Commitments:

As of June 30, 2007, 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>
Accounting Software	\$ 533,077	December 2008
ADA Retrofit Projects	218,377	March 2008
Architectual & Engineering Services	1,620,910	June 2008
Asbestos Abatement Projects	9,452	March 2008
Backflow Prevention Projects	146,653	December 2007
Boiler Replacement Projects	88,196	September 2007
Carpet Projects	645,450	September 2007
CCTV Projects	114,099	December 2007
Educational Consulting	30,000	December 2009
Fire Alarm Upgrades	79,981	March 2008
Heating/Cooling System Projects	283,855	December 2007
Incline ES Structural Repairs	696,371	December 2009
Irrigation and Landscaping	88,200	September 2007
IT Network Infrastructure Improvement	115,470	December 2007
Mobile Classrooms	809,733	December 2007
Cost Analysis for New School	37,250	December 2009
Outdoor Site Improvements	335,739	December 2008
Parking Projects	512,035	March 2008
Removal of UGST	84,250	September 2007
Reroofing Projects	1,155,516	March 2008
RTI Projects	913,502	June 2008
Warehouse Remodel	875,231	March 2008
	<u>\$ 9,393,347</u>	

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007**

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, 2007.

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.

The District receives a portion of the property tax revenues collected in Washoe County. Washoe County (the County) is currently the defendant in various lawsuits with property owners disputing the County Assessor's valuation methods used for property within the Lake Tahoe Basin. The County intends to vigorously defend the Assessor's valuations, however, the outcome of these lawsuits is not presently determinable. An adverse ruling could result in a rollback of property values and subsequent rebates to property owners. The impact on the County's financial condition cannot be reasonably estimated. Therefore, the impact on the District's financial condition cannot be reasonably estimated.

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, 2007**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 21,086,171	\$ 16,650,220	\$ 37,736,391
Receivables:			
Accrued interest	-	47,172	47,172
Grants	14,937,853	-	14,937,853
Miscellaneous	99,571	-	99,571
Due from other governments	-	341,346	341,346
	<u> </u>	<u> </u>	<u> </u>
Total assets	\$ <u>36,123,595</u>	\$ <u>17,038,738</u>	\$ <u>53,162,333</u>
LIABILITIES			
Accounts payable	\$ 4,882,898	\$ 397,332	\$ 5,280,230
Accrued liabilities	5,053,963	389,135	5,443,098
Construction contracts payable	-	1,001,302	1,001,302
Due to other funds	7,373,556	-	7,373,556
Due to other governments	84,281	-	84,281
Deferred revenues	3,769,458	-	3,769,458
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>21,164,156</u>	<u>1,787,769</u>	<u>22,951,925</u>
FUND BALANCES			
Reserved for:			
Reserved for encumbrances	-	488,557	488,557
Reserved for construction contracts	-	1,313,356	1,313,356
Unreserved:			
Designated for subsequent year's expenditures	1,130,756	-	1,130,756
Designated for retiree health benefits	13,041,126	-	13,041,126
Undesignated	787,557	13,449,056	14,236,613
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>14,959,439</u>	<u>15,250,969</u>	<u>30,210,408</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	\$ <u>36,123,595</u>	\$ <u>17,038,738</u>	\$ <u>53,162,333</u>

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
REVENUES			
Local sources	\$ 3,587,946	\$ 5,185,945	\$ 8,773,891
State sources	48,735,362	-	48,735,362
Federal sources	31,527,079	-	31,527,079
	<u>83,850,387</u>	<u>5,185,945</u>	<u>89,036,332</u>
Total revenues			
EXPENDITURES			
Current:			
Regular programs	55,239,312	-	55,239,312
Special programs	5,554,253	-	5,554,253
Adult education programs	1,268,709	-	1,268,709
Community service programs	854,566	-	854,566
Undistributed expenditures:			
Student support	6,029,411	-	6,029,411
Instructional staff support	10,293,539	-	10,293,539
General administration	332,321	-	332,321
School administration	512,435	-	512,435
Operation and maintenance	2,050,716	-	2,050,716
Central support	542,560	-	542,560
Other support	217,113	-	217,113
Capital outlay	-	8,574,960	8,574,960
	<u>82,894,935</u>	<u>8,574,960</u>	<u>91,469,895</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>955,452</u>	<u>(3,389,015)</u>	<u>(2,433,563)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	4,050,000	5,868,000	9,918,000
Transfers out	-	(50,000)	(50,000)
	<u>4,050,000</u>	<u>5,818,000</u>	<u>9,868,000</u>
Total other financing sources (uses)			
Net change in fund balances	5,005,452	2,428,985	7,434,437
FUND BALANCE, July 1 (as restated)	<u>9,953,987</u>	<u>12,821,984</u>	<u>22,775,971</u>
FUND BALANCE, June 30	<u>\$ 14,959,439</u>	<u>\$ 15,250,969</u>	<u>\$ 30,210,408</u>

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, 2007
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2006)**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and investments	\$ 36,315,952	\$ 15,364,087
Receivables:		
Property taxes	2,431,999	2,752,063
Interest	222,958	292,248
Miscellaneous	740,179	575,157
Due from other funds	7,373,556	4,313,604
Due from other governments	28,735,731	42,808,326
Inventories	<u>758,574</u>	<u>1,363,349</u>
 Total assets	 <u>\$ 76,578,949</u>	 <u>\$ 67,468,834</u>
 LIABILITIES		
Accounts payable	\$ 4,012,243	\$ 3,150,595
Accrued liabilities	33,053,877	31,112,396
Due to other governments	261,000	-
Deferred revenues	<u>1,490,814</u>	<u>1,304,649</u>
 Total liabilities	 <u>38,817,934</u>	 <u>35,567,640</u>
 FUND BALANCES		
Reserved for:		
Encumbrances	2,138,021	1,627,947
Inventories	758,574	1,363,349
Unreserved:		
Designated for subsequent year's expenditures	16,634,672	11,805,560
Designated for repayment carryover of general supply appropriations	3,508,868	6,339,057
Designated for negotiated employee contracts	-	2,989,409
Designated for computer refresh	1,700,000	-
Designated for compensation study	1,000,000	-
Designated for Connect Ed	235,000	-
Designated for expenditures	1,087,250	647,867
Designated for capital projects	250,000	309,000
Undesignated	<u>10,448,630</u>	<u>6,819,005</u>
 Total fund balances	 <u>37,761,015</u>	 <u>31,901,194</u>
 Total liabilities and fund balances	 <u>\$ 76,578,949</u>	 <u>\$ 67,468,834</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 290,474,285	\$ 293,289,024	\$ 279,242,321	\$ (14,046,703)	\$ 273,090,706
State sources	76,014,334	78,910,706	95,209,218	16,298,512	78,162,477
Federal sources	530,000	530,000	696,715	166,715	572,392
Other sources	5,000	5,000	32,032	27,032	37,224
Total revenues	367,023,619	372,734,730	375,180,286	2,445,556	351,862,799
EXPENDITURES					
Current:					
Regular programs	187,414,702	188,304,572	184,526,365	3,778,207	178,717,593
Vocational programs	8,492,183	7,873,984	6,925,974	948,010	8,006,895
Other instructional programs	4,046,404	4,262,241	3,917,914	344,327	3,199,927
Undistributed Expenditures:					
Student support	21,892,781	22,304,394	21,142,043	1,162,351	19,531,928
Instructional staff support	9,783,698	10,602,464	10,321,261	281,203	9,132,659
General administration	8,346,971	8,373,617	7,915,960	457,657	7,208,768
School administration	26,516,326	26,105,475	25,590,770	514,705	24,230,730
Business support	4,983,325	5,386,408	4,636,778	749,630	4,386,717
Operation and maintenance	44,133,322	45,085,866	43,564,778	1,521,088	39,448,055
Student transportation	14,269,500	16,507,635	14,634,812	1,872,823	12,513,044
Central support services	7,575,040	8,874,502	7,456,617	1,417,885	7,072,407
Total expenditures	337,454,252	343,681,158	330,633,272	13,047,886	313,448,723
Excess of Revenues Over Expenditures	29,569,367	29,053,572	44,547,014	15,493,442	38,414,076
OTHER FINANCING SOURCES (USES)					
Capital leases	-	1,703,112	1,705,000	1,888	1,005,000
Contingency	(2,362,076)	-	-	-	-
Transfers out	(32,162,540)	(41,163,835)	(40,392,193)	771,642	(32,154,842)
Total other financing sources (uses)	(34,524,616)	(39,460,723)	(38,687,193)	773,530	(31,149,842)
Net change in fund balances	(4,955,249)	(10,407,151)	5,859,821	16,266,972	7,264,234
FUND BALANCE, July 1	16,952,686	31,901,194	31,901,194	-	24,636,960
FUND BALANCE, June 30	\$ 11,997,437	\$ 21,494,043	\$ 37,761,015	\$ 16,266,972	\$ 31,901,194

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Ad Valorem taxes	\$ 95,045,435	\$ 97,764,689	\$ 98,451,752	\$ 687,063	\$ 89,351,473
School support taxes	173,132,104	173,132,104	156,893,557	(16,238,547)	161,027,372
Franchise taxes	240,000	240,000	305,996	65,996	361,157
Government services tax	15,660,746	15,660,746	14,834,870	(825,876)	14,517,247
Revenue in lieu of taxes	200,000	200,000	240,485	40,485	234,440
Tuition - regular day school	422,000	422,000	412,236	(9,764)	567,705
Tuition - summer school	550,000	645,485	781,111	135,626	409,217
Earnings on investments	1,750,000	1,750,000	3,360,393	1,610,393	2,554,914
Refunds	47,000	47,000	42,134	(4,866)	51,208
Indirect costs	1,200,000	1,200,000	1,446,009	246,009	1,496,516
Transportation	375,000	375,000	354,680	(20,320)	392,784
Reimbursements	1,194,000	1,194,000	1,353,334	159,334	1,404,396
Grant Administration	285,000	285,000	295,290	10,290	307,304
Other	373,000	373,000	470,474	97,474	414,973
Total local sources	290,474,285	293,289,024	279,242,321	(14,046,703)	273,090,706
State sources:					
Distributive school fund	75,097,192	75,849,166	92,147,678	16,298,512	77,280,007
Special appropriations	917,142	3,061,540	3,061,540	-	882,470
Total state sources	76,014,334	78,910,706	95,209,218	16,298,512	78,162,477
Federal sources:					
Forest reserve	5,000	5,000	6,364	1,364	6,490
Impact Aid - Hurricane Relief	-	-	16,012	16,012	41,573
Revenue in lieu of taxes, P.L. 81-874	160,000	160,000	196,345	36,345	171,000
E-Rate refund	365,000	365,000	477,994	112,994	353,329
Total federal sources	530,000	530,000	696,715	166,715	572,392
Other sources	5,000	5,000	32,032	27,032	37,224
Total revenues	367,023,619	372,734,730	375,180,286	2,445,556	351,862,799
EXPENDITURES					
Current:					
Regular programs					
Instruction					
Salaries	132,147,359	130,216,531	129,918,197	298,334	126,317,756
Benefits	43,721,796	45,196,414	44,100,240	1,096,174	41,491,137
Purchased services	1,051,413	1,176,312	919,012	257,300	864,071
Supplies	10,318,136	11,539,720	9,558,900	1,980,820	10,022,370
Property	160,497	160,094	11,378	148,716	330
Other	15,501	15,501	18,638	(3,137)	21,929
Total regular programs	187,414,702	188,304,572	184,526,365	3,778,207	178,717,593

(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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Vocational programs					
Instruction					
Salaries	\$ 6,212,109	\$ 5,712,109	\$ 5,036,700	\$ 675,409	\$ 5,864,159
Benefits	2,068,718	1,930,406	1,669,131	261,275	1,961,139
Purchased services	39,800	46,801	57,347	(10,546)	18,216
Supplies	165,506	178,618	159,884	18,734	160,766
Property	6,050	6,050	-	6,050	-
Other	-	-	2,912	(2,912)	2,615
Total vocational programs	8,492,183	7,873,984	6,925,974	948,010	8,006,895
Other instructional programs:					
Summer school					
Salaries	1,020,779	1,108,483	972,137	136,346	575,414
Benefits	45,985	48,314	24,699	23,615	18,114
Purchased services	15,400	15,170	9,521	5,649	6,962
Supplies	17,892	52,114	19,558	32,556	20,772
Total summer school	1,100,056	1,224,081	1,025,915	198,166	621,262
Athletics					
Salaries	1,867,317	1,908,259	1,780,315	127,944	1,662,785
Benefits	203,342	196,151	251,604	(55,453)	213,845
Purchased services	784,783	842,844	762,819	80,025	608,968
Supplies	8,906	8,906	29,106	(20,200)	13,326
Property	-	-	-	-	24,454
Other	82,000	82,000	68,155	13,845	55,287
Total athletics	2,946,348	3,038,160	2,891,999	146,161	2,578,665
Total other instructional programs	4,046,404	4,262,241	3,917,914	344,327	3,199,927
Undistributed Expenditures:					
Student support					
Salaries	15,591,698	15,633,505	15,405,835	227,670	14,028,827
Benefits	5,159,711	5,107,752	5,109,487	(1,735)	4,672,166
Purchased services	831,735	845,838	500,335	345,503	644,429
Supplies	302,132	709,794	119,254	590,540	151,958
Property	6,950	6,950	6,883	67	-
Other	555	555	249	306	34,548
Total student support	21,892,781	22,304,394	21,142,043	1,162,351	19,531,928
Instructional staff support					
Salaries	6,546,972	6,927,357	6,901,370	25,987	6,099,591
Benefits	2,074,663	2,202,825	2,154,606	48,219	1,951,369
Purchased services	536,741	527,476	707,874	(180,398)	534,044
Supplies	598,012	900,496	533,350	367,146	529,832
Property	23,860	40,860	17,025	23,835	-
Other	3,450	3,450	7,036	(3,586)	17,823
Total instructional staff support	9,783,698	10,602,464	10,321,261	281,203	9,132,659

(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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
General administration					
Salaries	\$ 2,405,273	\$ 2,205,219	\$ 2,129,087	\$ 76,132	\$ 1,919,990
Benefits	922,151	959,678	868,941	90,737	799,265
Purchased services	4,819,265	4,898,655	4,742,893	155,762	4,300,431
Supplies	154,157	241,249	121,513	119,736	143,058
Property	2,000	10,500	8,624	1,876	10,039
Other	44,125	58,316	44,902	13,414	35,985
Total general administration	8,346,971	8,373,617	7,915,960	457,657	7,208,768
School administration					
Salaries	20,183,393	19,782,578	19,447,821	334,757	18,312,950
Benefits	5,980,676	5,922,836	5,903,285	19,551	5,651,983
Purchased services	196,413	251,625	154,203	97,422	167,022
Supplies	137,844	130,436	74,179	56,257	91,925
Property	8,000	8,000	-	8,000	-
Other	10,000	10,000	11,282	(1,282)	6,850
Total school administration	26,516,326	26,105,475	25,590,770	514,705	24,230,730
Business support					
Salaries	3,353,038	3,349,242	3,330,595	18,647	3,059,850
Benefits	1,090,045	1,080,316	1,090,423	(10,107)	1,021,459
Purchased services	382,705	641,705	106,798	534,907	267,646
Supplies	147,915	163,523	7,098	156,425	-
Property	5,462	147,462	90,946	56,516	30,801
Other	4,160	4,160	10,918	(6,758)	6,961
Total business support	4,983,325	5,386,408	4,636,778	749,630	4,386,717
Operation and maintenance					
Salaries	18,803,197	18,341,710	17,959,324	382,386	16,503,196
Benefits	6,899,866	6,758,827	6,702,842	55,985	6,351,527
Purchased services	5,424,500	5,616,667	6,296,862	(680,195)	5,070,764
Supplies	12,958,462	13,995,365	12,206,501	1,788,864	11,396,319
Property	2,043	328,043	352,453	(24,410)	68,084
Other	45,254	45,254	46,796	(1,542)	58,165
Total operation and maintenance	44,133,322	45,085,866	43,564,778	1,521,088	39,448,055
Student transportation					
Salaries	7,350,171	7,110,279	6,458,447	651,832	5,927,004
Benefits	2,639,007	2,646,277	2,451,694	194,583	2,364,953
Purchased services	817,672	824,652	542,210	282,442	576,816
Supplies	2,063,548	2,426,454	2,115,502	310,952	2,013,123
Property	1,394,102	3,494,973	3,053,433	441,540	1,621,388
Other	5,000	5,000	13,526	(8,526)	9,760
Total student transportation	14,269,500	16,507,635	14,634,812	1,872,823	12,513,044

(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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Central support services					
Salaries	\$ 4,592,729	\$ 4,568,202	\$ 4,441,834	\$ 126,368	\$ 4,090,566
Benefits	1,234,395	1,339,749	1,295,873	43,876	1,208,400
Purchased services	1,409,062	1,886,884	1,423,503	463,381	1,541,017
Supplies	269,838	1,010,651	146,574	864,077	153,631
Property	65,176	65,176	77,749	(12,573)	73,377
Other	3,840	3,840	71,084	(67,244)	5,416
Total central support	7,575,040	8,874,502	7,456,617	1,417,885	7,072,407
Total undistributed expenditures	137,500,963	143,240,361	135,263,019	7,977,342	123,524,308
Total expenditures	337,454,252	343,681,158	330,633,272	13,047,886	313,448,723
Excess of Revenues Over Expenditures	29,569,367	29,053,572	44,547,014	15,493,442	38,414,076
OTHER FINANCING SOURCES (USES)					
Capital leases	-	1,703,112	1,705,000	1,888	1,005,000
Contingency	(2,362,076)	-	-	-	-
Transfers out	(32,162,540)	(41,163,835)	(40,392,193)	771,642	(32,154,842)
Total other financing sources (uses)	(34,524,616)	(39,460,723)	(38,687,193)	773,530	(31,149,842)
Net change in fund balances	(4,955,249)	(10,407,151)	5,859,821	16,266,972	7,264,234
FUND BALANCE, July 1	16,952,686	31,901,194	31,901,194	-	24,636,960
FUND BALANCE, June 30	\$ 11,997,437	\$ 21,494,043	\$ 37,761,015	\$ 16,266,972	\$ 31,901,194

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 particular 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, Family Resource Centers, Drug Free Schools, Early Childhood LEA (Special Education), Reading Improvement, Twenty-First Century, Title II, Title III, Education Collaborative, and Medicaid.*

State Programs:

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

Local Programs:

To account for transactions relating to locally funded programs including: *Special Grants, Family Resource Centers, Education Collaborative, Private Foundations, Categorical Grants, Community Education, Gifts and Donations, Pre-Funded Retiree Health Benefits, Twenty-First Century, Advanced Carpentry, and Wellness.*

Special Education:

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

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Distributive school account	\$ 19,808,808	\$ 19,598,076	\$ 19,644,528	\$ 46,452	\$ 18,655,920
Total revenues	19,808,808	19,598,076	19,644,528	46,452	18,655,920
EXPENDITURES					
Current:					
Special programs					
Instruction					
Salaries	28,405,781	28,607,672	28,553,128	54,544	26,061,579
Benefits	9,659,477	9,795,714	9,731,261	64,453	8,863,535
Purchased services	59,947	59,947	56,571	3,376	64,078
Supplies	46,016	88,768	78,394	10,374	53,539
Property	2,000	2,000	5,422	(3,422)	-
Other	1,500	1,500	1,504	(4)	1,691
Total special programs	38,174,721	38,555,601	38,426,280	129,321	35,044,422
Undistributed expenditures:					
Student support					
Salaries	750,035	1,106,557	990,509	116,048	606,409
Benefits	110,206	138,316	188,039	(49,723)	99,415
Total student support	860,241	1,244,873	1,178,548	66,325	705,824
Instructional staff support					
Salaries	405,007	484,705	440,218	44,487	381,798
Benefits	126,886	150,283	133,686	16,597	118,377
Purchased services	112,175	112,175	88,431	23,744	86,846
Supplies	10,000	10,000	9,197	803	11,507
Property	1,665	1,665	-	1,665	-
Total instructional staff support	655,733	758,828	671,532	87,296	598,528
School administration					
Salaries	119,670	175,625	159,362	16,263	111,661
Benefits	35,397	37,197	45,286	(8,089)	33,351
Total school administration	155,067	212,822	204,648	8,174	145,012
Operation and maintenance					
Salaries	40,851	38,944	36,539	2,405	35,050
Benefits	14,708	14,915	14,485	430	14,227
Total operation and maintenance	55,559	53,859	51,024	2,835	49,277

(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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student transportation					
Salaries	\$ 2,952,488	\$ 2,746,504	\$ 2,657,669	\$ 88,835	\$ 2,539,886
Benefits	1,127,789	1,139,540	1,054,287	85,253	1,039,824
Purchased services	85,388	85,388	247,556	(162,168)	261,785
Supplies	391,518	642,652	473,333	169,319	446,639
Total student transportation	4,557,183	4,614,084	4,432,845	181,239	4,288,134
Total undistributed expenditures	6,283,783	6,884,466	6,538,597	345,869	5,786,775
Total expenditures	44,458,504	45,440,067	44,964,877	475,190	40,831,197
Excess (deficiency) of revenues over expenditures	(24,649,696)	(25,841,991)	(25,320,349)	521,642	(22,175,277)
OTHER FINANCING SOURCES					
Transfers in	24,647,249	25,839,544	25,320,349	(519,195)	22,175,277
Excess of revenues and other financing sources over expenditures	(2,447)	(2,447)	-	2,447	-
FUND BALANCE, July 1	2,447	2,447	-	(2,447)	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

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**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007
(Page 1 of 3)**

	<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	\$ 58,325	\$ 374	\$ -	\$ 673,894	\$ 2,255	\$ 10,938
Receivables:						
Grants	2,350,637	59,398	73,255	2,682,927	110,925	1,358,269
Miscellaneous	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 2,408,962</u>	<u>\$ 59,772</u>	<u>\$ 73,255</u>	<u>\$ 3,356,821</u>	<u>\$ 113,180</u>	<u>\$ 1,369,207</u>
LIABILITIES						
Accounts payable	\$ 117,568	\$ 2,590	\$ 27,722	\$ 37,420	\$ 76,516	\$ 292,543
Accrued liabilities	356,475	31,250	26,370	281,278	36,629	308,851
Due to other funds	1,934,919	25,932	19,163	1,885,531	-	435,800
Due to other governments	-	-	-	-	-	12,752
Deferred revenues	-	-	-	1,152,592	35	319,261
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>2,408,962</u>	<u>59,772</u>	<u>73,255</u>	<u>3,356,821</u>	<u>113,180</u>	<u>1,369,207</u>
FUND BALANCE						
Unreserved:						
Designated for subsequent year's expenditures	-	-	-	-	-	-
Designated for retiree health benefits	-	-	-	-	-	-
Undesignated	-	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 2,408,962</u>	<u>\$ 59,772</u>	<u>\$ 73,255</u>	<u>\$ 3,356,821</u>	<u>\$ 113,180</u>	<u>\$ 1,369,207</u>

<u>FAMILY RESOURCE CENTERS</u>	<u>ADULT EDUCATION</u>	<u>CLASS SIZE REDUCTION</u>	<u>DRUG FREE SCHOOLS</u>	<u>EARLY CHILDHOOD</u>	<u>SPECIAL STATE APPROPRIATIONS</u>	<u>INNOVATION & REMEDIAL EDUCATION</u>
\$ 1,775	\$ 323,406	\$ 2,063,505	\$ 29,609	\$ 4,408	\$ 462,196	\$ 1,717,149
176,324	-	-	8,711	136,817	3,719,100	5,443
-	-	-	-	-	-	-
<u>\$ 178,099</u>	<u>\$ 323,406</u>	<u>\$ 2,063,505</u>	<u>\$ 38,320</u>	<u>\$ 141,225</u>	<u>\$ 4,181,296</u>	<u>\$ 1,722,592</u>
\$ 10,860	\$ 8,531	\$ -	\$ 8,024	\$ 5,544	\$ 3,660,570	\$ 269,190
37,904	172,843	2,063,505	25,691	63,628	-	702,063
51,864	-	-	-	28,922	-	-
-	25,353	-	4,605	41,571	-	-
<u>77,471</u>	<u>116,679</u>	<u>-</u>	<u>-</u>	<u>1,560</u>	<u>520,726</u>	<u>751,339</u>
<u>178,099</u>	<u>323,406</u>	<u>2,063,505</u>	<u>38,320</u>	<u>141,225</u>	<u>4,181,296</u>	<u>1,722,592</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 178,099</u>	<u>\$ 323,406</u>	<u>\$ 2,063,505</u>	<u>\$ 38,320</u>	<u>\$ 141,225</u>	<u>\$ 4,181,296</u>	<u>\$ 1,722,592</u>

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007
(Page 2 of 3)

	READING IMPROVEMENT	TWENTY-FIRST CENTURY	TITLE II PART A TEACHER TRAINING	TITLE III ENGLISH LANGUAGE ACQUISITION	REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM
ASSETS					
Cash and investments	\$ 228	\$ 49,499	\$ 988	\$ 2,370	\$ 4,475
Receivables:					
Grants	277,710	95,818	526,473	111,845	664,297
Miscellaneous	-	-	-	-	-
Total assets	\$ 277,938	\$ 145,317	\$ 527,461	\$ 114,215	\$ 668,772
LIABILITIES					
Accounts payable	\$ 138,504	\$ 12,632	\$ 55,072	\$ 20,100	\$ 18,728
Accrued liabilities	108,124	22,790	66,108	70,658	166,579
Due to other funds	31,310	-	406,281	23,457	421,762
Due to other governments	-	-	-	-	-
Deferred revenues	-	109,895	-	-	61,703
Total liabilities	277,938	145,317	527,461	114,215	668,772
FUND BALANCE					
Unreserved:					
Designated for subsequent year's expenditures	-	-	-	-	-
Designated for retiree health benefits	-	-	-	-	-
Undesignated	-	-	-	-	-
Total fund balance	-	-	-	-	-
Total liabilities and fund balance	\$ 277,938	\$ 145,317	\$ 527,461	\$ 114,215	\$ 668,772

<u>EDUCATION COLLABORATIVE</u>	<u>PRIVATE FOUNDATIONS</u>	<u>FULL DAY KINDERGARTEN</u>	<u>MEDICAID</u>	<u>CATEGORICAL GRANTS</u>	<u>COMMUNITY EDUCATION</u>	<u>GIFTS AND DONATIONS</u>
\$ 239,510	\$ 399,690	\$ -	405,388	\$ 10,202	\$ 327,482	\$ 869,808
48,931	-	2,530,973	-	-	-	-
-	-	-	-	45,085	-	1,400
<u>\$ 288,441</u>	<u>\$ 399,690</u>	<u>\$ 2,530,973</u>	<u>405,388</u>	<u>\$ 55,287</u>	<u>\$ 327,482</u>	<u>\$ 871,208</u>
\$ 25,039	\$ 3,826	\$ -	1,087	\$ -	\$ 5,484	\$ 34,462
19,806	1,553	422,358	6,969	34,997	9,855	11,072
-	-	2,108,615	-	-	-	-
-	-	-	-	-	-	-
<u>243,596</u>	<u>394,311</u>	<u>-</u>	<u>-</u>	<u>20,290</u>	<u>-</u>	<u>-</u>
<u>288,441</u>	<u>399,690</u>	<u>2,530,973</u>	<u>8,056</u>	<u>55,287</u>	<u>15,339</u>	<u>45,534</u>
-	-	-	381,591	-	201,161	412,851
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>15,741</u>	<u>-</u>	<u>110,982</u>	<u>412,823</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>397,332</u>	<u>-</u>	<u>312,143</u>	<u>825,674</u>
<u>\$ 288,441</u>	<u>\$ 399,690</u>	<u>\$ 2,530,973</u>	<u>405,388</u>	<u>\$ 55,287</u>	<u>\$ 327,482</u>	<u>\$ 871,208</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007
(Page 3 of 3)**

	<u>PRE-FUNDED RETIREE HEALTH BENEFITS</u>	<u>ADVANCED CARPENTRY</u>	<u>WELLNESS</u>	<u>TOTAL</u>
ASSETS				
Cash and investments	\$ 12,989,488	\$ 43,778	\$ 395,431	\$ 21,086,171
Receivables:				
Grants	-	-	-	14,937,853
Miscellaneous	51,638	-	1,448	99,571
Total assets	<u>\$ 13,041,126</u>	<u>\$ 43,778</u>	<u>\$ 396,879</u>	<u>\$ 36,123,595</u>
LIABILITIES				
Accounts payable	\$ -	\$ 1,672	\$ 49,214	\$ 4,882,898
Accrued liabilities	-	65	6,542	5,053,963
Due to other funds	-	-	-	7,373,556
Due to other governments	-	-	-	84,281
Deferred revenues	-	-	-	3,769,458
Total liabilities	<u>-</u>	<u>1,737</u>	<u>55,756</u>	<u>21,164,156</u>
FUND BALANCE				
Unreserved:				
Designated for subsequent year's expenditures	-	42,041	93,112	1,130,756
Designated for retiree health benefits	13,041,126	-	-	13,041,126
Undesignated	-	-	248,011	787,557
Total fund balance	<u>13,041,126</u>	<u>42,041</u>	<u>341,123</u>	<u>14,959,439</u>
Total liabilities and fund balance	<u>\$ 13,041,126</u>	<u>\$ 43,778</u>	<u>\$ 396,879</u>	<u>\$ 36,123,595</u>

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**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2007
(Page 1 of 3)**

	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,470
State sources	-	-	-	-	144,971	2,239,598
Federal sources	8,563,320	870,835	223,808	8,515,358	743,272	4,997,881
Total revenues	<u>8,563,320</u>	<u>870,835</u>	<u>223,808</u>	<u>8,515,358</u>	<u>888,243</u>	<u>7,258,949</u>
EXPENDITURES						
Current:						
Regular programs	6,777,172	681,743	213,544	-	-	2,369,029
Special programs	-	-	-	5,273,162	-	-
Adult education programs	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Undistributed expenditures:						
Student support	-	-	-	2,914,008	-	1,924,753
Instructional staff support	1,619,641	189,092	10,264	328,188	888,243	2,451,774
General Administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Operation and maintenance	-	-	-	-	-	-
Central support	-	-	-	-	-	494,411
Other support	166,507	-	-	-	-	18,982
Total expenditures	<u>8,563,320</u>	<u>870,835</u>	<u>223,808</u>	<u>8,515,358</u>	<u>888,243</u>	<u>7,258,949</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>
Net change in fund balances	-	-	-	-	-	-
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>FAMILY RESOURCE CENTERS</u>	<u>ADULT EDUCATION</u>	<u>CLASS SIZE REDUCTION</u>	<u>DRUG FREE SCHOOLS</u>	<u>EARLY CHILDHOOD</u>	<u>SPECIAL STATE APPROPRIATIONS</u>	<u>INNOVATION & REMEDIAL EDUCATION</u>
\$ 145,644	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
310,678	1,955,325	19,234,960	-	489,640	6,301,368	12,073,000
398,244	-	-	201,392	281,090	-	-
<u>854,566</u>	<u>1,955,325</u>	<u>19,234,960</u>	<u>201,392</u>	<u>770,730</u>	<u>6,301,368</u>	<u>12,073,000</u>
-	-	19,234,960	-	452,550	4,319,100	11,725,270
-	-	-	-	281,091	-	-
-	1,268,709	-	-	-	-	-
854,566	-	-	-	-	-	-
-	260,097	-	-	-	-	-
-	-	-	201,392	37,089	-	347,730
-	-	-	-	-	-	-
-	360,367	-	-	-	-	-
-	66,152	-	-	-	1,982,268	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>854,566</u>	<u>1,955,325</u>	<u>19,234,960</u>	<u>201,392</u>	<u>770,730</u>	<u>6,301,368</u>	<u>12,073,000</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2007
(Page 2 of 3)**

	<u>READING IMPROVEMENT</u>	<u>TWENTY-FIRST CENTURY</u>	<u>TITLE II PART A TEACHER TRAINING</u>	<u>TITLE III ENGLISH LANGUAGE ACQUISITION</u>	<u>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</u>
REVENUES					
Local sources	\$ -	\$ 79,378	\$ -	\$ -	-
State sources	-	-	-	-	2,217,211
Federal sources	1,380,791	1,407,259	1,727,162	1,175,520	-
Total revenues	<u>1,380,791</u>	<u>1,486,637</u>	<u>1,727,162</u>	<u>1,175,520</u>	<u>2,217,211</u>
EXPENDITURES					
Current:					
Regular programs	896,462	1,242,401	-	1,175,520	-
Special programs	-	-	-	-	-
Adult education programs	-	-	-	-	-
Community service programs	-	-	-	-	-
Undistributed expenditures:					
Student support	480,088	-	-	-	-
Instructional staff support	4,241	244,236	1,727,162	-	2,217,211
General Administration	-	-	-	-	-
School administration	-	-	-	-	-
Operation and maintenance	-	-	-	-	-
Central support	-	-	-	-	-
Other support	-	-	-	-	-
Total expenditures	<u>1,380,791</u>	<u>1,486,637</u>	<u>1,727,162</u>	<u>1,175,520</u>	<u>2,217,211</u>
Excess (deficiency) of revenues over expenditures	<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>
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>EDUCATION COLLABORATIVE</u>	<u>PRIVATE FOUNDATIONS</u>	<u>FULL DAY KINDERGARTEN</u>	<u>MEDICAID</u>	<u>CATEGORICAL GRANTS</u>	<u>COMMUNITY EDUCATION</u>	<u>GIFTS AND DONATIONS</u>
\$ 227,426	\$ 766,598	\$ -	\$ -	\$ 438,086	\$ 442,300	\$ 378,520
-	-	3,768,611	-	-	-	-
347,244	-	-	693,903	-	-	-
<u>574,670</u>	<u>766,598</u>	<u>3,768,611</u>	<u>693,903</u>	<u>438,086</u>	<u>442,300</u>	<u>378,520</u>
170,925	615,996	3,768,611	488,535	465,062	282,769	301,239
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
347,924	102,453	-	-	88	-	-
24,197	-	-	-	3,079	-	-
-	-	-	-	-	-	-
-	-	-	-	-	152,068	-
-	-	-	-	2,296	-	-
-	48,149	-	-	-	-	-
31,624	-	-	-	-	-	-
<u>574,670</u>	<u>766,598</u>	<u>3,768,611</u>	<u>488,535</u>	<u>470,525</u>	<u>434,837</u>	<u>301,239</u>
-	-	-	205,368	(32,439)	7,463	77,281
-	-	-	-	-	-	-
-	-	-	205,368	(32,439)	7,463	77,281
-	-	-	191,964	32,439	304,680	748,393
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 397,332</u>	<u>\$ -</u>	<u>\$ 312,143</u>	<u>\$ 825,674</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, 2007
(Page 3 of 3)**

	PRE-FUNDED RETIREE HEALTH BENEFITS	ADVANCED CARPENTRY	WELLNESS	TOTAL
REVENUES				
Local sources	\$ 508,192	\$ -	\$ 580,332	\$ 3,587,946
State sources	-	-	-	48,735,362
Federal sources	-	-	-	31,527,079
Total revenues	508,192	-	580,332	83,850,387
EXPENDITURES				
Current:				
Regular programs	-	58,424	-	55,239,312
Special programs	-	-	-	5,554,253
Adult education programs	-	-	-	1,268,709
Community service programs	-	-	-	854,566
Undistributed expenditures:				
Student support	-	-	-	6,029,411
Instructional staff support	-	-	-	10,293,539
General Administration	-	-	332,321	332,321
School administration	-	-	-	512,435
Operation and maintenance	-	-	-	2,050,716
Central support	-	-	-	542,560
Other support	-	-	-	217,113
Total expenditures	-	58,424	332,321	82,894,935
Excess (deficiency) of revenues over expenditures	508,192	(58,424)	248,011	955,452
OTHER FINANCING SOURCES:				
Transfers in	4,000,000	50,000	-	4,050,000
Net change in fund balances	4,508,192	(8,424)	248,011	5,005,452
FUND BALANCE, July 1	8,532,934	50,465	93,112	9,953,987
FUND BALANCE, June 30	\$ 13,041,126	\$ 42,041	\$ 341,123	\$ 14,959,439

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Title I	\$ 9,579,779	\$ 10,486,319	\$ 8,563,320	\$ (1,922,999)	\$ 7,889,784
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	5,308,844	3,707,108	3,353,713	353,395	4,166,456
Benefits	1,750,734	1,204,471	1,064,795	139,676	1,393,084
Purchased services	1,082,547	1,935,821	1,229,141	706,680	844,287
Supplies	548,815	767,682	691,726	75,956	581,846
Property	-	-	-	-	5,978
Other	360,757	525,959	437,797	88,162	390,924
Total regular programs	9,051,697	8,141,041	6,777,172	1,363,869	7,382,575
Undistributed expenditures:					
Instructional staff support					
Salaries	336,335	1,218,676	1,030,851	187,825	366,780
Benefits	86,505	296,968	245,576	51,392	73,431
Purchased services	38,425	369,899	233,247	136,652	25,714
Supplies	15,788	134,608	95,576	39,032	9,662
Other	51,029	102,989	14,391	88,598	31,622
Total undistributed expenditures	528,082	2,123,140	1,619,641	503,499	507,209
Other support					
Salaries	-	97,201	81,886	15,315	-
Benefits	-	32,560	22,578	9,982	-
Purchased services	-	50,600	27,793	22,807	-
Supplies	-	41,277	34,070	7,207	-
Other	-	500	180	320	-
Total other support	-	222,138	166,507	55,631	-
Total undistributed expenditures	528,082	2,345,278	1,786,148	559,130	507,209
Total expenditures	9,579,779	10,486,319	8,563,320	1,922,999	7,889,784
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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Federal sources:					
Title V	\$ 474,749	\$ 967,603	\$ 870,835	\$ (96,768)	\$ 1,154,204
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	235,085	466,973	456,085	10,888	394,074
Benefits	68,635	153,372	123,113	30,259	112,332
Purchased services	28,005	91,213	84,812	6,401	99,525
Supplies	31,545	18,761	17,673	1,088	68,169
Other	68	60	60	-	60
Total regular programs	<u>363,338</u>	<u>730,379</u>	<u>681,743</u>	<u>48,636</u>	<u>674,160</u>
Undistributed expenditures:					
Instructional staff support					
Salaries	37,564	62,123	62,157	(34)	66,405
Benefits	11,268	18,737	16,486	2,251	15,764
Purchased services	46,857	80,945	73,432	7,513	357,825
Supplies	3,169	42,005	6,124	35,881	8,172
Other	12,553	33,414	30,893	2,521	31,878
Total undistributed expenditures	<u>111,411</u>	<u>237,224</u>	<u>189,092</u>	<u>48,132</u>	<u>480,044</u>
Total expenditures	<u>474,749</u>	<u>967,603</u>	<u>870,835</u>	<u>96,768</u>	<u>1,154,204</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
INDIAN EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Title VII - Indian education program	\$ 240,792	\$ 252,514	\$ 223,808	\$ (28,706)	\$ 246,222
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	154,231	138,898	134,534	4,364	153,691
Benefits	48,524	40,473	40,320	153	47,777
Purchased services	23,641	20,972	9,954	11,018	27,266
Supplies	7,555	40,755	28,592	12,163	5,615
Other	491	144	144	-	273
Total regular programs	234,442	241,242	213,544	27,698	234,622
Undistributed expenditures:					
Instructional staff support					
Salaries	-	2,404	2,404	-	2,272
Other	6,350	8,868	7,860	1,008	9,328
Total undistributed expenditures	6,350	11,272	10,264	1,008	11,600
Total expenditures	240,792	252,514	223,808	28,706	246,222
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Education of the handicapped	\$ 11,987,077	\$ 9,928,183	\$ 8,515,358	\$ (1,412,825)	\$ 10,595,818
EXPENDITURES					
Current:					
Special programs:					
Instruction					
Salaries	4,684,549	4,799,810	4,057,574	742,236	4,130,898
Benefits	1,212,334	1,404,477	1,215,588	188,889	1,170,022
Total special programs	5,896,883	6,204,287	5,273,162	931,125	5,300,920
Undistributed expenditures:					
Student support					
Salaries	2,080,156	1,314,374	1,154,630	159,744	1,751,974
Benefits	632,308	380,689	328,250	52,439	504,910
Purchased services	1,503,502	681,557	514,077	167,480	1,428,110
Supplies	377,857	187,402	150,968	36,434	241,910
Property	-	7,400	7,400	-	-
Other	801,688	823,760	758,683	65,077	784,012
Total student support	5,395,511	3,395,182	2,914,008	481,174	4,710,916
Instructional staff support					
Salaries	492,362	220,469	220,469	-	388,593
Benefits	183,727	83,506	83,499	7	143,199
Supplies	-	13,195	12,694	501	-
Purchased services	-	-	-	-	30,000
Other	18,594	11,544	11,526	18	22,190
Total instructional staff support	694,683	328,714	328,188	526	583,982
Total undistributed expenditures	6,090,194	3,723,896	3,242,196	481,700	5,294,898
Total expenditures	11,987,077	9,928,183	8,515,358	1,412,825	10,595,818
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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Vocational education	\$ -	\$ 145,006	\$ 144,971	\$ (35)	\$ 153,066
Federal sources:					
Vocational education	770,889	752,161	743,272	(8,889)	643,430
Total revenues	770,889	897,167	888,243	(8,924)	796,496
EXPENDITURES					
Current:					
Undistributed expenditures:					
Instructional staff support					
Salaries	135,669	163,071	158,442	4,629	114,348
Benefits	25,928	39,382	38,090	1,292	24,561
Purchased services	191,700	243,328	242,979	349	201,883
Supplies	387,822	391,725	390,852	873	386,195
Property	12,851	29,975	29,921	54	41,931
Other	16,919	29,686	27,959	1,727	27,578
Total undistributed expenditures	770,889	897,167	888,243	8,924	796,496
Total expenditures	770,889	897,167	888,243	8,924	796,496
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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 109,000	\$ 18,552	\$ 21,470	\$ 2,918	\$ 382,348
State sources	1,712,425	2,866,387	2,239,598	(626,789)	1,396,909
Federal sources	4,418,392	6,391,394	4,997,881	(1,393,513)	4,432,446
Total revenues	<u>6,239,817</u>	<u>9,276,333</u>	<u>7,258,949</u>	<u>(2,017,384)</u>	<u>6,211,703</u>
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	1,220,399	1,150,445	865,433	285,012	918,508
Benefits	213,579	260,142	198,574	61,568	175,585
Purchased services	367,245	560,517	503,208	57,309	296,289
Supplies	758,014	684,761	542,974	141,787	592,646
Property	-	7,000	6,083	917	5,300
Other	191,081	261,313	252,757	8,556	143,252
Total regular programs	<u>2,750,318</u>	<u>2,924,178</u>	<u>2,369,029</u>	<u>555,149</u>	<u>2,131,580</u>
Undistributed expenditures:					
Student support					
Salaries	526,420	352,336	326,126	26,210	388,282
Benefits	165,301	91,295	80,197	11,098	117,312
Purchased services	101,090	360,505	291,370	69,135	166,449
Supplies	588,080	849,683	739,491	110,192	806,102
Property	-	6,830	5,569	1,261	-
Other	283,227	640,056	482,000	158,056	308,665
Total student support	<u>1,664,118</u>	<u>2,300,705</u>	<u>1,924,753</u>	<u>375,952</u>	<u>1,786,810</u>
Instructional staff support					
Salaries	502,327	1,515,457	1,064,953	450,504	667,616
Benefits	118,034	333,722	282,222	51,500	290,392
Purchased services	363,839	702,233	285,262	416,971	241,443
Supplies	48,795	487,191	414,873	72,318	334,570
Property	-	5,500	5,500	-	-
Other	415,314	486,173	398,964	87,209	368,778
Total instructional staff support	<u>1,448,309</u>	<u>3,530,276</u>	<u>2,451,774</u>	<u>1,078,502</u>	<u>1,902,799</u>
Central support					
Salaries	\$ 50,537	\$ 75,892	\$ 75,892	\$ -	\$ 75,498
Benefits	16,000	21,449	21,449	-	21,946
Purchased services	297,392	359,670	359,670	-	269,570
Supplies	12,233	31,999	31,936	63	10,644
Other	910	5,464	5,464	-	4,556
Total central support	<u>377,072</u>	<u>494,474</u>	<u>494,411</u>	<u>63</u>	<u>382,214</u>

(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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Other support					
Salaries	-	5,500	2,520	2,980	-
Benefits	-	80	37	43	-
Purchased services	-	18,720	16,425	2,295	8,300
Supplies	-	2,400	-	2,400	-
Total other support	-	26,700	18,982	7,718	8,300
Total undistributed expenditures	3,489,499	6,352,155	4,889,920	1,462,235	4,080,123
Total expenditures	6,239,817	9,276,333	7,258,949	2,017,384	6,211,703
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
FAMILY RESOURCE CENTERS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 76,300	\$ 174,000	\$ 145,644	\$ (28,356)	\$ 68,486
State sources	353,814	340,518	310,678	(29,840)	324,603
Federal sources	353,091	420,968	398,244	(22,724)	249,186
Total revenues	<u>783,205</u>	<u>935,486</u>	<u>854,566</u>	<u>(80,920)</u>	<u>642,275</u>
EXPENDITURES					
Community service programs:					
Salaries	490,924	527,635	508,808	18,827	393,589
Benefits	140,090	148,794	139,221	9,573	107,303
Purchased services	70,773	109,303	94,387	14,916	67,723
Supplies	42,036	31,900	29,403	2,497	36,924
Other	39,382	117,854	82,747	35,107	36,736
Total community service	<u>783,205</u>	<u>935,486</u>	<u>854,566</u>	<u>80,920</u>	<u>642,275</u>
Total expenditures	<u>783,205</u>	<u>935,486</u>	<u>854,566</u>	<u>80,920</u>	<u>642,275</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
ADULT EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
High school diploma program	\$ 1,830,000	\$ 2,072,003	\$ 1,955,325	\$ (116,678)	\$ 1,683,663
EXPENDITURES					
Current:					
Adult education programs:					
Instruction					
Salaries	715,619	835,767	802,745	33,022	734,168
Benefits	129,027	165,128	140,116	25,012	152,718
Purchased services	218,002	112,610	104,065	8,545	113,384
Supplies	23,828	215,184	200,690	14,494	15,815
Property	-	21,100	21,093	7	-
Other	55,074	-	-	-	63,978
Total adult education programs	1,141,550	1,349,789	1,268,709	81,080	1,080,063
Undistributed expenditures:					
Student support					
Salaries	194,749	201,543	201,543	-	188,182
Benefits	57,068	58,557	58,554	3	54,937
Total student support	251,817	260,100	260,097	3	243,119
School administration					
Salaries	273,047	237,896	226,416	11,480	234,216
Benefits	85,154	83,142	66,018	17,124	65,668
Other	-	72,030	67,933	4,097	-
Total school administration	358,201	393,068	360,367	32,701	299,884
Operation and maintenance					
Salaries	60,618	50,000	48,193	1,807	45,506
Benefits	17,814	19,046	17,959	1,087	15,091
Total operation and maintenance	78,432	69,046	66,152	2,894	60,597
Total undistributed expenditures	688,450	722,214	686,616	35,598	603,600
Total expenditures	1,830,000	2,072,003	1,955,325	116,678	1,683,663
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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Special appropriations	\$ 19,234,960	\$ 19,234,960	\$ 19,234,960	\$ -	\$ 18,298,313
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	14,467,640	14,467,640	14,421,932	45,708	13,532,416
Benefits	4,767,320	4,767,320	4,813,028	(45,708)	4,765,897
Total expenditures	19,234,960	19,234,960	19,234,960	-	18,298,313
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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Federal sources:					
Safe and drug free schools act	\$ 259,134	\$ 226,794	\$ 201,392	\$ (25,402)	\$ 216,644
EXPENDITURES					
Current:					
Undistributed expenditures:					
Instructional staff support					
Salaries	152,297	74,870	69,879	4,991	111,096
Benefits	30,382	26,208	19,200	7,008	21,205
Purchased services	40,604	75,507	65,666	9,841	43,830
Supplies	32,751	45,763	42,698	3,065	36,265
Other	3,100	4,446	3,949	497	4,248
Total undistributed expenditures	<u>259,134</u>	<u>226,794</u>	<u>201,392</u>	<u>25,402</u>	<u>216,644</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
EARLY CHILDHOOD - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 506,850	\$ 491,200	\$ 489,640	\$ (1,560)	\$ 468,906
Federal sources	245,072	281,090	281,090	-	264,771
Total revenues	751,922	772,290	770,730	(1,560)	733,677
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	368,057	328,279	328,118	161	306,690
Benefits	137,323	112,597	111,768	829	114,104
Purchased services	908	-	-	-	1,427
Supplies	8,895	13,180	12,664	516	10,392
Other	-	-	-	-	-
Total regular programs	515,183	454,056	452,550	1,506	432,613
Undistributed expenditures:					
Instructional staff support					
Salaries	145,935	4,692	4,692	-	122,822
Purchased services	24,282	15,200	15,200	-	21,089
Other	-	17,251	17,197	54	-
Total instructional staff support	170,217	37,143	37,089	54	143,911
Special programs:					
Instruction					
Salaries	-	111,263	111,263	-	66,691
Benefits	-	20,770	20,770	-	19,942
Purchased Services	-	-	-	-	2,300
Supplies	17,633	-	-	-	21,865
Other	5,159	-	-	-	10,061
Total Instruction	22,792	132,033	132,033	-	120,859
Undistributed expenditures:					
Instructional staff support					
Salaries	-	81,327	81,327	-	4,476
Benefits	-	24,495	24,495	-	-
Purchased services	29,757	3,854	3,854	-	14,000
Supplies	-	29,510	29,510	-	-
Other	13,973	9,872	9,872	-	17,818
Total special undistributed	43,730	149,058	149,058	-	36,294
Total special programs	66,522	281,091	281,091	-	157,153
Total expenditures	751,922	772,290	770,730	1,560	733,677
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL STATE APPROPRIATIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Special appropriation	\$ 2,302,768	\$ 6,822,094	\$ 6,301,368	\$ (520,726)	\$ 6,652,798
EXPENDITURES					
Regular programs:					
Instruction					
Salaries	1,302,768	672,000	672,000	-	628,000
Benefits	-	3,647,100	3,647,100	-	3,597,041
Total regular programs	1,302,768	4,319,100	4,319,100	-	4,225,041
Building acquisition and construction					
Purchased services	-	535,911	15,185	520,726	110,499
Property	1,000,000	1,886,720	1,886,720	-	2,317,258
Other	-	80,363	80,363	-	-
Total building acquisition and construction	1,000,000	2,502,994	1,982,268	520,726	2,427,757
Total expenditures	2,302,768	6,822,094	6,301,368	520,726	6,652,798
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 INNOVATION AND REMEDIAL EDUCATION - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Legislative appropriation	\$ 11,619,534	\$ 12,824,341	\$ 12,073,000	\$ (751,341)	\$ 2,501,164
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	5,809,767	5,799,264	5,440,112	359,152	687,593
Benefits	1,742,930	1,540,764	1,417,425	123,339	123,806
Purchased services	1,626,735	1,206,556	1,078,830	127,726	230,225
Supplies	2,207,711	3,840,212	3,723,909	116,303	1,259,320
Property	-	44,986	40,903	4,083	-
Other	232,391	28,543	24,091	4,452	192,021
Total regular programs	11,619,534	12,460,325	11,725,270	735,055	2,492,965
Undistributed expenditures:					
Instructional staff support					
Salaries	-	39,949	25,234	14,715	-
Benefits	-	7,677	6,509	1,168	-
Purchased services	-	316,390	315,987	403	8,199
Total undistributed expenditures	-	364,016	347,730	16,286	8,199
Total expenditures	11,619,534	12,824,341	12,073,000	751,341	2,501,164
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
READING IMPROVEMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Reading grants	\$ 1,496,148	\$ 1,421,433	\$ 1,380,791	\$ (40,642)	\$ 1,405,633
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	563,528	565,804	555,898	9,906	443,842
Benefits	174,041	169,881	166,468	3,413	135,200
Purchased services	69,019	60,511	55,520	4,991	69,277
Supplies	306,158	128,714	118,177	10,537	258,417
Other	143	447	399	48	55
Total regular programs	1,112,889	925,357	896,462	28,895	906,791
Undistributed expenditures:					
Student support					
Salaries	146,375	101,842	101,841	1	104,610
Benefits	48,059	33,792	32,632	1,160	33,876
Purchased services	99,544	57,002	50,903	6,099	46,738
Supplies	55,525	38,907	35,745	3,162	53,496
Other	33,756	260,292	258,967	1,325	260,122
Total student support	383,259	491,835	480,088	11,747	498,842
Instructional staff support					
Salaries	-	4,180	4,180	-	-
Benefits	-	61	61	-	-
Total instructional staff support	-	4,241	4,241	-	-
Total undistributed expenditures	383,259	496,076	484,329	11,747	498,842
Total expenditures	1,496,148	1,421,433	1,380,791	40,642	1,405,633
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Contributions	\$ 81,750	\$ 100,000	\$ 79,378	\$ (20,622)	\$ 80,048
Federal sources:					
21st Century	1,705,618	2,013,862	1,407,259	(606,603)	1,483,460
Total revenues	<u>1,787,368</u>	<u>2,113,862</u>	<u>1,486,637</u>	<u>(627,225)</u>	<u>1,563,508</u>
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	1,043,424	1,101,127	865,191	235,936	807,111
Benefits	160,935	185,012	149,512	35,500	133,520
Purchased services	236,783	300,430	180,684	119,746	275,522
Supplies	50,686	133,297	39,376	93,921	52,029
Other	8,477	20,098	7,638	12,460	6,759
Total regular programs	<u>1,500,305</u>	<u>1,739,964</u>	<u>1,242,401</u>	<u>497,563</u>	<u>1,274,941</u>
Undistributed expenditures:					
Instructional staff support					
Salaries	145,661	185,289	146,959	38,330	129,303
Benefits	38,226	41,856	37,040	4,816	31,297
Purchased services	54,011	14,800	13,200	1,600	68,880
Supplies	13,682	66,579	71	66,508	6,240
Other	35,483	65,374	46,966	18,408	52,847
Total undistributed expenditures	<u>287,063</u>	<u>373,898</u>	<u>244,236</u>	<u>129,662</u>	<u>288,567</u>
Total expenditures	<u>1,787,368</u>	<u>2,113,862</u>	<u>1,486,637</u>	<u>627,225</u>	<u>1,563,508</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Title II, Part A	\$ 1,646,655	\$ 2,053,191	\$ 1,727,162	\$ (326,029)	\$ 1,448,771
EXPENDITURES					
Current:					
Undistributed expenditures:					
Instructional staff support					
Salaries	765,747	918,586	825,037	93,549	694,490
Benefits	139,755	172,356	144,775	27,581	108,856
Purchased services	540,278	706,273	539,151	167,122	460,865
Supplies	146,471	170,711	145,206	25,505	117,616
Other	54,404	85,265	72,993	12,272	66,944
Total undistributed expenditures	1,646,655	2,053,191	1,727,162	326,029	1,448,771
Total expenditures	1,646,655	2,053,191	1,727,162	326,029	1,448,771
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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Federal sources:					
Title III - English language acquisition	\$ 895,376	\$ 1,322,271	\$ 1,175,520	\$ (146,751)	\$ 724,969
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	592,219	607,186	534,308	72,878	375,123
Benefits	191,396	190,568	179,492	11,076	124,884
Purchased services	74,850	126,447	107,624	18,823	62,221
Supplies	24,781	372,144	331,537	40,607	148,526
Other	12,130	25,926	22,559	3,367	14,215
Total expenditures	895,376	1,322,271	1,175,520	146,751	724,969
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources:					
Legislative appropriation	\$ 1,926,281	\$ 2,278,914	\$ 2,217,211	\$ (61,703)	\$ 1,752,829
EXPENDITURES					
Current:					
Undistributed expenditures:					
Instructional staff support					
Salaries	1,142,578	1,129,447	1,111,168	18,279	1,025,434
Benefits	293,385	291,665	285,451	6,214	233,789
Purchased services	329,696	478,804	465,058	13,746	317,798
Supplies	112,185	284,457	267,343	17,114	112,000
Property	-	12,831	12,831	-	-
Other	48,437	81,710	75,360	6,350	63,808
Total expenditures	1,926,281	2,278,914	2,217,211	61,703	1,752,829
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
EDUCATION COLLABORATIVE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 215,766	\$ 447,631	\$ 227,426	\$ (220,205)	\$ 145,482
State sources	5,450	-	-	-	-
Federal sources	327,000	682,751	347,244	(335,507)	263,028
Total revenues	548,216	1,130,382	574,670	(555,712)	408,510
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	7,980	-	-	-	5,527
Benefits	1,789	-	-	-	1,752
Purchased services	38,197	103,233	13,415	89,818	45,969
Supplies	17,479	283,856	29,745	254,111	20,914
Other	123,921	-	127,765	(127,765)	56,320
Total regular programs	189,366	387,089	170,925	216,164	130,482
Undistributed expenditures:					
Student support					
Salaries	170,271	292,719	138,527	154,192	109,492
Benefits	60,144	102,647	44,106	58,541	36,266
Purchased services	73,419	202,031	125,057	76,974	76,271
Supplies	43,148	40,810	27,276	13,534	30,905
Other	10,854	29,297	12,958	16,339	10,095
Total student support	357,836	667,504	347,924	319,580	263,029
Instructional staff support					
Purchased services	1,014	30,588	18,383	12,205	6,448
Supplies	-	6,412	3,927	2,485	-
Other	-	3,000	1,887	1,113	-
Total instructional staff support	1,014	40,000	24,197	15,803	6,448
Other support					
Salaries	-	2,690	2,330	360	2,345
Benefits	-	336	195	141	196
Purchased services	-	23,534	19,894	3,640	5,910
Supplies	-	9,229	9,205	24	100
Total other support	-	35,789	31,624	4,165	8,551
Total undistributed expenditures	358,850	743,293	403,745	339,548	278,028
Total expenditures	548,216	1,130,382	574,670	555,712	408,510
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
PRIVATE FOUNDATIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Foundations	\$ 428,100	\$ 1,161,484	\$ 766,598	\$ (394,886)	\$ 395,264
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	194,848	212,079	153,274	58,805	149,735
Benefits	15,733	6,844	3,982	2,862	13,939
Purchased services	79,898	57,911	22,671	35,240	55,573
Supplies	103,695	513,225	370,329	142,896	128,899
Property	-	96,740	65,740	31,000	-
Total regular programs	394,174	886,799	615,996	270,803	348,146
Undistributed expenditures:					
Student support					
Salaries	-	-	-	-	26,471
Benefits	-	-	-	-	2,155
Purchased services	-	53,525	53,525	-	-
Supplies	-	49,858	48,928	930	1,617
Property	-	119,500	-	119,500	-
Total student support	-	222,883	102,453	120,430	30,243
Central support					
Purchased Services	33,926	9,870	8,712	1,158	16,875
Supplies	-	16,955	15,041	1,914	-
Property	-	24,977	24,396	581	-
Total central support	33,926	51,802	48,149	3,653	16,875
Total undistributed expenditures	33,926	274,685	150,602	124,083	47,118
Total expenditures	428,100	1,161,484	766,598	394,886	395,264
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 FULL DAY KINDERGARTEN - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
State sources:					
Legislative appropriation	\$ 3,768,611	\$ 3,768,611	\$ 3,768,611	\$ -	\$ -
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	2,727,032	2,662,411	2,666,471	(4,060)	-
Benefits	1,041,579	1,106,200	1,102,140	4,060	-
Total expenditures	3,768,611	3,768,611	3,768,611	-	-
Net change in fund balances	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 MEDICAID - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources:					
Medicaid	\$ 54,000	\$ 693,903	\$ 693,903	\$ -	\$ 384,380
EXPENDITURES					
Current:					
Regular Programs					
Instruction					
Salaries	50,000	885,867	62,046	823,821	57,448
Benefits	34,000	-	17,610	(17,610)	18,049
Purchased services	-	-	303,263	(303,263)	680,705
Supplies	-	-	78,347	(78,347)	48,214
Property	-	-	27,269	(27,269)	-
Total expenditures	84,000	885,867	488,535	397,332	804,416
Net change in fund balances	(30,000)	(191,964)	205,368	397,332	(420,036)
FUND BALANCE, July 1	30,000	191,964	191,964	-	612,000
FUND BALANCE, June 30	\$ -	\$ -	\$ 397,332	\$ 397,332	\$ 191,964

**WASHOE COUNTY SCHOOL DISTRICT
CATEGORICAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 526,090	\$ 526,090	\$ 438,086	\$ (88,004)	\$ 554,348
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	499,900	499,900	390,940	108,960	450,532
Benefits	12,770	12,770	74,122	(61,352)	98,891
Total regular programs	512,670	512,670	465,062	47,608	549,423
Undistributed expenditures:					
Student support					
Salaries	1,300	1,300	78	1,222	457
Benefits	120	120	10	110	56
Total student support	1,420	1,420	88	1,332	513
Instructional staff support					
Salaries	6,000	6,000	2,247	3,753	2,060
Benefits	-	-	832	(832)	778
Total instructional staff support	6,000	6,000	3,079	2,921	2,838
Operations support					
Salaries	6,000	6,000	1,569	4,431	-
Benefits	-	-	727	(727)	-
Total operations support	6,000	6,000	2,296	3,704	-
School Administration					
Salaries	-	-	-	-	1,462
Benefits	-	-	-	-	112
Total school administration	-	-	-	-	1,574
Total undistributed expenditures	13,420	13,420	5,463	7,957	4,925
Total expenditures	526,090	526,090	470,525	55,565	554,348
Net change in fund balances	-	-	(32,439)	(32,439)	-
FUND BALANCE, July 1	-	-	32,439	32,439	32,439
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ 32,439

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 310,000	\$ 310,000	\$ 442,300	\$ 132,300	\$ 403,941
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	125,000	165,000	136,081	28,919	95,858
Benefits	7,750	8,000	5,931	2,069	3,988
Purchased services	93,850	180,000	108,228	71,772	132,043
Supplies	15,669	18,000	15,549	2,451	13,865
Other	12,000	20,000	16,980	3,020	457
Total regular programs	<u>254,269</u>	<u>391,000</u>	<u>282,769</u>	<u>108,231</u>	<u>246,211</u>
Undistributed expenditures:					
School administration					
Salaries	124,500	150,000	119,635	30,365	108,872
Benefits	35,500	38,000	32,433	5,567	31,992
Total undistributed expenditures	<u>160,000</u>	<u>188,000</u>	<u>152,068</u>	<u>35,932</u>	<u>140,864</u>
Total expenditures	<u>414,269</u>	<u>579,000</u>	<u>434,837</u>	<u>144,163</u>	<u>387,075</u>
Net change in fund balances	(104,269)	(269,000)	7,463	276,463	16,866
FUND BALANCE, July 1	<u>185,045</u>	<u>304,680</u>	<u>304,680</u>	<u>-</u>	<u>287,814</u>
FUND BALANCE, June 30	<u>\$ 80,776</u>	<u>\$ 35,680</u>	<u>\$ 312,143</u>	<u>\$ 276,463</u>	<u>\$ 304,680</u>

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 600,000	\$ 600,000	\$ 378,520	\$ (221,480)	\$ 331,628
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	223,926	223,926	69,669	154,257	75,774
Benefits	13,833	13,833	7,201	6,632	4,668
Purchased services	57,164	57,164	40,285	16,879	97,173
Supplies	640,050	640,050	129,922	510,128	102,447
Property	596	596	28,235	(27,639)	-
Other	-	-	25,927	(25,927)	10,251
Total expenditures	935,569	935,569	301,239	634,330	290,313
Net change in fund balances	(335,569)	(335,569)	77,281	412,850	41,315
FUND BALANCE, July 1	371,536	371,536	748,393	376,857	707,078
FUND BALANCE, June 30	\$ 35,967	\$ 35,967	\$ 825,674	\$ 789,707	\$ 748,393

WASHOE COUNTY SCHOOL DISTRICT
PRE-FUNDED RETIREE HEALTH BENEFITS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 25,000	\$ 25,000	\$ 508,192	\$ 483,192	\$ 165,616
OTHER FINANCING SOURCES:					
Transfers in	2,000,000	4,000,000	4,000,000	-	5,000,000
Net change in fund balances	2,025,000	4,025,000	4,508,192	483,192	5,165,616
FUND BALANCE, July 1	<u>6,892,318</u>	<u>6,892,318</u>	<u>8,532,934</u>	<u>1,640,616</u>	<u>3,367,318</u>
FUND BALANCE, June 30	<u>\$ 8,917,318</u>	<u>\$ 10,917,318</u>	<u>\$ 13,041,126</u>	<u>\$ 2,123,808</u>	<u>\$ 8,532,934</u>

**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, 2007
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
EXPENDITURES					
Current:					
Regular programs:					
Instruction					
Salaries	\$ 7,500	\$ 7,000	\$ 3,060	\$ 3,940	\$ 1,540
Benefits	500	1,000	61	939	33
Purchased services	5,098	5,098	1,600	3,498	115
Supplies	99,077	87,367	53,703	33,664	64,088
Total expenditures	112,175	100,465	58,424	42,041	65,776
OTHER FINANCING SOURCES:					
Transfers in	100,000	50,000	50,000	-	-
Net change in fund balances	(12,175)	(50,465)	(8,424)	42,041	(65,776)
FUND BALANCE, July 1	12,175	50,465	50,465	-	116,241
FUND BALANCE, June 30	\$ -	\$ -	\$ 42,041	\$ 42,041	\$ 50,465

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 440,000	\$ 440,000	\$ 580,332	\$ 140,332	\$ 425,096
EXPENDITURES					
Current:					
Undistributed expenditures:					
General Administration					
Salaries	75,000	75,000	81,438	(6,438)	81,920
Benefits	355,400	355,400	222,198	133,202	319,052
Purchased services	9,600	9,600	20,901	(11,301)	3,054
Supplies	-	-	7,784	(7,784)	2,491
Other	-	-	-	-	408
Total undistributed expenditures	440,000	440,000	332,321	107,679	406,925
Total expenditures	440,000	440,000	332,321	107,679	406,925
Net change in fund balances	-	-	248,011	248,011	18,171
FUND BALANCE, July 1	75,000	75,000	93,112	18,112	74,941
FUND BALANCE, June 30	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 341,123</u>	<u>\$ 266,123</u>	<u>\$ 93,112</u>

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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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Ad valorem taxes	\$ 50,279,165	\$ 50,279,165	\$ 51,692,753	\$ 1,413,588	\$ 46,760,465
Earnings on investments	1,400,000	1,400,000	2,189,190	789,190	1,546,069
Net (decrease) in the fair value of investments	-	-	907,378	907,378	(696,126)
Total revenues	51,679,165	51,679,165	54,789,321	3,110,156	47,610,408
EXPENDITURES					
Debt service:					
Principal	28,892,637	29,302,637	29,302,637	-	26,553,319
Interest	21,310,708	20,290,664	20,276,179	14,485	20,881,655
Bond issuance costs	-	184,869	167,674	17,195	1,321,765
Other	100,000	100,000	14,900	85,100	12,325
Total expenditures	50,303,345	49,878,170	49,761,390	116,780	48,769,064
Excess (deficiency) of revenues over expenditures	1,375,820	1,800,995	5,027,931	3,226,936	(1,158,656)
OTHER FINANCING SOURCES (USES)					
Proceeds of refunding bonds	-	66,585,000	66,585,000	-	29,820,000
Payment to refunded bonds escrow agent	-	(67,010,175)	(67,010,175)	-	(28,475,000)
Transfers in	3,332,918	3,332,918	3,332,918	-	3,081,066
Total other financing sources (uses)	3,332,918	2,907,743	2,907,743	-	4,426,066
Net change in fund balances	4,708,738	4,708,738	7,935,674	3,226,936	3,267,410
FUND BALANCE, July 1	44,369,422	47,470,268	47,470,268	-	44,202,858
FUND BALANCE, June 30	\$ 49,078,160	\$ 52,179,006	\$ 55,405,942	\$ 3,226,936	\$ 47,470,268

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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
2007 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>2007 BUDGET</u>		<u>2007</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local sources:				
Earnings on investments	\$ -	\$ -	\$ 469,293	\$ 469,293
EXPENDITURES				
Current:				
Undistributed expenditures:				
Business support				
Property	-	184,417	-	184,417
Other	-	-	8,099	(8,099)
Total business support	-	184,417	8,099	176,318
Total undistributed expenditures	-	184,417	8,099	176,318
Capital outlay, facilities acquisition, and construction:				
Site improvement				
Purchased services	-	2,000,000	-	2,000,000
Architecture and engineering services				
Purchased services	-	6,000,000	209,587	5,790,413
Building acquisition and construction				
Purchased services	-	4,500,000	-	4,500,000
Property	-	-	17,158	(17,158)
Total building acquisition and construction	-	4,500,000	17,158	4,482,842
Building improvement				
Purchased services	-	6,990,000	-	6,990,000
Property	-	10,000	-	10,000
Total building improvement	-	7,000,000	-	7,000,000
Total capital outlay, facilities acquisition and construction	-	19,500,000	226,745	19,273,255
Debt service:				
Bond issuance costs	-	500,000	344,122	155,878
Total expenditures	-	20,184,417	578,966	19,605,451
Excess (deficiency) of revenues over expenditures	-	(20,184,417)	(109,673)	20,074,744
OTHER FINANCING SOURCES				
Bonds issued	-	65,000,000	65,000,000	-
Bond premium	-	184,417	184,417	-
Total other financing sources	-	65,184,417	65,184,417	-
Net change in fund balances	-	45,000,000	65,074,744	20,074,744
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ 45,000,000	\$ 65,074,744	\$ 20,074,744

**WASHOE COUNTY SCHOOL DISTRICT
2006 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 1,051,858	\$ 1,051,858	\$ 339,726
EXPENDITURES					
Current:					
Undistributed expenditures:					
Business support					
Purchased Services	1,076,095	1,572,639	543,018	1,029,621	-
Supplies	178,018	178,018	178,018	-	-
Other	-	-	-	-	10,119
Total business support	1,254,113	1,750,657	721,036	1,029,621	10,119
Central Support:					
Purchased Services	-	-	171,131	(171,131)	-
Supplies	-	3,242,623	28,428	3,214,195	-
Property	-	-	315,739	(315,739)	-
Total Central Support	-	3,242,623	515,298	2,727,325	-
Total undistributed expenditures	1,254,113	4,993,280	1,236,334	3,756,946	10,119
Capital outlay, facilities acquisition, and construction:					
Land acquisition					
Property	-	5,950,000	-	5,950,000	-
Site improvement					
Purchased services	118,292	2,657,448	1,079,857	1,577,591	64,552
Property	-	-	19,700	(19,700)	-
Total site improvement	118,292	2,657,448	1,099,557	1,557,891	64,552
Architecture and engineering services					
Purchased services	153,750	2,116,000	567,320	1,548,680	-
Other	-	-	15,525	(15,525)	-
Total architecture and engineering services	153,750	2,116,000	582,845	1,533,155	-
Building acquisition and construction					
Purchased services	-	50,000	-	50,000	-
Building improvement					
Salaries	-	-	63,320	(63,320)	-
Benefits	-	-	27,555	(27,555)	-
Purchased services	2,555,981	12,850,598	4,699,902	8,150,696	1,647,342
Supplies	-	-	38,396	(38,396)	276
Property	-	-	1,189,080	(1,189,080)	11,414
Other	-	-	1,820	(1,820)	2,371
Total building improvement	2,555,981	12,850,598	6,020,073	6,830,525	1,661,403

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
2006 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</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	<u>2,828,023</u>	<u>23,624,046</u>	<u>7,702,475</u>	<u>15,921,571</u>	<u>1,725,955</u>
Total expenditures	<u>4,082,136</u>	<u>28,617,326</u>	<u>8,938,809</u>	<u>19,678,517</u>	<u>2,125,298</u>
Excess (deficiency) of revenues over expenditures	<u>(4,082,136)</u>	<u>(28,617,326)</u>	<u>(7,886,951)</u>	<u>20,730,375</u>	<u>(1,785,572)</u>
Net change in fund balances	<u>(4,082,136)</u>	<u>(28,617,326)</u>	<u>(7,886,951)</u>	<u>20,730,375</u>	<u>28,617,326</u>
FUND BALANCE, July 1	<u>4,200,756</u>	<u>28,617,326</u>	<u>28,617,326</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 118,620</u>	<u>\$ -</u>	<u>\$ 20,730,375</u>	<u>\$ 20,730,375</u>	<u>\$ 28,617,326</u>

**WASHOE COUNTY SCHOOL DISTRICT
2005 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 648,825	\$ 648,825	\$ 1,983,820
EXPENDITURES					
Current:					
Undistributed expenditures:					
Business support					
Salaries	-	902,500	1,175,789	(273,289)	497,388
Benefits	-	282,100	344,222	(62,122)	123,400
Purchased services	85,169	583,254	321,189	262,065	64,107
Supplies	5,886	5,886	26,059	(20,173)	20,217
Property	1,259	226,259	171,920	54,339	37,171
Other	-	-	1,337	(1,337)	965
Total undistributed expenditures	92,314	1,999,999	2,040,516	(40,517)	743,248
Capital outlay, facilities acquisition, and construction:					
Land acquisition					
Purchased services	-	-	3,022	(3,022)	11,650
Property	-	1,500,000	-	1,500,000	1,060,668
Total land acquisition	-	1,500,000	3,022	1,496,978	1,072,318
Site improvement					
Salaries	-	-	2,204	(2,204)	-
Benefits	-	-	691	(691)	-
Purchased services	7,130	1,000,000	22,659	977,341	984,812
Other	-	-	32	(32)	-
Total site improvement	7,130	1,000,000	25,586	974,414	984,812
Architecture and engineering services					
Purchased services	350,408	1,000,000	392,766	607,234	1,525,037
Other	-	-	-	-	170
Total architecture and engineering services	350,408	1,000,000	392,766	607,234	1,525,207
Building acquisition and construction					
Salaries	-	-	46,380	(46,380)	104,772
Benefits	-	-	12,132	(12,132)	31,519
Purchased services	4,210,947	6,954,897	3,489,383	3,465,514	32,747,228
Supplies	586,849	586,849	654,561	(67,712)	131,355
Property	2,728,253	3,458,254	2,775,796	682,458	1,864,414
Other	-	-	5,094	(5,094)	523,286
Total building acquisition and construction	7,526,049	11,000,000	6,983,346	4,016,654	35,402,574

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
2005 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Building improvement					
Salaries	\$ -	\$ 700,000	\$ 244,994	\$ 455,006	\$ 3,077
Benefits	-	50,000	86,316	(36,316)	691
Purchased services	252,395	6,277,679	343,092	5,934,587	3,162,017
Supplies	-	150,000	171,009	(21,009)	-
Property	-	25,000	235,430	(210,430)	273,879
Other	-	-	80	(80)	1,625
Total building improvement	252,395	7,202,679	1,080,921	6,121,758	3,441,289
Total capital outlay, facilities acquisition and construction	8,135,982	21,702,679	8,485,641	13,217,038	42,426,200
Total expenditures	8,228,296	23,702,678	10,526,157	13,176,521	43,169,448
Excess (deficiency) of revenues over expenditures	(8,228,296)	(23,702,678)	(9,877,332)	13,825,346	(41,185,628)
Net change in fund balances	(8,228,296)	(23,702,678)	(9,877,332)	13,825,346	(41,185,628)
FUND BALANCE, July 1	11,387,677	23,702,678	23,702,678	-	64,888,306
FUND BALANCE, June 30	\$ 3,159,381	\$ -	\$ 13,825,346	\$ 13,825,346	\$ 23,702,678

**WASHOE COUNTY SCHOOL DISTRICT
2003 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 172,195	\$ 172,195	\$ 709,143
Other	-	-	15,228	15,228	-
Total revenues	-	-	187,423	187,423	709,143
EXPENDITURES					
Current:					
Undistributed expenditures:					
Business support					
Salaries	-	175,087	158,995	16,092	944,968
Benefits	-	55,850	41,465	14,385	310,775
Purchased services	15,394	16,394	6,206	10,188	200,863
Supplies	-	-	-	-	4,823
Property	169	2,669	2,567	102	75,392
Total business support	15,563	250,000	209,233	40,767	1,536,821
Capital outlay, facilities acquisition, and construction:					
Land acquisition					
Purchased services	-	-	-	-	4,892
Property	-	10,000	-	10,000	99,824
Other	-	-	-	-	8,864
Total land acquisition	-	10,000	-	10,000	113,580
Site improvement					
Salaries	-	40,000	33,307	6,693	39,513
Benefits	-	12,300	9,940	2,360	10,890
Purchased services	2,911	287,700	191,566	96,134	429,985
Property	-	-	-	-	856
Other	-	-	-	-	16
Total site improvement	2,911	340,000	234,813	105,187	481,260
Architecture and engineering services					
Purchased services	369,756	2,050,000	1,400,610	649,390	1,146,945
Building acquisition and construction					
Purchased services	3,333	1,550,627	187,294	1,363,333	31,567,633
Supplies	498,014	1,021,477	449,648	571,829	284,289
Property	277,896	577,896	141,011	436,885	759,359
Other	-	-	375	(375)	141,877
Total building acquisition and construction	779,243	3,150,000	778,328	2,371,672	32,753,158

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
2003 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Building improvement					
Salaries	\$ -	\$ 305,000	\$ 161,782	\$ 143,218	\$ 105,677
Benefits	-	1,800	40,404	(38,604)	28,768
Purchased services	143,517	1,110,230	315,580	794,650	1,256,918
Supplies	805	805	805	-	13,956
Property	118,760	201,468	119,130	82,338	597,073
Other	-	-	16	(16)	16
Total building improvement	263,082	1,619,303	637,717	981,586	2,002,408
Total capital outlay, facilities acquisition and construction	1,414,992	7,169,303	3,051,468	4,117,835	36,497,351
Total expenditures	1,430,555	7,419,303	3,260,701	4,158,602	38,034,172
Net change in fund balances	(1,430,555)	(7,419,303)	(3,073,278)	4,346,025	(37,325,029)
FUND BALANCE, July 1	2,221,696	7,419,303	7,419,303	-	44,744,332
FUND BALANCE, June 30	\$ 791,141	\$ -	\$ 4,346,025	\$ 4,346,025	\$ 7,419,303

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 43,756	\$ 43,756	\$ 64,456
EXPENDITURES					
Current:					
Undistributed expenditures:					
Business support					
Salaries	-	-	-	-	157,320
Benefits	-	-	-	-	47,196
Total undistributed expenditures	-	-	-	-	204,516
Capital outlay, facilities acquisition, and construction:					
Architecture and engineering services					
Purchased services	24,594	50,000	140,996	(90,996)	30,828
Building acquisition and construction					
Purchased services	93,297	1,958,992	314,198	1,644,794	541,724
Supplies	-	-	-	-	54,018
Property	-	-	59	(59)	73,068
Other	-	-	16	(16)	428
Total building acquisition and construction	93,297	1,958,992	314,273	1,644,719	669,238
Building improvement					
Purchased services	-	-	221,653	(221,653)	-
Total building improvement	-	-	221,653	(221,653)	-
Total capital outlay, facilities acquisition and construction	117,891	2,008,992	676,922	1,332,070	700,066
Total expenditures	117,891	2,008,992	676,922	1,332,070	904,582
Net change in fund balances	(117,891)	(2,008,992)	(633,166)	1,375,826	(840,126)
FUND BALANCE, July 1	117,891	2,008,992	2,008,992	-	2,849,118
FUND BALANCE, June 30	\$ -	\$ -	\$ 1,375,826	\$ 1,375,826	\$ 2,008,992

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**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007**

	GOVERNMENT SERVICES TAX FUND	1999 BOND FUND	BUILDING AND SITES FUND
ASSETS			
Cash and investments	\$ 11,139,454	\$ 373,115	\$ 5,112,579
Receivables:			
Interest	36,016	1,677	9,479
Due from other governments	341,346	-	-
Total assets	\$ 11,516,816	\$ 374,792	\$ 5,122,058
LIABILITIES			
Accounts payable	\$ 388,144	\$ 9,030	\$ 158
Accrued liabilities	342,602	21,461	-
Construction contracts payable	712,069	289,233	-
Total liabilities	1,442,815	319,724	158
FUND BALANCE			
Reserved for:			
Encumbrances	477,125	11,432	-
Construction contracts	1,313,356	-	-
Unreserved:			
Undesignated	8,283,520	43,636	5,121,900
Total fund balance	10,074,001	55,068	5,121,900
Total liabilities and fund balance	\$ 11,516,816	\$ 374,792	\$ 5,122,058

1998 BOND EXTRAORDINARY MAINTENANCE FUND		TOTAL
\$	25,072	\$ 16,650,220
	-	47,172
	-	341,346
\$	25,072	\$ 17,038,738
\$	-	\$ 397,332
	25,072	389,135
	-	1,001,302
	25,072	1,787,769
	-	488,557
	-	1,313,356
	-	13,449,056
	-	15,250,969
\$	25,072	\$ 17,038,738

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>GOVERNMENT SERVICES TAX FUND</u>	<u>1999 BOND FUND</u>	<u>BUILDING AND SITES FUND</u>
REVENUES			
Local sources	\$ <u>4,373,239</u>	\$ <u>119,258</u>	\$ <u>686,538</u>
EXPENDITURES			
Current:			
Capital outlay	<u>5,847,302</u>	<u>1,961,634</u>	<u>80,187</u>
Total expenditures	<u>5,847,302</u>	<u>1,961,634</u>	<u>80,187</u>
Excess (deficiency) of revenues over expenditures	<u>(1,474,063)</u>	<u>(1,842,376)</u>	<u>606,351</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,868,000	-	3,000,000
Transfers out	<u>-</u>	<u>-</u>	<u>(50,000)</u>
Total other financing sources (uses)	<u>2,868,000</u>	<u>-</u>	<u>2,950,000</u>
Net change in fund balances	1,393,937	(1,842,376)	3,556,351
FUND BALANCE, July 1	<u>8,680,064</u>	<u>1,897,444</u>	<u>1,565,549</u>
FUND BALANCE, June 30	<u>\$ <u>10,074,001</u></u>	<u>\$ <u>55,068</u></u>	<u>\$ <u>5,121,900</u></u>

1998 BOND EXTRAORDINARY MAINTENANCE FUND	1999 BOND EXTRAORDINARY MAINTENANCE FUND	TOTAL
\$ -	\$ 6,910	\$ 5,185,945
345	685,492	8,574,960
345	685,492	8,574,960
(345)	(678,582)	(3,389,015)
-	-	5,868,000
-	-	(50,000)
-	-	5,818,000
(345)	(678,582)	2,428,985
345	678,582	12,821,984
\$ -	\$ -	\$ 15,250,969

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Government services tax	\$ 1,900,000	\$ 3,740,317	\$ 3,842,316	\$ 101,999	\$ 3,759,896
Earnings on investments	200,000	479,619	435,689	(43,930)	345,133
Other	-	-	95,234	95,234	15,000
Total revenues	2,100,000	4,219,936	4,373,239	153,303	4,120,029
EXPENDITURES					
Capital outlay, facilities acquisition, and construction:					
Site improvement					
Purchased services	125,364	1,000,000	545,885	454,115	814,662
Other	-	-	5,908	(5,908)	32
Total site improvement	125,364	1,000,000	551,793	448,207	814,694
Architecture and engineering services					
Salaries	-	476,150	424,033	52,117	309,465
Benefits	-	148,850	123,169	25,681	90,242
Purchased services	397,398	1,074,999	447,955	627,044	273,963
Supplies	-	-	2,857	(2,857)	1,044
Other	-	-	13,577	(13,577)	3,086
Total architecture and engineering services	397,398	1,699,999	1,011,591	688,408	677,800
Building improvement					
Purchased services	2,344,543	6,151,099	2,635,321	3,515,778	2,698,646
Supplies	369	145,369	284,580	(139,211)	43,972
Property	2,031	1,253,531	1,292,673	(39,142)	32,358
Other	-	-	71,344	(71,344)	26,143
Total building improvement	2,346,943	7,549,999	4,283,918	3,266,081	2,801,119
Total capital outlay, facilities acquisition and construction	2,869,705	10,249,998	5,847,302	4,402,696	4,293,613
Total expenditures	2,869,705	10,249,998	5,847,302	4,402,696	4,293,613
Excess (deficiency) of revenue over expenditures	(769,705)	(6,030,062)	(1,474,063)	4,555,999	(173,584)
OTHER FINANCING SOURCES					
Transfers in	59,000	2,868,000	2,868,000	-	-
Net change in fund balances	(710,705)	(3,162,062)	1,393,937	4,555,999	(173,584)
FUND BALANCE, July 1	1,210,138	9,048,064	8,680,064	368,000	8,853,648
FUND BALANCE, June 30	\$ 499,433	\$ 5,886,002	\$ 10,074,001	\$ 4,923,999	\$ 8,680,064

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Earnings on investments	\$ -	\$ 68,526	\$ 70,203	\$ 1,677	\$ 118,538
Other	-	49,055	49,055	-	70,478
Total revenues	-	117,581	119,258	1,677	189,016
EXPENDITURES					
Capital outlay, facilities acquisition, and construction:					
Architecture and engineering services					
Purchased services	-	7,443	-	7,443	15,469
Total architecture and engineering services	-	7,443	-	7,443	15,469
Building acquisition and construction					
Purchased services	-	-	229	(229)	56,308
Supplies	-	-	586	(586)	174,860
Property	376	10,000	376	9,624	21,239
Total building acquisition and construction	376	10,000	1,191	8,809	252,407
Building improvement					
Purchased services	1,619,193	1,713,464	1,794,251	(80,787)	210,110
Supplies	2,191	2,191	43,093	(40,902)	34,287
Property	1,620	281,927	123,039	158,888	143,222
Other	-	-	60	(60)	-
Total building improvement	1,623,004	1,997,582	1,960,443	37,139	387,619
Total capital outlay, facilities acquisition and construction	\$ 1,623,380	\$ 2,015,025	\$ 1,961,634	\$ 53,391	\$ 655,495
Total expenditures	1,623,380	2,015,025	1,961,634	53,391	655,495
Net change in fund balances	(1,623,380)	(1,897,444)	(1,842,376)	55,068	(466,479)
FUND BALANCE, July 1	1,623,380	1,897,444	1,897,444	-	2,363,923
FUND BALANCE, June 30	\$ -	\$ -	\$ 55,068	\$ 55,068	\$ 1,897,444

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources:					
Rental income	\$ -	\$ -	\$ 72,150	\$ 72,150	\$ 81,081
Earnings on investments	64,100	64,100	149,014	84,914	56,536
Other	-	-	120,000	120,000	-
Sale of property	100,000	280,000	345,374	65,374	1,013,764
Total revenues	164,100	344,100	686,538	342,438	1,151,381
EXPENDITURES					
Capital outlay, facilities acquisition, and construction:					
Land acquisition					
Purchased services	25,000	32,000	6,644	25,356	24,933
Property	13,200	1,533,549	-	1,533,549	547,949
Other	-	-	132	(132)	1,659
Total land acquisition	38,200	1,565,549	6,776	1,558,773	574,541
Site improvement					
Purchased services	20,000	38,200	-	38,200	5,377
Architecture and engineering services					
Purchased services	-	20,000	2,892	17,108	2,813
Building improvement					
Purchased services	33,950	210,400	53,866	156,534	-
Supplies	-	11,500	16,653	(5,153)	11,753
Property	5,900	14,000	-	14,000	-
Total building improvement	39,850	235,900	70,519	165,381	11,753
Total expenditures	98,050	1,859,649	80,187	1,779,462	594,484
Excess (deficiency) of revenues over expenditures	66,050	(1,515,549)	606,351	2,121,900	556,897
OTHER FINANCING USES:					
Transfers in	-	3,000,000	3,000,000	-	-
Transfers out	(100,000)	(50,000)	(50,000)	-	-
Net change in fund balances	(33,950)	1,434,451	3,556,351	2,121,900	556,897
FUND BALANCE, July 1	33,950	1,565,549	1,565,549	-	1,008,652
FUND BALANCE, June 30	\$ -	\$ 3,000,000	\$ 5,121,900	\$ 2,121,900	\$ 1,565,549

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</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	\$ -	\$ -	\$ -	\$ -	\$ 2,669
EXPENDITURES					
Capital outlay, facilities acquisition, and construction					
Building improvement:					
Purchased services	-	345	345	-	71,411
Total building improvement	-	345	345	-	71,427
Total expenditures	-	345	345	-	91,000
Net change in fund balances	-	(345)	(345)	-	(88,331)
FUND BALANCE, July 1	-	345	345	-	88,676
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ 345

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</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	\$ -	\$ 7,500	\$ 6,910	\$ (590)	\$ 28,548
EXPENDITURES					
Capital outlay, facilities acquisition, and construction					
Site improvement					
Purchased services	-	669,558	668,047	1,511	-
Other	-	-	32	(32)	-
Total site improvement	-	669,558	668,079	1,479	814,694
Architecture and engineering services					
Total architecture and engineering services	8,419	16,524	16,391	133	19,072
Building acquisition and construction					
Purchased services	-	-	-	-	86
Total building acquisition and construction	-	-	-	-	86
Building improvement:					
Purchased services	-	-	1,022	(1,022)	13,540
Total expenditures	8,419	686,082	685,492	590	34,039
Net change in fund balances	(8,419)	(678,582)	(678,582)	-	(5,491)
FUND BALANCE, July 1	<u>8,419</u>	<u>678,582</u>	<u>678,582</u>	<u>-</u>	<u>684,073</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 678,582</u>

Enterprise

Fund

Nutrition Services Fund:

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

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
STATEMENT OF NET ASSETS
JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

ASSETS	<u>2007</u>	<u>2006</u>
Current Assets		
Cash and investments	\$ 2,362,986	\$ 2,612,222
Receivables	482,786	400,764
Inventories	731,937	750,444
Prepays	270	2,289
	<u>3,577,979</u>	<u>3,765,719</u>
Capital Assets		
Machinery and equipment	1,577,056	1,525,693
Less: Allowance for depreciation	<u>(1,073,811)</u>	<u>(983,296)</u>
	<u>503,245</u>	<u>542,397</u>
Total capital assets		
	<u>4,081,224</u>	<u>4,308,116</u>
LIABILITIES		
Current Liabilities		
Accounts payable	240,374	274,567
Accrued liabilities	348,004	216,150
Deferred revenue	<u>321,856</u>	<u>118,262</u>
	<u>910,234</u>	<u>608,979</u>
NET ASSETS		
Invested in capital assets	503,245	542,397
Unrestricted	<u>2,667,745</u>	<u>3,156,740</u>
	<u>3,170,990</u>	<u>3,699,137</u>
Total net assets	<u>\$ 3,170,990</u>	<u>\$ 3,699,137</u>

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007	2006	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	
OPERATING REVENUES:					
Charges for services	\$ 7,693,952	\$ 7,693,952	\$ 6,870,401	\$ (823,551)	6,945,811
OPERATING EXPENSES:					
Food and supplies	8,054,270	9,022,349	8,193,380	828,969	7,643,730
Salaries and benefits	7,151,148	7,151,148	7,315,609	(164,461)	6,516,757
Purchased services	1,211,756	1,211,756	1,002,347	209,409	1,003,086
Property	55,900	55,900	-	55,900	6,283
Depreciation	103,519	103,519	102,035	1,484	102,505
Other	318,834	318,834	360,351	(41,517)	330,772
Total operating expenses	16,895,427	17,863,506	16,973,722	889,784	15,603,133
Operating income (loss)	(9,201,475)	(10,169,554)	(10,103,321)	66,233	(8,657,322)
NONOPERATING REVENUES (EXPENSES):					
Federal subsidies	8,842,869	8,842,869	8,633,082	(209,787)	8,305,362
Commodity revenue	-	968,079	800,534	(167,545)	915,273
State matching funds	-	-	87,626	87,626	90,704
Other revenue	-	-	53,932	53,932	2,058
Total nonoperating revenues (expenses)	8,842,869	9,810,948	9,575,174	(235,774)	9,313,397
Income before transfers	(358,606)	(358,606)	(528,147)	(169,541)	656,075
TRANSFERS IN					
Transfers In	250,000	250,000	-	(250,000)	-
Total transfers in	250,000	250,000	-	(250,000)	-
Change in net assets	(108,606)	(108,606)	(528,147)	(419,541)	656,075
NET ASSETS - July 1	2,398,156	2,398,156	3,699,137	1,300,981	3,043,062
NET ASSETS - June 30	\$ 2,289,550	\$ 2,289,550	\$ 3,170,990	\$ 881,440	3,699,137

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities:					
Cash received for services	\$ 7,693,952	\$ 7,693,952	\$ 7,110,160	\$ (583,792)	6,945,839
Cash paid for food and supplies	(8,054,270)	(9,022,349)	(8,193,380)	828,969	(7,643,730)
Cash paid for salaries and benefits	(7,151,148)	(7,151,148)	(7,315,609)	(164,461)	(6,516,757)
Cash payments for purchased services	(1,211,756)	(1,211,756)	(1,002,347)	209,409	(1,003,086)
Cash payments for property	(55,900)	(55,900)	-	55,900	(6,283)
Cash payments for other	(318,834)	(318,834)	(360,351)	(41,517)	(330,772)
Net cash (used) by operating activities	(9,097,956)	(10,066,035)	(9,761,527)	304,508	(8,554,789)
Cash flows from capital and related financing activities:					
Purchase of equipment	-	-	(62,883)	(62,883)	-
Net cash used in capital and related financing activities	-	-	(62,883)	(62,883)	-
Cash flows from noncapital financing activities:					
Federal reimbursements	8,842,869	8,842,869	8,633,082	(209,787)	8,305,362
Commodity revenue	-	968,079	800,534	(167,545)	915,273
State matching funds	-	-	87,626	87,626	90,704
State grant funds	-	-	53,932	53,932	2,058
Net cash provided by noncapital financing activities	8,842,869	9,810,948	9,575,174	(235,774)	9,313,397
Net decrease in cash and cash equivalents	(255,087)	(255,087)	(249,236)	5,851	758,608
Cash and investments, July 1	-	-	2,612,222	2,612,222	1,853,614
Cash and investments, June 30	\$ (255,087)	\$ (255,087)	\$ 2,362,986	\$ 2,618,073	2,612,222
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS					
Operating income (loss)	\$ (9,201,475)	\$ (10,169,554)	\$ (10,103,321)	\$ 66,233	(8,657,322)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Depreciation	103,519	103,519	102,035	(1,484)	102,505
Changes in assets and liabilities:					
Accounts receivable	-	-	(82,022)	(82,022)	194,858
Inventories	-	-	18,507	18,507	(9,140)
Prepays	-	-	2,019	2,019	(2,289)
Accounts payable	-	-	(34,193)	(34,193)	64,635
Accrued liabilities	-	-	131,854	131,854	21,255
Deferred revenue	-	-	203,594	203,594	(269,291)
Total Adjustments	103,519	103,519	341,794	239,759	102,533
Net cash provided (used) by operations	\$ (9,097,956)	\$ (10,066,035)	\$ (9,761,527)	\$ 304,508	(8,554,789)

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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, 2007**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
ASSETS				
Current assets:				
Cash and Investments	\$ 6,056,029	\$ 23,414,803	\$ 8,041,382	\$ 37,512,214
Accounts receivable	-	180,000	-	180,000
Accrued interest receivable	25,895	85,761	21,102	132,758
Total assets	<u>6,081,924</u>	<u>23,680,564</u>	<u>8,062,484</u>	<u>37,824,972</u>
LIABILITIES				
Current liabilities:				
Accounts payable	41,932	21,874	422	64,228
Accrued liabilities	198,223	5,481	9,994	213,698
Pending claims	1,440,240	6,268,163	1,393,428	9,101,831
Deferred revenue	-	60	-	60
Total current liabilities	<u>1,680,395</u>	<u>6,295,578</u>	<u>1,403,844</u>	<u>9,379,817</u>
Noncurrent liabilities:				
Pending claims	<u>1,370,760</u>	-	<u>2,154,572</u>	<u>3,525,332</u>
Total liabilities	<u>3,051,155</u>	<u>6,295,578</u>	<u>3,558,416</u>	<u>12,905,149</u>
NET ASSETS				
Unrestricted	<u>3,030,769</u>	<u>17,384,986</u>	<u>4,504,068</u>	<u>24,919,823</u>
Total net assets	<u>\$ 3,030,769</u>	<u>\$ 17,384,986</u>	<u>\$ 4,504,068</u>	<u>\$ 24,919,823</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

	<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	\$ 4,407,250	\$ 47,420,616	\$ 3,012,684	\$ 54,840,550
OPERATING EXPENSES				
Salaries and benefits	-	51,865	-	51,865
Employee benefits	-	42,838,709	-	42,838,709
Claims and services	3,208,374	2,310,837	2,383,493	7,902,704
Total operating expenses	3,208,374	45,201,411	2,383,493	50,793,278
Operating income (loss)	1,198,876	2,219,205	629,191	4,047,272
NONOPERATING REVENUES				
Earnings on investments	224,227	865,900	380,536	1,470,663
Income before transfers	1,423,103	3,085,105	1,009,727	5,517,935
TRANSFERS IN				
General Fund	-	1,870,926	-	1,870,926
Change in net assets	1,423,103	4,956,031	1,009,727	7,388,861
NET ASSETS - July 1	1,607,666	12,428,955	3,494,341	17,530,962
NET ASSETS - June 30	<u>\$ 3,030,769</u>	<u>\$ 17,384,986</u>	<u>\$ 4,504,068</u>	<u>\$ 24,919,823</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007**

	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	\$ 4,396,104	\$ 48,259,939	\$ 3,008,908	\$ 55,664,951
Cash paid for salaries and benefits	-	(51,865)	-	(51,865)
Cash payments for employee benefits	-	(42,838,709)	-	(42,838,709)
Cash payments for claims and services	(2,714,816)	(2,074,531)	(2,387,432)	(7,176,779)
Net cash provided by operating activities	<u>1,681,288</u>	<u>3,294,834</u>	<u>621,476</u>	<u>5,597,598</u>
Cash flows from noncapital financing activities:				
Transfer from General Fund	-	1,870,926	-	1,870,926
Net cash provided by noncapital financing activities	<u>-</u>	<u>1,870,926</u>	<u>-</u>	<u>1,870,926</u>
Cash flows from investing activities:				
Interest received on investments	224,227	865,900	380,536	1,470,663
Net increase in cash and cash equivalents	1,905,515	6,031,660	1,002,012	8,939,187
Cash and investments, July 1	<u>4,150,514</u>	<u>17,383,143</u>	<u>7,039,370</u>	<u>28,573,027</u>
Cash and investments, June 30	<u>\$ 6,056,029</u>	<u>\$ 23,414,803</u>	<u>\$ 8,041,382</u>	<u>\$ 37,512,214</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS				
Operating income	\$ 1,198,876	\$ 2,219,205	\$ 629,191	\$ 4,047,272
Adjustments to reconcile operating income (loss) to net cash provided by operations:				
Changes in assets and liabilities:				
Accounts receivable	(11,146)	839,381	(3,776)	824,459
Accounts payable	(63,065)	20,252	2,335	(40,478)
Accrued liabilities	185,623	610	(274)	185,959
Pending claims	371,000	215,444	(6,000)	580,444
Deferred revenue	-	(58)	-	(58)
Total adjustments	<u>482,412</u>	<u>1,075,629</u>	<u>(7,715)</u>	<u>1,550,326</u>
Net cash provided by operations	<u>\$ 1,681,288</u>	<u>\$ 3,294,834</u>	<u>\$ 621,476</u>	<u>\$ 5,597,598</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	<u>2007 BUDGET</u>		<u>2007</u>		<u>2006</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 3,824,454	\$ 3,824,454	\$ 3,829,309	\$ 4,855	\$ 3,339,126
Refunds	-	577,941	577,941	-	-
Operating revenues	<u>3,824,454</u>	<u>4,402,395</u>	<u>4,407,250</u>	<u>4,855</u>	<u>3,339,126</u>
OPERATING EXPENSES					
General Government:					
Claims and services	<u>3,862,613</u>	<u>4,008,698</u>	<u>3,208,374</u>	<u>800,324</u>	<u>2,766,810</u>
Operating income (loss)	<u>(38,159)</u>	<u>393,697</u>	<u>1,198,876</u>	<u>805,179</u>	<u>572,316</u>
NONOPERATING REVENUES					
Earnings on investments	<u>65,000</u>	<u>164,688</u>	<u>224,227</u>	<u>59,539</u>	<u>115,579</u>
Change in net assets	<u>26,841</u>	<u>558,385</u>	<u>1,423,103</u>	<u>864,718</u>	<u>687,895</u>
NET ASSETS - July 1	<u>465,725</u>	<u>1,607,666</u>	<u>1,607,666</u>	<u>-</u>	<u>919,771</u>
NET ASSETS - June 30	<u>\$ 492,566</u>	<u>\$ 2,166,051</u>	<u>\$ 3,030,769</u>	<u>\$ 864,718</u>	<u>\$ 1,607,666</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities:					
Cash received for services	\$ 3,824,454	\$ 4,402,395	\$ 4,396,104	\$ (6,291)	\$ 3,421,095
Cash payments for claims and services	<u>(3,413,663)</u>	<u>(3,637,698)</u>	<u>(2,714,816)</u>	<u>922,882</u>	<u>(2,766,810)</u>
Net cash provided by operating activities	<u>410,791</u>	<u>764,697</u>	<u>1,681,288</u>	<u>916,591</u>	<u>654,285</u>
Cash flows from investing activities:					
Interest received on investments	<u>65,000</u>	<u>164,688</u>	<u>224,227</u>	<u>59,539</u>	<u>115,579</u>
Net increase in cash and cash equivalents	475,791	929,385	1,905,515	976,130	769,864
Cash and investments, July 1	<u>-</u>	<u>-</u>	<u>4,150,514</u>	<u>4,150,514</u>	<u>3,380,650</u>
Cash and investments, June 30	<u>\$ 475,791</u>	<u>\$ 929,385</u>	<u>\$ 6,056,029</u>	<u>\$ 5,126,644</u>	<u>\$ 4,150,514</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS					
Operating income (loss)	\$ <u>(38,159)</u>	\$ <u>393,697</u>	\$ <u>1,198,876</u>	\$ <u>805,179</u>	\$ <u>572,316</u>
Adjustments to reconcile operating income (loss) to net cash provided by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	(11,146)	(11,146)	(7,690)
Accounts payable	-	-	(63,065)	(63,065)	(60,941)
Accrued liabilities	-	-	185,623	185,623	12,600
Pending claims	<u>448,950</u>	<u>371,000</u>	<u>371,000</u>	<u>-</u>	<u>138,000</u>
Total adjustments	<u>448,950</u>	<u>371,000</u>	<u>482,412</u>	<u>111,412</u>	<u>81,969</u>
Net cash provided by operations	<u>\$ 410,791</u>	<u>\$ 764,697</u>	<u>\$ 1,681,288</u>	<u>\$ 916,591</u>	<u>\$ 654,285</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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ 47,870,895	\$ 47,870,895	\$ 47,420,616	\$ (450,279)	\$ 46,808,528
OPERATING EXPENSES					
General Government:					
Salaries and benefits	45,000	61,507	51,865	9,642	49,216
Employee benefits	51,066,885	51,050,378	42,838,709	8,211,669	44,663,484
Services and supplies	2,135,051	2,135,051	2,310,837	(175,786)	2,160,894
Total operating expenses	53,246,936	53,246,936	45,201,411	8,045,525	46,873,594
Operating income (loss)	(5,376,041)	(5,376,041)	2,219,205	7,595,246	(65,066)
NONOPERATING REVENUES					
Earnings on investments	-	-	865,900	865,900	577,940
Income (loss) before transfers	(5,376,041)	(5,376,041)	3,085,105	8,461,146	512,874
TRANSFERS IN					
General Fund	1,870,926	1,870,926	1,870,926	-	1,898,499
Change in net assets	(3,505,115)	(3,505,115)	4,956,031	8,461,146	2,411,373
NET ASSETS - July 1	<u>9,089,044</u>	<u>12,428,955</u>	<u>12,428,955</u>	<u>-</u>	<u>10,017,582</u>
NET ASSETS - June 30	<u>\$ 5,583,929</u>	<u>\$ 8,923,840</u>	<u>\$ 17,384,986</u>	<u>\$ 8,461,146</u>	<u>\$ 12,428,955</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007**

(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities:					
Cash received for services	\$ 47,870,895	\$ 47,870,895	\$ 48,259,939	\$ 389,044	\$ 47,318,072
Cash paid for salaries	(45,000)	(61,507)	(51,865)	9,642	(49,216)
Cash payments for employee benefits	(50,384,535)	(50,368,028)	(42,838,709)	7,529,319	(44,663,484)
Cash payments for services and supplies	(2,135,051)	(2,135,051)	(2,074,531)	60,520	(2,160,894)
Net cash provided (used) by operating activities	(4,693,691)	(4,693,691)	3,294,834	7,988,525	444,478
Cash flows from noncapital financing activities:					
Transfer from General Fund	1,870,926	1,870,926	1,870,926	-	1,898,499
Cash flows from investing activities:					
Interest received on investments	-	-	865,900	865,900	577,940
Net increase (decrease) in cash and cash equivalents	(2,822,765)	(2,822,765)	6,031,660	8,854,425	2,920,917
Cash and investments, July 1	<u>17,383,143</u>	<u>17,383,143</u>	<u>17,383,143</u>	<u>-</u>	<u>14,462,226</u>
Cash and investments, June 30	<u>\$ 14,560,378</u>	<u>\$ 14,560,378</u>	<u>\$ 23,414,803</u>	<u>\$ 8,854,425</u>	<u>\$ 17,383,143</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS					
Operating income (loss)	\$ (5,376,041)	\$ (5,376,041)	\$ 2,219,205	\$ 7,595,246	\$ (65,066)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	839,381	839,381	(377,268)
Accounts payable	-	-	20,252	20,252	(515)
Accrued liabilities	-	-	610	610	700
Pending claims	682,350	682,350	215,444	(466,906)	886,761
Deferred revenue	-	-	(58)	(58)	(134)
Total Adjustments	<u>682,350</u>	<u>682,350</u>	<u>1,075,629</u>	<u>393,279</u>	<u>509,544</u>
Net cash provided (used) by operations	<u>\$ (4,693,691)</u>	<u>\$ (4,693,691)</u>	<u>\$ 3,294,834</u>	<u>\$ 7,988,525</u>	<u>\$ 444,478</u>

**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, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
OPERATING REVENUES					
Charges for services	\$ 2,954,942	\$ 2,954,942	\$ 3,012,684	\$ 57,742	\$ 3,254,865
OPERATING EXPENSES					
General Government:					
Claims and services	4,052,611	4,052,611	2,383,493	1,669,118	1,744,637
Operating income (loss)	(1,097,669)	(1,097,669)	629,191	1,726,860	1,510,228
NONOPERATING REVENUES					
Earnings on investments	300,000	300,000	380,536	80,536	283,419
Change in net assets	(797,669)	(797,669)	1,009,727	1,807,396	1,793,647
NET ASSETS - July 1	1,528,974	3,494,341	3,494,341	-	1,700,694
NET ASSETS - June 30	\$ 731,305	\$ 2,696,672	\$ 4,504,068	\$ 1,807,396	\$ 3,494,341

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2006)**

	2007 BUDGET		2007		2006
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE IN CASH AND INVESTMENTS					
Cash Flows from operating activities:					
Cash received for services	\$ 2,954,942	\$ 2,954,942	\$ 3,008,908	\$ 53,966	\$ 2,720,929
Payments for claims and services	(3,145,926)	(3,145,926)	(2,387,432)	758,494	(1,744,637)
Net cash provided (used) by operating activities	(190,984)	(190,984)	621,476	812,460	976,292
Cash flows from investing activities:					
Interest received on investments	300,000	300,000	380,536	80,536	283,419
Net increase in cash and cash equivalents	109,016	109,016	1,002,012	892,996	1,259,711
Cash and investments, July 1	7,039,370	7,039,370	7,039,370	-	5,779,659
Cash and investments, June 30	\$ 7,148,386	\$ 7,148,386	\$ 8,041,382	\$ 892,996	\$ 7,039,370
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATIONS					
Operating income (loss)	\$ (1,097,669)	\$ (1,097,669)	\$ 629,191	\$ 1,726,860	\$ 1,510,228
Adjustments to reconcile operating income (loss) to net cash provided by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	(3,776)	(3,776)	15,882
Accounts payable	-	-	2,335	2,335	(18,191)
Accrued liabilities	-	-	(274)	(274)	263
Pending claims	906,685	906,685	(6,000)	(912,685)	(499,000)
Deferred revenue	-	-	-	-	(32,890)
Total adjustments	906,685	906,685	(7,715)	(914,400)	(533,936)
Net cash provided (used) by operations	\$ (190,984)	\$ (190,984)	\$ 621,476	\$ 812,460	\$ 976,292

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Fiduciary Funds

To 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 state-wide Nevada Interscholastic Athletic Association.

**WASHOE COUNTY SCHOOL DISTRICT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>JULY 1, 2006</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>JUNE 30, 2007</u>
Student Activities				
ASSETS				
Cash and investments	\$ <u>7,283,315</u>	\$ <u>16,086,162</u>	\$ <u>15,618,011</u>	\$ <u>7,751,466</u>
LIABILITIES				
Due to student groups	\$ <u>7,283,315</u>	\$ <u>16,086,162</u>	\$ <u>15,618,011</u>	\$ <u>7,751,466</u>
80/5 Salary Plan				
ASSETS				
Cash and investments	\$ <u>713,748</u>	\$ <u>188,114</u>	\$ <u>241,621</u>	\$ <u>660,241</u>
LIABILITIES				
Accrued liabilities	\$ <u>713,748</u>	\$ <u>188,114</u>	\$ <u>241,621</u>	\$ <u>660,241</u>
Nevada Interscholastic Athletic Association				
ASSETS				
Accounts receivable	\$ <u>34,122</u>	\$ <u>44,569</u>	\$ <u>34,122</u>	\$ <u>44,569</u>
LIABILITIES				
Accounts payable	\$ 18,518	\$ 27,330	\$ 18,518	\$ 27,330
Accrued liabilities	15,604	415,858	414,223	17,239
Total liabilities	\$ <u>34,122</u>	\$ <u>443,188</u>	\$ <u>432,741</u>	\$ <u>44,569</u>
Totals - All Agency Funds				
ASSETS				
Cash and investments	\$ 7,997,063	\$ 16,274,276	\$ 15,859,632	\$ 8,411,707
Accounts receivable	<u>34,122</u>	<u>44,569</u>	<u>34,122</u>	<u>44,569</u>
Total assets	\$ <u>8,031,185</u>	\$ <u>16,318,845</u>	\$ <u>15,893,754</u>	\$ <u>8,456,276</u>
LIABILITIES				
Accounts payable	\$ 18,518	\$ 27,330	\$ 18,518	\$ 27,330
Accrued liabilities	729,352	603,972	655,844	677,480
Due to student groups	<u>7,283,315</u>	<u>16,086,162</u>	<u>15,618,011</u>	<u>7,751,466</u>
Total liabilities	\$ <u>8,031,185</u>	\$ <u>16,717,464</u>	\$ <u>16,292,373</u>	\$ <u>8,456,276</u>

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

<u>SCHOOLS</u>	<u>BALANCE JULY 1, 2006</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2007</u>
ELEMENTARY SCHOOLS:				
Allen	\$ 20,961	\$ 69,691	\$ 72,533	\$ 18,119
Anderson	26,766	48,170	53,748	21,188
Beasley	28,501	70,758	74,227	25,032
Beck *	8,487	67,820	58,474	17,833
Bennett	17,311	70,882	61,618	26,575
Booth	48,427	82,676	66,733	64,370
Brown	45,232	92,347	87,708	49,871
Cannan	29,546	50,653	37,839	42,360
Caughlin Ranch	14,597	85,641	77,436	22,802
Corbett	32,675	38,247	41,087	29,835
Desert Heights	14,442	43,995	26,028	32,409
Diedrichsen	5,877	39,006	31,371	13,512
Dodson	23,538	21,423	31,654	13,307
Donner Springs	28,811	75,089	72,823	31,077
Double Diamond	41,932	85,268	80,667	46,533
Drake	31,848	41,667	50,763	22,752
Duncan	22,383	74,830	57,712	39,501
Dunn	10,275	64,230	61,180	13,325
Elmcrest *	11,171	32,733	29,351	14,553
Gomes	34,534	141,577	123,843	52,268
Gomm	20,633	64,405	76,747	8,291
Greenbrae	32,299	58,449	45,433	45,315
Hall	2,186	67,256	50,275	19,167
Hidden Valley	13,648	50,880	49,618	14,910
Huffaker	38,282	153,840	153,383	38,739
Hunsberger	61,092	185,918	199,491	47,519
Hunter Lake	21,297	35,401	35,104	21,594
Incline	32,710	124,199	126,775	30,134
Juniper *	18,080	92,406	93,015	17,471
Lemmon Valley	24,532	62,183	60,603	26,112
Lenz	35,099	110,989	106,169	39,919
Lincoln Park	19,007	45,024	42,944	21,087
Loder	38,335	17,289	33,106	22,518
Mathews	70,281	54,352	60,852	63,781
Maxwell	14,674	35,580	39,147	11,107
Melton	117,388	159,307	170,785	105,910
Mitchell	6,279	39,897	35,151	11,025
Moss	20,379	56,392	59,908	16,863
Mount Rose	10,724	31,007	28,633	13,098
Natchez	10,747	20,037	14,038	16,746
Palmer	17,182	89,736	82,278	24,640
Peavine	33,150	47,500	51,028	29,622
Piccolo	98,192	86,324	63,747	120,769
Pleasant Valley	13,336	113,663	91,359	35,640
Risley *	21,879	51,599	44,879	28,599
Sepulveda	421	149,226	138,439	11,208
Sierra Vista	6,193	17,116	17,951	5,358
Silver Lake	32,095	81,580	75,490	38,185
Smith, Alice	55,507	73,286	70,790	58,003
Smith, Kate	11,057	33,016	41,157	2,916
Smithridge *	31,399	66,449	43,807	54,041
Spanish Springs	45,285	112,768	103,366	54,687
Stead	19,518	80,964	67,912	32,570
Sun Valley	29,097	35,983	37,660	27,420
Taylor	3,393	114,751	109,831	8,313
Towles	10,908	40,155	42,696	8,367

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2007**

<u>SCHOOLS</u>	<u>BALANCE JULY 1, 2006</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2007</u>
ELEMENTARY SCHOOLS (CONTINUED):				
Van Gorder	\$ 36,668	\$ 142,384	\$ 157,726	\$ 21,326
Verdi *	7,712	46,051	48,031	5,732
Veterans	9,126	75,656	55,504	29,278
Warner	13,820	32,509	27,981	18,348
Westergard	17,118	91,314	90,207	18,225
Whitehead *	41,670	49,822	54,130	37,362
Winnemucca	25,204	123,650	128,429	20,425
	<u>1,684,916</u>	<u>4,517,016</u>	<u>4,322,370</u>	<u>1,879,562</u>
Total Elementary Schools				
MIDDLE SCHOOLS:				
Billinghurst	124,157	152,037	177,632	98,562
Clayton *	82,831	116,384	131,409	67,806
Cold Springs	1,009	131,359	100,510	31,858
Dilworth	43,572	85,336	90,526	38,382
Incline *	46,494	75,712	59,805	62,401
Mendive *	102,008	177,726	168,440	111,294
O'Brien	53,120	120,193	127,537	45,776
Pine	95,061	248,660	219,369	124,352
Shaw	48,932	171,499	162,836	57,595
Sparks	63,991	79,877	89,705	54,163
Swope	62,881	155,925	151,972	66,834
Traner	8,902	55,077	43,614	20,365
Vaughn *	26,928	102,980	106,602	23,306
	<u>759,886</u>	<u>1,672,765</u>	<u>1,629,957</u>	<u>802,694</u>
Total Middle Schools				
HIGH SCHOOLS:				
Damonte Ranch	369,622	896,947	783,456	483,113
Galena	631,979	1,262,974	1,335,724	559,229
Gerlach (1) *	60,742	63,363	65,388	58,717
Hug *	133,760	328,053	308,805	153,008
Incline	188,993	568,276	385,166	372,103
McQueen	704,956	1,227,955	1,373,803	559,108
North Valleys	396,355	715,672	699,456	412,571
Reed	296,088	1,126,328	1,103,385	319,031
Regional Technical Institute	62,722	151,064	144,128	69,658
Reno	745,600	1,463,702	1,428,249	781,053
Spanish Springs	426,206	961,627	905,760	482,073
Sparks	388,742	442,120	472,295	358,567
TMCC	54,963	29,499	31,205	53,257
Washoe	87,731	28,853	27,407	89,177
Wooster	286,325	611,453	583,494	314,284
	<u>4,834,784</u>	<u>9,877,886</u>	<u>9,647,721</u>	<u>5,064,949</u>
Total High Schools				
OTHER:				
Administration Buiding	1,103	5,366	6,385	84
Gifted and Talented	2,626	9,211	9,712	2,125
Transportation Employee Fund	-	3,918	1,866	2,052
	<u>3,729</u>	<u>18,495</u>	<u>17,963</u>	<u>4,261</u>
Total Other Funds				
TOTALS	\$ <u>7,283,315</u>	\$ <u>16,086,162</u>	\$ <u>15,618,011</u>	\$ <u>7,751,466</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 SCHEDULE BY SOURCE
JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR JUNE 30,2006)**

	2007	2006
Governmental funds capital assets:		
Land	\$ 32,659,032	\$ 32,703,529
Buildings	618,425,883	532,168,239
Improvements other than buildings	9,250,027	6,239,320
Machinery and equipment	44,941,736	42,794,351
Construction in progress	6,718,180	79,955,233
Total governmental funds capital assets	\$ 711,994,858	\$ 693,860,672
 Investments in governmental funds capital assets by source:		
General fund	\$ 148,483,692	\$ 146,842,605
Special revenue funds	5,498,708	4,303,758
Capital projects funds	557,248,335	541,941,484
Donations	764,123	772,825
Total governmental funds capital assets	\$ 711,994,858	\$ 693,860,672

WASHOE COUNTY SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2007

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	MACHINERY AND EQUIPMENT	CONSTRUCTION IN PROGRESS	TOTAL
General Government:						
Instruction	\$ 131,639	\$ 253,565	\$ 25,603	\$ 7,180,484	\$ -	\$ 7,591,291
Student support	-	-	-	815,190	-	815,190
Instructional staff support	-	-	-	640,820	-	640,820
General administration	-	-	-	266,749	-	266,749
School administration	-	-	-	31,518	-	31,518
Business administration	-	-	-	823,499	721,036	1,544,535
Operation/maintenance	-	9,924,637	-	1,705,749	-	11,630,386
Student transportation	-	-	-	23,095,409	-	23,095,409
Central support	-	-	-	1,832,539	-	1,832,539
Other support	-	-	-	37,054	-	37,054
Facilities	<u>32,527,393</u>	<u>608,247,681</u>	<u>9,224,424</u>	<u>8,512,725</u>	<u>5,997,144</u>	<u>664,509,367</u>
Total governmental funds capital assets	<u>\$ 32,659,032</u>	<u>\$ 618,425,883</u>	<u>\$ 9,250,027</u>	<u>\$ 44,941,736</u>	<u>\$ 6,718,180</u>	<u>\$ 711,994,858</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, 2007

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2006	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2007
General Government:				
Instruction	\$ 7,559,174	\$ 222,055	\$ 189,938	\$ 7,591,291
Student support	801,374	19,966	6,150	815,190
Instructional staff support	640,879	83,610	83,669	640,820
General administration	258,555	8,194	-	266,749
School administration	31,518	-	-	31,518
Business administration	770,416	798,003	23,884	1,544,535
Operation and maintenance	11,441,485	350,910	162,009	11,630,386
Student transportation	21,701,966	3,076,976	1,683,533	23,095,409
Central support	1,477,497	384,677	29,635	1,832,539
Other support	42,853	-	5,799	37,054
Facilities	<u>649,134,955</u>	<u>106,857,795</u>	<u>91,483,383</u>	<u>664,509,367</u>
Total governmental funds capital assets	<u>\$ 693,860,672</u>	<u>\$ 111,802,186</u>	<u>\$ 93,668,000</u>	<u>\$ 711,994,858</u>

This schedule presents only the capital asset balances related to the governmental funds. Accordingly the capital assets reported in the internal service funds are excluded from the above amounts. The capital assets of the enterprise fund are reported separately under business-type activities.

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Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Tables

<u>Financial Trends</u>	1.1 - 1.5
Trend information to assist in the understanding of how the District's financial performance and well-being have changed over time.	
<u>Revenue Capacity</u>	2.1 - 2.4
Information to assist in the understanding of the District's most significant local revenue sources, property taxes (ad valorem).	
<u>Debt Capacity</u>	3.1 - 3.3
Information assessing the affordability of the District's current levels of outstanding debt and the ability to issue additional debt in the future.	
<u>Demographic and Economic Information</u>	4.1 - 4.2
Indicators to assist in understanding the environment within which the District's financial activities take place.	
<u>Operating Information</u>	5.1 - 5.3
Service and infrastructure data to assist in understanding how the information in the District's financial report relates to the services and activities provided.	

Sources: Unless otherwise noted, the information in these tables is derived from the Comprehensive Financial Reports for the relevant year.

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**Washoe County School District
Net Assets by Component
Last Six Fiscal Years
(accrual basis of accounting)**

	Fiscal Year Ended June 30,		
	2001-02	2002-03	2003-04
Governmental activities			
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042	\$ 116,714,931
Restricted	39,073,756	51,061,565	48,091,851
Unrestricted	(14,392,899)	(10,712,992)	927,744
Total governmental activities net assets	\$ 124,396,253	\$ 143,623,615	\$ 165,734,526
Business-type activities			
Invested in capital assets	\$ -	\$ -	\$ -
Restricted	-	-	-
Unrestricted	-	-	-
Total business-type activities net assets	\$ -	\$ -	\$ -
Primary government			
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042	\$ 116,714,931
Restricted	39,073,756	51,061,565	48,091,851
Unrestricted	(14,392,899)	(10,712,992)	927,744
Total primary government net assets	\$ 124,396,253	\$ 143,623,615	\$ 165,734,526

NOTE: FY 2001-02 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

Table 1.1

	2004-05	2005-06	2006-07
\$	127,695,444	\$ 136,809,928	\$ 146,148,691
	59,385,880	70,158,376	98,216,742
	14,054,767	25,489,421	28,324,447
\$	201,136,091	\$ 232,457,725	\$ 272,689,880

\$	-	\$ 542,397	\$ 503,245
	-	-	-
	-	3,156,740	2,667,745
\$	-	\$ 3,699,137	\$ 3,170,990

\$	127,695,444	\$ 137,352,325	\$ 146,651,936
	59,385,880	70,158,376	98,216,742
	14,054,767	28,646,161	30,992,192
\$	201,136,091	\$ 236,156,862	\$ 275,860,870

Washoe County School District
Changes in Net Assets
Last Six Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2001-02	2002-03	2003-04	2004-05
Expenses				
Governmental activities:				
Instruction:				
Regular instruction	\$ 180,196,628	\$ 184,993,866	\$ 194,831,967	\$ 206,911,454
Special instruction	30,070,560	32,001,726	34,870,606	37,356,574
Vocational instruction	6,593,175	6,227,423	7,299,838	7,310,262
Other instruction	4,767,956	5,009,228	5,263,695	5,299,761
Support services:				
Student support	17,903,382	18,448,225	21,195,379	25,372,276
Instructional staff support	13,329,522	15,336,683	15,536,807	15,787,724
General administration	5,542,329	6,077,638	6,261,080	6,632,435
School administration	18,739,572	19,965,103	21,622,401	22,674,418
Business support	3,989,647	4,218,214	4,549,010	6,060,209
Operation and maintenance	32,528,440	33,658,260	34,840,160	36,854,305
Student transportation	12,376,312	13,343,831	13,507,932	15,126,041
Central support	4,709,401	4,887,624	6,104,423	7,388,451
Other support	179,924	336,498	199,114	144,341
Nutrition services	12,554,171	13,373,888	13,853,617	14,621,816
Facilities	17,369,591	13,737,063	17,294,160	17,700,847
Interest on long-term debt	21,945,321	17,121,442	19,132,944	18,955,978
Amortization of issuance costs on debt	216,650	459,603	547,483	715,201
Total governmental activities expenses	383,012,581	389,196,315	416,910,616	444,912,093
Business-type activities:				
Nutrition services	\$ -	\$ -	\$ -	\$ -
Total business-type activities expenses	-	-	-	-
Total primary government expenses	\$ 383,012,581	\$ 389,196,315	\$ 416,910,616	\$ 444,912,093
Revenues				
Governmental activities:				
Program revenues:				
Charges for services	\$ 7,679,075	\$ 7,877,036	\$ 7,820,959	\$ 8,314,770
Operating grants and contributions	68,176,805	71,314,386	75,489,897	86,721,909
General revenues:				
Property taxes	102,617,739	109,768,083	117,819,676	126,044,207
Local school support taxes	112,258,067	116,959,363	128,565,040	145,056,434
Government service taxes	13,015,491	14,230,955	15,817,100	17,260,710
Other taxes and fees	1,516,853	1,697,574	2,241,927	2,331,837
Unrestricted investment earnings	7,363,521	4,912,745	1,672,999	5,789,233
State aid not restricted to specific purposes	75,088,119	78,721,232	87,154,547	85,542,351
Other	2,037,587	2,942,303	2,439,382	3,252,207
Total governmental activities revenues	389,753,257	408,423,677	439,021,527	480,313,658
Business-type activities:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Operating grants and contributions	-	-	-	-
Total business-type activities revenues	-	-	-	-
Total primary government revenues	\$ 389,753,257	\$ 408,423,677	\$ 439,021,527	\$ 480,313,658
Change in net assets				
Governmental activities	\$ 6,740,676	\$ 19,227,362	\$ 22,110,911	\$ 35,401,565
Business-type activities	-	-	-	-
Total primary government	\$ 6,740,676	\$ 19,227,362	\$ 22,110,911	\$ 35,401,565

NOTE: FY 2001-02 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.

Table 1.2

	2005-06		2006-07
\$	219,283,856	\$	237,531,977
	40,361,274		43,558,232
	7,978,977		6,859,471
	4,908,141		5,983,182
	27,775,369		28,176,004
	18,234,230		21,037,319
	7,195,661		8,181,454
	24,734,884		26,058,599
	6,831,633		6,805,662
	42,085,877		45,212,457
	16,311,285		17,172,992
	7,543,020		8,271,832
	29,117		231,449
	-		-
	16,272,050		25,817,244
	20,921,136		20,107,992
	804,602		1,114,139
	461,271,112		502,120,005
\$	15,603,133	\$	16,973,722
	15,603,133		16,973,722
\$	476,874,245	\$	519,093,727
\$	1,805,959	\$	2,215,979
	86,523,775		105,380,311
	136,445,205		150,413,632
	161,027,372		156,893,557
	18,277,143		18,677,186
	2,833,827		2,837,924
	7,304,748		10,277,185
	77,280,007		92,147,678
	4,137,772		3,508,708
	495,635,808		542,352,160
\$	6,945,811	\$	6,870,401
	9,313,397		9,575,174
	16,259,208		16,445,575
\$	511,895,016	\$	558,797,735
\$	34,364,696	\$	40,232,155
	656,075		(528,147)
\$	35,020,771	\$	39,704,008

Washoe County School District
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	1997-98	1998-99	1999-00	2000-01
General fund				
Reserved	\$ 329,035	\$ 1,242,438	\$ 6,828,924	\$ 6,456,853
Unreserved	3,840,623	6,187,465	2,709,944	3,606,244
Total general fund	\$ 4,169,658	\$ 7,429,903	\$ 9,538,868	\$ 10,063,097
All other governmental funds				
Reserved	\$ 26,936,803	\$ 32,369,481	\$ 84,998,102	\$ 41,661,734
Unreserved reported in:				
Special revenue funds	(880,350)	(526,776)	(691,376)	(448,548)
Capital projects funds	7,477,303	71,199,174	106,933,436	93,630,785
Total all other governmental funds	\$ 33,533,756	\$ 103,041,879	\$ 191,240,162	\$ 134,843,971
Total governmental funds	\$ 37,703,414	\$ 110,471,782	\$ 200,779,030	\$ 144,907,068

Fluctuations in all other governmental fund balance reserved and unreserved amounts primarily reflect financing, construction in progress and completion of large capital projects.

Source: Washoe County School District Business Office

Table 1.3

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
\$	2,917,834	\$ 2,332,785	\$ 6,310,332	\$ 1,955,639	\$ 2,991,296	\$ 2,896,595
	2,515,484	8,223,279	12,600,229	22,681,321	28,909,898	34,864,420
\$	5,433,318	\$ 10,556,064	\$ 18,910,561	\$ 24,636,960	\$ 31,901,194	\$ 37,761,015
\$	75,152,558	\$ 54,937,381	\$ 46,972,103	\$ 76,987,832	\$ 67,813,194	\$ 66,760,281
	1,294,478	1,714,981	4,475,704	7,022,230	9,953,987	14,959,439
	28,562,722	34,344,217	63,947,633	93,283,119	54,227,357	109,248,946
\$	105,009,758	\$ 90,996,579	\$ 115,395,440	\$ 177,293,181	\$ 131,994,538	\$ 190,968,666
\$	110,443,076	\$ 101,552,643	\$ 134,306,001	\$ 201,930,141	\$ 163,895,732	\$ 228,729,681

Washoe County School District
Changes in Fund Balances of Governmental Funds
Last Six Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2001-02	2002-03	2003-04	2004-05
Revenues				
Local sources	\$ 245,902,508	\$ 258,706,169	\$ 277,758,436	\$ 309,321,004
State sources	115,513,083	117,830,448	125,302,983	129,972,727
Federal sources	26,831,858	31,007,808	35,131,347	40,324,344
Other sources	1,418,410	1,258,824	2,010	37,345
Total revenues	389,665,859	408,803,249	438,194,776	479,655,420
Expenditures				
Current:				
Regular programs	179,366,818	183,529,233	197,968,562	208,690,609
Special programs	29,938,441	31,741,223	34,842,293	37,844,397
Vocational programs	6,564,020	6,169,534	7,293,902	7,405,722
Other instructional programs	2,930,266	2,776,041	2,928,092	3,114,088
Adult education programs	1,090,042	1,420,058	1,369,039	1,327,449
Food service programs	12,576,917	13,507,772	14,009,635	14,838,211
Community service programs	701,908	762,200	813,387	793,625
Undistributed expenditures:				
Student support	17,842,362	18,343,762	21,396,488	25,956,643
Instructional staff support	13,268,685	15,217,607	15,593,094	16,027,761
General administration	5,502,641	6,027,809	6,240,901	6,743,167
School administration	18,669,539	19,791,036	21,604,444	22,993,010
Business support	3,983,711	4,169,749	4,517,545	6,222,427
Operation and maintenance	35,762,338	33,181,675	34,592,121	37,737,291
Student transportation	12,142,202	12,635,127	12,717,685	19,047,410
Central support	4,678,884	4,900,142	6,235,573	7,945,677
Other support	167,506	332,299	189,113	132,307
Capital outlay	45,408,032	56,749,128	38,838,373	19,060,639
Debt service:				
Principal	20,028,992	22,144,229	23,392,727	25,720,391
Interest	19,892,555	16,422,095	19,474,379	19,156,006
Bond issuance costs	-	898,612	693,292	547,149
Other	1,105,185	-	9,846	13,738
Total expenditures	431,621,044	450,719,331	464,720,491	481,317,717
Excess (deficiency) of revenues over expenditures	(41,955,185)	(41,916,082)	(26,525,715)	(1,662,297)
Other financing sources (uses)				
Capital leases	3,945,569	259,770	6,914,598	1,019,287
Refunded capital leases	9,710,001	-	-	-
Refunding bonds Issued	-	-	-	-
Payments for refunded capital leases	(5,959,017)	(2,881,410)	-	-
Issuance of refunding bonds	46,939,230	68,940,000	11,820,000	22,970,000
Bonds issued	-	36,000,000	55,000,000	66,000,000
Debt premiums	-	6,925,688	1,112,967	6,792,039
Payments to refunded bonds escrow agent	(46,707,069)	(74,464,866)	(12,011,244)	(25,147,135)
Transfers in	19,020,755	20,201,851	24,167,589	26,057,411
Transfer out	(20,549,591)	(21,955,384)	(27,904,837)	(28,405,165)
Total other financing sources (uses)	6,399,878	33,025,649	59,099,073	69,286,437
Net change in fund balances	\$ (35,555,307)	\$ (8,890,433)	\$ 32,573,358	\$ 67,624,140
Debt service as a percentage of non-capital expenditures	10.62%	10.02%	10.23%	9.83%

Note: Information prior to 2001-02 not readily available

Source: Washoe County School District Business Office

Table 1.4

	2005-06	2006-07
\$	332,242,387	\$ 345,206,688
	130,050,648	163,589,108
	31,975,138	32,223,794
	37,224	32,032
	494,305,397	541,051,622
	219,930,930	239,765,677
	40,502,495	43,980,533
	8,006,895	6,925,974
	3,199,927	3,917,914
	1,080,063	1,268,709
	-	-
	642,275	854,566
	27,771,224	28,350,002
	18,305,324	21,286,332
	7,208,768	8,248,281
	24,818,064	26,307,853
	6,881,421	7,615,662
	41,985,686	45,666,518
	16,801,178	19,067,657
	7,454,621	8,514,475
	16,851	217,113
	87,032,038	28,718,211
	26,553,319	29,302,637
	20,881,655	20,276,179
	1,710,989	511,796
	12,325	14,900
	560,796,048	540,810,989
	(66,490,651)	240,633
	1,005,000	1,705,000
	-	-
	-	66,585,000
	-	-
	29,820,000	-
	30,000,000	65,000,000
	402,898	184,417
	(28,475,000)	(67,010,175)
	30,256,343	38,571,267
	(32,154,842)	(40,442,193)
	30,854,399	64,593,316
\$	(35,636,252)	\$ 64,833,949

10.38%

9.78%

Washoe County School District
Major Governmental Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ended June 30,	General Fund State Distributive School Fund	General Fund Ad Valorem Taxes	General Fund Franchise Tax	General Fund Government Services Tax	General Fund Local School Support Tax (Sales Tax)	General Fund Investment Income
1997-98	\$ 58,194,507	\$ 52,118,169	\$ 256,725	\$ 7,643,219	\$ 99,258,703	\$ 972,954
1998-99	60,817,440	57,148,332	303,384	7,863,772	105,775,263	1,477,680
1999-00	63,148,037	61,583,871	261,743	9,455,201	108,093,526	1,680,737
2000-01	65,294,451	64,667,692	165,560	9,662,929	110,894,639	1,589,520
2001-02	75,088,119	67,239,288	230,353	10,338,568	112,258,067	778,074
2002-03	78,721,232	72,277,614	233,187	11,303,671	116,959,363	439,873
2003-04	87,154,547	77,268,419	205,259	12,563,725	128,565,040	369,444
2004-05	85,542,351	82,793,542	286,955	13,709,075	145,056,434	1,030,943
2005-06	77,280,007	89,351,473	361,157	14,517,247	161,027,372	2,554,914
2006-07	92,147,678	98,451,752	305,996	14,834,870	156,893,557	3,360,393

Source: Washoe County School District Business Office

Table 1.5

Debt Service Fund Ad Valorem Taxes	Capital Projects Fund Government Services Tax	Special Revenue Funds State Distributive School Fund
\$ 24,384,880	\$ 1,887,535	\$ 10,916,670
26,522,286	1,826,815	11,696,452
32,110,250	2,195,839	12,309,317
34,349,012	2,502,729	12,981,481
35,327,857	2,676,923	13,887,475
37,951,688	2,927,284	14,771,785
40,437,409	3,253,375	15,983,978
43,304,316	3,551,635	16,881,687
46,760,465	3,759,896	18,655,920
51,692,753	3,842,316	19,644,528

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**Washoe County School District
Washoe County, Nevada
Principal Property Taxpayers
Current Year and Nine Years Ago**

Table 2.1

Taxpayer	2007			1998		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
DP Industrial LLC	\$ 105,064,946	1	0.76%	\$ -	-	-
Lennar Reno LLC	74,071,753	2	0.54%	-	-	-
Circus Circus & Eldorado Joint Venture	54,435,394	3	0.40%	74,787,518	2	1.00%
Peppermill Casinos, Inc.	49,454,098	4	0.36%	44,601,861	7	0.59%
FHR Corporation	49,224,832	5	0.36%	-	-	-
Washoe Medical Center, Inc.	42,934,937	6	0.31%	-	-	-
International Game Technology	37,221,215	7	0.27%	-	-	-
Golden Road Motor Inn, Inc.	36,490,092	8	0.27%	-	-	-
Eldorado Resorts, LLC	33,269,774	9	0.24%	44,330,356	8	0.59%
Reno Retail Company LLC	29,264,986	10	0.21%	-	-	-
Sierra Pacific Power Company	-	-	-	168,857,770	1	2.25%
Sparks Nugget	-	-	-	66,811,085	3	0.89%
Dermody Industrial Group	-	-	-	59,612,545	4	0.79%
Nevada Bell	-	-	-	56,551,317	5	0.75%
Circus Circus Casinos, Inc.	-	-	-	45,941,206	6	0.61%
Harrah's Club	-	-	-	41,706,861	9	0.56%
Reno Hilton Resort Corporation	-	-	-	38,553,190	10	0.51%
SUBTOTAL	511,432,027		3.72%	641,753,709		8.56%
All other taxpayers	13,233,886,852		96.28%	6,859,403,325		91.44%
TOTAL ASSESSED VALUATION	\$ 13,745,318,879		100.00%	\$ 7,501,157,034		100.00%

Source: Washoe County Comptroller's Office

Washoe County School District
Washoe County, Nevada
Property Tax Rates Direct and Overlapping Governments
Last Ten Fiscal Years
(tax rates per \$100 assessed valuation)

	Fiscal Year Ended June 30,		
	1997-98	1998-99	1999-00
Washoe County			
Operating rate	0.8266	0.8266	0.8402
Voter approved:			
Child protective services	0.0400	0.0400	0.0400
Regional animal services	-	-	-
Senior services	0.0100	0.0100	0.0100
Library expansion	0.0200	0.0200	0.0200
Legislative overrides:			
Indigent insurance	0.0150	0.0150	0.0150
Indigent health	0.1000	0.1000	0.0900
Capital acquisition	0.0500	0.0500	0.0500
Youth services	0.0046	0.0046	0.0043
Detention center	0.0774	0.0774	0.0774
SCCRT loss	-	-	-
Family court	0.0192	0.0192	0.0192
AB 104 Fair share tax	0.0272	0.0272	0.0272
Debt service	0.0595	0.0595	0.0562
Total Washoe County direct rate	1.2495	1.2495	1.2495
State of Nevada	0.1500	0.1500	0.1500
Washoe County School District	1.0985	1.0985	1.1385
Total, Washoe County unincorporated area	2.4980	2.4980	2.5380
Cities			
City of Reno	0.8546	0.9076	0.9076
City of Sparks	0.7071	0.8106	0.8106
Fire Districts			
North Lake Tahoe Fire Protection District	0.4794	0.5016	0.4964
Sierra Fire Protection District	0.3800	0.3800	0.3800
Truckee Meadows Fire Protection District	0.4813	0.4813	0.4813
General Improvement Districts			
Incline Village	0.0588	0.0588	0.0588
Palomino Valley	0.3273	0.3561	0.3600
South Truckee Meadows	0.1515	0.1149	0.1094
Other Special Districts			
Lemmon Valley Underground Water Basin	-	-	-
Sun Valley Water & Sanitation District	0.0846	0.0890	0.1004
Truckee Meadows Underground Water	0.0006	0.0006	0.0005

Source: Washoe County Comptroller's Office

Table 2.2

2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
0.8401	0.8567	0.9217	0.9167	0.9231	0.9231	0.9401
0.0400	0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
-	-	-	0.0300	0.0300	0.0300	0.0300
0.0100	0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
0.0150	0.0150	0.0150	0.0000	0.0150	0.0150	0.0150
0.0900	0.0850	0.0800	0.0900	0.1000	0.1000	0.0950
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.0044	0.0048	0.0070	0.0084	0.0083	0.0083	0.0077
0.0774	0.0774	0.0774	0.0774	0.0774	0.0774	0.0774
-	-	-	0.0150	-	-	-
0.0192	0.0192	0.0192	0.0192	0.0192	0.0192	0.0192
0.0272	0.0272	0.0272	0.0272	0.0272	0.0272	0.0272
0.0562	0.0652	0.0778	0.0778	0.0715	0.0715	0.0601
1.2495	1.2705	1.3453	1.3817	1.3917	1.3917	1.3917
0.1500	0.1500	0.1500	0.1700	0.1700	0.1700	0.1700
1.1385	1.1385	1.1385	1.1385	1.1385	1.1385	1.1385
2.5380	2.5590	2.6338	2.6902	2.7002	2.7002	2.7002
0.9076	0.9556	0.9456	0.9456	0.9456	0.9456	0.9456
0.8106	0.8653	0.9361	0.9161	0.9161	0.9161	0.9161
0.5025	0.5068	0.5101	0.5227	0.4746	0.5118	0.5070
0.4200	0.4200	0.4200	0.4200	0.4200	0.4200	0.4200
0.4813	0.4813	0.4813	0.4813	0.4713	0.4713	0.4713
0.0588	0.0682	0.0695	0.0741	0.0730	0.0702	0.0687
0.3646	0.3970	0.3965	0.4230	0.4353	0.4168	0.4270
0.1329	0.1216	0.1125	0.1007	-	-	-
-	-	-	0.0022	0.0020	0.0019	0.0017
0.1004	0.1084	0.1137	0.1243	0.1329	0.1329	0.1329
0.0005	0.0005	0.0005	0.0004	0.0005	0.0005	0.0004

**Washoe County School District
Washoe County, Nevada
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Real Property Assessed Property				Personal Property Assessed Value
	Residential	Commercial	Industrial	Other	
1997-98	\$ 4,117,918,746	\$ 1,977,823,957	\$ 513,876,374	\$ 856,957,177	\$ 486,438,497
1998-99	4,484,043,341	2,050,920,915	561,652,165	942,159,708	547,749,689
1999-00	4,899,515,048	2,188,843,820	599,317,924	979,712,550	554,355,080
2000-01	5,345,617,797	2,224,629,664	645,829,028	1,014,683,677	561,191,788
2001-02	5,779,328,777	2,266,552,541	716,567,080	930,450,481	598,261,997
2002-03	6,097,744,543	1,995,267,773	690,536,397	1,130,858,677	897,927,642
2003-04	6,914,968,564	2,146,658,012	734,470,492	1,411,793,110	632,545,725
2004-05	7,359,180,412	2,401,255,663	760,476,525	1,361,320,326	635,383,909
2005-06	8,112,575,162	2,629,470,341	805,595,192	1,490,866,372	596,491,212
2006-07	9,503,763,502	2,898,745,322	900,363,260	1,600,954,387	703,276,020

Source: Washoe County Comptroller's Office

Table 2.3

Total				
Less: Exempt Property	Taxable Assessed Value	Estimated Actual Assessed Value	Assessed Value To Taxable Value	Total Direct Tax Rate
\$ 1,004,239,013	6,948,775,738	\$ 19,853,644,966	35.00%	1.2495
1,085,668,784	7,500,857,034	21,431,020,097	35.00%	1.2495
1,136,198,652	8,085,545,770	23,101,559,343	35.00%	1.2495
1,167,565,065	8,624,386,889	24,641,105,397	35.00%	1.2495
1,194,463,282	9,096,697,594	25,990,564,554	35.00%	1.2705
1,350,370,687	9,461,964,345	27,034,183,843	35.00%	1.3453
1,431,598,475	10,408,837,428	29,739,535,509	35.00%	1.3817
1,501,358,576	11,016,258,259	31,475,023,597	35.00%	1.3917
1,655,649,740	11,979,348,539	34,226,710,111	35.00%	1.3917
1,861,783,612	13,745,318,879	39,272,339,654	35.00%	1.3917

**Washoe County School District
Washoe County, Nevada
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	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
1997-98	\$ 212,203,187	\$ 208,715,129	98.36%	\$ 3,461,216	\$ 212,176,345	99.99%
1998-99	239,267,466	235,399,065	98.38%	3,836,642	239,235,707	99.99%
1999-00	261,772,324	258,385,749	98.71%	3,347,785	261,733,534	99.99%
2000-01	273,864,229	270,702,031	98.85%	3,122,094	273,824,125	99.99%
2001-02	291,602,632	288,339,841	98.88%	3,219,986	291,559,827	99.99%
2002-03	320,080,572	316,660,506	98.93%	3,387,164	320,047,670	99.99%
2003-04	348,063,837	345,198,433	99.18%	2,815,134	348,013,567	99.99%
2004-05	372,704,071	370,001,334	99.27%	2,596,019	372,597,353	99.97%
2005-06	404,224,369	401,305,423	99.28%	2,402,694	403,708,117	99.87%
2006-07	446,362,451	442,446,311	99.12%	-	442,446,311	99.12%

Source: Washoe County Comptroller's Office

Table 2.4

	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent of Current Levy
\$	26,842	0.01%
	31,759	0.01%
	38,790	0.01%
	40,104	0.01%
	42,805	0.01%
	32,902	0.01%
	50,270	0.01%
	106,718	0.03%
	516,252	0.13%
	3,916,140	0.88%

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**Washoe County School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Table 3.1

Fiscal Year Ended June 30,	General Bonded Debt			Other Governmental Activities Debt			
	General Obligation Bonds	Percentage of Actual Property Value	Per Capita (a)	Capital Lease Obligations	Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)
1997-98	\$ 219,130,000	3.15%	\$ 668.29	\$ 1,857,274	\$ 220,987,274	2.11%	\$ 673.95
1998-99	277,260,000	3.70%	828.63	1,858,569	279,118,569	2.47%	834.18
1999-00	372,135,000	4.60%	1,088.32	8,508,192	380,643,192	3.09%	1,113.20
2000-01	355,190,000	4.12%	1,005.43	14,692,732	369,882,732	2.84%	1,047.02
2001-02	355,985,000	3.91%	990.43	21,150,750	377,135,750	2.83%	1,049.28
2002-03	352,425,000	3.72%	944.25	17,429,798	369,854,798	2.66%	990.95
2003-04	385,090,000	3.70%	1,004.27	23,131,681	408,221,681	2.71%	1,064.59
2004-05	427,205,000	3.88%	1,076.51	22,255,576	449,460,576	2.81%	1,132.59
2005-06	433,985,000	3.62%	1,060.87	21,272,256	455,257,256	N/A	1,112.87
2006-07	474,945,000	3.46%	1,142.31	20,709,619	495,654,619	N/A	1,192.12

Source: Washoe County School District Business Office

(a) See Schedule 2.1 for taxable property value

(b) See Schedule 4.1 for population and personal income data

**Washoe County School District
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,			
	1997-98	1998-99	1999-00	2000-01
Debt limit for school districts	\$ 1,042,316,361	\$ 1,213,034,366	\$ 1,293,658,033	\$ 1,364,504,640
Total net debt applicable to limit	<u>225,780,000</u>	<u>277,260,000</u>	<u>372,135,000</u>	<u>355,190,000</u>
Legal debt margin	<u>\$ 816,536,361</u>	<u>\$ 935,774,366</u>	<u>\$ 921,523,033</u>	<u>\$ 1,009,314,640</u>
Total net debt applicable to the limit as a percentage of debt limit	21.66%	22.86%	28.77%	26.03%

Source: Washoe County School District Business Office

Note: 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.

Table 3.2

2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
\$ 1,419,154,875	\$ 1,561,438,114	\$ 1,652,438,739	\$ 1,732,291,780	\$ 1,900,908,705	\$ 2,265,823,871
335,985,000	352,425,000	385,155,000	427,205,000	433,985,000	474,945,000
\$ 1,083,169,875	\$ 1,209,013,114	\$ 1,267,283,739	\$ 1,305,086,780	\$ 1,466,923,705	\$ 1,790,878,871
23.68%	22.57%	23.31%	24.66%	22.83%	20.96%

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2007

Current Assessed Valuation for 2007/2008 Tax Year	\$ 15,105,492,476
Debt Limit for School Districts - 15% of Assessed Valuation	2,265,823,871
Total Washoe County School District Bonded Debt	<u>474,945,000</u>
Legal Debt Margin	<u>\$ 1,790,878,871</u>

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Washoe County School District
Washoe County, Nevada
General Obligation Direct and Overlapping Debt
As of June 30, 2007

Table 3.3

Name of Government Unit:	General Obligation Debt Outstanding	Present Self-Supporting General Obligation Debt	Percent Applicable To Washoe County	Applicable Net Debt
Direct:				
Washoe County School District	\$ 474,945,000	-	100%	\$ 474,945,000
Total Direct Debt	474,945,000	-		474,945,000
Overlapping:				
Washoe County-Governmental Activity Bonds	204,887,574	\$ 108,730,729	100%	96,156,845
Washoe County-Special Assessment Bonds	2,924,461	2,924,461	100%	-
Reno/Sparks Convention Visitor's Authority	135,554,189	135,554,189	100%	-
City of Reno	19,700,000	-	100%	19,700,000
City of Reno-supported by specific revenues	26,350,000	26,350,000	100%	-
City of Reno supported by sales tax & room tax revenues	328,611,249	328,611,249	100%	-
Reno-Special Assessment Bonds	24,488,120	24,488,120	100%	-
City of Sparks	1,550,000	-	100%	1,550,000
Sparks-Sewer/Utility Bonds	38,616,553	38,616,553	100%	-
Incline Village GID	22,203,721	22,203,721	100%	-
State Of Nevada	2,208,923,261	1,065,460,000	12.00%	137,215,591
Total Overlapping Debt	3,013,809,128	1,752,939,022		254,622,436
Total Direct and Overlapping Debt	\$ 3,488,754,128	\$ 1,752,939,022		\$ 729,567,436

Source: Washoe County Comptroller's Office

**Washoe County School District
Washoe County, Nevada
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Population	Per Capita Income	Median Age	School Enrollment*	Total Personal Income	Unemployment Rate	Total Labor Force
1997-98	327,899	\$ 32,265	36.5	51,205	\$ 10,475,446,000	4.1%	189,900
1998-99	334,601	33,915	36.9	52,562	11,288,186,000	4.0%	187,800
1999-00	341,935	36,103	37.3	54,121	12,322,546,000	2.9%	194,500
2000-01	353,271	37,065	35.6	55,651	13,035,713,000	3.9%	200,600
2001-02	359,423	36,831	35.6	57,557	13,323,522,000	4.7%	201,700
2002-03	373,233	37,465	35.8	58,909	13,917,120,000	4.5%	201,200
2003-04	383,453	40,146	35.1	60,373	15,071,220,000	3.8%	208,800
2004-05	396,844	41,382	36.1	62,073	16,007,090,000	3.8%	212,400
2005-06	409,085	N/A	36.5	62,356	N/A	4.0%	219,400
2006-07	415,775	N/A	34.5	63,044	N/A	4.2%	222,610

Source: Washoe County Comptroller's Office
* Washoe County School District

Table 4.1

Construction Activity Total Value	Number of New Family Units	Taxable Sales	Gross Income From Gaming	Total Passenger Air Traffic
\$ 181,655,590	1,204	\$ 4,359,037,576	\$ 1,009,353,314	7,047,660
201,588,866	1,086	4,679,515,860	1,032,380,849	6,318,665
255,051,619	1,001	4,957,234,787	1,111,327,004	5,951,344
290,589,395	1,270	5,194,146,044	1,113,289,199	5,332,507
294,355,860	1,324	5,292,178,588	1,049,151,610	4,485,369
305,249,144	1,217	5,481,582,915	1,032,987,724	4,514,225
345,640,310	1,009	6,023,436,676	1,011,657,616	4,918,829
368,356,469	1,113	6,687,446,995	1,016,864,082	5,097,170
307,685,955	851	7,245,524,852	1,072,936,817	5,149,700
225,084,828	557	7,202,640,557	1,069,608,365	5,014,382

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**Washoe County School District
Washoe County, Nevada
Principal Employers
Current Year and Nine Years Ago**

Table 4.2

Employer	December, 2006			December, 1998		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Washoe County School District	8000-8499	1	3.81%	5500-6000	1	3.06%
University of Nevada, Reno	4500-4999	2	2.09%	2500-2999	2	1.61%
Washoe County	3000-3499	3	1.40%	2500-2999	4	1.42%
Integrity Staffing Solutions	3000-3499	4	1.38%	-	-	-
International Game Technology	2500-2999	5	1.22%	-	-	-
Renown Medical Center	2000-2499	6	1.14%	-	-	-
Silver Legacy Resort Casino	1500-1999	7	0.97%	2500-2999	5	1.39%
Peppermill Hotel Casino-Reno	1500-1999	8	0.90%	-	-	-
City of Reno	1500-1999	9	0.89%	-	-	-
Atlantis Casino Resort	1500-1999	10	0.83%	-	-	-
Reno Hilton	-	-	-	2500-2999	3	1.60%
Eldorado Hotel & Casino	-	-	-	2500-2999	6	1.39%
Washoe Medical Center	-	-	-	2000-2499	7	1.29%
Sparks Nugget, Inc.	-	-	-	2000-2499	8	1.28%
Circus Circus Casinos, Inc. - Reno	-	-	-	2000-2499	9	1.20%
Harrah's Reno	-	-	-	2000-2499	10	1.14%
Total County Covered Employment	218,300			187,080		

Source: Washoe County Comptroller's Office for all except Washoe County School District

**Washoe County School District
Operating Statistics
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Enrollment	Governmental Funds Operating Expenditures	Cost per Pupil	Percentage Change	Primary Government Expenses *	Cost per Pupil	Percentage Change	Districtwide Teaching Staff
1997-98	51,205	\$ 301,131,749	\$ 5,881	0.00%	N/A	N/A	N/A	N/A
1998-99	52,562	314,995,769	5,993	1.90%	N/A	N/A	N/A	N/A
1999-00	54,121	372,303,261	6,879	14.79%	N/A	N/A	N/A	N/A
2000-01	55,651	423,117,062	7,603	10.52%	N/A	N/A	N/A	N/A
2001-02	57,557	431,621,044	7,499	-1.37%	383,012,581	6,654	-	N/A
2002-03	58,909	450,719,331	7,651	2.03%	389,196,315	6,607	-0.72%	3,477
2003-04	60,373	464,720,491	7,697	0.61%	416,910,616	6,906	4.52%	3,487
2004-05	62,073	481,317,717	7,754	0.73%	444,912,093	7,168	3.79%	3,600
2005-06	62,356	560,796,048	8,993	15.98%	476,874,245	7,648	6.70%	3,653
2006-07	63,044	540,810,989	8,578	-4.62%	519,093,727	8,234	7.67%	3,806

* NOTE: FY 2001-02 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

Table 5.1

Pupil-Teacher Ratio	Number of Students Receiving Free or Reduced Priced Meals	Percentage of Students Receiving Free or Reduced Priced Meals	Total Meals Served
N/A	13,779	26.91%	2,972,465
N/A	14,949	28.44%	3,400,735
N/A	15,184	28.06%	3,634,383
N/A	15,944	28.65%	3,895,765
N/A	18,902	32.84%	3,996,975
16.9	21,625	36.71%	4,061,134
17.3	17,338	28.72%	4,179,849
17.2	24,403	39.31%	4,251,638
17.1	21,467	34.43%	4,419,349
16.6	23,218	36.83%	4,578,868

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**Washoe County School District
Teacher Salary Schedules
Last Ten Fiscal Years**

Table 5.2

Fiscal Year Ended June 30,	Minimum Salary	Maximum salary
1997-98	\$ 23,301	\$ 50,484
1998-99	23,930	51,847
1999-00	24,409	52,884
2000-01	24,675	53,462
2001-02	24,675	53,462
2002-03	25,292	54,799
2003-04	25,924	56,169
2004-05	26,508	57,435
2005-06	27,303	59,158
2006-07	29,588	63,959

Source: Washoe County School District Human Resources

**Washoe County School District
Capital Asset Information
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,			
	1997-98	1998-99	1999-00	2000-01
Elementary Schools				
Sites	58	59	60	60
Square feet	2,412,039	2,455,734	2,504,749	2,504,749
Base capacity	25,905	27,167	27,781	27,781
Middle Schools				
Sites	11	11	11	11
Square feet	996,480	996,480	996,480	996,480
Base capacity	8,300	8,300	8,300	8,300
High Schools				
Sites	11	11	11	11
Square feet	1,724,497	1,738,457	1,750,297	1,750,297
Base capacity	11,656	11,656	11,656	11,656
Administrative				
Sites	7	7	7	9
Square feet	88,701	88,701	88,701	88,701
Transportation				
Sites	3	3	3	3
Square feet	60,645	60,645	60,645	60,645
Buses	253	267	276	276
Nutrition				
Sites	1	1	1	1
Square feet	24,246	24,246	24,246	24,246
Other (Bullis Curriculum & Instruction Center, Edison Curriculum & Instruction Center and Plant Facilities)				
Sites	2	2	2	3
Square feet	32,675	32,675	32,675	127,609

Source: Washoe County School District Plant Facilities

Table 5.3

2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
60	62	62	62	62	64
2,509,069	2,619,151	2,656,829	2,661,149	2,664,029	2,822,459
28,441	28,441	29,761	30,080	30,080	31,286
11	11	11	12	12	13
1,000,800	1,003,680	1,005,120	1,128,911	1,128,911	1,266,428
8,300	8,300	8,300	8,300	9,233	10,279
13	13	13	14	14	14
2,251,855	2,266,868	2,506,623	2,508,063	2,518,197	2,574,892
11,656	15,236	15,236	16,244	16,244	16,244
9	9	9	9	9	9
88,701	88,701	88,701	88,701	88,701	88,701
3	3	3	3	3	3
60,645	60,645	60,645	60,645	60,645	60,645
288	288	299	254	279	293
1	1	1	1	1	1
24,246	24,246	24,246	24,246	24,246	28,746
3	3	3	3	3	3
162,275	163,715	163,715	163,715	163,715	163,715

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

To the 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, 2007, and have issued our report thereon dated October 22, 2007. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily disclose all matters in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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 grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 22, 2007



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, 2007. 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, 2007.

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 but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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 22, 2007

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF EDUCATION			
<i>DIRECT PROGRAMS:</i>			
Impact Aid PL 81-874	84.041	n/a	\$ 196,345
Title VII, Indian Education	84.060A	S060A061031	223,808
Safe and Drug-Free Schools and Communities_National Programs - Emergency Response & Crisis Management	84.184E	Q184E050114	488,110
Teaching American History #2	84.215X	U215X040011	294,615
Elementary US History	84.215X	U215X050077	199,218
Smaller Learning Communities	84.215L	V215L032251	39,954
Intensive English - Earmarked	84.215K	U215K050637	2,469
PLATO - Earmarked	84.215K	U215K050394	12,181
			<u>548,437</u>
IGRAD School Dropout Prevention	84.360A	S360A020128-04	15,859
Total Direct			<u>1,472,559</u>
<i>PASS THROUGH FROM STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Special Education Cluster			
PL 105-17 - Individuals with Disabilities Ed Act	84.027	07-2715-16	8,149,410
PL 105-17 - Special Ed Case Load Reduction	84.027	07-2715-36	313,714
PL 105-17 - District Improvement	84.027	07-2715-77	37,759
PL 105-17 - Early Childhood Education	84.173	07-2715-56	281,090
Total Special Education Cluster			<u>8,781,973</u>
Title I - Basic	84.010	07-2712-21	8,302,888
Title I - District School Improvement	84.010	07-2712-127	339,818
Title I - Allen School Improvement	84.010	07-2712-127	5,869
Title I - Bennett School Improvement	84.010	07-2712-127	68,822
Title I - Booth School Improvement	84.010	07-2712-127	58,609
Title I - Cannan School Improvement	84.010	07-2712-127	21,056
Title I - Greenbrae School Improvement	84.010	07-2712-127	55,456
Title I - Lincoln Park School Improvement	84.010	07-2712-127	42,200
Title I - Loder School Improvement	84.010	07-2712-127	37,049
Title I - Mathews School Improvement	84.010	07-2712-127	5,228
Title I - Mount Rose School Improvement	84.010	07-2712-127	70,722
Title I - Smithridge School Improvement	84.010	07-2712-127	49,739
Title I - Sun Valley School Improvement	84.010	07-2712-127	33,505
Title I - Veterans School Improvement	84.010	07-2712-127	37,395
Title I -Traner School Improvement	84.010	07-2712-127	77,372
Title I - Bailey Charter School Improvement	84.010	07-2712-127	55,000
Title I - Mariposa Academy School Improvement	84.010	07-2712-127	55,000
			<u>9,315,728</u>
Title I - Migrant Education	84.011	2007-2712-31	63,111
Title I - Even Start	84.213C	2007-2712-64	197,321
Vocational Education - PL 101-392 - Carl D Perkins Basic/Reserve/Non-Trad	84.048A	07-2676-16	684,557
Vocational Education - PL 101-392 - Carl D Perkins TMCC	84.048A	n/a	45,290
			<u>729,847</u>
Title IV, Safe and Drug-Free Schools and Communities_State Grants	84.186	07-2605-21	201,392
Education For Homeless Children and Youth - McKinney Homeless Assistance	84.196	07-2709-43	121,664

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
21st Century Community Learning Centers, Allen ES	84.287	07-2709-85	\$ 70,407
21st Century Community Learning Centers, Booth ES	84.287	07-2709-85	113,853
21st Century Community Learning Centers, Cannan ES	84.287	07-2709-85	97,951
21st Century Community Learning Centers, Desert Heights ES	84.287	07-2709-85	80,497
21st Century Community Learning Centers, Duncan ES	84.287	07-2709-85	95,914
21st Century Community Learning Centers, Greenbrae ES	84.287	07-2709-85	119,686
21st Century Community Learning Centers, Loder ES	84.287	07-2709-85	107,939
21st Century Community Learning Centers, Mathews ES	84.287	07-2709-85	75,535
21st Century Community Learning Centers, Natchez ES	84.287	07-2709-85	78,154
21st Century Community Learning Centers, Risley ES	84.287	07-2709-85	76,592
21st Century Community Learning Centers, Smithridge ES	84.287	07-2709-85	99,730
21st Century Community Learning Centers, Warner ES	84.287	07-2709-85	107,220
21st Century Community Learning Centers, Pine MS	84.287	07-2709-85	101,942
21st Century Community Learning Centers, Traner ES	84.287	07-2709-85	52,111
21st Century Community Learning Centers, Vaughn MS	84.287	07-2709-85	<u>82,147</u>
			<u>1,359,678</u>
Title V, PL 103-382 State Grants For Innovative Programs*	84.298	07-2713-16	216,226
Title II, Part A*	84.298	07-2713-27	<u>592,425</u>
			<u>808,651</u>
Title II, Part D, Education Technology State Grants - Formula	84.318	07-2713-70	118,544
Title II, Part D, Education Technology State Grants - Competitive	84.318	07-2713-86	433,896
Title II, Part D, Education Technology State Grants - Competitive Ed Tech Conf.	84.318	07-2713-89	<u>85,911</u>
			<u>638,351</u>
PL 105-17 Special Education - State Personnel Development - Mentor Teacher Program	84.323	07-2715-94	<u>14,475</u>
Advanced Placement Program	84.330B	2007-2709-39	84,179
Advanced Placement Program - Fee Payment	84.330B	2007-2709-07	<u>22,490</u>
			<u>106,669</u>
PL 105-79 Comprehensive School Reform Demonstration #4 - Corbett ES	84.332	07-2712-80	8,584
PL 105-79 Comprehensive School Reform Demonstration #4 - Hug HS	84.332	2007-2712-81	<u>109,221</u>
			<u>117,805</u>
Gaining Early Awareness and Readiness for Undergraduate Programs - GEAR UP 34 CRF 964 Hug HS	84.334S	07-267816	<u>146,865</u>
Reading First State Grant	84.357	07-2712-57	1,364,748
Reading First Academy - Administration	84.357	07-2712-75	2,296
Reading First Academy - Dodson ES	84.357	07-2712-72	4,171
Reading First Academy - Greenbrae ES	84.357	07-2712-73	2,334
Reading First Academy - Warner ES	84.357	07-2712-74	3,001
Reading First - Virtual Academy	84.357	07-2712-46	<u>4,241</u>
			<u>1,380,791</u>
Title III, English Language Acquisition Grants	84.365	16-365-216-2007	<u>1,175,520</u>
Title II, Part B, Mathematics and Science Partnerships Even	84.366	06-2713-46	<u>86,160</u>
Title II, Part A Improving Teacher Quality State Grants	84.367	07-2713-27	1,727,162
Title II, Part A International Exchange Pilot	84.367	07-2713-50	<u>18,982</u>
			<u>1,746,144</u>
Grants for State Assessments and Related Activities - Educational Training & Technical Support	84.369	2007-2713-93	<u>62,184</u>
Hurricane Education Recovery	84.938C	07-27067901608	<u>16,012</u>
Fund for the Improvement of Education - Character Education	84.215V	07-R215V020031	<u>300,041</u>
Total U.S. Department of Education funding passed through the State of Nevada Department of Education			<u>27,370,382</u>

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
<i>PASS THROUGH FROM YMCA</i>			
YMCA 21st Century Community Learning Centers - Anderson ES	84.287	2007-2709-141	\$ 22,664
YMCA 21st Century Community Learning Centers - Donner Springs ES	84.287	2006-2709-154DS	24,917
			<u>47,581</u>
Total U.S. Department of Education			<u>28,890,522</u>
*CFDA 84.298 contains \$592,425 transferred from Title II to Title V through "No Child Left Behind" transferability provisions.			
U.S. DEPARTMENT OF AGRICULTURE:			
<i>DIRECT PROGRAM:</i>			
Schools and Roads Cluster			
Schools and Roads_Grants to States - Forest Reserve	10.665	n/a	6,364
Total Schools and Roads Cluster			<u>6,364</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF GENERAL SERVICES:</i>			
Food Donation - Commodity Foods Program/Food Distribution Program**	10.550		<u>968,079</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553		1,492,345
National School Lunch Program	10.555		7,140,737
Total Child Nutrition Cluster			<u>8,633,082</u>
Total U.S. Department of Agriculture			<u>9,607,525</u>
** Amounts shown as expenditures represent the value of commodity foods used by the District.			
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
<i>PASS THROUGH FROM STATE OF NEVADA, DEPARTMENT OF HUMAN SERVICES:</i>			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance - JTNN - Substance Abuse	93.243	0405SIG04	59,779
Substance Abuse and Mental Health Services_Projects of Regional and National Significance - JTNN - FRC	93.243	0405SIG05	22,000
			<u>81,779</u>
Title IV-B, Promoting Safe and Stable Families - FRC Coalition CY 2005	93.556	IVB-3145/17-SFY05-07-003	<u>105,561</u>
Children's Trust Fund	93.669	n/a	177,736
Title XX Social Services Block Grant - FRC	93.669	n/a	15,000
			<u>192,736</u>
Block Grants for Prevention and Treatment of Substance Abuse - BADA - P.O.W.E.R.	93.959	06B1NVSAPT-01	97,105
Block Grants for Prevention and Treatment of Substance Abuse - BADA - Family Strengthening	93.959	07126PX	70,000
			<u>167,105</u>
Total U.S. Department of Health and Human Services			<u>547,181</u>
U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			
<i>PASS THROUGH FROM NEVADA FFA FOUNDATION</i>			
Learn & Serve America_School and Community Based Programs	94.004		<u>32,747</u>
Total U.S. Corporation for National and Community Service			<u>32,747</u>

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2007

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF LABOR:			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Incentive Grants - WIA Section 503	17.267	07-2676-16	<u>\$ 13,424</u>
Total for U.S. Department of Labor			<u>13,424</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
<i>DIRECT PROGRAM:</i>			
DIRECT - FRC Coalition Emergency Food & Shelter	97.024	589600-012	3,552
DIRECT - Emergency Food & Shelter	97.024	589600-012	<u>4,395</u>
Total U.S. Department of Homeland Security			<u>7,947</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 39,099,346</u>

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2007

NOTE 1 – Reporting Entity:

The accompanying Schedule of Expenditures of Federal Awards presents the expenditure activity of all federal award programs of the Washoe County School District (the "District") for the year ended June 30, 2007. The District's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the Schedule of Expenditures of Federal Awards.

NOTE 2 – Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of CFDA # 10.550 – *Commodity Foods Program/Food Distribution Program* represent the fair value of commodity food used by the District.

NOTE 3 – Relationship to the Basic Financial Statements:

Expenditures of Federal awards have been included in the individual funds of the District as follows:

General Fund	\$ 202,709
Special Revenue Funds	29,463,021
Enterprise Fund – Nutrition Services	<u>9,433,616</u>
	<u>\$39,099,346</u>

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2007

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, 2007.
- No control deficiencies or material weaknesses were disclosed during the audit of the financial statements of Washoe County School District.
- The audit disclosed no instances of noncompliance which were material to the financial statements of Washoe County School District.
- No control deficiencies or material weaknesses in the internal control over major programs were disclosed.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major programs of Washoe County School District.
- There were no audit findings relative to the major Federal award programs for Washoe County School District that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 in this Schedule.
- Washoe County School District had three major programs for the year ended June 30, 2007, as follows:

CFDA Number	Program Name
84.027/84.173	Special Education Cluster
84.184	Safe and Drug-Free Schools and Communities - National Programs
84.365	Title III English Language Acquisition Grants

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2007, was \$1,172,980.
- Washoe County School District qualified as a low risk auditee for the year ended June 30, 2007 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, 2007.

Findings and Questioned Costs for Federal Awards:

None.

WASHOE COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR END JUNE 30, 2007

Prior Year Findings and Questioned Costs for Federal Awards:

None.



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, 2007 (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, 2007,
- 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 22, 2007

**WASHOE COUNTY SCHOOL DISTRICT
AUDITOR'S COMMENTS
JUNE 30, 2007**

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, 2006.

PRIOR YEAR RECOMMENDATIONS

There were no recommendations made in the audit report for the year ended June 30, 2006.

CURRENT YEAR RECOMMENDATIONS

We did not find any financial weaknesses of a magnitude to justify inclusion within our report.

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