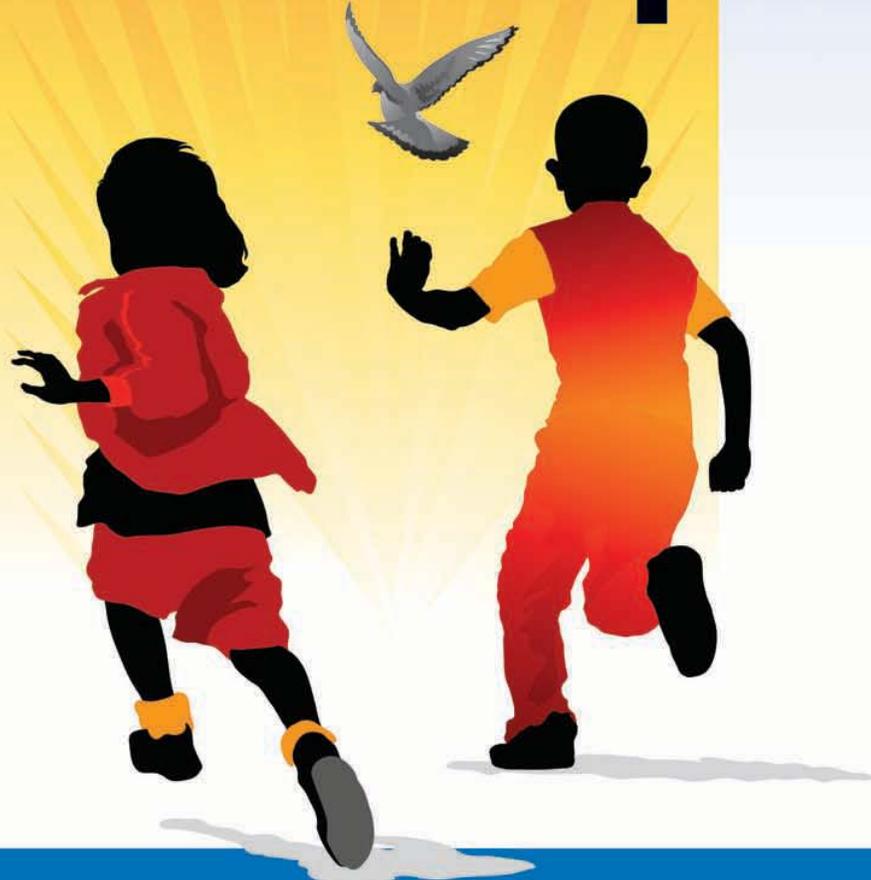




Washoe County School District - Reno, Nevada

# Comprehensive Annual Financial Report



*Fiscal Year Ended June 30, 2008*

# Washoe County School District **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2008



**Prepared By:**  
**Business & Financial Services Division**

**Gary Kraemer, CPA**  
Chief Financial Officer

**Thomas Ciesynski, CPA**  
Chief Accountant

**Michael Schroeder, CPA**  
Senior Budget Analyst

**Gail Carson**  
Senior Accountant

**Rob Luna**  
Grant Fiscal Administrator

**Jeannine Stewart**  
Senior Accountant

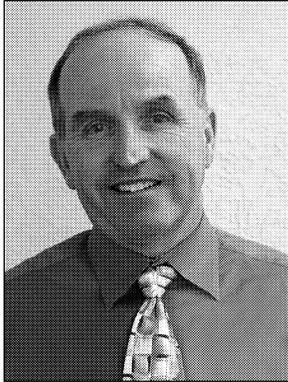
**Cheryl Hong**  
Budget Analyst

**Stephen Ashorn**  
Bond Accountant

**Lisa Woods**  
Budget Analyst

**Tracy Hodge**  
Grant Accountant

# Washoe County School District Superintendent & Board of Trustees



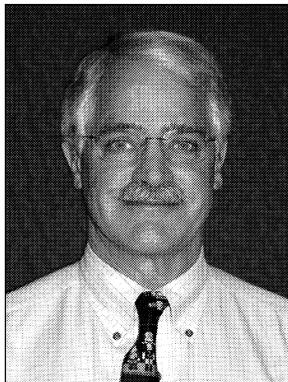
**Paul Dugan**  
Superintendent



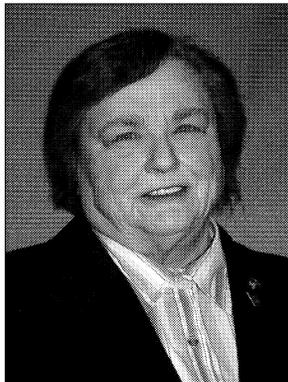
**Barbara Price**  
Board of Trustees  
President



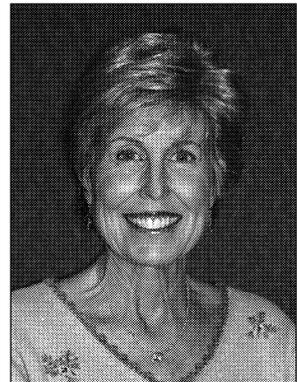
**Barbara Clark**  
Board of Trustees  
Vice President



**Dan Carne**  
Board of Trustees  
Member



**Nancy Hollinger**  
Board of Trustees  
Member



**Lezlie Porter**  
Board of Trustees  
Member



**Jonnie Pullman**  
Board of Trustees  
Member



**Jody Ruggiero**  
Board of Trustees  
Member

**WASHOE COUNTY SCHOOL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2008**

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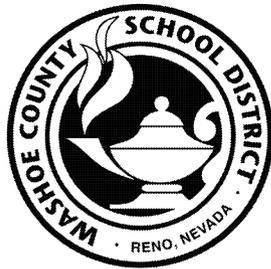
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# **Introductory Section**



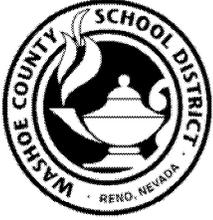
**Comprehensive  
Annual  
Financial Report**

# **Introductory Section**

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- Letter of Transmittal
- Board of Trustees and  
Administrative Officials
- Organizational Chart
- Certificate of Achievement for  
Excellence in Financial Reporting





## Washoe County School District

425 East Ninth Street • P.O. Box 30425 • Reno, NV 89520-3425

Phone (775) 348-0200 • Fax (775) 348-0304 • [www.washoe.k12.nv.us](http://www.washoe.k12.nv.us)

---

Board of Trustees: Barbara Price, President • Barbara Clark, Vice President • Estela L. Gutierrez  
Dan Carne • Nancy Hollinger • Jonnie Pullman • Jody Ruggiero • Paul Dugan, Superintendent

October 23, 2008

### **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, 2008, 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, 2008. 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 2007-08, the District operated sixty-five elementary schools (including one special education facility), fifteen middle schools, and fifteen high schools (including three alternative high schools). The District employed approximately 8,577 employees (certified, classified, administrative and substitutes) and served 63,626 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 68.3 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 Best in the West Rib Cook-Off, 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 2007-08 fiscal period is 419,037, which reflects a 25.2% increase over the 1998-99 population of 334,601. Over the last year, the County population is forecasted to increase by 3,262 or .78%. The annual labor force of the County is estimated at 228,617 at the end of June 2008, and the unemployment rate was established at a fiscal year average of 5.4% compared to 4.2% last year. This can be compared to the United States unemployment rate of 5.0% for the same period.

Other indicators of the economy in the County are reflected in taxable sales that decreased (5.26%) compared to an (.59%) decrease in the prior year. Air traffic in Reno is down (3.45%), while gross income from gaming was down (6.82%). Additionally, sales of existing homes decreased (1,045) or (22.38%) while new family units were at 480 compared to 557 in the prior year. In summary, Washoe County's economy has experienced declining growth when

compared to similar statistics in recent business cycles. These declines are comparable to the significant economic problems that are being experienced throughout the United States.

## **LONG-TERM FINANCIAL PLANNING**

In 2008, 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. Work began on internal service fund policies, but was delayed as a result of statewide budget reductions. Once the budget situation stabilizes, the District intends to resume this strategy of improving its financial policies and the goal of maintaining prudent reserves.

The Board continues using the Vision 2015 Plan (adopted last year), 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 adopted GASB Statement No. 45 to begin addressing the overall funding issue of the retiree health insurance in fiscal year 2008. The District set up a new pension-type trust fund for funding the retiree costs and liability in 2008. Updated actuarial studies have been completed and the new trust fund was operational at June 30, 2008. The District is facing budget reductions in fiscal year 2009-2010 that may affect total funding of the annual required contribution, but may be able to cover any funding deficiency by using some of the pre-funding amounts discussed below.

In addition to the new trust fund, the District has a pre-funding fund which has an \$11.5 million balance available for retiree health benefits as of 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 resulted in a substantial reduction of the actuarial liability and annual required contributions for the District.

## **MAJOR INITIATIVES**

### *Enrollment Trends and Attendance Boundaries*

The district has seen a major slowdown in enrollment growth, a trend we noted in last year’s report. For the 2008-09 school year, the unofficial enrollment total is 63,313. That is a net loss of 313 students over the prior year and represents a (.5%) decline. We attribute that decline to two factors; the opening of a new charter school serving elementary age children, and anecdotal reports of families leaving the area. Over time, we have also observed a shifting of enrollment patterns between schools, with some schools over capacity and others under utilized. To maximize existing capacity, we have completed a district-wide rezoning of elementary students resulting in the movement of about 1,800 students. Doing so saved the need to build three new elementary schools with a cost-avoidance of nearly \$45 million. A similar effort is now beginning in our high schools.

### *Facility Needs*

The November 4, 2008 general election has a ballot measure on behalf of the Washoe County School District to renew and revitalize existing schools and to add technology upgrades. If passed by voters, we will realize about \$23.5 million annually (from a 1/4 percent increase in sales tax rate and a 1/2 percent increase of taxable value in the Government Services Tax) between now and 2014. Those proceeds will be used as security for the issuance of general obligation bonds equaling \$393 million. An average household can expect to pay an additional \$25 per year if it spends \$10,000 on taxable items in one year, and, on average, an additional \$14.68 per year on vehicle registration. The measure is on the ballot by virtue of Senate Bill

154, passed in the 2007 legislature. In last year's report, we commented on the establishment of a committee created by this bill. They have completed their work and the question will now be decided by the voters. Funds for needed new schools will come from the current rollover bond program.

#### *Curriculum Initiatives*

Because of recent federal legislation (the reauthorization of the Individuals with Disabilities Education Act) a major project is underway to implement a new instructional model called Response to Intervention (RTI). Regular classroom teachers are now required to differentiate their instruction and to take students through a series of increasingly stringent strategies before requesting that a student be served by a special education teacher. Significant resources are being devoted to teacher and principal professional development as this new program is launched. Last year, we commented on the new high school Gateway Curriculum whereby all students are enrolled in three years of science and four years of mathematics. This year we are piloting a brand new math course as an alternative for the fourth year requirement. Its four 9-week modules will show students how math is used in medicine, technology, fine arts and banking and finance.

#### *Improved Communications & Community Outreach*

The Board of Trustees has recently approved a new Strategic Plan for Communications. Major new initiatives in the plan are the result of input from more than 400 citizens reached during the Trustees' Listen to Learn sessions and from a community opinion poll focused on communications issues. This fall, the district also launched a completely redesigned and updated website with new features and improved functionality.

### **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, 2007. This is the seventh 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,

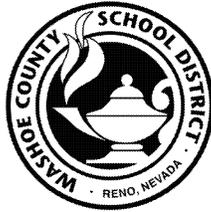


Paul S. Dugan  
Superintendent



Gary S. Kraemer, CPA  
Chief Financial Officer

# Washoe County School District Reno, Nevada



## District Officials For Fiscal Year Ended June 30, 2008

### Board Of Trustees

**Barbara Price**  
President

**Barbara Clark**  
Vice President

**Lezlie Porter**  
Member

**Dan Carne**  
Member

**Jonnie Pullman**  
Member

**Nancy Hollinger**  
Member

**Jody Ruggiero**  
Member

### Administrative Officials

**Paul Dugan**  
Superintendent

**Gary Kraemer, CPA**  
Chief Financial Officer  
Business & Financial Services

**Rick Harris**  
Deputy Superintendent

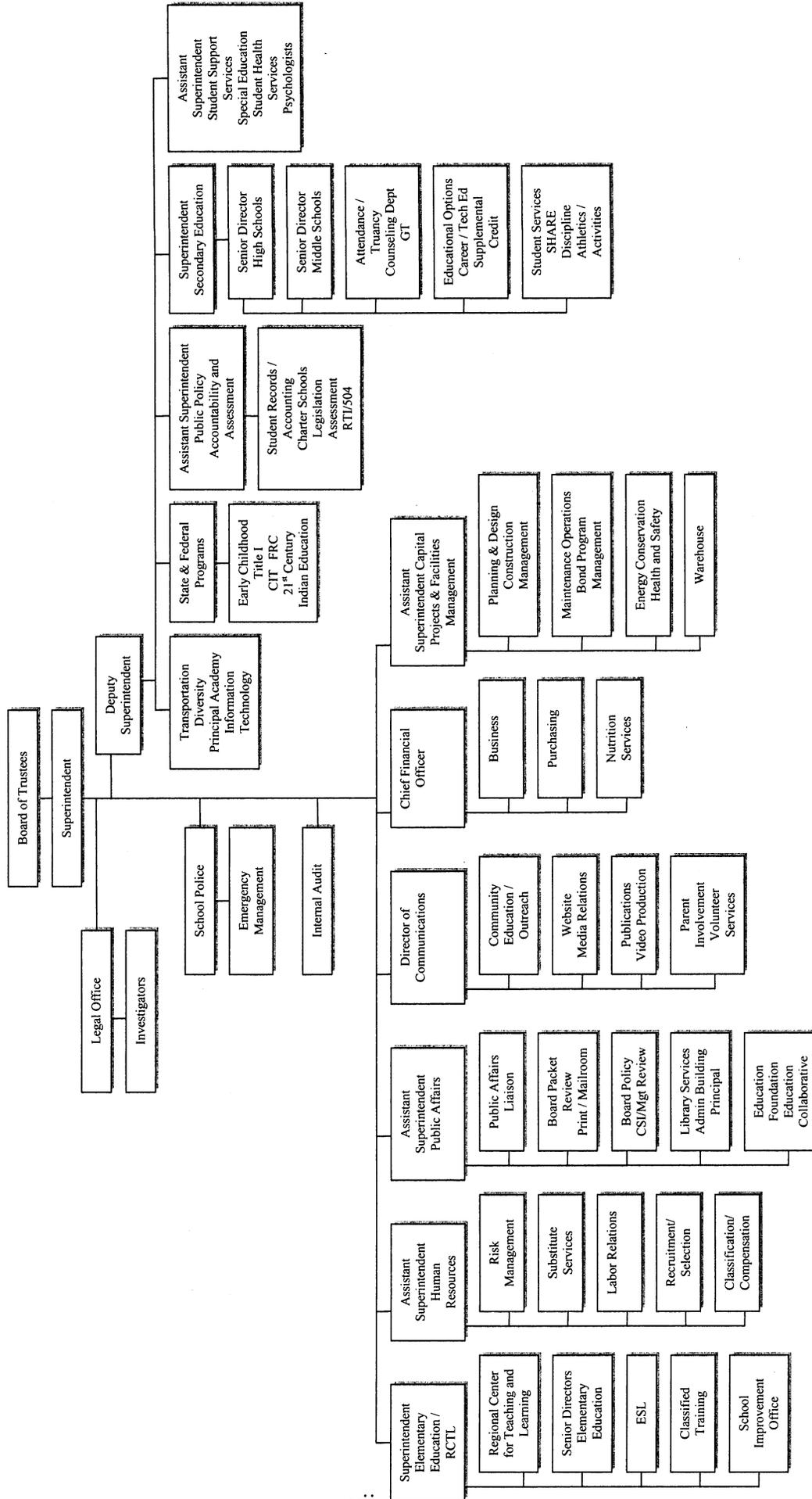
**Elisabeth Noonan, Ed.D.**  
Superintendent  
Elementary Education

**Rick Borba**  
Superintendent  
Secondary Education

**Ken Grein**  
Superintendent, Operations

# WASHOE COUNTY SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE

2007-2008



# 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, 2007

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.



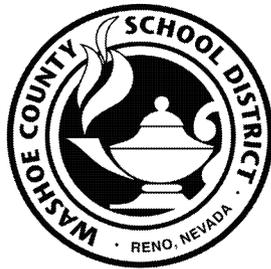
*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

# Financial Section



## Comprehensive Annual Financial Report

# **Financial**

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# **Section**

- Independent Auditor's Report
- Management's Discussion and Analysis





**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, 2008, 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, 2008, 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 23, 2008 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 and the schedules related to other post employment benefits on pages 3 through 16 and page 64, respectively, are not a required part of the basic financial statements but are 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 23, 2008

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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 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 \$42.8 million to \$318.7 million.
- Unrestricted net assets decreased or declined by (\$4.3) million to \$26.7 million.
- The District's total revenues increased by \$38.7 million to \$597.5 million. The most significant revenues are local school support taxes (sales tax) at \$153.3 million, property taxes (Ad Valorem) at \$161.1 million and state aid at \$125.2 million.
- The District's total expenses increased by \$35.6 million to \$554.7 million. The most significant expenses were in regular instruction at \$249 million, operation and maintenance at \$47.3 million and special education instruction at \$46.2 million.
- Net capital assets increased to \$562.3 million. Major additions include \$15.6 million for School Renewals, \$10.4 million for Depoali Middle School, \$4.4 million for land acquisitions, \$3.2 million for school buses, \$2.3 million for support building upgrades, \$1.6 million for Incline Elementary School, \$1.1 million for Academy for Arts, Careers and Technology (AACT) and \$2.2 million for energy, technology and copier upgrades. Depreciation expense totaling \$17.6 million is included in the government-wide statements.
- The District's general obligation bonds payable increased by \$25.4 million or 5.4%. This is the result of the issuance of \$55 million in bond rollover debt and \$29.6 million of debt payments.
- The District maintained an Aa3 bond rating with a stable outlook from Moody's Investor Service, improved to AA from an A+ with a stable outlook from Standard and Poor's Corporation and maintained an 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 near 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  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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 41 individual governmental funds of which the general, special education, debt service, 2008 bond rollover, 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 32 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 services 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 agency funds: the Student Activities Fund for schools in the district, an 80/5 Salary Plan for employees, and the Nevada Interscholastic Athletic Association for all school districts in Nevada. Additionally, the District has two trust funds: the Private Purpose Scholarship Trust Fund and the Other Postemployment Benefits Trust Fund (OPEB). Additional information can be found in Note 9 on pages 55 through 60 of this report.

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**Notes to the Financial Statements**

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

**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 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	
	2008	2007	2008	2007	2008	2007
<b>Assets</b>						
Current and other assets	\$ 400,639,990	\$ 343,893,231	\$ 3,743,489	\$ 3,577,979	\$ 404,383,479	\$ 347,471,210
Net capital assets	562,266,548	540,302,754	404,802	503,245	562,671,350	540,805,999
Total assets	<u>962,906,538</u>	<u>884,195,985</u>	<u>4,148,291</u>	<u>4,081,224</u>	<u>967,054,829</u>	<u>888,277,209</u>
<b>Liabilities</b>						
Current liabilities	117,551,627	116,101,842	1,029,639	910,234	118,581,266	117,012,076
Long-term liabilities	529,785,767	495,404,263	-	-	529,785,767	495,404,263
Total liabilities	<u>647,337,394</u>	<u>611,506,105</u>	<u>1,029,639</u>	<u>910,234</u>	<u>648,367,033</u>	<u>612,416,339</u>
<b>Net Assets</b>						
Invested in capital assets, net of related debt	162,631,890	146,148,691	404,802	503,245	163,036,692	146,651,936
Restricted	128,996,995	98,216,742	-	-	128,996,995	98,216,742
Unrestricted	23,940,259	28,324,447	2,713,850	2,667,745	26,654,109	30,992,192
Total net assets	<u>\$ 315,569,144</u>	<u>\$ 272,689,880</u>	<u>\$ 3,118,652</u>	<u>\$ 3,170,990</u>	<u>\$ 318,687,796</u>	<u>\$ 275,860,870</u>

*For more detailed information see the government-wide statement of net assets and the notes to the financial statements.*

**Net Assets:** The District's assets exceeded liabilities by \$318.7 million at June 30, 2008. The largest portion of net assets (51.2%) 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.

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

An additional portion of the District's assets (40.5%) represents resources that are subject to external restrictions (statutory, bond covenants, or granting agency) on how they may be used. At June 30, 2008, the District had unrestricted net assets of \$26.7 million.

**Governmental activities.** Governmental activities increased the District's net assets by \$42.9 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	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 2,182,721	\$ 2,215,979	\$ 6,738,145	\$ 6,870,401	\$ 8,920,866	\$ 9,086,380
Operating grants and contributions	98,800,969	105,380,311	10,988,512	9,575,174	109,789,481	114,955,485
General revenues:						
Property taxes	161,108,715	150,413,632	-	-	161,108,715	150,413,632
Local school support taxes	153,328,703	156,893,557	-	-	153,328,703	156,893,557
Government service taxes	18,297,902	18,677,186	-	-	18,297,902	18,677,186
Other taxes and fees	3,069,404	2,837,924	-	-	3,069,404	2,837,924
Unrestricted investment earnings	13,687,934	10,277,185	-	-	13,687,934	10,277,185
State aid not restricted to specific purposes	125,171,400	92,147,678	-	-	125,171,400	92,147,678
Other	3,895,497	3,508,708	250,000	-	4,145,497	3,508,708
Total revenues	579,543,245	542,352,160	17,976,657	16,445,575	597,519,902	558,797,735
<b>Expenses</b>						
Instruction:						
Regular instruction	249,002,229	237,531,977	-	-	249,002,229	237,531,977
Special instruction	46,242,040	43,558,232	-	-	46,242,040	43,558,232
Vocational instruction	7,025,834	6,859,471	-	-	7,025,834	6,859,471
Other instruction	5,883,354	5,983,182	-	-	5,883,354	5,983,182
Support services:						
Student support	32,412,506	28,176,004	-	-	32,412,506	28,176,004
Instructional staff support	24,081,071	21,037,319	-	-	24,081,071	21,037,319
General administration	9,670,750	8,181,454	-	-	9,670,750	8,181,454
School administration	29,873,872	26,058,599	-	-	29,873,872	26,058,599
Business support	6,915,607	6,805,662	-	-	6,915,607	6,805,662
Operation and maintenance	47,252,870	45,212,457	-	-	47,252,870	45,212,457
Student transportation	21,834,104	17,172,992	-	-	21,834,104	17,172,992
Central support	9,245,540	8,271,832	-	-	9,245,540	8,271,832
Other support	238,197	231,449	-	-	238,197	231,449
Community Services Operations	271,759	-	-	-	271,759	-
Nutrition services	-	-	18,028,995	16,973,722	18,028,995	16,973,722
Facilities	22,954,240	25,817,244	-	-	22,954,240	25,817,244
Interest on long-term debt	22,641,916	20,107,992	-	-	22,641,916	20,107,992
Issuance costs on debt	1,118,092	1,114,139	-	-	1,118,092	1,114,139
Total expenses	536,663,981	502,120,005	18,028,995	16,973,722	554,692,976	519,093,727
Increase in net assets	\$ 42,879,264	\$ 40,232,155	\$ (52,338)	\$ (528,147)	\$ 42,826,926	\$ 39,704,008

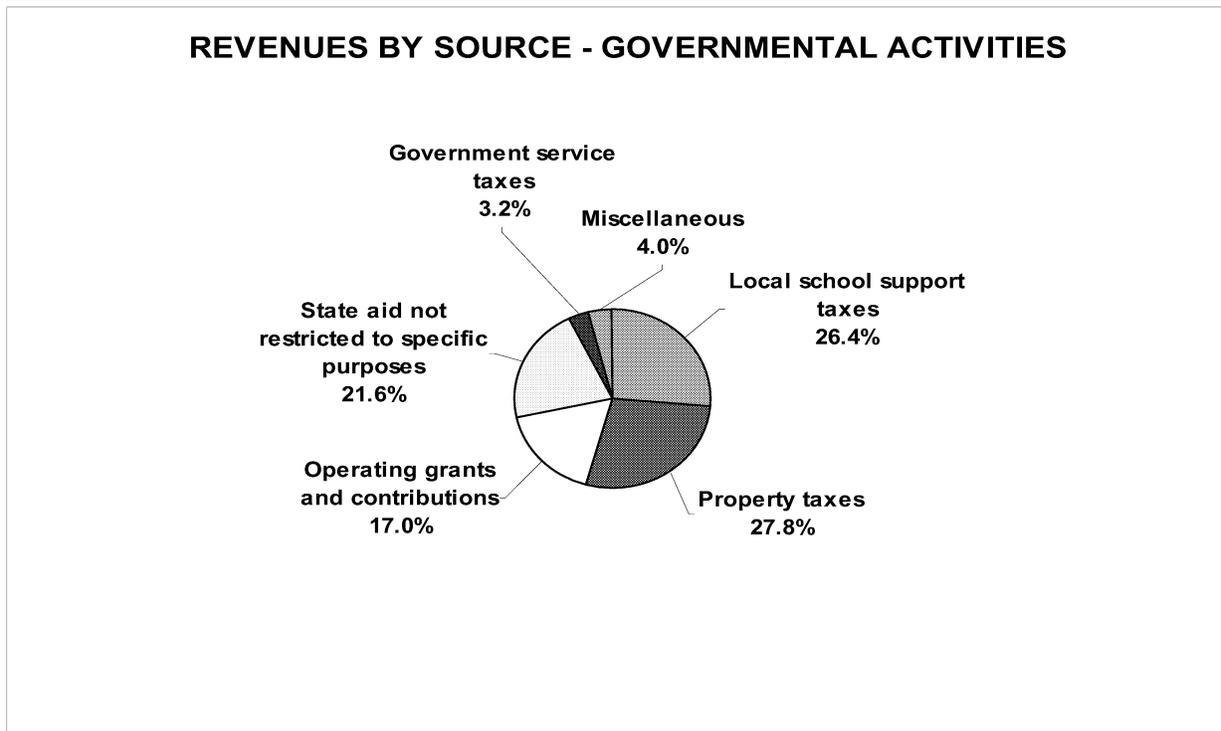
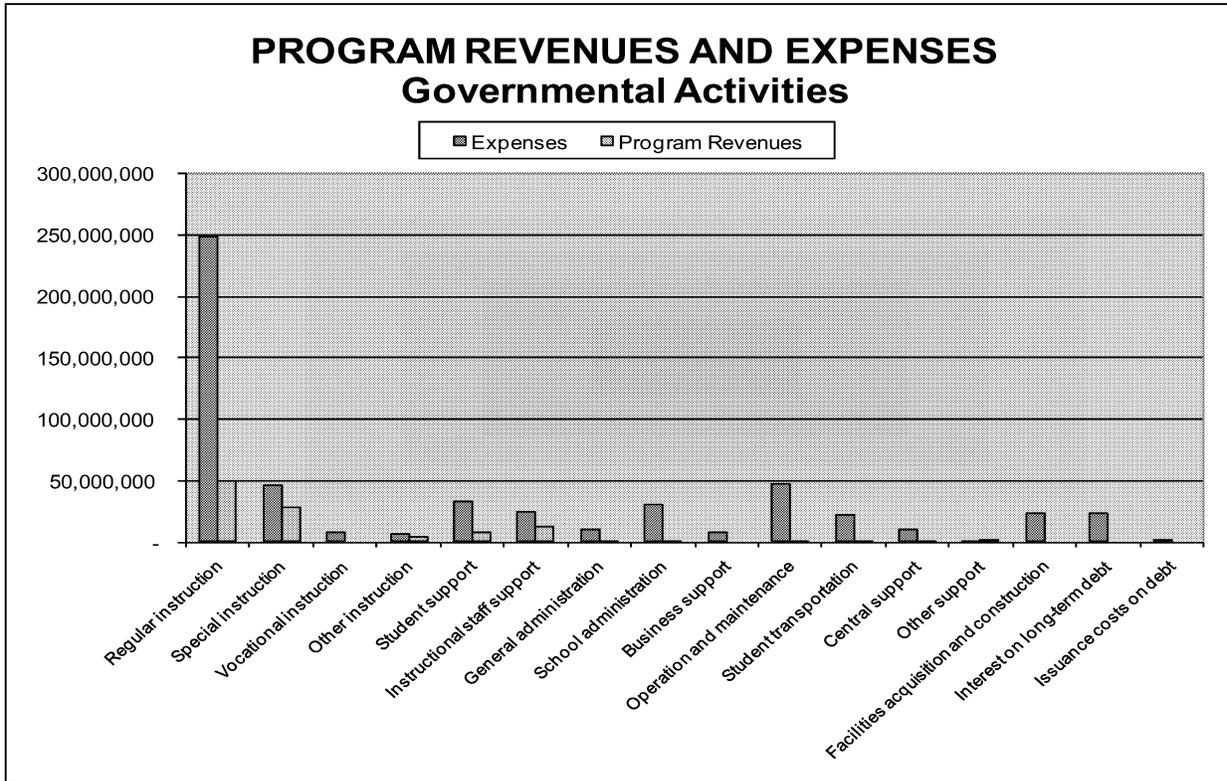
**Total Revenues:** Total revenues exceeded prior year revenues by 6.9%. General revenues, mainly comprised of taxes, state aid and investment earnings, represented 82.6% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

**General Revenues:** General revenues increased 10.1% from the prior fiscal year. The District experienced increases in all categories except local school support taxes, which was offset by an increase in state aid and a decrease in government services taxes.

**Program Revenues:** Program revenues represent 17.4% of the total revenues collected to pay costs of providing program services. Charges for services decreased (1.5%) and operating grants and contributions decreased (6.2%).

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The graphs below demonstrate the governmental activities revenue and expense coverage on a functional basis, and the revenues by source.



- The largest and main revenue source is local school support taxes and state aid

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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- Operating (non-salary) categories increased by \$6.1 million or 13.4% from the prior year. The majority of the increase is attributable to textbooks, instructional supplies, fuel/gasoline, property/liability insurance premiums and software licensing.
- The excess of revenues over expenditures was \$39.9 million. Transfers to other funds were \$33.5 million. Significant transfers included \$27.1 million to the Special Education Fund, \$3.8 million to the Debt Service Fund and \$2 million to the Health Insurance Fund.

**The Special Education Fund** accounts for resources (state-aid and transfers from the General Fund) used to provide special education to eligible students. This fund has no fund balance as the District only transfers the amount needed to cover expenditures not covered by State funding. Resources and expenditures totaled \$48.1 million, which exceeded the prior year by \$3.1 million or 7%. All fund resources were from State aid of \$21 million and transfers from the General Fund of \$27.1 million.

**The Debt Service Fund** has a total fund balance of \$63.2 million, all of which is reserved for the payment of debt service. The fund balance increased by \$7.8 million primarily as a result of increased property tax and investment revenues.

**Bond Rollover Capital Projects Funds** allow the District to issue an estimated \$300-600 million in voter-approved rollover bonds between 2002 and 2012. These rollover bonds will partially allow the District to provide for the upkeep of existing facilities and add new schools to address increases in student enrollment. These bonds will be used for improvements (including technology infrastructure upgrades) to older, existing schools along with the construction of new elementary and middle schools and the build-out of high schools. Individual rollover funds are as follows:

**The 2002 Bond Rollover Fund** bond issuance for \$25.7 million was primarily dedicated to the construction of Shaw Middle School which opened in August 2004. An additional \$0.6 million in interest earnings was used for construction of Cold Springs Middle School (100% expended). During the current fiscal year \$1.4 million was spent for the Career and Technical School remodel (100% expended) and for re-roofing at Booth Elementary School (100% expended). The June 30, 2008 ending fund balance of \$31,257 consists of unspent bond proceeds and investment income which will be used for subsequent rollover bond projects.

**The 2003 Bond Rollover Fund** bond issuance for \$55.8 million was primarily dedicated to the construction of Cold Springs Middle School (100% expended), Sepulveda Elementary School (100% expended), various school renewal projects (95% expended), acquisition of site and water rights (100% expended) and information technology projects (95% expended). During the current fiscal year \$2.8 million was spent for design/construction of Depoali Middle School (75% expended), school renewal projects (95% expended) and information technology projects (95% expended). The June 30, 2008 ending fund balance of \$1.7 million consists of unspent bond proceeds and investment income which will be used for subsequent rollover bond projects.

**The 2005 Bond Rollover Fund** bond issuance for \$66 million was primarily dedicated to design/construction of Hall and Sepulveda Elementary Schools (both 100% expended), various school renewal projects (95% expended), site and water rights acquisition (100% expended) and information technology projects (85% expended). It was also used to build additions to North Valleys High School (100% expended), Spanish Springs High School (100% expended) and Echo Loder Elementary School (100% expended). During the current fiscal year \$7.6 million was spent for the design of Lemelson Elementary School (100% expended) and

**WASHOE COUNTY SCHOOL DISTRICT  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

design/construction of Depoali Middle School (10% expended), for the Incline Elementary School addition (75% expended), and for various school renewal (95% expended) and information technology projects (85% expended). The June 30, 2008 ending fund balance for this fund is \$6.5 million and consists of unspent bond proceeds and investment income which will be used for subsequent rollover bond projects.

**The 2006 Bond Rollover Fund** bond issuance for \$30 million will be used primarily for the renovation of existing District facilities and for construction of Depoali Middle School. The facility renovations and upgrades include re-roofing, re-paving, re-carpeting, transportation yard improvements and technology related projects. During the current fiscal year \$8 million was spent for design/construction of Depoali Middle School (10% expended), facility renewal projects (75% expended), information technology projects (40% expended) and transportation yard improvements (99% expended). The June 30, 2008 ending fund balance for this fund is \$13.5 million and consists of unspent bond proceeds and investment income.

**The 2007 Bond Rollover Fund** bond issuance for \$65 million will be used primarily for construction of Depoali Middle School, continued renovation of the District's existing facilities, acquisition of mobile classrooms and technology upgrades. During the current fiscal year \$11.9 million was spent for design/construction of Depoali Middle School (20% expended), school renewal projects (25% expended), new mobile classrooms (100% expended) and information technology projects (30% expended). This fund's ending fund balance on June 30, 2008 of \$56 million consists of unspent bond proceeds and investment income.

**The 2008 Bond Rollover Fund** bond issuance in March 2008 for \$55 million will be used primarily for construction of Depoali Middle and Lemelson Elementary Schools. Additional projects include completion of the Incline Elementary School addition, acquisition of mobile classrooms, and school renewal and information technology projects. During fiscal year 07/08 \$3 million was expended for the design of Lemelson Elementary (10% expended), design/construction of the Incline Elementary School addition (10% expended), re-roofing projects (30% expended) and repaving projects (12% expended). This fund has a fund balance of \$53 million at June 30, 2008 which consists of unspent bond proceeds and investment income.

**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 \$30.2 million. The Health Insurance Fund has a Net Asset balance of \$20.9 million compared to \$17.4 million in the prior year; the Property and Casualty Fund has a balance of \$4.5 million compared to a balance in the prior year of \$3 million; and the Workers' Compensation Fund finished the year with a balance of \$4.8 million compared to \$4.5 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 \$3.1 million compared to \$3.2 million in the prior year. The factors concerning the finances in this fund were addressed in the discussion of the District's business-type activities.

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

The amended final budget for the District was approved on June 26, 2007. The total budget was \$426.3 million and represented a \$43.9 million increase over the prior year. The majority of the increase (\$29.1 million) was due to a per pupil funding increase through the State Distributive School Account of \$466 per pupil. The other major increases were from property tax (ad valorem tax) of \$9.4 million and opening fund balance of \$4.8 million.

These new sources in the amended final budget provided increases to salaries and benefits of \$21.9 million; increases for textbooks, instructional supplies and instructional computer hardware of \$5.2 million; other fixed cost increases of \$2.6 million; funding of budget priorities for additional needs of \$8.5 million; and an increase to the ending fund balance of \$5.6 million.

The District augmented the budget by \$19.4 million on December 18, 2007. \$17.4 million of the increase was from actual opening fund balance in excess of the amended final budget (\$10.4 million unreserved and \$7 million from reserved/designated), and \$2 million was from lease proceeds.

The unreserved increase was used to establish designations in the ending fund balance for: negotiations (\$5.1 million); classroom computers (\$1.7 million); utilities (\$1 million); and increase the unreserved ending fund balance by \$2.4 million. The \$7 million reserved/designated balance was used to fund prior year encumbrances (\$2.1 million); designations for general supply carryover (\$3.5 million); and other expenditure designations (\$1.4 million). The lease proceeds were used to purchase buses for student transportation.

The District approved a final augmentation of the budget on June 24, 2008. The main purpose for this augmentation was to reflect budget reductions passed down to the District from the State due to the downturn in the economy. About \$3.4 million in funding from the State for various programs that had not yet been implemented was cut and another \$3.7 million had to be cut from existing programs. The District used savings from textbook expenditures (\$2.5 million), salary savings (\$0.3 million) and a planned decrease of ending fund balance (\$0.9 million) to offset those remaining reductions.

The final augmented budget also reflected transfers to allocate the District's costs related to funding Other Postemployment Benefits (OPEB). The entire OPEB annual required contribution of \$13.5 million was funded as of June 30, 2008.

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**GENERAL FUND BUDGET ADJUSTMENTS**

	<b>2008 BUDGET</b>		
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>DIFFERENCE</b>
<b>REVENUES</b>			
Local sources	\$ 292,939,154	\$ 280,371,123	\$ (12,568,031)
State sources	112,661,970	124,155,895	11,493,925
Federal sources	530,000	530,000	-
Other sources	5,000	5,000	-
Total revenues	406,136,124	405,062,018	(1,074,106)
<b>OTHER FINANCING SOURCES</b>			
Capital Leases	-	1,995,000	1,995,000
FUND BALANCE, July 1	22,309,814	37,761,015	15,451,201
<b>TOTAL SOURCES</b>	\$ 428,445,938	\$ 444,818,033	\$ 16,372,095
<b>EXPENDITURES</b>			
Current:			
Regular programs	\$ 206,648,739	\$ 208,209,079	\$ 1,560,340
Vocational programs	8,851,538	7,197,807	(1,653,731)
Other instructional programs	4,237,182	4,563,704	326,522
Undistributed expenditures:			
Student support	23,746,849	25,508,450	1,761,601
Instructional staff support	11,069,133	12,574,576	1,505,443
General administration	9,199,603	10,091,907	892,304
School administration	28,194,714	30,000,608	1,805,894
Business support	5,479,057	5,598,213	119,156
Operation and maintenance	45,867,431	49,362,898	3,495,467
Student transportation	15,136,060	18,455,155	3,319,095
Central support services	9,586,530	10,340,739	754,209
Total expenditures	368,016,836	381,903,136	13,886,300
<b>OTHER FINANCING USES</b>			
Contingency	2,563,898	168,979	(2,394,919)
Transfers out	40,446,751	35,200,467	(5,246,284)
Total other financing uses	43,010,649	35,369,446	(7,641,203)
FUND BALANCE, June 30	17,418,453	27,545,451	10,126,998
<b>TOTAL APPLICATIONS</b>	\$ 428,445,938	\$ 444,818,033	\$ 16,372,095

Actual expenditures were 96.7% 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, 2008 amounts to \$562.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, and construction in progress. The total increase in the District's net capital assets for the current fiscal year was 4.1%. The major capital additions this fiscal year included:

School Renewals	\$ 15.6 million	Support Facilities	\$ 2.3 million
Depoali Middle School	10.4	Energy/Technology	2.2
Land Acquisitions	4.4	Incline Elementary	1.6
Bus Acquisitions	3.2	Career and Technology	1.1

**WASHOE COUNTY SCHOOL DISTRICT  
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Additional information on the District's capital assets can be found in Note 5 on pages 48-49 of this report.

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

**Governmental Activities:**

	<u>2008</u>	<u>2007</u>
Land	\$ 37,030,472	\$ 32,659,032
Construction in progress	24,728,594	6,718,180
Buildings	471,351,668	473,417,410
Improvements other than buildings	8,863,722	8,336,888
Machinery and equipment	20,292,092	19,171,244
Total	<u>\$ 562,266,548</u>	<u>\$ 540,302,754</u>

**Business-type Activities:**

Machinery and equipment	<u>\$ 404,802</u>	<u>\$ 503,245</u>
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**WASHOE COUNTY SCHOOL DISTRICT OUTSTANDING DEBT**

	<u>2008</u>	<u>2007</u>
General Obligation Bonds	\$ 500,380,000	\$ 474,945,000
Capital Lease Obligations	14,126,238	13,440,622
Qualified Zone Academy Bonds	<u>7,268,997</u>	<u>7,268,997</u>
Total	<u>\$ 521,775,235</u>	<u>\$ 495,654,619</u>

The District's outstanding debt increased by \$26.1 million during the current fiscal year primarily due to the issuance of the new rollover bonds netted with the effects of planned principal payments. The District also added two capital leases 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 \$2.08 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 49-52 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, and 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 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.

**WASHOE COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

The guaranteed basic support per pupil revenue as provided through the State's Distributive School Account (DSA) was initially established at \$5,433 for the next fiscal year (\$302 increase over the prior year). State funding for special education units will be \$38,763 per unit, an increase of \$2,222 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, textbooks, property insurance, and funding for the annual required contribution for OPEB.

The State had also planned to continue funding for various other programs including: retirement credit for teachers working at at-risk schools and in hard to fill positions; full day kindergarten expansion; SB185 remediation grants; education technology; career and technical education; empowerment schools; performance pay and utility increases. However, the economic downturn resulted in significant reductions that have been passed on to the District in two rounds of budget reductions. The first round of reductions eliminated the special State funding for full day kindergarten expansion, education technology, career and technical education, empowerment schools, performance pay, utility increases and some funding for SB185 remediation grants. The second round of cuts will result in \$10 million of additional budget reductions.

In addition, the actual enrollment for the next fiscal year is less than the prior year and will result in further reductions of State revenue. However, the District's conservative budgeting practices over the years have resulted in sufficient reserves and other savings that will allow the District to meet these reductions without negatively impacting classroom instruction or reducing personnel.

**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, 2009 this report will also be available on the web site at [www.washoe.k12.nv.us](http://www.washoe.k12.nv.us).

# **Basic Financial Statements**

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- **Government-Wide  
Financial Statements**
  - **Statement of Net Assets**
  - **Statement of Activities**
  
- **Fund Financial Statements**
  - **Governmental Funds**
  - **Proprietary Funds**
  - **Fiduciary Funds**

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**WASHOE COUNTY SCHOOL DISTRICT**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2008**

	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 334,301,209	\$ 2,452,106	\$ 336,753,315
Receivables:			
Property taxes	4,008,195	-	4,008,195
Interest	933,497	-	933,497
Grants	9,593,094	-	9,593,094
Miscellaneous	1,480,735	622,555	2,103,290
Due from other governments	29,738,642	-	29,738,642
Inventories	917,241	668,448	1,585,689
Deferred charges	13,620,072	380	13,620,452
	<u>394,592,685</u>	<u>3,743,489</u>	<u>398,336,174</u>
Noncurrent assets:			
Restricted cash	2,742,837	-	2,742,837
Other postemployment benefits asset	3,304,468	-	3,304,468
Capital assets:			
Land and construction in progress	61,759,066	-	61,759,066
Other capital assets, net of depreciation	500,507,482	404,802	500,912,284
	<u>568,313,853</u>	<u>404,802</u>	<u>568,718,655</u>
Total noncurrent assets	<u>568,313,853</u>	<u>404,802</u>	<u>568,718,655</u>
Total assets	<u>962,906,538</u>	<u>4,148,291</u>	<u>967,054,829</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	9,984,494	231,825	10,216,319
Accrued liabilities	47,361,994	502,816	47,864,810
Construction contracts payable	8,515,419	-	8,515,419
Interest payable	2,188,023	-	2,188,023
Due to other governments	345,282	-	345,282
Unearned revenue	3,167,156	294,998	3,462,154
Current portion of long-term obligations	45,989,259	-	45,989,259
	<u>117,551,627</u>	<u>1,029,639</u>	<u>118,581,266</u>
Total current liabilities	<u>117,551,627</u>	<u>1,029,639</u>	<u>118,581,266</u>
Noncurrent liabilities:			
General obligation bonds payable	500,380,000	-	500,380,000
Deferred premiums	13,449,006	-	13,449,006
Arbitrage payable	748,959	-	748,959
Capital leases payable	21,395,235	-	21,395,235
Accrued compensated absences	24,005,625	-	24,005,625
Accrued early separation incentive stipends	1,685,579	-	1,685,579
Accrued self-insurance pending claims	13,861,758	-	13,861,758
Other postemployment benefits liability	248,864	-	248,864
Less: current portion of long-term obligations	(45,989,259)	-	(45,989,259)
	<u>529,785,767</u>	<u>-</u>	<u>529,785,767</u>
Total noncurrent liabilities	<u>529,785,767</u>	<u>-</u>	<u>529,785,767</u>
Total liabilities	<u>647,337,394</u>	<u>1,029,639</u>	<u>648,367,033</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	162,631,890	404,802	163,036,692
Restricted for:			
Debt service	61,896,217	-	61,896,217
Capital projects	19,596,654	-	19,596,654
Special revenue	14,286,646	-	14,286,646
Other postemployment benefits	3,055,604	-	3,055,604
Self-insurance activities	30,161,874	-	30,161,874
Unrestricted	23,940,259	2,713,850	26,654,109
	<u>315,569,144</u>	<u>2,713,850</u>	<u>318,282,994</u>
Total net assets	<u>\$ 315,569,144</u>	<u>\$ 3,118,652</u>	<u>\$ 318,687,796</u>

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, 2008**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET ASSETS		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<b>Governmental activities:</b>						
Instruction:						
Regular instruction	\$ 249,002,229	\$ -	\$ 48,695,516	\$ (200,306,713)	\$ -	\$ (200,306,713)
Special instruction	46,242,040	-	28,061,410	(18,180,630)	-	(18,180,630)
Vocational instruction	7,025,834	-	-	(7,025,834)	-	(7,025,834)
Other instruction	5,883,354	1,283,690	2,108,883	(2,490,781)	-	(2,490,781)
Total instruction	<u>308,153,457</u>	<u>1,283,690</u>	<u>78,865,809</u>	<u>(228,003,958)</u>	<u>-</u>	<u>(228,003,958)</u>
Support services:						
Student support	32,412,506	-	6,954,192	(25,458,314)	-	(25,458,314)
Instructional staff support	24,081,071	520,432	11,156,847	(12,403,792)	-	(12,403,792)
General administration	9,670,750	-	220,081	(9,450,669)	-	(9,450,669)
School administration	29,873,872	162,735	358,278	(29,352,859)	-	(29,352,859)
Business support	6,915,607	-	-	(6,915,607)	-	(6,915,607)
Operation and maintenance	47,252,870	-	177,838	(47,075,032)	-	(47,075,032)
Student transportation	21,834,104	-	328,403	(21,505,701)	-	(21,505,701)
Central support	9,245,540	-	51,893	(9,193,647)	-	(9,193,647)
Other support	238,197	-	687,628	449,431	-	449,431
Community service operations	271,759	215,864	-	(55,895)	-	(55,895)
Facilities	22,954,240	-	-	(22,954,240)	-	(22,954,240)
Interest on long-term debt	22,641,916	-	-	(22,641,916)	-	(22,641,916)
Amortization of issuance costs on debt	1,118,092	-	-	(1,118,092)	-	(1,118,092)
Total support services	<u>228,510,524</u>	<u>899,031</u>	<u>19,935,160</u>	<u>(207,676,333)</u>	<u>-</u>	<u>(207,676,333)</u>
Total governmental activities	<u>536,663,981</u>	<u>2,182,721</u>	<u>98,800,969</u>	<u>(435,680,291)</u>	<u>-</u>	<u>(435,680,291)</u>
<b>Business-type activities:</b>						
Nutrition services	18,028,995	6,738,145	10,988,512	-	(302,338)	(302,338)
Total business-type activities	<u>18,028,995</u>	<u>6,738,145</u>	<u>10,988,512</u>	<u>-</u>	<u>(302,338)</u>	<u>(302,338)</u>
Total school district	<u>\$ 554,692,976</u>	<u>\$ 8,920,866</u>	<u>\$ 109,789,481</u>	<u>(435,680,291)</u>	<u>(302,338)</u>	<u>(435,982,629)</u>
<b>General revenues:</b>						
Property taxes, levied for general purposes				105,513,400	-	105,513,400
Property taxes, levied for debt service				55,595,315	-	55,595,315
Local school support taxes				153,328,703	-	153,328,703
Government service taxes for general purposes				14,533,686	-	14,533,686
Government service taxes for capital purposes				3,764,216	-	3,764,216
Franchise taxes				462,145	-	462,145
Other taxes and fees				2,607,259	-	2,607,259
Unrestricted investment earnings				13,687,934	-	13,687,934
Gain on the sale of capital assets				622,013	-	622,013
State aid not restricted to specific purposes				125,171,400	-	125,171,400
Other local sources				3,324,710	-	3,324,710
Federal aid not restricted to specific purposes				198,774	-	198,774
Transfers				(250,000)	250,000	-
Total general revenues and transfers				<u>478,559,555</u>	<u>250,000</u>	<u>478,809,555</u>
Change in net assets				42,879,264	(52,338)	42,826,926
<b>NET ASSETS - July 1</b>				<u>272,689,880</u>	<u>3,170,990</u>	<u>275,860,870</u>
<b>NET ASSETS - June 30</b>				<u>\$ 315,569,144</u>	<u>\$ 3,118,652</u>	<u>\$ 318,687,796</u>

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

**WASHOE COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2008**

	<b>GENERAL FUND</b>	<b>SPECIAL EDUCATION FUND</b>	<b>DEBT SERVICE FUND</b>	<b>2008 BOND ROLLOVER FUND</b>
<b>ASSETS</b>				
Cash and investments	\$ 53,767,504	\$ 5,638,184	\$ 59,624,249	\$ 54,942,361
Receivables:				
Property taxes	2,983,932	-	1,024,263	-
Interest	127,470	-	564,174	102,341
Grants	-	-	-	-
Miscellaneous	732,794	-	-	-
Due from other funds	3,225,326	-	-	-
Due from other governments	29,363,092	63,810	-	-
Inventories	917,241	-	-	-
Cash and investments - restricted	-	-	2,742,837	-
	<u>\$ 91,117,359</u>	<u>\$ 5,701,994</u>	<u>\$ 63,955,523</u>	<u>\$ 55,044,702</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 4,782,618	\$ 52,076	\$ 2,500	\$ 100,641
Accrued liabilities	35,997,881	5,649,918	39,849	18,715
Construction contracts payable	-	-	-	1,868,589
Due to other funds	-	-	-	-
Due to other governments	261,000	-	-	-
Deferred revenues	1,848,728	-	742,995	-
	<u>42,890,227</u>	<u>5,701,994</u>	<u>785,344</u>	<u>1,987,945</u>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	794,255	-	-	1,563,959
Inventories	917,241	-	-	-
Construction contracts	-	-	-	12,867,677
Capital projects	-	-	-	-
Debt service	-	-	60,427,342	-
Sinking fund	-	-	2,742,837	-
Unreserved, reported in:				
General fund	46,515,636	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	38,625,121
	<u>48,227,132</u>	<u>-</u>	<u>63,170,179</u>	<u>53,056,757</u>
Total liabilities and fund balances	<u>\$ 91,117,359</u>	<u>\$ 5,701,994</u>	<u>\$ 63,955,523</u>	<u>\$ 55,044,702</u>

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

<b>2007 BOND ROLLOVER FUND</b>	<b>2006 BOND ROLLOVER FUND</b>	<b>2005 BOND ROLLOVER FUND</b>	<b>2003 BOND ROLLOVER FUND</b>	<b>2002 BOND ROLLOVER FUND</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
\$ 60,059,084	\$ 15,467,437	\$ 7,834,657	\$ 1,961,662	\$ 31,280	\$ 31,309,267	\$ 290,635,685
-	-	-	-	-	-	4,008,195
8,233	2,293	1,728	3,583	322	50,971	861,115
-	-	-	-	-	9,593,094	9,593,094
-	-	-	-	-	152,385	885,179
-	-	-	-	-	-	3,225,326
-	-	-	-	-	311,740	29,738,642
-	-	-	-	-	-	917,241
-	-	-	-	-	-	2,742,837
<u>\$ 60,067,317</u>	<u>\$ 15,469,730</u>	<u>\$ 7,836,385</u>	<u>\$ 1,965,245</u>	<u>\$ 31,602</u>	<u>\$ 41,417,457</u>	<u>\$ 342,607,314</u>
\$ 22,627	\$ 184,844	\$ 265,364	\$ 100,869	\$ 345	\$ 4,238,691	\$ 9,750,575
436,586	335,886	123,623	34	-	5,476,762	48,079,254
3,656,064	1,443,242	903,449	181,621	-	462,454	8,515,419
-	-	-	-	-	3,225,326	3,225,326
-	-	-	-	-	84,282	345,282
-	-	-	-	-	2,678,547	5,270,270
<u>4,115,277</u>	<u>1,963,972</u>	<u>1,292,436</u>	<u>282,524</u>	<u>345</u>	<u>16,166,062</u>	<u>75,186,126</u>
551,774	1,200,304	482,895	118,777	-	539,565	5,251,529
-	-	-	-	-	-	917,241
31,957,843	3,090,425	1,032,381	507,367	-	1,336,811	50,792,504
-	-	-	-	-	3,559,736	3,559,736
-	-	-	-	-	-	60,427,342
-	-	-	-	-	-	2,742,837
-	-	-	-	-	-	46,515,636
-	-	-	-	-	14,286,646	14,286,646
<u>23,442,423</u>	<u>9,215,029</u>	<u>5,028,673</u>	<u>1,056,577</u>	<u>31,257</u>	<u>5,528,637</u>	<u>82,927,717</u>
<u>55,952,040</u>	<u>13,505,758</u>	<u>6,543,949</u>	<u>1,682,721</u>	<u>31,257</u>	<u>25,251,395</u>	<u>267,421,188</u>
<u>\$ 60,067,317</u>	<u>\$ 15,469,730</u>	<u>\$ 7,836,385</u>	<u>\$ 1,965,245</u>	<u>\$ 31,602</u>	<u>\$ 41,417,457</u>	<u>\$ 342,607,314</u>

**WASHOE COUNTY SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2008**

Total Fund Balances for Governmental Funds	\$	267,421,188
<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	\$ 61,759,066	
Capital assets subject to depreciation	689,164,957	
Less accumulated depreciation	<u>(188,657,475)</u>	
		562,266,548
<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	5,616,440	
Less accumulated amortization	<u>(4,579,788)</u>	
		13,620,072
<p>Other postemployment benefits net asset (liability) is not a financial resource and therefore is not reported in the governmental funds.</p>		
		3,055,604
<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	(500,380,000)	
Bond premium	(18,394,193)	
Less accumulated amortization	4,945,187	
Capital leases payable	(21,395,235)	
Compensated absences	(24,005,625)	
Early separation incentive stipends	<u>(1,685,579)</u>	
		(560,915,445)
Interest payable		(2,188,023)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore is not reported in the governmental funds.</p>		
		2,147,326
<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>30,161,874</u>
Total Net Assets of Governmental Activities	\$	<u><u>315,569,144</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, 2008**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2008 BOND ROLLOVER FUND</u>
<b>REVENUES</b>				
Local sources	\$ 283,053,724	\$ -	\$ 59,034,186	\$ 385,282
State sources	125,502,463	21,029,346	-	-
Federal sources	520,616	-	-	-
Other sources	281,635	-	-	-
	<u>409,358,438</u>	<u>21,029,346</u>	<u>59,034,186</u>	<u>385,282</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
Regular programs	203,912,732	-	-	-
Special programs	-	40,052,581	-	-
Vocational programs	7,103,556	-	-	-
Other instructional programs	3,839,555	-	-	-
Adult education programs	-	-	-	-
Community service programs	-	-	-	-
Undistributed expenditures:				
Student support	24,680,324	1,132,780	-	-
Instructional staff support	12,314,879	904,785	-	-
General administration	9,220,284	-	-	-
School administration	29,379,410	280,914	-	-
Business support	5,066,050	-	-	-
Operation and maintenance	47,345,718	53,713	-	-
Student transportation	17,977,598	5,682,582	-	-
Central support	8,635,206	-	-	-
Other support	-	-	-	-
Community service operations	-	-	-	-
Capital outlay	-	-	-	2,678,998
Debt service:				
Principal	-	-	32,277,384	-
Interest	-	-	22,752,490	-
Bond issuance costs	-	-	-	351,480
Other	-	-	14,351	-
	<u>369,475,312</u>	<u>48,107,355</u>	<u>55,044,225</u>	<u>3,030,478</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>39,883,126</u>	<u>(27,078,009)</u>	<u>3,989,961</u>	<u>(2,645,196)</u>

<u>2007 BOND ROLLOVER FUND</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>
\$ 2,749,948	\$ 790,567	\$ 369,097	\$ 107,928	\$ 17,663	\$ 10,539,566	\$ 357,047,961
-	-	-	-	-	39,698,182	186,229,991
-	-	-	-	-	33,948,637	34,469,253
-	-	-	-	-	-	281,635
<u>2,749,948</u>	<u>790,567</u>	<u>369,097</u>	<u>107,928</u>	<u>17,663</u>	<u>84,186,385</u>	<u>578,028,840</u>
-	-	-	-	-	47,953,328	251,866,060
-	-	-	-	-	6,701,001	46,753,582
-	-	-	-	-	-	7,103,556
-	-	-	-	-	-	3,839,555
-	-	-	-	-	1,168,060	1,168,060
-	-	-	-	-	940,823	940,823
-	-	-	-	-	6,963,604	32,776,708
-	-	-	-	-	11,160,073	24,379,737
-	-	-	-	-	536,909	9,757,193
-	-	-	-	-	552,044	30,212,368
1,378,481	434,987	616,725	266	-	16,736	7,513,245
-	-	-	-	-	196,906	47,596,337
-	-	-	-	-	-	23,660,180
174,873	310,745	-	-	-	51,893	9,172,717
-	-	-	-	-	238,840	238,840
-	-	-	-	-	275,219	275,219
10,319,298	7,269,452	7,033,769	2,770,966	1,362,232	12,056,074	43,490,789
-	-	-	-	-	-	32,277,384
-	-	-	-	-	-	22,752,490
-	-	-	-	-	-	351,480
-	-	-	-	-	-	14,351
<u>11,872,652</u>	<u>8,015,184</u>	<u>7,650,494</u>	<u>2,771,232</u>	<u>1,362,232</u>	<u>88,811,510</u>	<u>596,140,674</u>
<u>(9,122,704)</u>	<u>(7,224,617)</u>	<u>(7,281,397)</u>	<u>(2,663,304)</u>	<u>(1,344,569)</u>	<u>(4,625,125)</u>	<u>(18,111,834)</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2008 BOND ROLLOVER FUND</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital leases	\$ 1,995,000	\$ -	\$ -	-
Bonds issued	-	-	-	55,000,000
Debt premiums	-	-	-	701,953
Transfers in	2,045,888	27,078,009	3,774,276	-
Transfers out	(33,457,897)	-	-	-
Total other financing sources (uses)	<u>(29,417,009)</u>	<u>27,078,009</u>	<u>3,774,276</u>	<u>55,701,953</u>
Net change in fund balances	10,466,117	-	7,764,237	53,056,757
<b>FUND BALANCE, July 1</b>	<u>37,761,015</u>	<u>-</u>	<u>55,405,942</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 48,227,132</u>	<u>\$ -</u>	<u>\$ 63,170,179</u>	<u>\$ 53,056,757</u>

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

<u>2007 BOND ROLLOVER FUND</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>
\$ -	\$ -	\$ -	\$ -	\$ -	1,403,000	\$ 3,398,000
-	-	-	-	-	-	55,000,000
-	-	-	-	-	-	701,953
-	-	-	-	-	309,000	33,207,173
-	-	-	-	-	(2,045,888)	(35,503,785)
-	-	-	-	-	(333,888)	56,803,341
(9,122,704)	(7,224,617)	(7,281,397)	(2,663,304)	(1,344,569)	(4,959,013)	38,691,507
65,074,744	20,730,375	13,825,346	4,346,025	1,375,826	30,210,408	228,729,681
<u>\$ 55,952,040</u>	<u>\$ 13,505,758</u>	<u>\$ 6,543,949</u>	<u>\$ 1,682,721</u>	<u>\$ 31,257</u>	<u>\$ 25,251,395</u>	<u>\$ 267,421,188</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, 2008**

Net Change in Fund Balances - Governmental Funds	\$	38,691,507
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	\$ 39,965,163	
Less current year depreciation	<u>(17,646,465)</u>	22,318,698
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.		
		32,277,384
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.		
		110,574
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.		
		720,228
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.		
		(3,398,000)
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.		
		(354,904)
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 issued		(55,000,000)
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	351,480	
Current year amortization of debt issuance costs and charges	<u>(1,118,092)</u>	(766,612)
Current year bond premiums	(701,953)	
Current year amortization of bond premiums	<u>1,044,178</u>	342,225
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	450,532	
Change in long-term compensated absences	(810,023)	
Change in other postemployment benefits net asset	<u>3,055,604</u>	2,696,113
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>5,242,051</u>
Change in Net Assets of Governmental Activities	\$	<u><u>42,879,264</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, 2008**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
Local sources	\$ 292,939,154	\$ 280,371,123	\$ 283,053,724	\$ 2,682,601
State sources	112,661,970	124,155,895	125,502,463	1,346,568
Federal sources	530,000	530,000	520,616	(9,384)
Other sources	5,000	5,000	281,635	276,635
	<u>406,136,124</u>	<u>405,062,018</u>	<u>409,358,438</u>	<u>4,296,420</u>
<b>EXPENDITURES</b>				
Current:				
Regular programs	206,648,739	208,209,079	203,912,732	4,296,347
Vocational programs	8,851,538	7,197,807	7,103,556	94,251
Other instructional programs	4,237,182	4,563,704	3,839,555	724,149
Undistributed expenditures:				
Student support	23,746,849	25,508,450	24,680,324	828,126
Instructional staff support	11,069,133	12,574,576	12,314,879	259,697
General administration	9,199,603	10,091,907	9,220,284	871,623
School administration	28,194,714	30,000,608	29,379,410	621,198
Business support	5,479,057	5,598,213	5,066,050	532,163
Operation and maintenance	45,867,431	49,362,898	47,345,718	2,017,180
Student transportation	15,136,060	18,455,155	17,977,598	477,557
Central support	9,586,530	10,340,739	8,635,206	1,705,533
	<u>368,016,836</u>	<u>381,903,136</u>	<u>369,475,312</u>	<u>12,427,824</u>
Excess of revenues over expenditures	<u>38,119,288</u>	<u>23,158,882</u>	<u>39,883,126</u>	<u>16,724,244</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital leases	-	1,995,000	1,995,000	-
Contingency	(2,563,898)	(168,979)	-	168,979
Transfers in	-	-	2,045,888	2,045,888
Transfers out	(40,446,751)	(35,200,467)	(33,457,897)	1,742,570
	<u>(43,010,649)</u>	<u>(33,374,446)</u>	<u>(29,417,009)</u>	<u>3,957,437</u>
Total other financing sources (uses)	<u>(43,010,649)</u>	<u>(33,374,446)</u>	<u>(29,417,009)</u>	<u>3,957,437</u>
Net change in fund balances	(4,891,361)	(10,215,564)	10,466,117	20,681,681
<b>FUND BALANCE, July 1</b>	<u>22,309,814</u>	<u>37,761,015</u>	<u>37,761,015</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 17,418,453</u>	<u>\$ 27,545,451</u>	<u>\$ 48,227,132</u>	<u>\$ 20,681,681</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, 2008**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
<b>REVENUES</b>				
State sources	\$ 20,974,534	\$ 20,974,534	\$ 21,029,346	\$ 54,812
<b>EXPENDITURES</b>				
Current:				
Special programs	42,189,998	41,154,728	40,052,581	1,102,147
Undistributed expenditures:				
Student support	2,001,919	1,404,098	1,132,780	271,318
Instructional staff support	819,450	961,910	904,785	57,125
School administration	168,559	290,215	280,914	9,301
Operation and maintenance	55,906	57,837	53,713	4,124
Student transportation	5,055,561	5,952,671	5,682,582	270,089
Total expenditures	<u>50,291,393</u>	<u>49,821,459</u>	<u>48,107,355</u>	<u>1,714,104</u>
Excess (deficiency) of revenues over expenditures	<u>(29,316,859)</u>	<u>(28,846,925)</u>	<u>(27,078,009)</u>	<u>1,768,916</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>29,316,859</u>	<u>28,846,925</u>	<u>27,078,009</u>	<u>(1,768,916)</u>
Net change in fund balances	-	-	-	-
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<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 CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2008**

	<b>BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND</b>	<b>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
Cash flows from operating activities:		
Cash received for services	\$ 6,781,160	\$ 59,677,046
Cash paid for salaries and benefits	(7,749,467)	(61,677)
Cash payments for employee benefits	-	(49,320,575)
Cash payments for claims and services	-	(7,542,773)
Cash paid for food and supplies	(7,606,564)	-
Cash payments for purchased services	(998,407)	-
Cash payments for property	(10,999)	-
Cash payments for other	(450,019)	-
Net cash provided (used) by operating activities	<u>(10,034,296)</u>	<u>2,752,021</u>
Cash flows from capital and related financing activities:		
Purchase of equipment	<u>(5,242)</u>	<u>-</u>
Cash flows from noncapital financing activities:		
Federal reimbursements	9,628,040	-
State matching funds	250,618	-
Transfer from general fund	<u>250,000</u>	<u>2,046,612</u>
Net cash provided by noncapital financing activities	<u>10,128,658</u>	<u>2,046,612</u>
Cash flows from investing activities:		
Interest received on investments	<u>-</u>	<u>1,354,677</u>
Net increase in cash and cash equivalents	89,120	6,153,310
<b>Cash and investments, beginning of year</b>	<u>2,362,986</u>	<u>37,512,214</u>
<b>Cash and investments, end of year</b>	<u>\$ 2,452,106</u>	<u>\$ 43,665,524</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>		
Operating income (loss)	\$ <u>(11,290,850)</u>	\$ <u>1,840,762</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:		
Depreciation	103,685	-
Commodity revenue	1,109,854	-
Changes in assets and liabilities:		
Accounts receivable	(139,769)	(355,180)
Inventories	63,489	-
Prepays	(110)	-
Accounts payable	(8,549)	169,691
Accrued liabilities	154,812	(181,999)
Pending claims	-	1,234,595
Unearned revenue	<u>(26,858)</u>	<u>44,152</u>
Total adjustments	<u>1,256,554</u>	<u>911,259</u>
Net cash provided (used) by operations	<u>\$ (10,034,296)</u>	<u>\$ 2,752,021</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, 2008**

	<b>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</b>	<b>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</b>	<b>AGENCY FUNDS</b>
<b>ASSETS</b>			
Cash and investments	\$ 1,120,006	\$ 7,846,895	\$ 8,665,421
Accounts receivable	-	-	16,800
Interest receivable	-	1,983	-
<b>Total assets</b>	<b>1,120,006</b>	<b>7,848,878</b>	<b>8,682,221</b>
<b>LIABILITIES</b>			
Accounts payable	-	-	2,108
Accrued liabilities	-	-	379,728
Due to student groups	-	-	8,300,385
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>8,682,221</b>
<b>NET ASSETS</b>			
Assets held in trust	<u>\$ 1,120,006</u>	<u>\$ 7,848,878</u>	<u>\$ -</u>

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, 2008**

	<u>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</u>	<u>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</u>
<b>ADDITIONS</b>		
Contributions by employer	\$ -	\$ 7,846,303
Earnings on investments	37,042	2,575
Donations	274,919	-
	<hr/>	<hr/>
Total additions	311,961	7,848,878
	<hr/>	<hr/>
<b>DEDUCTIONS</b>		
Benefits	41,038	-
	<hr/>	<hr/>
Total deductions	41,038	-
	<hr/>	<hr/>
Change in net assets	270,923	7,848,878
<b>NET ASSETS - July 1</b>	<hr/> 849,083	<hr/> -
<b>NET ASSETS - June 30</b>	\$ <u><u>1,120,006</u></u>	\$ <u><u>7,848,878</u></u>

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

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# **Notes To**

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# **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, 2008**

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

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

revenues (Ad Valorem taxes, School support taxes, Distributive School funds, Government Services Tax and interest income not legally restricted for specific programs, etc.). The Statement of Activities 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

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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

The District uses the following funds:

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 are being 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 are being used for the completion of one middle school and one elementary school, the expansion of two high schools and one elementary school, 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 are being 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 are being

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

used for new school construction, school renewal projects and information technology projects.

- **2008 Bond Rollover Fund** – The 2008 Bond Rollover Capital Projects Fund accounts for the 2008 Bond Rollover proceeds. The proceeds are being used for the construction of a new middle school and expansion of one elementary school, school renewal projects and information technology projects.

**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 Scholarship Trust Fund** - accounts for resources legally held in trust for use for scholarships.
- **Other Postemployment Benefits Trust Fund** - accounts for resources legally held in trust to fund postemployment benefit costs paid by the District.
- **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.

Measurement Focus/Basis of Accounting:

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

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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.

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	

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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.

Fiduciary Funds:

The accounting records for the Private Purpose Scholarship Trust Fund and the Other Postemployment Benefits Trust Fund are maintained on the economic resources measurement focus and accrual basis of accounting. Contributions are recognized in the Other Postemployment Benefits Trust Fund in the period in which the contributions are due and the District has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. 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

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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 2006-07 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.
- (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.

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- (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 Scholarship 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.

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.

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- 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.

Capital Assets:

Capital assets, including 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	8 - 10
Machinery and Equipment	5 - 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.

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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, 2008, 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.

**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

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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.

NOTE 3 – Cash and Investments:

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2008 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, 2008, the District had the following amounts reported as cash and investments:

Government-Wide Balances:	
Pooled Cash	\$ 715,632
Investments	<u>338,780,520</u>
	<u>339,496,152</u>
Fiduciary Funds Balances:	
Pooled Cash	1,485,042
Cash held by Student Activity Agency Fund	3,981,240
Cash held by OPEB Trust Fund	7,846,895
Investments	<u>4,319,145</u>
	<u>17,632,322</u>
Total Pooled Cash and Investments	<u>\$ 357,128,474</u>

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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, 2008, 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
<b>Investments:</b>					
Money Market Mutual Fund	\$ 1,107,817	\$ 1,107,817	\$ -	\$ -	\$ -
State of Nevada Local Government Investment Pool	168,695,855	168,695,855 *	-	-	-
State of Nevada Local Government Investment Pool-Workers Comp	3,387,297	3,387,297 *	-	-	-
Washoe County Investment Pool	59,276,399	25,126,097	16,582,612	7,114,499	10,453,191
Guaranteed Investment Contracts	82,454,938	82,454,938	-	-	-
U.S. Treasuries	2,381,161	-	2,381,161	-	-
U.S. Agencies	12,724,339	1,523,438	9,313,480	-	1,887,421
Asset-Backed Corporate Securities	4,065,959	2,069,830	1,394,449	601,680	-
Corporate Securities	4,168,817	-	4,168,817	-	-
Certificates of Deposit	517,938	517,938	-	-	-
<b>Total Investments</b>	<b>\$ 338,780,520</b>	<b>\$ 284,883,210</b>	<b>\$ 33,840,519</b>	<b>\$ 7,716,179</b>	<b>\$ 12,340,612</b>

Fiduciary Fund Balances:

	Fair Value	Investment Maturities (In Years)
		Less than 1
<b>Investments:</b>		
State of Nevada Local Government Investment Pool	\$ 4,319,145	\$ 4,319,145 *
	<b>\$ 4,319,145</b>	<b>\$ 4,319,145</b>

\* Average weighted maturity of 78 days.

**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 consists 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".

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*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, 2008, the following investments exceeded 5% of the District's total:

Guaranteed Investment Contracts:

Citigroup	\$	61,362,163	18%
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*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 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, 2008 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund - major fund	Other Governmental Funds	\$ 3,225,326
Total		\$ 3,225,326

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.

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Transfers between funds during the year ended June 30, 2008, are as follows:

	Transfer In:					Total	
	General Fund	Special Education Fund	Debt Service Fund	Other Governmental Funds	Enterprise Fund		Internal Service Fund
Transfer out:							
General Fund	\$ -	\$ 27,078,009	\$ 3,774,276	\$ 309,000	\$ 250,000	\$ 2,046,612	\$ 33,457,897
Other Governmental Funds	2,045,888	-	-	-	-	-	2,045,888
Total	<u>\$ 2,045,888</u>	<u>\$ 27,078,009</u>	<u>\$ 3,774,276</u>	<u>\$ 309,000</u>	<u>\$ 250,000</u>	<u>\$ 2,046,612</u>	<u>\$ 35,503,785</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 Government Services Tax Fund from the General Fund is to increase the fund balance for this fund. The \$2,045,888 transfer from the Pre-Funded Retiree Fund to the General Fund is to cover OPEB costs.

Enterprise Fund - The transfer to the Enterprise Fund from the General Fund is to help offset net loss for the year.

Internal Service Funds - The transfer to the Health Insurance Fund from the General Fund is to cover retiree health care costs.

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NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2008 was as follows:

	July 1, 2007 Balance	Increases	Decreases	June 30, 2008 Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated				
Land	\$ 32,659,032	\$ 4,416,767	\$ (45,327)	\$ 37,030,472
Construction in progress	6,718,180	30,475,124	(12,464,710)	24,728,594
Total capital assets not being depreciated	<u>39,377,212</u>	<u>34,891,891</u>	<u>(12,510,037)</u>	<u>61,759,066</u>
Other capital assets				
Buildings	618,425,883	11,238,113	(3,855)	629,660,141
Improvements other than buildings	9,250,027	1,213,674	(281,505)	10,182,196
Machinery and equipment	44,941,736	5,131,522	(750,638)	49,322,620
Total capital assets being depreciated	<u>672,617,646</u>	<u>17,583,309</u>	<u>(1,035,998)</u>	<u>689,164,957</u>
Total capital assets	<u>711,994,858</u>	<u>52,475,200</u>	<u>(13,546,035)</u>	<u>750,924,023</u>
Less accumulated depreciation for:				
Buildings	(145,008,473)	(13,300,000)	-	(158,308,473)
Improvements other than buildings	(913,139)	(405,335)	-	(1,318,474)
Machinery and equipment	(25,770,492)	(3,941,130)	681,094	(29,030,528)
Total accumulated depreciation	<u>(171,692,104)</u>	<u>(17,646,465)</u>	<u>681,094</u>	<u>(188,657,475)</u>
Governmental activities capital assets, net	<u>\$ 540,302,754</u>	<u>\$ 34,828,735</u>	<u>\$ (12,864,941)</u>	<u>\$ 562,266,548</u>
<b>Business-Type Activities</b>				
Machinery and equipment	\$ 1,577,056	\$ 5,242	\$ (6,250)	\$ 1,576,048
Less accumulated depreciation:	<u>(1,073,811)</u>	<u>(103,685)</u>	<u>6,250</u>	<u>(1,171,246)</u>
Business-Type Activities capital assets, net	<u>\$ 503,245</u>	<u>\$ (98,443)</u>	<u>\$ -</u>	<u>\$ 404,802</u>

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

Governmental activities:	
Instruction	\$ 725,834
Student support	125,856
Instructional staff support	44,219
General administration	20,312
School administration	4,326
Business support	62,871
Operation/maintenance	361,314
Student transportation	1,737,097
Central support	237,308
Other support	399
Facilities	<u>14,326,929</u>
 Total governmental activities depreciation expense	 <u><u>\$ 17,646,465</u></u>
Business-type activities:	
Nutrition services operations	<u>\$ 103,685</u>
 Total business-type activities depreciation expense	 <u><u>\$ 103,685</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 \$17,216,688 at June 30, 2008 (see Note 6).

**NOTE 6 – General Long-Term Obligations:**

Bonds Issued:

On March 20, 2008, Washoe County School District issued \$55,000,000 in General Obligation School Improvement Bonds, Series 2008. The proceeds of the 2008 Bonds will be used for constructing, improving and equipping school facilities.

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General long-term debt consists of the following at June 30, 2008:

<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, 2008</u>
1998	12/01/98	06/01/19	4.00-5.25%	68,000,000	\$ 3,270,000
1999	12/01/99	06/01/20	5.00-5.875%	110,200,000	4,730,000
2001A	05/01/01	06/01/20	4.25-5.25%	73,865,000	55,415,000
2002B	08/01/02	06/01/20	3.00-5.50%	68,940,000	68,300,000
2003A	03/01/03	06/01/23	2.00-4.625%	27,770,000	17,905,000
2003B	03/01/03	06/01/11	2.50-4.40%	8,230,000	3,550,000
2003C	12/01/03	06/01/24	2.75-5.00%	55,000,000	37,000,000
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	29,650,000
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	63,500,000
2008	03/20/08	06/01/28	4.00-5.00%	55,000,000	55,000,000
<b>Total</b>					<b>\$ 500,380,000</b>

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>
2009	\$ 29,860,000	\$ 23,402,576	\$ 53,262,576
2010	29,505,000	21,586,843	51,091,843
2011	30,435,000	20,234,708	50,669,708
2012	30,905,000	18,841,800	49,746,800
2013	34,270,000	17,379,973	51,649,973
2014-2018	150,220,000	64,682,956	214,902,956
2019-2023	130,460,000	30,170,922	160,630,922
2024-2028	64,725,000	6,132,748	70,857,748
<b>Total</b>	<b>\$ 500,380,000</b>	<b>\$ 202,432,526</b>	<b>\$ 702,812,526</b>

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, 2008, the liability has been estimated to be \$748,959 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.

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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, 2008, \$163,445,000 of bonds outstanding are considered defeased.

Capital Lease Obligations:

Included in capital leases payable are lease agreements dated April 8, 2008, in the amount of \$1,995,000 for the purpose of financing school buses for the District and February 12, 2008, in the amount of \$1,403,000 for the purpose of financing energy conservation projects. The agreements mature on April 1, 2012 and February 1, 2018, respectively.

The District has various other capital leases on school buses, automobiles, educational software, and energy conservation projects. As of June 30, 2008, the assets acquired through capital leases are as follows:

Machinery and Equipment	\$ 23,779,557
Less: Accumulated amortization	<u>(6,562,869)</u>
Total	<u>\$ 17,216,688</u>

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

<u>Year Ending June 30,</u>	
2009	\$ 3,520,220
2010	3,200,669
2011	2,934,767
2012	1,961,961
2013	1,415,015
2014-2018	<u>11,220,607</u>
Total minimum lease payments	24,253,239
Less: amount representing interest	<u>(2,858,004)</u>
Present value of minimum lease payments	<u>\$ 21,395,235</u>

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

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

Changes in General Long-Term Obligations:

	Balance July 1, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
General obligation bonds	\$ 474,945,000	\$ 55,000,000	\$ 29,565,000	\$ 500,380,000	\$ 29,860,000
Deferred amounts for issuance of premium	13,791,231	701,953	1,044,178	13,449,006	1,069,468
Arbitrage payable	284,834	464,125	-	748,959	-
Capital lease obligations	20,709,619	3,398,000	2,712,384	21,395,235	2,906,165
Compensated	23,195,602	12,397,127	11,587,104	24,005,625	11,587,104
Early separation incentive pay	2,136,111	258,769	709,301	1,685,579	566,522
Other post-employment benefits liability	-	248,864	-	248,864	-
<b>Total</b>	<u>\$ 535,062,397</u>	<u>\$ 72,468,838</u>	<u>\$ 45,617,967</u>	<u>\$ 561,913,268</u>	<u>\$ 45,989,259</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, 2008.

**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 amounts restricted for special revenue and capital projects consists of funds, unspent grants, donations, and debt proceeds with 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. Net assets restricted for other postemployment benefits represent amounts placed in trust to fund other postemployment benefits.

Unrestricted net assets represent available financial resources of the District.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

**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 Capital Projects: An account used to segregate the portion of fund balance for the amount of capital projects which the District has planned.
- (5) 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.
- (6) Reserved for Sinking Fund: 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	\$ 18,107,494
Special Revenue Funds	\$ 1,082,665

- (2) Designated for repayment carryover of general supply appropriations: This account was established in 1992, and 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 2008/2009 appropriations. The designated amount of \$6,848,650 is presented in the General Fund.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

- (3) Designated for negotiated employee contracts: This balance is designated for negotiated employee contracts. The designated amount of \$5,126,000 is presented in the General Fund.
- (4) 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.
- (5) Designated for utilities: This balance is designated for the District's fiscal year 2009 utility costs. The designated amount of \$1,000,000 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 2009. The designated amount of \$831,021 is presented in the General Fund.
- (7) Designated for retiree health benefits: This balance is designated to fund the cost of postemployment health benefits. The designated amount of \$11,544,633 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 20.50% for regular members and 33.50% for police on all covered payroll.

The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the District is required to match that contribution. The rate for regular employees under this plan was 10.50% and the rate for police member employees was 17.25%.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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.

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>Regular</u>	<u>Police Members</u>	
2007-08	20.50%	33.50%	10.50%	17.25%	\$ 55,682,810
2006-07	19.75%	32.00%	10.50%	16.50%	\$ 50,926,425
2005-06	19.75%	32.00%	10.50%	16.50%	\$ 47,830,922

**NOTE 9 – Postemployment Benefits Other Than Pensions:**

From an accrual accounting perspective, the cost of postemployment healthcare and life insurance benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. In adopting prospectively Governmental Accounting Standards Board Statement No. 45 Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions during the fiscal year ended June 30, 2008, the District recognizes the cost of postemployment healthcare and life insurance in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the District's future cash flows. The annual funding, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Plan Descriptions:

The District contributes to a single-employer defined benefit healthcare plan, Washoe County School District Retiree Health Benefits Plan (WCSDRHP) and an agent multiple employer defined healthcare plan, Nevada Public Employees' Benefits Plan (NPEBP). Each plan provides medical benefits to eligible retired District employees and beneficiaries. The District also sponsors one single-employer defined benefit life insurance plan, WCSD Retiree Life Insurance Plan, which provides various levels of life insurance, at a blended rate, to eligible retired employees at the reduced blended rate cost.

Benefit provisions for WCSDRHP and the WCSD Retiree Life Insurance Plan are established pursuant to NRS 287.023 and amended through negotiations between the District and the respective associations. NRS 288.150 assigns the authority to establish benefit provisions to the Board of Trustees. Benefit provisions for NPEBP are established pursuant to NRS 287.023 and subject to amendment by the State of Nevada each biennium.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

The WCSDRHP explicitly subsidizes medical premiums pursuant to the contracts negotiated with various bargaining units 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 for explicit premiums subsidies. The District's cost for providing explicit subsidies is capped for the different groups at various percentages of General Fund property tax revenues, which is projected to grow 5.5% annually and was \$2 million for fiscal year 2008-2009. However, under NRS 287.023, eligible retirees are eligible to participate in the plan with blended rates, thereby benefitting from an implicit subsidy. Retirees are required to contribute up to \$6,316 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.

Any employee who has Basic Life and Accidental Death and Disability (AD&D) insurance while active and retires from the District while drawing PERS at the time of his/her retirement is eligible to continue this benefit at retirement regardless of the number of years of service with the District. All future eligible retirees (not available to spouses of retirees) can receive the following Basic Life and AD&D benefit:

- Administrative - \$200,000
- Certified - \$40,000
- Classified - \$40,000
- Confidential Classified (as defined by the District) - \$50,000

This benefit is reduced 50% at age 70. The amount of the benefit is dependent on when an employee retired and is subject to coverage adjustments based on premium rate changes and bargaining results.

Under the NPEBP plan, 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, 2008, 1,154 retirees were utilizing this benefit. The subsidy paid directly to PEPBs by the District for this coverage for the year ended June 30, 2008 was \$3,613,432. Amounts contributed by retirees are paid directly to the State of Nevada and, as such, are not available.

Funding Policy and Annual OPEB Cost:

For WCSDRHP, contribution requirements of the plan members and the District are established and may be amended through negotiations between the District and the associations. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined in actuarial

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

studies contracted for by the District. For fiscal year 2007-08, the District paid net medical claims of \$4,458,754 out of the self-insured Health Insurance Fund for WCSDRHP retirees (approximately 57 percent of total costs) and an additional \$2,119,072 was paid to prefund benefits. Plan member retirees receiving benefits contributed \$3,390,493 or approximately 43 percent of the total costs for retirees, through their required contribution to the Health Insurance Fund.

For NPEBP, contribution requirements of the plan members and the District are established and may be amended by the state legislature. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined in actuarial studies contracted for by the District. For fiscal year 2007-08, the District contributed \$3,613,432 to NPEBP for current premiums and an additional \$4,973,210 to prefund benefits. Information on plan members' contributions to NPEBPs is unavailable. NRS 287.023 sunsetted the option to join PEBPs for District employees who retire after November 29, 2008.

For WCSD Retiree Life Insurance Plan, contribution requirements of the plan members and the District are established and may be amended through negotiations between the District and the associations. Retirees pay 100% of the pay-as-you-go premiums based on a blended rate that blends active participants and retirees. The District's contribution requirements for retirees relate to the implicit subsidy that results from using the blended rates and is determined in actuarial studies contracted for by the District. For fiscal year 2007-08, the District contributed \$617,115 for current premiums for retirees (approximately 77 percent of total costs) and paid \$754,021 to the OPEB Trust Fund for retirees to prefund benefits. Plan member retirees receiving life insurance coverage contributed \$179,422 or approximately 23 percent of the total costs for retirees, through their required contribution to the Health Insurance Fund.

The number of participants as of April 1, 2008, the effective date of the OPEB valuation follows. Because of the sunseting of PEBPs, between April 1 and November 29, 2008, there will be significant increases in the number of retirees participating in NPEBPs and decreases in the number participating in WCSDRHP.

	Active	WCSD Retiree Life Insurance Plan	WCSDRHP	NPEBP Medical Plan	Former Employees Eligible for NPEPB
Active employees	6,338				
Retirees enrolled in Washoe Plans		1,609	832		
Retirees enrolled in NPEPBs				852	
Former employees eligible and potential NPEPBs participants					713

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net OPEB obligations (assets), by plan, for fiscal year 2007-08 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
WCSDRHP	6/30/08	\$4,798,000	\$6,577,826	137.10%	\$(1,779,826)
NPEBP	6/30/08	\$7,062,000	\$8,586,642	121.59%	\$(1,524,642)
WCSD Retiree Life Insurance Plan	6/30/08	\$1,620,000	\$1,371,136	84.64%	\$248,864
Totals		\$13,480,000	\$16,535,604		

Note that fiscal year 2007-08 is the first year of implementation; therefore, the prior two years are unavailable for disclosure.

The net OPEB obligation (asset) (NOPEBO) as of June 30, 2008, was calculated as follows:

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan	Totals
Annual required contribution	\$4,798,000	\$7,062,000	\$1,620,000	\$13,480,000
Annual OPEB cost	\$4,798,000	\$7,062,000	\$1,620,000	\$13,480,000
Contributions made	\$6,577,826	\$8,586,642	\$1,371,136	\$16,535,604
Increase (decrease) in net OPEB obligation	\$(1,779,826)	\$(1,524,642)	\$248,864	\$(3,055,604)
Net OPEB obligation, beginning of year	-	-	-	-
Net OPEB obligation (asset), end of year	\$(1,779,826)	\$(1,524,642)	\$248,864	\$(3,055,604)

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

Funded Status and Funding Progress:

The funded status of the plans as of June 30, 2008, was as follows:

	<b>WCSDRHP</b>	<b>NPEBP</b>	<b>WCSD Retiree Life Insurance Plan</b>	<b>Totals</b>
Accrued actuarial liability (a)	\$50,980,000	\$119,644,000	\$18,140,000	\$188,764,000
Actuarial value of plan assets (b)	\$2,119,768	\$4,974,842	\$754,268	\$7,848,878
Unfunded actuarial accrued liability (a) - (b)	\$48,860,232	\$114,669,158	\$17,385,732	\$180,915,122
Funded ratio (b) / (a)	4.16%	4.16%	4.16%	4.16%
Covered payroll (c)	\$283 million	\$283 million	\$283 million	\$283 million
Unfunded actuarial accrued liability as a percentage of covered payroll $[(a) - (b)] / (c)$	17.27%	40.52%	6.14%	63.93%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedules of funding progress and employer contributions presented as required supplementary information provide current year information (and will provide multiyear trend information, when available, that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits).

Actuarial Methods and Assumptions:

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefits between the District and the plan members at that point.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

	<b>WCSDRHP</b>	<b>NPEBP</b>	<b>WCSD Retiree Life Insurance Plan</b>
Actuarial valuation date	4/1/08	4/1/08	4/1/08
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage of pay, open	Level percentage of pay, open	Level percentage of pay, open
Remaining amortization period	30 years	30 years	30 years
Asset valuation method	Market value	Market value	Market value
<b>Actuarial assumptions:</b>			
Investment rate of return	8.0%	8.0%	8.0%
Projected salary increases	4.0%	4.0%	4.0%
Healthcare inflation rate* *Decreasing .5% each year until ultimate trend rate of 6.0% is reached	11.0%	11.0%	11.0%

**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.

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.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

At June 30, 2008, the amount of this liability was \$13,861,758. This liability is determined by actuaries using all available information. Changes in the reported liability since July 1, 2006 are as follows:

	Property & Casualty	Health Insurance	Workers' Compensation	Total
Claims liability, July 1, 2006	\$ 2,440,000	\$ 6,052,719	\$ 3,554,000	\$ 12,046,719
Current year claims and changes in estimates	1,486,878	39,818,127	2,038,837	43,343,842
Claims 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	2,811,000	6,268,163	3,548,000	12,627,163
Current year claims and changes in estimates	816,716	46,546,617	2,941,169	50,304,502
Claims payments	<u>(947,716)</u>	<u>(45,657,022)</u>	<u>(2,465,169)</u>	<u>(49,069,907)</u>
Claims liability, June 30, 2008	<u>\$ 2,680,000</u>	<u>\$ 7,157,758</u>	<u>\$ 4,024,000</u>	<u>\$ 13,861,758</u>
Due within one year	<u>\$ 1,210,914</u>	<u>\$ 7,157,758</u>	<u>\$ 1,495,301</u>	<u>\$ 9,863,973</u>

At June 30, 2008, the Internal Service Funds held \$43,665,524 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, and \$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, coverage of \$2,000,000 per occurrence for crime, and \$10,000,000 per occurrence for wrongful acts of the Board of Trustees, and general and automobile liability.

Health Insurance - The District is self-insured for health insurance claims up to \$300,000 per calendar year per employee with a lifetime maximum of \$2,000,000 per employee.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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 \$3,387,297 as of June 30, 2008 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, 2008, 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 Upgrade	\$ 75,689	December 2009
ADA Retrofit Projects	196,172	March 2009
Architectual & Engineering Services	50,677	December 2009
Backflow Prevention Projects	169,505	December 2009
Boiler Replacement Projects	109,823	December 2009
Carpet Projects	29,350	December 2008
CCTV Projects	31,388	December 2009
Classroom Revitalization Projects	429,945	December 2009
Computer Lab Upgrades	1,396,535	December 2009
Depoali Middle School Projects	32,122,152	December 2009
Energy Modification Improvements	270,442	December 2008
Fire Alarm Upgrades	147,296	December 2008
Flood Control/Drainage Projects	36,260	December 2009
Heating/Cooling System Projects	659,510	December 2009
Hot Water System Upgrades	159,770	December 2009
Incline Elementary School Projects	4,750,855	December 2009
Infrastructure Improvements	852,493	December 2009
Lemelson Elementary School Projects	1,210,264	December 2009
McQueen High School Theater	58,404	December 2009
Mobile Classrooms	1,704,810	December 2008
Outdoor Site Improvements	388,082	December 2009
Repaving Projects	3,226,263	January 2009
Reroofing Projects	1,932,859	December 2008
AACT Projects	619,320	December 2009
Safety Improvements	60,643	December 2009
Washoe High School Projects	103,997	December 2009
	<u>\$ 50,792,504</u>	

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

Currently, no additional financing is required to complete construction in progress at June 30, 2008.

**WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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 valuation; 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.

**WASHOE COUNTY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2008**

**Schedules of Funding Progress**

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a - b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
WCSDRHP	06/30/08 04/01/08	\$ 2,119,768	\$ 50,980,000	\$ 48,860,232	4.16%	\$ 283,000,000	17.27%
NPEBP	06/30/08 04/01/08	4,974,842	119,644,000	114,669,158	4.16	283,000,000	40.52
WCSD Retiree Life Insurance Plan	06/30/08 04/01/08	754,268	18,140,000	17,385,732	4.16	283,000,000	6.14

**Schedules of Employer Contributions**

	Year Ended June 30,	Annual Required Contribution	Percentage Contributed
WCSDRHP	2008	\$ 4,798,000	137.10%
NPEBP	2008	7,062,000	121.59
WCSD Retiree Life Insurance Plan	2008	1,620,000	84.64

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# **Nonmajor**

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# **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, 2008**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and investments	\$ 19,979,989	\$ 11,329,278	\$ 31,309,267
Receivables:			
Accrued interest	26,872	24,099	50,971
Grants	9,593,094	-	9,593,094
Miscellaneous	102,934	49,451	152,385
Due from other governments	<u>-</u>	<u>311,740</u>	<u>311,740</u>
Total assets	<u>\$ 29,702,889</u>	<u>\$ 11,714,568</u>	<u>\$ 41,417,457</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 4,047,117	\$ 191,574	\$ 4,238,691
Accrued liabilities	5,380,971	95,791	5,476,762
Construction contracts payable	-	462,454	462,454
Due to other funds	3,225,326	-	3,225,326
Due to other governments	84,282	-	84,282
Deferred revenues	<u>2,678,547</u>	<u>-</u>	<u>2,678,547</u>
Total liabilities	<u>15,416,243</u>	<u>749,819</u>	<u>16,166,062</u>
<b>FUND BALANCES</b>			
Reserved for:			
Encumbrances	-	539,565	539,565
Construction contracts	-	1,336,811	1,336,811
Capital projects	-	3,559,736	3,559,736
Unreserved:			
Designated for retiree health benefits	11,544,633	-	11,544,633
Designated for subsequent year's expenditures	1,082,665	-	1,082,665
Undesignated	<u>1,659,348</u>	<u>5,528,637</u>	<u>7,187,985</u>
Total fund balances	<u>14,286,646</u>	<u>10,964,749</u>	<u>25,251,395</u>
Total liabilities and fund balances	<u>\$ 29,702,889</u>	<u>\$ 11,714,568</u>	<u>\$ 41,417,457</u>

**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
<b>REVENUES</b>			
Local sources	\$ 4,913,764	\$ 5,625,802	\$ 10,539,566
State sources	39,698,182	-	39,698,182
Federal sources	33,948,637	-	33,948,637
	<hr/>	<hr/>	<hr/>
Total revenues	78,560,583	5,625,802	84,186,385
<b>EXPENDITURES</b>			
Current:			
Regular programs	47,953,328	-	47,953,328
Special programs	6,701,001	-	6,701,001
Adult education programs	1,168,060	-	1,168,060
Community service programs	940,823	-	940,823
Undistributed expenditures:			
Student support	6,963,604	-	6,963,604
Instructional staff support	11,160,073	-	11,160,073
General administration	536,909	-	536,909
School administration	552,044	-	552,044
Business support	-	16,736	16,736
Operation and maintenance	196,906	-	196,906
Central support	51,893	-	51,893
Other support	238,840	-	238,840
Community service programs	275,219	-	275,219
Capital outlay	448,788	11,607,286	12,056,074
	<hr/>	<hr/>	<hr/>
Total expenditures	77,187,488	11,624,022	88,811,510
Excess (deficiency) of revenues over expenditures	<hr/>	<hr/>	<hr/>
	1,373,095	(5,998,220)	(4,625,125)
<b>OTHER FINANCING SOURCES (USES)</b>			
Capital leases	-	1,403,000	1,403,000
Transfers in	-	309,000	309,000
Transfers out	(2,045,888)	-	(2,045,888)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(2,045,888)	1,712,000	(333,888)
Net change in fund balances	(672,793)	(4,286,220)	(4,959,013)
<b>FUND BALANCE, July 1</b>	<hr/>	<hr/>	<hr/>
	14,959,439	15,250,969	30,210,408
<b>FUND BALANCE, June 30</b>	<hr/>	<hr/>	<hr/>
	\$ 14,286,646	\$ 10,964,749	\$ 25,251,395

# General Fund

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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, 2008  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Cash and investments	\$ 53,767,504	\$ 36,315,952
Receivables:		
Property taxes	2,983,932	2,431,999
Interest	127,470	222,958
Miscellaneous	732,794	740,179
Due from other funds	3,225,326	7,373,556
Due from other governments	29,363,092	28,735,731
Inventories	<u>917,241</u>	<u>758,574</u>
 Total assets	 <u>\$ 91,117,359</u>	 <u>\$ 76,578,949</u>
 <b>LIABILITIES</b>		
Accounts payable	\$ 4,782,618	\$ 4,012,243
Accrued liabilities	35,997,881	33,053,877
Due to other governments	261,000	261,000
Deferred revenues	<u>1,848,728</u>	<u>1,490,814</u>
 Total liabilities	 <u>42,890,227</u>	 <u>38,817,934</u>
 <b>FUND BALANCES</b>		
Reserved for:		
Encumbrances	794,255	2,138,021
Inventories	917,241	758,574
Unreserved:		
Designated for subsequent year's expenditures	18,107,494	16,634,672
Designated for repayment carryover of general supply appropriations	6,848,650	3,508,868
Designated for negotiated employee contracts	5,126,000	-
Designated for computer refresh	1,700,000	1,700,000
Designated for utilities	1,000,000	-
Designated for compensation study	-	1,000,000
Designated for Connect Ed	-	235,000
Designated for expenditures	831,021	1,087,250
Designated for capital projects	-	250,000
Undesignated	<u>12,902,471</u>	<u>10,448,630</u>
 Total fund balances	 <u>48,227,132</u>	 <u>37,761,015</u>
 Total liabilities and fund balances	 <u>\$ 91,117,359</u>	 <u>\$ 76,578,949</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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>REVENUES</b>					
Local sources	\$ 292,939,154	\$ 280,371,123	\$ 283,053,724	\$ 2,682,601	\$ 279,242,321
State sources	112,661,970	124,155,895	125,502,463	1,346,568	95,209,218
Federal sources	530,000	530,000	520,616	(9,384)	696,715
Other sources	5,000	5,000	281,635	276,635	32,032
<b>Total revenues</b>	<b>406,136,124</b>	<b>405,062,018</b>	<b>409,358,438</b>	<b>4,296,420</b>	<b>375,180,286</b>
<b>EXPENDITURES</b>					
Current:					
Regular programs	206,648,739	208,209,079	203,912,732	4,296,347	184,526,365
Vocational programs	8,851,538	7,197,807	7,103,556	94,251	6,925,974
Other instructional programs	4,237,182	4,563,704	3,839,555	724,149	3,917,914
Undistributed expenditures:					
Student support	23,746,849	25,508,450	24,680,324	828,126	21,142,043
Instructional staff support	11,069,133	12,574,576	12,314,879	259,697	10,321,261
General administration	9,199,603	10,091,907	9,220,284	871,623	7,915,960
School administration	28,194,714	30,000,608	29,379,410	621,198	25,590,770
Business support	5,479,057	5,598,213	5,066,050	532,163	4,636,778
Operation and maintenance	45,867,431	49,362,898	47,345,718	2,017,180	43,564,778
Student transportation	15,136,060	18,455,155	17,977,598	477,557	14,634,812
Central support	9,586,530	10,340,739	8,635,206	1,705,533	7,456,617
<b>Total expenditures</b>	<b>368,016,836</b>	<b>381,903,136</b>	<b>369,475,312</b>	<b>12,427,824</b>	<b>330,633,272</b>
Excess of revenues over expenditures	38,119,288	23,158,882	39,883,126	16,724,244	44,547,014
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital leases	-	1,995,000	1,995,000	-	1,705,000
Contingency	(2,563,898)	(168,979)	-	168,979	-
Transfers in	-	-	2,045,888	2,045,888	-
Transfers out	(40,446,751)	(35,200,467)	(33,457,897)	1,742,570	(40,392,193)
<b>Total other financing sources (uses)</b>	<b>(43,010,649)</b>	<b>(33,374,446)</b>	<b>(29,417,009)</b>	<b>3,957,437</b>	<b>(38,687,193)</b>
Net change in fund balances	(4,891,361)	(10,215,564)	10,466,117	20,681,681	5,859,821
<b>FUND BALANCE, July 1</b>	<b>22,309,814</b>	<b>37,761,015</b>	<b>37,761,015</b>	<b>-</b>	<b>31,901,194</b>
<b>FUND BALANCE, June 30</b>	<b>\$ 17,418,453</b>	<b>\$ 27,545,451</b>	<b>\$ 48,227,132</b>	<b>\$ 20,681,681</b>	<b>\$ 37,761,015</b>

**WASHOE COUNTY SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Ad Valorem taxes	\$ 104,472,813	\$ 104,472,813	\$ 105,044,775	\$ 571,962	\$ 98,451,752
School support taxes	165,625,564	153,021,616	153,328,703	307,087	156,893,557
Franchise taxes	240,000	240,000	462,145	222,145	305,996
Government services tax	15,704,777	14,704,777	14,533,686	(171,091)	14,834,870
Revenue in lieu of taxes	-	-	230,473	230,473	240,485
Tuition - regular day school	422,000	422,000	408,349	(13,651)	412,236
Tuition - summer school	550,000	550,000	875,341	325,341	781,111
Earnings on investments	2,250,000	3,285,917	3,593,870	307,953	3,360,393
Refunds	47,000	47,000	56,783	9,783	42,134
Indirect costs	1,185,000	1,185,000	1,684,697	499,697	1,446,009
Transportation	375,000	375,000	328,403	(46,597)	354,680
Reimbursements	1,194,000	1,194,000	1,538,881	344,881	1,353,334
Grant administration	300,000	300,000	282,750	(17,250)	295,290
Other	573,000	573,000	684,868	111,868	470,474
Total local sources	<u>292,939,154</u>	<u>280,371,123</u>	<u>283,053,724</u>	<u>2,682,601</u>	<u>279,242,321</u>
State sources:					
Distributive school fund	112,661,970	124,155,895	125,171,400	1,015,505	92,147,678
Special appropriations	-	-	331,063	331,063	3,061,540
Total state sources	<u>112,661,970</u>	<u>124,155,895</u>	<u>125,502,463</u>	<u>1,346,568</u>	<u>95,209,218</u>
Federal sources:					
Forest reserve	5,000	5,000	6,286	1,286	6,364
Impact Aid - Hurricane Relief	-	-	-	-	16,012
Revenue in lieu of taxes, P.L. 81-874	160,000	160,000	192,488	32,488	196,345
E-Rate refund	365,000	365,000	321,842	(43,158)	477,994
Total federal sources	<u>530,000</u>	<u>530,000</u>	<u>520,616</u>	<u>(9,384)</u>	<u>696,715</u>
Other sources	<u>5,000</u>	<u>5,000</u>	<u>281,635</u>	<u>276,635</u>	<u>32,032</u>
Total revenues	<u>406,136,124</u>	<u>405,062,018</u>	<u>409,358,438</u>	<u>4,296,420</u>	<u>375,180,286</u>
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	136,794,747	137,787,918	137,413,969	373,949	129,918,197
Benefits	51,407,716	53,480,223	52,579,175	901,048	44,100,240
Purchased services	1,728,212	1,856,257	1,886,411	(30,154)	919,012
Supplies	16,531,589	14,797,789	11,950,268	2,847,521	9,558,900
Property	168,085	268,502	51,678	216,824	11,378
Other	18,390	18,390	31,231	(12,841)	18,638
Total regular programs	<u>206,648,739</u>	<u>208,209,079</u>	<u>203,912,732</u>	<u>4,296,347</u>	<u>184,526,365</u>

**(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Vocational programs					
Instruction					
Salaries	\$ 6,375,647	\$ 5,015,023	\$ 4,937,506	\$ 77,517	\$ 5,036,700
Benefits	2,235,473	1,955,151	1,954,981	170	1,669,131
Purchased services	69,200	66,197	54,830	11,367	57,347
Supplies	170,718	160,936	154,470	6,466	159,884
Other	500	500	1,769	(1,269)	2,912
Total vocational programs	<u>8,851,538</u>	<u>7,197,807</u>	<u>7,103,556</u>	<u>94,251</u>	<u>6,925,974</u>
Other instructional programs					
Summer school					
Salaries	1,033,555	1,026,869	754,340	272,529	972,137
Benefits	46,936	52,949	23,840	29,109	24,699
Purchased services	14,900	24,900	18,570	6,330	9,521
Supplies	21,366	54,026	18,186	35,840	19,558
Total summer school	<u>1,116,757</u>	<u>1,158,744</u>	<u>814,936</u>	<u>343,808</u>	<u>1,025,915</u>
Athletics					
Salaries	2,007,978	2,041,405	1,782,915	258,490	1,780,315
Benefits	210,503	295,497	284,916	10,581	251,604
Purchased services	799,594	956,449	880,749	75,700	762,819
Supplies	8,350	12,609	16,746	(4,137)	29,106
Other	94,000	99,000	59,293	39,707	68,155
Total athletics	<u>3,120,425</u>	<u>3,404,960</u>	<u>3,024,619</u>	<u>380,341</u>	<u>2,891,999</u>
Total other instructional programs	<u>4,237,182</u>	<u>4,563,704</u>	<u>3,839,555</u>	<u>724,149</u>	<u>3,917,914</u>
Undistributed expenditures:					
Student support					
Salaries	17,027,852	16,922,682	16,870,304	52,378	15,405,835
Benefits	5,530,288	6,616,588	6,601,492	15,096	5,109,487
Purchased services	917,593	1,017,023	796,163	220,860	500,335
Supplies	261,636	942,677	413,564	529,113	119,254
Property	2,350	2,350	-	2,350	6,883
Other	7,130	7,130	(1,199)	8,329	249
Total student support	<u>23,746,849</u>	<u>25,508,450</u>	<u>24,680,324</u>	<u>828,126</u>	<u>21,142,043</u>
Instructional staff support					
Salaries	7,449,785	7,983,286	8,103,245	(119,959)	6,901,370
Benefits	2,361,672	2,926,572	2,930,021	(3,449)	2,154,606
Purchased services	702,735	954,615	708,658	245,957	707,874
Supplies	528,581	697,726	545,775	151,951	533,350
Property	21,760	7,777	-	7,777	17,025
Other	4,600	4,600	27,180	(22,580)	7,036
Total instructional staff support	<u>11,069,133</u>	<u>12,574,576</u>	<u>12,314,879</u>	<u>259,697</u>	<u>10,321,261</u>

**(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
General administration					
Salaries	\$ 2,714,375	\$ 2,695,470	\$ 2,506,001	\$ 189,469	\$ 2,129,087
Benefits	1,072,704	1,201,942	1,130,079	71,863	868,941
Purchased services	5,252,965	5,896,266	5,403,349	492,917	4,742,893
Supplies	111,809	249,574	112,918	136,656	121,513
Property	3,000	3,000	6,128	(3,128)	8,624
Other	44,750	45,655	61,809	(16,154)	44,902
Total general administration	9,199,603	10,091,907	9,220,284	871,623	7,915,960
School administration					
Salaries	21,505,004	21,841,625	21,335,937	505,688	19,447,821
Benefits	6,356,822	7,667,890	7,736,558	(68,668)	5,903,285
Purchased services	189,544	347,749	188,646	159,103	154,203
Supplies	127,444	127,444	98,594	28,850	74,179
Property	6,000	6,000	12,261	(6,261)	-
Other	9,900	9,900	7,414	2,486	11,282
Total school administration	28,194,714	30,000,608	29,379,410	621,198	25,590,770
Business support					
Salaries	3,721,322	3,634,800	3,512,668	122,132	3,330,595
Benefits	1,155,078	1,361,190	1,344,405	16,785	1,090,423
Purchased services	542,930	637,290	408,108	229,182	106,798
Supplies	47,563	(46,831)	(206,471)	159,640	7,098
Property	8,164	7,764	-	7,764	90,946
Other	4,000	4,000	7,340	(3,340)	10,918
Total business support	5,479,057	5,598,213	5,066,050	532,163	4,636,778
Operation and maintenance					
Salaries	19,545,187	20,092,067	19,829,086	262,981	17,959,324
Benefits	7,285,435	8,574,308	8,584,363	(10,055)	6,702,842
Purchased services	6,296,727	6,830,526	6,257,544	572,982	6,296,862
Supplies	12,677,631	13,609,646	12,421,978	1,187,668	12,206,501
Property	2,043	195,943	188,097	7,846	352,453
Other	60,408	60,408	64,650	(4,242)	46,796
Total operation and maintenance	45,867,431	49,362,898	47,345,718	2,017,180	43,564,778
Student transportation					
Salaries	7,453,836	8,011,689	7,795,845	215,844	6,458,447
Benefits	2,976,298	3,441,660	3,452,266	(10,606)	2,451,694
Purchased services	837,763	734,598	679,111	55,487	542,210
Supplies	2,856,777	3,135,393	2,839,582	295,811	2,115,502
Property	1,006,386	3,126,815	3,207,700	(80,885)	3,053,433
Other	5,000	5,000	3,094	1,906	13,526
Total student transportation	15,136,060	18,455,155	17,977,598	477,557	14,634,812

(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Central support					
Salaries	\$ 5,462,189	\$ 5,348,030	\$ 4,953,465	\$ 394,565	\$ 4,441,834
Benefits	1,498,735	1,778,185	1,751,261	26,924	1,295,873
Purchased services	2,277,496	2,351,360	1,727,060	624,300	1,423,503
Supplies	298,094	813,148	182,858	630,290	146,574
Property	45,176	45,176	6,661	38,515	77,749
Other	4,840	4,840	13,901	(9,061)	71,084
Total central support	<u>9,586,530</u>	<u>10,340,739</u>	<u>8,635,206</u>	<u>1,705,533</u>	<u>7,456,617</u>
Total undistributed expenditures	<u>148,279,377</u>	<u>161,932,546</u>	<u>154,619,469</u>	<u>7,313,077</u>	<u>135,263,019</u>
Total expenditures	<u>368,016,836</u>	<u>381,903,136</u>	<u>369,475,312</u>	<u>12,427,824</u>	<u>330,633,272</u>
Excess of revenues over expenditures	<u>38,119,288</u>	<u>23,158,882</u>	<u>39,883,126</u>	<u>16,724,244</u>	<u>44,547,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital leases	-	1,995,000	1,995,000	-	1,705,000
Contingency	(2,563,898)	(168,979)	-	168,979	-
Transfers in	-	-	2,045,888	2,045,888	-
Transfers out	<u>(40,446,751)</u>	<u>(35,200,467)</u>	<u>(33,457,897)</u>	<u>1,742,570</u>	<u>(40,392,193)</u>
Total other financing sources (uses)	<u>(43,010,649)</u>	<u>(33,374,446)</u>	<u>(29,417,009)</u>	<u>3,957,437</u>	<u>(38,687,193)</u>
Net change in fund balances	(4,891,361)	(10,215,564)	10,466,117	20,681,681	5,859,821
<b>FUND BALANCE, July 1</b>	<u>22,309,814</u>	<u>37,761,015</u>	<u>37,761,015</u>	<u>-</u>	<u>31,901,194</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 17,418,453</u>	<u>\$ 27,545,451</u>	<u>\$ 48,227,132</u>	<u>\$ 20,681,681</u>	<u>\$ 37,761,015</u>

# **Special Revenue Funds**

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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. This includes federal, state and local programs.

The Special Education Fund is used 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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Distributive school account	\$ 20,974,534	\$ 20,974,534	\$ 21,029,346	\$ 54,812	\$ 19,644,528
<b>EXPENDITURES</b>					
Current:					
Special programs					
Instruction					
Salaries	31,142,094	30,464,071	29,453,579	1,010,492	28,553,128
Benefits	10,931,887	10,559,257	10,470,115	89,142	9,731,261
Purchased services	66,447	66,447	45,902	20,545	56,571
Supplies	46,770	62,153	82,111	(19,958)	78,394
Property	1,000	1,000	(376)	1,376	5,422
Other	1,800	1,800	1,250	550	1,504
Total special programs	42,189,998	41,154,728	40,052,581	1,102,147	38,426,280
Undistributed expenditures:					
Student support					
Salaries	1,562,119	1,138,952	862,040	276,912	990,509
Benefits	274,800	200,146	208,324	(8,178)	188,039
Purchased services	165,000	65,000	18,242	46,758	-
Supplies	-	-	44,174	(44,174)	-
Total student support	2,001,919	1,404,098	1,132,780	271,318	1,178,548
Instructional staff support					
Salaries	524,548	629,448	609,174	20,274	440,218
Benefits	160,757	198,317	194,128	4,189	133,686
Purchased services	124,480	124,480	90,693	33,787	88,431
Supplies	8,000	8,000	10,790	(2,790)	9,197
Property	1,665	1,665	-	1,665	-
Total instructional staff support	819,450	961,910	904,785	57,125	671,532
School administration					
Salaries	128,943	222,551	217,198	5,353	159,362
Benefits	39,616	67,289	63,716	3,573	45,286
Purchased services	-	375	-	375	-
Total school administration	168,559	290,215	280,914	9,301	204,648
Operation and maintenance					
Salaries	39,642	41,886	38,139	3,747	36,539
Benefits	16,264	15,951	15,574	377	14,485
Total operation and maintenance	55,906	57,837	53,713	4,124	51,024

**(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student transportation					
Salaries	\$ 3,056,493	\$ 3,460,541	\$ 3,324,671	\$ 135,870	\$ 2,657,669
Benefits	1,251,028	1,456,090	1,393,779	62,311	1,054,287
Purchased services	300,000	240,000	213,441	26,559	247,556
Supplies	448,040	796,040	750,691	45,349	473,333
Total student transportation	<u>5,055,561</u>	<u>5,952,671</u>	<u>5,682,582</u>	<u>270,089</u>	<u>4,432,845</u>
Total undistributed expenditures	<u>8,101,395</u>	<u>8,666,731</u>	<u>8,054,774</u>	<u>611,957</u>	<u>6,538,597</u>
Total expenditures	<u>50,291,393</u>	<u>49,821,459</u>	<u>48,107,355</u>	<u>1,714,104</u>	<u>44,964,877</u>
Excess (deficiency) of revenues over expenditures	<u>(29,316,859)</u>	<u>(28,846,925)</u>	<u>(27,078,009)</u>	<u>1,768,916</u>	<u>(25,320,349)</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers in	<u>29,316,859</u>	<u>28,846,925</u>	<u>27,078,009</u>	<u>(1,768,916)</u>	<u>25,320,349</u>
Excess of revenues and other financing sources over expenditures	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2008  
(Page 1 of 3)**

	<u>TITLE I</u>	<u>TITLE V</u>	<u>FEDERAL SPECIAL ED</u>	<u>VOCATIONAL EDUCATION</u>	<u>SPECIAL GRANTS</u>	<u>FAMILY RESOURCE CENTERS</u>
<b>ASSETS</b>						
Cash and investments	\$ -	\$ -	\$ 204,226	\$ 33,137	\$ -	\$ -
Receivables:						
Grants	834,752	117,799	59,440	153,821	1,586,698	103,192
Interest	-	-	-	-	-	-
Miscellaneous	-	-	397	-	56	-
	<u>834,752</u>	<u>117,799</u>	<u>264,063</u>	<u>186,958</u>	<u>1,586,754</u>	<u>103,192</u>
Total assets	<u>\$ 834,752</u>	<u>\$ 117,799</u>	<u>\$ 264,063</u>	<u>\$ 186,958</u>	<u>\$ 1,586,754</u>	<u>\$ 103,192</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 215,742	\$ 1,683	\$ 25,258	\$ 129,158	\$ 208,510	\$ 2,542
Accrued liabilities	416,593	33,490	238,805	50,482	225,030	13,493
Due to other funds	202,417	82,626	-	-	826,245	32,508
Due to other governments	-	-	-	-	84,282	-
Deferred revenues	-	-	-	7,318	242,687	54,649
	<u>834,752</u>	<u>117,799</u>	<u>264,063</u>	<u>186,958</u>	<u>1,586,754</u>	<u>103,192</u>
Total liabilities	<u>834,752</u>	<u>117,799</u>	<u>264,063</u>	<u>186,958</u>	<u>1,586,754</u>	<u>103,192</u>
<b>FUND BALANCE</b>						
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>\$ 834,752</u>	<u>\$ 117,799</u>	<u>\$ 264,063</u>	<u>\$ 186,958</u>	<u>\$ 1,586,754</u>	<u>\$ 103,192</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 &amp; REMEDIAL EDUCATION</u>	<u>READING IMPROVEMENT</u>
\$ 232,633	\$ 2,158,382	\$ -	\$ -	\$ -	\$ 2,103,740	\$ -
-	-	15,191	505,342	3,151,830	-	665,591
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 232,633</u>	<u>\$ 2,158,382</u>	<u>\$ 15,191</u>	<u>\$ 505,342</u>	<u>\$ 3,151,830</u>	<u>\$ 2,103,740</u>	<u>\$ 665,591</u>
\$ 184	\$ -	\$ 3,402	\$ 72	\$ 3,151,830	\$ 72,795	\$ 71,656
137,507	2,158,382	7,724	91,650	-	702,400	110,349
-	-	4,065	392,817	-	-	483,586
-	-	-	-	-	-	-
94,942	-	-	20,803	-	1,328,545	-
<u>232,633</u>	<u>2,158,382</u>	<u>15,191</u>	<u>505,342</u>	<u>3,151,830</u>	<u>2,103,740</u>	<u>665,591</u>
-	-	-	-	-	-	-
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<u>\$ 232,633</u>	<u>\$ 2,158,382</u>	<u>\$ 15,191</u>	<u>\$ 505,342</u>	<u>\$ 3,151,830</u>	<u>\$ 2,103,740</u>	<u>\$ 665,591</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2008  
(Page 2 of 3)**

	<b>TWENTY-FIRST CENTURY</b>	<b>TITLE II PART A TEACHER TRAINING</b>	<b>TITLE III ENGLISH LANGUAGE ACQUISITION</b>	<b>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</b>	<b>EDUCATION COLLABORATIVE</b>
<b>ASSETS</b>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 93,832
Receivables:					
Grants	794,346	619,823	98,526	725,109	105,669
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
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<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>
\$ 301,033	\$ 508,684	\$ 452,825	\$ 10,065	\$ 267,427	\$ 1,503,091
55,965	-	-	-	-	-
-	-	-	-	-	1,147
-	-	36,516	60,365	-	5,600
<u>\$ 356,998</u>	<u>\$ 508,684</u>	<u>\$ 489,341</u>	<u>\$ 70,430</u>	<u>\$ 267,427</u>	<u>\$ 1,509,838</u>
\$ 12,669	\$ -	\$ 35,867	\$ -	\$ 810	\$ 7,634
73,104	508,684	5,938	32,970	13,829	44,102
-	-	-	-	-	-
-	-	-	-	-	-
271,225	-	-	37,460	-	-
<u>356,998</u>	<u>508,684</u>	<u>41,805</u>	<u>70,430</u>	<u>14,639</u>	<u>51,736</u>
-	-	272,654	-	122,143	376,857
-	-	-	-	-	-
-	-	174,882	-	130,645	1,081,245
-	-	447,536	-	252,788	1,458,102
<u>\$ 356,998</u>	<u>\$ 508,684</u>	<u>\$ 489,341</u>	<u>\$ 70,430</u>	<u>\$ 267,427</u>	<u>\$ 1,509,838</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2008  
(Page 3 of 3)**

	<b>PRE-FUNDED RETIREE HEALTH BENEFITS</b>	<b>ADVANCED CARPENTRY</b>	<b>WELLNESS</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Cash and investments	\$ 11,519,924	\$ 38,860	\$ 552,130	\$ 19,979,989
Receivables:				
Grants	-	-	-	9,593,094
Interest	24,709	-	1,016	26,872
Miscellaneous	-	-	-	102,934
	-	-	-	102,934
Total assets	\$ 11,544,633	\$ 38,860	\$ 553,146	\$ 29,702,889
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ 465	\$ 4,047,117
Accrued liabilities	-	-	7,954	5,380,971
Due to other funds	-	-	-	3,225,326
Due to other governments	-	-	-	84,282
Deferred revenues	-	-	-	2,678,547
	-	-	-	2,678,547
Total liabilities	-	-	8,419	15,416,243
<b>FUND BALANCE</b>				
Unreserved:				
Designated for subsequent year's expenditures	-	-	311,011	1,082,665
Designated for retiree health benefits	11,544,633	-	-	11,544,633
Undesignated	-	38,860	233,716	1,659,348
	-	38,860	233,716	1,659,348
Total fund balance	11,544,633	38,860	544,727	14,286,646
Total liabilities and fund balance	\$ 11,544,633	\$ 38,860	\$ 553,146	\$ 29,702,889

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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, 2008  
(Page 1 of 3)**

	<u>TITLE I</u>	<u>TITLE V</u>	<u>INDIAN EDUCATION</u>	<u>FEDERAL SPECIAL ED</u>	<u>VOCATIONAL EDUCATION</u>	<u>SPECIAL GRANTS</u>
<b>REVENUES</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,221
State sources	-	-	-	-	720,666	322,450
Federal sources	<u>10,599,430</u>	<u>831,998</u>	<u>23,902</u>	<u>9,676,711</u>	<u>728,838</u>	<u>4,239,448</u>
Total revenues	<u>10,599,430</u>	<u>831,998</u>	<u>23,902</u>	<u>9,676,711</u>	<u>1,449,504</u>	<u>4,614,119</u>
<b>EXPENDITURES</b>						
Current:						
Regular programs	7,717,927	669,975	23,005	-	-	1,846,142
Special programs	-	-	-	6,485,621	-	-
Adult education programs	-	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Undistributed expenditures:						
Student support	77,104	-	-	3,096,046	720,667	1,343,472
Instructional staff support	2,574,953	162,023	897	95,044	728,837	1,373,311
General administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Operation and maintenance	-	-	-	-	-	-
Central support	-	-	-	-	-	51,194
Other support	229,446	-	-	-	-	-
Community service programs	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>10,599,430</u>	<u>831,998</u>	<u>23,902</u>	<u>9,676,711</u>	<u>1,449,504</u>	<u>4,614,119</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING (USES)</b>						
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<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 &amp; REMEDIAL EDUCATION</u>
\$ 58,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
435,197	1,976,734	19,847,843	-	740,651	4,155,664	4,539,455
447,556	-	-	168,371	215,380	-	-
<u>940,823</u>	<u>1,976,734</u>	<u>19,847,843</u>	<u>168,371</u>	<u>956,031</u>	<u>4,155,664</u>	<u>4,539,455</u>
-	-	19,847,843	-	571,846	3,726,385	3,000,826
-	-	-	-	215,380	-	-
-	1,168,060	-	-	-	-	-
940,823	-	-	-	-	-	-
-	272,558	-	-	-	-	-
-	-	-	168,371	168,805	-	1,318,548
-	-	-	-	-	-	220,081
-	358,278	-	-	-	-	-
-	177,838	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	429,279	-
<u>940,823</u>	<u>1,976,734</u>	<u>19,847,843</u>	<u>168,371</u>	<u>956,031</u>	<u>4,155,664</u>	<u>4,539,455</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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, 2008  
(Page 2 of 3)**

	<b>READING IMPROVEMENT</b>	<b>TWENTY-FIRST CENTURY</b>	<b>TITLE II PART A TEACHER TRAINING</b>	<b>TITLE III ENGLISH LANGUAGE ACQUISITION</b>	<b>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</b>
<b>REVENUES</b>					
Local sources	\$ -	\$ 241,026	\$ -	\$ -	\$ -
State sources	-	-	-	-	2,322,470
Federal sources	1,147,392	2,057,568	1,648,999	854,467	-
Total revenues	<u>1,147,392</u>	<u>2,298,594</u>	<u>1,648,999</u>	<u>854,467</u>	<u>2,322,470</u>
<b>EXPENDITURES</b>					
Current:					
Regular programs	760,092	1,765,050	-	810,699	-
Special programs	-	-	-	-	-
Adult education programs	-	-	-	-	-
Community service programs	-	-	-	-	-
Undistributed expenditures:					
Student support	374,082	-	-	-	-
Instructional staff support	13,218	533,544	1,648,999	43,768	2,322,470
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Operation and maintenance	-	-	-	-	-
Central support	-	-	-	-	-
Other support	-	-	-	-	-
Community service programs	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,147,392</u>	<u>2,298,594</u>	<u>1,648,999</u>	<u>854,467</u>	<u>2,322,470</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OTHER FINANCING (USES)</b>					
Transfers out	-	-	-	-	-
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<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>
\$ 512,969	\$ 881,690	\$ -	\$ -	\$ 550,763	\$ 378,599
-	-	4,637,052	-	-	-
748,969	-	-	559,608	-	-
<u>1,261,938</u>	<u>881,690</u>	<u>4,637,052</u>	<u>559,608</u>	<u>550,763</u>	<u>378,599</u>
412,109	669,398	4,637,052	446,667	528,469	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
836,758	211,211	-	31,706	-	-
3,677	382	-	-	3,226	-
-	-	-	-	-	-
-	-	-	31,031	-	162,735
-	699	-	-	19,068	-
-	-	-	-	-	-
9,394	-	-	-	-	-
-	-	-	-	-	275,219
-	-	-	-	-	-
<u>1,261,938</u>	<u>881,690</u>	<u>4,637,052</u>	<u>509,404</u>	<u>550,763</u>	<u>437,954</u>
-	-	-	50,204	-	(59,355)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	50,204	-	(59,355)
-	-	-	397,332	-	312,143
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,536</u>	<u>\$ -</u>	<u>\$ 252,788</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, 2008  
(Page 3 of 3)**

	<u>GIFTS AND DONATIONS</u>	<u>PRE-FUNDED RETIREE HEALTH BENEFITS</u>	<u>ADVANCED CARPENTRY</u>	<u>WELLNESS</u>	<u>TOTAL</u>
<b>REVENUES</b>					
Local sources	\$ 1,168,599	\$ 549,395	\$ -	\$ 520,432	\$ 4,913,764
State sources	-	-	-	-	39,698,182
Federal sources	-	-	-	-	33,948,637
Total revenues	<u>1,168,599</u>	<u>549,395</u>	<u>-</u>	<u>520,432</u>	<u>78,560,583</u>
<b>EXPENDITURES</b>					
Current:					
Regular programs	516,662	-	3,181	-	47,953,328
Special programs	-	-	-	-	6,701,001
Adult education programs	-	-	-	-	1,168,060
Community service programs	-	-	-	-	940,823
Undistributed expenditures:					
Student support	-	-	-	-	6,963,604
Instructional staff support	-	-	-	-	11,160,073
General administration	-	-	-	316,828	536,909
School administration	-	-	-	-	552,044
Operation and maintenance	-	-	-	-	196,906
Central support	-	-	-	-	51,893
Other support	-	-	-	-	238,840
Community service programs	-	-	-	-	275,219
Capital outlay	19,509	-	-	-	448,788
Total expenditures	<u>536,171</u>	<u>-</u>	<u>3,181</u>	<u>316,828</u>	<u>77,187,488</u>
Excess (deficiency) of revenues over expenditures	<u>632,428</u>	<u>549,395</u>	<u>(3,181)</u>	<u>203,604</u>	<u>1,373,095</u>
<b>OTHER FINANCING (USES)</b>					
Transfers out	-	(2,045,888)	-	-	(2,045,888)
Total other financing (uses)	<u>-</u>	<u>(2,045,888)</u>	<u>-</u>	<u>-</u>	<u>(2,045,888)</u>
Net change in fund balances	632,428	(1,496,493)	(3,181)	203,604	(672,793)
<b>FUND BALANCE, July 1</b>	<u>825,674</u>	<u>13,041,126</u>	<u>42,041</u>	<u>341,123</u>	<u>14,959,439</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 1,458,102</u>	<u>\$ 11,544,633</u>	<u>\$ 38,860</u>	<u>\$ 544,727</u>	<u>\$ 14,286,646</u>

**WASHOE COUNTY SCHOOL DISTRICT  
TITLE I - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Title I	\$ 8,788,297	\$ 11,717,773	\$ 10,599,430	\$ (1,118,343)	\$ 8,563,320
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	3,405,268	3,570,779	3,306,433	264,346	3,353,713
Benefits	1,058,045	1,260,740	1,130,690	130,050	1,064,795
Purchased services	1,325,529	2,147,188	1,936,948	210,240	1,229,141
Supplies	753,505	1,196,170	1,148,213	47,957	691,726
Property	-	48,044	47,238	806	-
Other	497,176	150,969	148,405	2,564	437,797
Total regular programs	7,039,523	8,373,890	7,717,927	655,963	6,777,172
Undistributed expenditures					
Student support					
Purchased services	-	77,104	77,104	-	-
Instructional staff support					
Salaries	1,073,800	1,464,731	1,152,450	312,281	1,030,851
Benefits	249,835	271,737	239,064	32,673	245,576
Purchased services	26,272	597,155	545,516	51,639	233,247
Supplies	107,654	263,148	245,767	17,381	95,576
Property	-	8,654	8,379	275	-
Other	115,232	424,650	383,777	40,873	14,391
Total instructional staff support	1,572,793	3,030,075	2,574,953	455,122	1,619,641
Other support					
Salaries	85,174	95,343	93,493	1,850	81,886
Benefits	23,278	29,783	27,814	1,969	22,578
Purchased services	30,317	68,625	66,071	2,554	27,793
Supplies	36,684	42,453	42,032	421	34,070
Other	528	500	36	464	180
Total other support	175,981	236,704	229,446	7,258	166,507
Total undistributed expenditures	1,748,774	3,343,883	2,881,503	462,380	1,786,148
Total expenditures	8,788,297	11,717,773	10,599,430	1,118,343	8,563,320
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Title V	\$ 957,000	\$ 930,138	\$ 831,998	\$ (98,140)	\$ 870,835
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	457,661	480,521	460,650	19,871	456,085
Benefits	126,495	147,202	129,670	17,532	123,113
Purchased services	105,102	67,234	31,305	35,929	84,812
Supplies	15,990	51,462	45,850	5,612	17,673
Other	64	2,500	2,500	-	60
Total regular programs	705,312	748,919	669,975	78,944	681,743
Undistributed expenditures					
Instructional staff support					
Salaries	71,870	64,330	64,315	15	62,157
Benefits	16,602	17,631	17,234	397	16,486
Purchased services	85,983	55,182	41,886	13,296	73,432
Supplies	43,243	9,057	7,264	1,793	6,124
Other	33,990	35,019	31,324	3,695	30,893
Total undistributed expenditures	251,688	181,219	162,023	19,196	189,092
Total expenditures	957,000	930,138	831,998	98,140	870,835
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Title VII - Indian education program	\$ 248,430	\$ 23,902	\$ 23,902	\$ -	\$ 223,808
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	161,120	3,690	3,690	-	134,534
Benefits	20,142	90	90	-	40,320
Purchased services	56,070	9,868	9,868	-	9,954
Supplies	-	9,357	9,357	-	28,592
Other	-	-	-	-	144
Total regular programs	237,332	23,005	23,005	-	213,544
Undistributed expenditures					
Instructional staff support					
Salaries	2,373	-	-	-	2,404
Other	8,725	897	897	-	7,860
Total undistributed expenditures	11,098	897	897	-	10,264
Total expenditures	248,430	23,902	23,902	-	223,808
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT  
FEDERAL SPECIAL EDUCATION - SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Education of the handicapped	\$ 9,336,344	\$ 10,453,341	\$ 9,676,711	\$ (776,630)	\$ 8,515,358
<b>EXPENDITURES</b>					
Current:					
Special programs					
Instruction					
Salaries	4,375,578	5,057,527	4,905,626	151,901	4,057,574
Benefits	1,440,869	1,634,334	1,579,995	54,339	1,215,588
Total special programs	5,816,447	6,691,861	6,485,621	206,240	5,273,162
Undistributed expenditures					
Student support					
Salaries	1,401,504	1,210,321	1,148,280	62,041	1,154,630
Benefits	403,858	396,991	359,946	37,045	328,250
Purchased services	692,734	727,559	521,148	206,411	514,077
Supplies	161,765	369,950	236,428	133,522	150,968
Property	7,807	55,000	15,281	39,719	7,400
Other	852,229	889,958	814,963	74,995	758,683
Total student support	3,519,897	3,649,779	3,096,046	553,733	2,914,008
Instructional staff support					
Salaries	-	63,520	51,820	11,700	220,469
Benefits	-	21,641	19,386	2,255	83,499
Purchased services	-	16,050	14,004	2,046	-
Supplies	-	6,300	6,268	32	12,694
Other	-	4,190	3,566	624	11,526
Total instructional staff support	-	111,701	95,044	16,657	328,188
Total undistributed expenditures	3,519,897	3,761,480	3,191,090	570,390	3,242,196
Total expenditures	9,336,344	10,453,341	9,676,711	776,630	8,515,358
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Vocational education	\$ 150,000	\$ 727,984	\$ 720,666	\$ (7,318)	\$ 144,971
Federal sources:					
Vocational education	750,434	732,964	728,838	(4,126)	743,272
Total revenues	900,434	1,460,948	1,449,504	(11,444)	888,243
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Student support					
Salaries	-	11,399	10,661	738	-
Benefits	-	410	195	215	-
Purchased services	-	104,644	102,099	2,545	-
Supplies	-	553,819	551,364	2,455	-
Property	-	19,099	18,220	879	-
Other	-	38,613	38,128	485	-
Total student support	-	727,984	720,667	7,317	-
Instructional staff support					
Salaries	158,119	184,455	184,036	419	158,442
Benefits	39,924	47,446	46,179	1,267	38,090
Purchased services	245,615	229,732	229,336	396	242,979
Supplies	404,089	186,634	186,240	394	390,852
Property	22,472	61,634	61,634	-	29,921
Other	30,215	23,063	21,412	1,651	27,959
Total instructional staff support	900,434	732,964	728,837	4,127	888,243
Total expenditures	900,434	1,460,948	1,449,504	11,444	888,243
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 30,000	\$ 59,434	\$ 52,221	\$ (7,213)	\$ 21,470
State sources	2,500,000	416,041	322,450	(93,591)	2,239,598
Federal sources	6,238,242	5,467,977	4,239,448	(1,228,529)	4,997,881
Total revenues	8,768,242	5,943,452	4,614,119	(1,329,333)	7,258,949
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	1,187,193	932,214	760,585	171,629	865,433
Benefits	267,890	237,363	182,218	55,145	198,574
Purchased services	552,155	337,111	301,698	35,413	503,208
Supplies	487,517	457,173	340,988	116,185	542,974
Property	-	14,657	14,657	-	6,083
Other	481,233	272,677	245,996	26,681	252,757
Total regular programs	2,975,988	2,251,195	1,846,142	405,053	2,369,029
Undistributed expenditures					
Student support					
Salaries	362,348	433,663	422,199	11,464	326,126
Benefits	90,513	106,714	102,971	3,743	80,197
Purchased services	426,318	272,020	238,358	33,662	291,370
Supplies	734,215	251,537	147,253	104,284	739,491
Property	31,340	32,477	32,477	-	5,569
Other	646,282	403,007	400,214	2,793	482,000
Total student support	2,291,016	1,499,418	1,343,472	155,946	1,924,753
Instructional staff support					
Salaries	1,128,957	809,760	490,649	319,111	1,064,953
Benefits	267,572	139,770	113,096	26,674	282,222
Purchased services	526,480	732,319	413,017	319,302	285,262
Supplies	468,855	360,002	305,347	54,655	414,873
Property	-	-	-	-	5,500
Other	503,823	93,250	51,202	42,048	398,964
Total instructional staff support	2,895,687	2,135,101	1,373,311	761,790	2,451,774
Central support					
Salaries	84,406	4,519	4,396	123	75,892
Benefits	20,477	57	57	-	21,449
Purchased services	374,121	51,725	45,704	6,021	359,670
Supplies	119,741	400	-	400	31,936
Other	6,806	1,037	1,037	-	5,464
Total central support	605,551	57,738	51,194	6,544	494,411
Other support					
Salaries	-	-	-	-	2,520
Benefits	-	-	-	-	37
Purchased services	-	-	-	-	16,425
Total other support	-	-	-	-	18,982
Total undistributed expenditures	5,792,254	3,692,257	2,767,977	924,280	4,889,920
Total expenditures	8,768,242	5,943,452	4,614,119	1,329,333	7,258,949
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 100,000	\$ 59,728	\$ 58,070	\$ (1,658)	\$ 145,644
State sources	378,000	467,872	435,197	(32,675)	310,678
Federal sources	409,162	467,872	447,556	(20,316)	398,244
<b>Total revenues</b>	<b>887,162</b>	<b>995,472</b>	<b>940,823</b>	<b>(54,649)</b>	<b>854,566</b>
<b>EXPENDITURES</b>					
Current:					
Community service programs					
Salaries	508,853	579,898	565,560	14,338	508,808
Benefits	137,320	174,598	167,899	6,699	139,221
Purchased services	93,860	103,785	99,702	4,083	94,387
Supplies	33,600	34,901	33,551	1,350	29,403
Property	-	12,779	12,779	-	-
Other	113,529	89,511	61,332	28,179	82,747
<b>Total expenditures</b>	<b>887,162</b>	<b>995,472</b>	<b>940,823</b>	<b>54,649</b>	<b>854,566</b>
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
High school diploma program	\$ 1,978,744	\$ 2,071,676	\$ 1,976,734	\$ (94,942)	\$ 1,955,325
<b>EXPENDITURES</b>					
Current:					
Adult education programs					
Instruction					
Salaries	787,153	859,900	878,782	(18,882)	802,745
Benefits	126,690	166,919	140,784	26,135	140,116
Purchased services	201,666	56,578	40,716	15,862	104,065
Supplies	141,667	109,113	107,778	1,335	200,690
Property	7,563	-	-	-	21,093
Total adult education programs	1,264,739	1,192,510	1,168,060	24,450	1,268,709
Undistributed expenditures					
Student support					
Salaries	212,629	202,197	209,529	(7,332)	201,543
Benefits	62,245	64,798	63,029	1,769	58,554
Total student support	274,874	266,995	272,558	(5,563)	260,097
School administration					
Salaries	247,143	235,918	212,092	23,826	226,416
Benefits	70,734	89,548	70,045	19,503	66,018
Purchased services	48,750	77,762	76,141	1,621	67,933
Total school administration	366,627	403,228	358,278	44,950	360,367
Operation and maintenance					
Salaries	52,410	51,595	53,490	(1,895)	48,193
Benefits	20,094	19,167	19,376	(209)	17,959
Purchased services	-	138,181	104,972	33,209	-
Total operation and maintenance	72,504	208,943	177,838	31,105	66,152
Total undistributed expenditures	714,005	879,166	808,674	70,492	686,616
Total expenditures	1,978,744	2,071,676	1,976,734	94,942	1,955,325
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Special appropriations	\$ 19,593,423	\$ 19,847,843	\$ 19,847,843	\$ -	\$ 19,234,960
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	14,628,548	14,856,393	14,671,005	185,388	14,421,932
Benefits	4,964,875	4,991,450	5,176,838	(185,388)	4,813,028
Total expenditures	19,593,423	19,847,843	19,847,843	-	19,234,960
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Safe and drug free schools act	\$ 198,079	\$ 193,256	\$ 168,371	\$ (24,885)	\$ 201,392
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Instructional staff support					
Salaries	70,872	72,789	68,629	4,160	69,879
Benefits	19,311	27,876	21,126	6,750	19,200
Purchased services	72,276	63,000	53,601	9,399	65,666
Supplies	31,400	25,802	21,714	4,088	42,698
Other	4,220	3,789	3,301	488	3,949
Total undistributed expenditures	198,079	193,256	168,371	24,885	201,392
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources	\$ 565,777	\$ 761,454	\$ 740,651	\$ (20,803)	\$ 489,640
Federal sources	225,990	234,812	215,380	(19,432)	281,090
Total revenues	791,767	996,266	956,031	(40,235)	770,730
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	385,153	420,638	415,347	5,291	328,118
Benefits	127,531	167,717	156,499	11,218	111,768
Supplies	9,213	-	-	-	12,664
Total regular programs	521,897	588,355	571,846	16,509	452,550
Special programs					
Instruction					
Salaries	93,824	142,449	131,196	11,253	111,263
Benefits	17,933	30,920	26,839	4,081	20,770
Total instruction	111,757	173,369	158,035	15,334	132,033
Instructional staff support					
Salaries	55,709	33,237	32,686	551	81,327
Benefits	15,589	10,260	9,725	535	24,495
Purchased services	1,055	3,000	1,158	1,842	3,854
Supplies	35,550	6,133	5,691	442	29,510
Other	6,330	8,813	8,085	728	9,872
Total instructional staff support	114,233	61,443	57,345	4,098	149,058
Total special programs	225,990	234,812	215,380	19,432	281,091
Undistributed expenditures					
Instructional staff support					
Salaries	4,951	6,652	6,652	-	4,692
Purchased services	20,729	87,940	84,290	3,650	15,200
Other	18,200	78,507	77,863	644	17,197
Total undistributed expenditures	43,880	173,099	168,805	4,294	37,089
Total expenditures	791,767	996,266	956,031	40,235	770,730
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Special appropriation	\$ 5,539,709	\$ 4,155,664	\$ 4,155,664	\$ -	\$ 6,301,368
<b>EXPENDITURES</b>					
Current:					
Regular programs:					
Instruction					
Salaries	744,830	574,556	574,556	-	672,000
Benefits	3,794,879	3,151,829	3,151,829	-	3,647,100
Total regular programs	4,539,709	3,726,385	3,726,385	-	4,319,100
Capital outlay					
Building acquisition and construction					
Purchased services	-	400,064	400,064	-	15,185
Property	1,000,000	29,215	29,215	-	1,886,720
Other	-	-	-	-	80,363
Total capital outlay	1,000,000	429,279	429,279	-	1,982,268
Total expenditures	5,539,709	4,155,664	4,155,664	-	6,301,368
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Legislative appropriation	\$ 7,665,201	\$ 6,169,670	\$ 4,539,455	\$ (1,630,215)	\$ 12,073,000
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	3,964,237	2,458,593	1,939,633	518,960	5,440,112
Benefits	1,012,854	682,627	505,434	177,193	1,417,425
Purchased services	607,212	180,943	23,856	157,087	1,078,830
Supplies	1,732,802	506,079	377,165	128,914	3,723,909
Property	28,591	-	-	-	40,903
Other	18,553	154,738	154,738	-	24,091
Total regular programs	7,364,249	3,982,980	3,000,826	982,154	11,725,270
Undistributed expenditures					
Instructional staff support					
Salaries	24,100	1,079,415	829,133	250,282	25,234
Benefits	5,882	328,896	251,533	77,363	6,509
Purchased services	270,970	165,480	106,957	58,523	315,987
Supplies	-	37,954	18,035	19,919	-
Other	-	112,890	112,890	-	-
Total instructional staff support	300,952	1,724,635	1,318,548	406,087	347,730
General administration					
Salaries	-	226,254	131,518	94,736	-
Benefits	-	75,026	38,932	36,094	-
Purchased services	-	134,361	23,217	111,144	-
Other	-	26,414	26,414	-	-
Total general administration	-	462,055	220,081	241,974	-
Total undistributed expenditures	300,952	2,186,690	1,538,629	648,061	347,730
Total expenditures	7,665,201	6,169,670	4,539,455	1,630,215	12,073,000
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Reading grants	\$ 1,377,818	\$ 1,206,405	\$ 1,147,392	\$ (59,013)	\$ 1,380,791
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	571,549	560,018	553,727	6,291	555,898
Benefits	167,026	191,977	178,365	13,612	166,468
Purchased services	57,052	8,156	5,171	2,985	55,520
Supplies	80,811	20,903	17,709	3,194	118,177
Other	502	5,120	5,120	-	399
Total regular programs	876,940	786,174	760,092	26,082	896,462
Undistributed expenditures					
Student support					
Salaries	107,371	108,466	98,703	9,763	101,841
Benefits	35,365	36,782	31,973	4,809	32,632
Purchased services	52,224	44,547	29,462	15,085	50,903
Supplies	31,054	6,319	5,510	809	35,745
Other	270,388	210,062	208,434	1,628	258,967
Total student support	496,402	406,176	374,082	32,094	480,088
Instructional staff support					
Salaries	4,410	12,620	12,180	440	4,180
Benefits	66	240	172	68	61
Supplies	-	688	386	302	-
Other	-	507	480	27	-
Total instructional staff support	4,476	14,055	13,218	837	4,241
Total undistributed expenditures	500,878	420,231	387,300	32,931	484,329
Total expenditures	1,377,818	1,206,405	1,147,392	59,013	1,380,791
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Contributions	\$ 90,000	\$ 250,000	\$ 241,026	\$ (8,974)	\$ 79,378
Federal sources:					
21st Century	1,549,549	2,826,501	2,057,568	(768,933)	1,407,259
Total revenues	1,639,549	3,076,501	2,298,594	(777,907)	1,486,637
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	866,548	1,328,434	1,145,778	182,656	865,191
Benefits	148,492	275,740	199,366	76,374	149,512
Purchased services	265,258	436,746	287,977	148,769	180,684
Supplies	79,928	206,076	113,667	92,409	39,376
Other	16,762	30,113	18,262	11,851	7,638
Total regular programs	1,376,988	2,277,109	1,765,050	512,059	1,242,401
Undistributed expenditures					
Instructional staff support					
Salaries	153,888	353,966	294,825	59,141	146,959
Benefits	36,478	75,761	63,183	12,578	37,040
Purchased services	13,715	117,163	81,764	35,399	13,200
Supplies	5,599	159,306	21,741	137,565	71
Other	52,881	93,196	72,031	21,165	46,966
Total undistributed expenditures	262,561	799,392	533,544	265,848	244,236
Total expenditures	1,639,549	3,076,501	2,298,594	777,907	1,486,637
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Title II, Part A	\$ 1,921,959	\$ 1,856,590	\$ 1,648,999	\$ (207,591)	\$ 1,727,162
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Instructional staff support					
Salaries	860,843	876,146	792,315	83,831	825,037
Benefits	132,452	245,173	215,353	29,820	144,775
Purchased services	687,094	543,433	467,369	76,064	539,151
Supplies	157,945	123,018	108,928	14,090	145,206
Other	83,625	68,820	65,034	3,786	72,993
Total expenditures	1,921,959	1,856,590	1,648,999	207,591	1,727,162
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Title III - English language acquisition	\$ 1,186,280	\$ 927,767	\$ 854,467	\$ (73,300)	\$ 1,175,520
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	619,828	530,074	519,809	10,265	534,308
Benefits	198,340	239,316	189,457	49,859	179,492
Purchased services	142,315	47,000	45,299	1,701	107,624
Supplies	200,556	56,376	56,134	242	331,537
Other	25,241	-	-	-	22,559
Total regular programs	1,186,280	872,766	810,699	62,067	1,175,520
Undistributed expenditures					
Instructional staff support					
Purchased services	-	31,710	26,528	5,182	-
Supplies	-	5,100	1,074	4,026	-
Other	-	18,191	16,166	2,025	-
Total undistributed expenditures	-	55,001	43,768	11,233	-
Total expenditures	1,186,280	927,767	854,467	73,300	1,175,520
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Legislative appropriation	\$ 2,290,386	\$ 2,586,300	\$ 2,322,470	\$ (263,830)	\$ 2,217,211
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Instructional staff support					
Salaries	1,164,024	1,501,460	1,430,805	70,655	1,111,168
Benefits	301,402	409,495	391,227	18,268	285,451
Purchased services	453,331	417,186	283,914	133,272	465,058
Supplies	282,767	154,595	128,942	25,653	267,343
Property	13,537	-	-	-	12,831
Other	75,325	103,564	87,582	15,982	75,360
Total expenditures	2,290,386	2,586,300	2,322,470	263,830	2,217,211
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 250,000	\$ 844,542	\$ 512,969	\$ (331,573)	\$ 227,426
Federal sources	418,427	748,969	748,969	-	347,244
Total revenues	668,427	1,593,511	1,261,938	(331,573)	574,670
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Purchased services	30,119	145,549	223,455	(77,906)	13,415
Supplies	44,319	398,466	42,594	355,872	29,745
Other	134,793	-	146,060	(146,060)	127,765
Total regular programs	209,231	544,015	412,109	131,906	170,925
Undistributed expenditures					
Student support					
Salaries	147,960	402,622	340,045	62,577	138,527
Benefits	42,740	141,958	110,224	31,734	44,106
Purchased services	175,659	283,719	217,711	66,008	125,057
Supplies	24,517	77,143	62,042	15,101	27,276
Other	19,745	116,478	106,736	9,742	12,958
Total student support	410,621	1,021,920	836,758	185,162	347,924
Instructional staff support					
Purchased services	16,616	12,206	1,392	10,814	18,383
Supplies	3,418	2,485	1,451	1,034	3,927
Other	3,060	1,113	834	279	1,887
Total instructional staff support	23,094	15,804	3,677	12,127	24,197
Other support					
Salaries	-	3,132	1,495	1,637	2,330
Benefits	-	280	123	157	195
Purchased services	15,769	8,360	7,776	584	19,894
Supplies	9,712	-	-	-	9,205
Total other support	25,481	11,772	9,394	2,378	31,624
Total undistributed expenditures	459,196	1,049,496	849,829	199,667	403,745
Total expenditures	668,427	1,593,511	1,261,938	331,573	574,670
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Foundations	\$ 760,169	\$ 1,155,082	\$ 881,690	\$ (273,392)	\$ 766,598
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	174,300	303,241	259,997	43,244	153,274
Benefits	4,580	26,645	17,587	9,058	3,982
Purchased services	38,005	48,124	33,917	14,207	22,671
Supplies	334,425	369,872	284,515	85,357	370,329
Property	52,687	72,682	72,382	300	65,740
Other	-	1,000	1,000	-	-
Total regular programs	603,997	821,564	669,398	152,166	615,996
Undistributed expenditures					
Student support					
Salaries	-	9,960	3,331	6,629	-
Benefits	-	1,063	855	208	-
Purchased services	56,468	58,755	17,590	41,165	53,525
Supplies	50,882	79,885	40,774	39,111	48,928
Property	-	147,000	139,501	7,499	-
Other	-	18,737	9,160	9,577	-
Total student support	107,350	315,400	211,211	104,189	102,453
Instructional staff support					
Salaries	-	780	-	780	-
Benefits	-	80	-	80	-
Purchased services	-	13,000	-	13,000	-
Supplies	-	605	382	223	-
Total instructional staff support	-	14,465	382	14,083	-
Central support					
Purchased services	5,355	1,658	699	959	8,712
Supplies	17,646	1,414	-	1,414	15,041
Property	25,821	581	-	581	24,396
Total central support	48,822	3,653	699	2,954	48,149
Total undistributed expenditures	156,172	333,518	212,292	121,226	150,602
Total expenditures	760,169	1,155,082	881,690	273,392	766,598
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
State sources:					
Legislative appropriation	\$ 3,843,983	\$ 4,637,052	\$ 4,637,052	\$ -	\$ 3,768,611
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	2,889,387	3,379,132	3,340,828	38,304	2,666,471
Benefits	954,596	1,257,920	1,296,224	(38,304)	1,102,140
Total expenditures	3,843,983	4,637,052	4,637,052	-	3,768,611
Net change in fund balances	-	-	-	-	-
<b>FUND BALANCE, July 1</b>	-	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Federal sources:					
Medicaid	\$ 250,000	\$ 860,813	\$ 559,608	\$ (301,205)	\$ 693,903
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	67,882	100,000	33,393	66,607	62,046
Benefits	20,610	25,000	6,982	18,018	17,610
Purchased services	181,227	225,000	355,137	(130,137)	303,263
Supplies	45,008	100,000	40,987	59,013	78,347
Property	20,966	-	10,168	(10,168)	27,269
Total regular programs	335,693	450,000	446,667	3,333	488,535
Undistributed expenditures					
Student support					
Salaries	-	421,940	25,978	395,962	-
Benefits	-	50,000	5,728	44,272	-
Total student support	-	471,940	31,706	440,234	-
School administration					
Salaries	-	35,000	23,665	11,335	-
Benefits	-	-	7,366	(7,366)	-
Total school administration	-	35,000	31,031	3,969	-
Total undistributed expenditures	-	506,940	62,737	444,203	-
Total expenditures	335,693	956,940	509,404	447,536	488,535
Net change in fund balances	(85,693)	(96,127)	50,204	146,331	205,368
<b>FUND BALANCE, July 1</b>	381,590	397,332	397,332	-	191,964
<b>FUND BALANCE, June 30</b>	\$ 295,897	\$ 301,205	\$ 447,536	\$ 146,331	\$ 397,332

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 526,090	\$ 596,090	\$ 550,763	\$ (45,327)	\$ 438,086
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	499,900	454,881	438,330	16,551	390,940
Benefits	12,770	82,770	90,139	(7,369)	74,122
Total regular programs	512,670	537,651	528,469	9,182	465,062
Undistributed expenditures					
Student support					
Salaries	1,300	-	-	-	78
Benefits	120	-	-	-	10
Total student support	1,420	-	-	-	88
Instructional staff support					
Salaries	6,000	3,000	2,330	670	2,247
Benefits	-	1,000	896	104	832
Total instructional staff support	6,000	4,000	3,226	774	3,079
Operation and maintenance					
Salaries	6,000	14,000	13,010	990	1,569
Benefits	-	8,000	6,058	1,942	727
Total operation and maintenance	6,000	22,000	19,068	2,932	2,296
Total undistributed expenditures	13,420	26,000	22,294	3,706	5,463
Total expenditures	526,090	563,651	550,763	12,888	470,525
Net change in fund balances	-	32,439	-	(32,439)	(32,439)
<b>FUND BALANCE, July 1</b>	32,439	-	-	-	32,439
<b>FUND BALANCE, June 30</b>	\$ 32,439	\$ 32,439	\$ -	\$ (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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 310,000	\$ 310,000	\$ 378,599	\$ 68,599	\$ 442,300
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	125,000	-	-	-	136,081
Benefits	7,750	-	-	-	5,931
Purchased services	71,107	-	-	-	108,228
Supplies	17,419	-	-	-	15,549
Other	12,000	-	-	-	16,980
Total regular programs	233,276	-	-	-	282,769
Undistributed expenditures					
School administration					
Salaries	124,500	136,258	126,040	10,218	119,635
Benefits	35,500	35,500	36,695	(1,195)	32,433
Total school administration	160,000	171,758	162,735	9,023	152,068
Community service programs					
Salaries	-	175,000	150,501	24,499	-
Benefits	-	9,000	8,080	920	-
Purchased services	-	130,000	103,539	26,461	-
Supplies	-	15,000	11,233	3,767	-
Other	-	1,000	1,866	(866)	-
Total community service programs	-	330,000	275,219	54,781	-
Total undistributed expenditures	160,000	501,758	437,954	63,804	152,068
Total expenditures	393,276	501,758	437,954	63,804	434,837
Net change in fund balances	(83,276)	(191,758)	(59,355)	132,403	7,463
<b>FUND BALANCE, July 1</b>	203,661	312,143	312,143	-	304,680
<b>FUND BALANCE, June 30</b>	\$ 120,385	\$ 120,385	\$ 252,788	\$ 132,403	\$ 312,143

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 600,000	\$ 600,000	\$ 1,168,599	\$ 568,599	\$ 378,520
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	223,926	223,926	79,828	144,098	69,669
Benefits	13,833	13,833	4,380	9,453	7,201
Purchased services	57,164	177,164	87,617	89,547	40,285
Supplies	340,502	420,502	210,599	209,903	129,922
Property	569	153,392	114,497	38,895	28,235
Other	-	20,000	19,741	259	25,927
Total regular programs	635,994	1,008,817	516,662	492,155	301,239
Capital outlay:					
Building Improvement					
Purchased services	-	40,000	19,509	20,491	-
Total expenditures	635,994	1,048,817	536,171	512,646	301,239
Net change in fund balances	(35,994)	(448,817)	632,428	1,081,245	77,281
<b>FUND BALANCE, July 1</b>	412,851	825,674	825,674	-	748,393
<b>FUND BALANCE, June 30</b>	\$ 376,857	\$ 376,857	\$ 1,458,102	\$ 1,081,245	\$ 825,674

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>REVENUES</b>					
Local sources	\$ 400,000	\$ 400,000	\$ 549,395	\$ 149,395	\$ 508,192
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	5,000,000	5,000,000	-	(5,000,000)	4,000,000
Transfers out	-	-	(2,045,888)	(2,045,888)	-
Total other financing sources (uses)	5,000,000	5,000,000	(2,045,888)	(7,045,888)	4,000,000
Net change in fund balances	5,400,000	5,400,000	(1,496,493)	(6,896,493)	4,508,192
<b>FUND BALANCE, July 1</b>	<u>12,872,934</u>	<u>12,872,934</u>	<u>13,041,126</u>	<u>168,192</u>	<u>8,532,934</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 18,272,934</u>	<u>\$ 18,272,934</u>	<u>\$ 11,544,633</u>	<u>\$ (6,728,301)</u>	<u>\$ 13,041,126</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, 2008  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>EXPENDITURES</b>					
Current:					
Regular programs					
Instruction					
Salaries	\$ 7,500	\$ 7,500	\$ 2,061	\$ 5,439	\$ 3,060
Benefits	500	500	41	459	61
Purchased services	5,098	5,098	582	4,516	1,600
Supplies	37,367	37,367	497	36,870	53,703
Total expenditures	50,465	50,465	3,181	47,284	58,424
<b>OTHER FINANCING SOURCES</b>					
Transfers in	-	-	-	-	50,000
Net change in fund balances	(50,465)	(50,465)	(3,181)	47,284	(8,424)
<b>FUND BALANCE, July 1</b>	50,465	50,465	42,041	(8,424)	50,465
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ 38,860	\$ 38,860	\$ 42,041

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources	\$ 440,000	\$ 440,000	\$ 520,432	\$ 80,432	\$ 580,332
<b>EXPENDITURES</b>					
Undistributed expenditures					
General administration					
Salaries	75,000	80,000	67,073	12,927	81,438
Benefits	355,400	318,400	230,912	87,488	222,198
Purchased services	9,600	39,600	18,448	21,152	20,901
Supplies	-	1,000	30	970	7,784
Other	-	1,000	365	635	-
Total expenditures	440,000	440,000	316,828	123,172	332,321
Net change in fund balances	-	-	203,604	203,604	248,011
<b>FUND BALANCE, July 1</b>	93,112	93,112	341,123	248,011	93,112
<b>FUND BALANCE, June 30</b>	\$ 93,112	\$ 93,112	\$ 544,727	\$ 451,615	\$ 341,123

# **Debt Service**

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# **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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 54,387,468	\$ 54,387,468	\$ 55,343,712	\$ 956,244	\$ 51,692,753
Earnings on investments	1,400,000	1,400,000	2,855,983	1,455,983	2,189,190
Net increase in the fair value of investments	-	-	834,491	834,491	907,378
Total revenues	<u>55,787,468</u>	<u>55,787,468</u>	<u>59,034,186</u>	<u>3,246,718</u>	<u>54,789,321</u>
<b>EXPENDITURES</b>					
Debt service:					
Principal	32,269,872	32,269,872	32,277,384	(7,512)	29,302,637
Interest	22,771,229	22,771,229	22,752,490	18,739	20,276,179
Bond issuance costs	-	-	-	-	167,674
Other	100,000	100,000	14,351	85,649	14,900
Total expenditures	<u>55,141,101</u>	<u>55,141,101</u>	<u>55,044,225</u>	<u>96,876</u>	<u>49,761,390</u>
Excess of revenues over expenditures	<u>646,367</u>	<u>646,367</u>	<u>3,989,961</u>	<u>3,343,594</u>	<u>5,027,931</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds of refunding bonds	-	-	-	-	66,585,000
Payment to refunded bonds escrow agent	-	-	-	-	(67,010,175)
Transfers in	3,774,276	3,774,276	3,774,276	-	3,332,918
Total other financing sources (uses)	<u>3,774,276</u>	<u>3,774,276</u>	<u>3,774,276</u>	<u>-</u>	<u>2,907,743</u>
Net change in fund balances	4,420,643	4,420,643	7,764,237	3,343,594	7,935,674
<b>FUND BALANCE, July 1</b>	<u>52,179,006</u>	<u>52,179,006</u>	<u>55,405,942</u>	<u>3,226,936</u>	<u>47,470,268</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 56,599,649</u>	<u>\$ 56,599,649</u>	<u>\$ 63,170,179</u>	<u>\$ 6,570,530</u>	<u>\$ 55,405,942</u>

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# Capital Projects Funds

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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:

**Government Services Tax Fund:**

To account for capital projects funded with Government Services Taxes.

**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.

**WASHOE COUNTY SCHOOL DISTRICT  
2008 BOND ROLLOVER FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>2008 BUDGET</u>		<u>2008</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Local sources:				
Earnings on investments	\$ -	\$ -	\$ 385,282	\$ 385,282
<b>EXPENDITURES</b>				
Current:				
Undistributed expenditures				
Business support				
Property	-	100,000	-	100,000
Capital outlay, facilities acquisition and construction:				
Site improvement				
Purchased services	-	5,000,000	536,066	4,463,934
Architecture and engineering services				
Purchased services	-	2,000,000	292,859	1,707,141
Building acquisition and construction				
Salaries	-	-	4,189	(4,189)
Benefits	-	-	1,257	(1,257)
Purchased services	-	15,000,000	510,485	14,489,515
Property	-	-	37,545	(37,545)
Other	-	-	481,109	(481,109)
Total building acquisition and construction	-	15,000,000	1,034,585	13,965,415
Building improvement				
Purchased services	-	8,000,000	773,283	7,226,717
Property	-	-	41,328	(41,328)
Other	-	-	877	(877)
Total building improvement	-	8,000,000	815,488	7,184,512
Total capital outlay, facilities acquisition and construction	-	30,000,000	2,678,998	27,321,002
Debt service:				
Bond issuance costs	-	400,000	351,480	48,520
Total expenditures	-	30,500,000	3,030,478	27,469,522
Excess (deficiency) of revenues over expenditures	-	(30,500,000)	(2,645,196)	27,854,804
<b>OTHER FINANCING SOURCES</b>				
Bonds issued	-	55,000,000	55,000,000	-
Bond premium	-	701,953	701,953	-
Total other financing sources	-	55,701,953	55,701,953	-
Net change in fund balances	-	25,201,953	53,056,757	27,854,804
<b>FUND BALANCE, July 1</b>	-	-	-	-
<b>FUND BALANCE, June 30</b>	\$ -	\$ 25,201,953	\$ 53,056,757	\$ 27,854,804

**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, 2008  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 2,749,948	\$ 2,749,948	\$ 469,293
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support					
Salaries	-	-	976,256	(976,256)	-
Benefits	-	-	281,592	(281,592)	-
Purchased services	-	4,750,000	5,311	4,744,689	-
Supplies	-	-	103	(103)	-
Property	-	-	115,219	(115,219)	-
Other	-	-	-	-	8,099
Total business support	-	4,750,000	1,378,481	3,371,519	8,099
Central support					
Salaries	-	-	26,592	(26,592)	-
Benefits	-	-	14,046	(14,046)	-
Purchased services	-	350,000	95,481	254,519	-
Supplies	-	-	38,754	(38,754)	-
Total central support	-	350,000	174,873	175,127	-
Total undistributed expenditures	-	5,100,000	1,553,354	3,546,646	8,099
Capital outlay, facilities acquisition and construction:					
Site improvement					
Purchased services	-	400,000	-	400,000	-
Architecture and engineering services					
Salaries	-	-	930	(930)	-
Benefits	-	-	279	(279)	-
Purchased services	1,740,344	7,390,344	1,187,605	6,202,739	209,587
Other	-	-	30,504	(30,504)	-
Total architecture and engineering services	1,740,344	7,390,344	1,219,318	6,171,026	209,587
Building acquisition and construction					
Salaries	-	-	10,832	(10,832)	-
Benefits	-	-	3,250	(3,250)	-
Purchased services	537,693	46,287,692	7,888,060	38,399,632	-
Supplies	522	522	-	522	-
Property	37,237	37,237	28,315	8,922	17,158
Total building acquisition and construction	575,452	46,325,451	7,930,457	38,394,994	17,158

(CONTINUED)

**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, 2008  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Building improvement					
Salaries	\$ -	\$ -	\$ 5,530	\$ (5,530)	\$ -
Benefits	-	-	1,641	(1,641)	-
Purchased services	-	5,857,329	835,464	5,021,865	-
Property	1,620	1,620	296,554	(294,934)	-
Other	-	-	30,334	(30,334)	-
Total building improvement	<u>1,620</u>	<u>5,858,949</u>	<u>1,169,523</u>	<u>4,689,426</u>	<u>-</u>
Total capital outlay, facilities acquisition and construction	<u>2,317,416</u>	<u>59,974,744</u>	<u>10,319,298</u>	<u>49,655,446</u>	<u>226,745</u>
Debt service:					
Bond issuance costs	-	-	-	-	344,122
Total expenditures	<u>2,317,416</u>	<u>65,074,744</u>	<u>11,872,652</u>	<u>53,202,092</u>	<u>578,966</u>
Excess (deficiency) of revenues over expenditures	<u>(2,317,416)</u>	<u>(65,074,744)</u>	<u>(9,122,704)</u>	<u>55,952,040</u>	<u>(109,673)</u>
<b>OTHER FINANCING SOURCES</b>					
Bonds issued	-	-	-	-	65,000,000
Bond premium	-	-	-	-	184,417
Total other financing sources	-	-	-	-	65,184,417
Net change in fund balances	(2,317,416)	(65,074,744)	(9,122,704)	55,952,040	65,074,744
<b>FUND BALANCE, July 1</b>	<u>2,317,416</u>	<u>65,074,744</u>	<u>65,074,744</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,952,040</u>	<u>\$ 55,952,040</u>	<u>\$ 65,074,744</u>

**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, 2008  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 790,567	\$ 790,567	\$ 1,051,858
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support					
Purchased services	533,077	1,073,735	434,987	638,748	543,018
Supplies	-	-	-	-	178,018
Total business support	533,077	1,073,735	434,987	638,748	721,036
Central support					
Purchased services	182,028	682,028	287,214	394,814	171,131
Supplies	-	-	9,623	(9,623)	28,428
Property	-	-	13,908	(13,908)	315,739
Total central support	182,028	682,028	310,745	371,283	515,298
Total undistributed expenditures	715,105	1,755,763	745,732	1,010,031	1,236,334
Capital outlay, facilities acquisition and construction:					
Land acquisition					
Purchased services	-	100,000	24,980	75,020	-
Property	-	4,000,000	-	4,000,000	-
Other	-	-	553,752	(553,752)	-
Total land acquisition	-	4,100,000	578,732	3,521,268	-
Site improvement					
Salaries	-	-	19,298	(19,298)	-
Benefits	-	-	5,789	(5,789)	-
Purchased services	695,438	1,753,329	620,710	1,132,619	1,079,857
Property	-	-	-	-	19,700
Total site improvement	695,438	1,753,329	645,797	1,107,532	1,099,557
Architecture and engineering services					
Salaries	-	-	17,206	(17,206)	-
Benefits	-	-	5,162	(5,162)	-
Purchased services	191,942	2,875,097	834,380	2,040,717	567,320
Other	-	-	12,542	(12,542)	15,525
Total architecture and engineering services	191,942	2,875,097	869,290	2,005,807	582,845
Building acquisition and construction					
Salaries	-	-	12,626	(12,626)	-
Benefits	-	-	3,788	(3,788)	-
Purchased services	247,992	1,297,992	230,298	1,067,694	-
Supplies	-	-	522	(522)	-
Property	-	-	18,304	(18,304)	-
Other	-	-	3,825	(3,825)	-
Total building acquisition and construction	247,992	1,297,992	269,363	1,028,629	-

**(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, 2008  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Building improvement					
Salaries	\$ -	\$ -	\$ 339,980	\$ (339,980)	\$ 63,320
Benefits	-	-	92,323	(92,323)	27,555
Purchased services	1,453,897	8,603,897	3,899,931	4,703,966	4,699,902
Supplies	419	419	7,971	(7,552)	38,396
Property	343,878	343,878	564,845	(220,967)	1,189,080
Other	-	-	1,220	(1,220)	1,820
Total building improvement	1,798,194	8,948,194	4,906,270	4,041,924	6,020,073
Total capital outlay, facilities acquisition and construction	2,933,566	18,974,612	7,269,452	11,705,160	7,702,475
Total expenditures	3,648,671	20,730,375	8,015,184	12,715,191	8,938,809
Excess (deficiency) of revenues over expenditures	(3,648,671)	(20,730,375)	(7,224,617)	13,505,758	(7,886,951)
Net change in fund balances	(3,648,671)	(20,730,375)	(7,224,617)	13,505,758	(7,886,951)
<b>FUND BALANCE, July 1</b>	3,648,671	20,730,375	20,730,375	-	28,617,326
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ 13,505,758	\$ 13,505,758	\$ 20,730,375

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ 369,097	\$ 369,097	\$ 648,825
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support					
Salaries	-	1,177,000	128,351	1,048,649	1,175,789
Benefits	-	-	48,261	(48,261)	344,222
Purchased services	3,715	661,715	266,985	394,730	321,189
Supplies	3,087	3,087	22,887	(19,800)	26,059
Property	10,771	25,770	149,291	(123,521)	171,920
Other	-	-	950	(950)	1,337
Total undistributed expenditures	17,573	1,867,572	616,725	1,250,847	2,040,516
Capital outlay, facilities acquisition and construction:					
Land acquisition					
Supplies	-	-	-	-	3,022
Site improvement					
Salaries	-	-	809	(809)	2,204
Benefits	-	-	243	(243)	691
Purchased services	301,815	1,321,815	385,347	936,468	22,659
Other	-	-	-	-	32
Total site improvement	301,815	1,321,815	386,399	935,416	25,586
Architecture and engineering services					
Salaries	-	-	10,938	(10,938)	-
Benefits	-	5,000	3,282	1,718	-
Purchased services	818,586	2,193,693	1,085,795	1,107,898	392,766
Other	-	-	22,002	(22,002)	-
Total architecture and engineering services	818,586	2,198,693	1,122,017	1,076,676	392,766
Building acquisition and construction					
Salaries	-	2,750	9,445	(6,695)	46,380
Benefits	-	250	2,833	(2,583)	12,132
Purchased services	55,791	152,791	80,529	72,262	3,489,383
Supplies	17,311	20,311	48,051	(27,740)	654,561
Property	13,473	10,473	17,176	(6,703)	2,775,796
Other	-	-	-	-	5,094
Total building acquisition and construction	86,575	186,575	158,034	28,541	6,983,346

**(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Building improvement					
Salaries	\$ -	\$ 313,500	\$ 194,901	\$ 118,599	\$ 244,994
Benefits	-	50,000	69,371	(19,371)	86,316
Purchased services	540,103	6,722,191	3,365,261	3,356,930	343,092
Supplies	-	-	167,144	(167,144)	171,009
Property	10,000	1,165,000	1,558,768	(393,768)	235,430
Other	-	-	11,874	(11,874)	80
Total building improvement	<u>550,103</u>	<u>8,250,691</u>	<u>5,367,319</u>	<u>2,883,372</u>	<u>1,080,921</u>
Total capital outlay, facilities acquisition and construction	<u>1,757,079</u>	<u>11,957,774</u>	<u>7,033,769</u>	<u>4,924,005</u>	<u>8,485,641</u>
Total expenditures	<u>1,774,652</u>	<u>13,825,346</u>	<u>7,650,494</u>	<u>6,174,852</u>	<u>10,526,157</u>
Net change in fund balances	(1,774,652)	(13,825,346)	(7,281,397)	6,543,949	(9,877,332)
<b>FUND BALANCE, July 1</b>	<u>1,774,652</u>	<u>13,825,346</u>	<u>13,825,346</u>	-	<u>23,702,678</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,543,949</u>	<u>\$ 6,543,949</u>	<u>\$ 13,825,346</u>

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ 150,000	\$ 107,928	\$ (42,072)	\$ 172,195
Other	-	-	-	-	15,228
Total revenues	-	150,000	107,928	(42,072)	187,423
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support					
Salaries	-	-	-	-	158,995
Benefits	-	-	-	-	41,465
Purchased services	-	70,000	92	69,908	6,206
Supplies	-	-	174	(174)	-
Property	-	-	-	-	2,567
Total undistributed expenditures	-	70,000	266	69,734	209,233
Capital outlay, facilities acquisition and construction:					
Site improvement					
Salaries	-	-	-	-	33,307
Benefits	-	-	-	-	9,940
Purchased services	-	105,000	90,275	14,725	191,566
Total site improvement	-	105,000	90,275	14,725	234,813
Architecture and engineering services					
Salaries	-	-	16,233	(16,233)	-
Benefits	-	-	4,870	(4,870)	-
Purchased services	280,849	1,450,001	593,817	856,184	1,400,610
Other	-	-	398,393	(398,393)	-
Total architecture and engineering services	280,849	1,450,001	1,013,313	436,688	1,400,610
Building acquisition and construction					
Salaries	-	-	192	(192)	-
Benefits	-	-	58	(58)	-
Purchased services	-	20,000	1,894	18,106	187,294
Supplies	-	-	1,451	(1,451)	449,648
Property	-	-	-	-	141,011
Other	-	-	-	-	375
Total building acquisition and construction	-	20,000	3,595	16,405	778,328

(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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Building improvement					
Salaries	\$ -	\$ 115,500	\$ 53,696	\$ 61,804	\$ 161,782
Benefits	-	-	3,991	(3,991)	40,404
Purchased services	598,423	2,559,524	1,116,696	1,442,828	315,580
Supplies	-	-	200,086	(200,086)	805
Property	1,000	176,000	287,111	(111,111)	119,130
Other	-	-	2,203	(2,203)	16
Total building improvement	<u>599,423</u>	<u>2,851,024</u>	<u>1,663,783</u>	<u>1,187,241</u>	<u>637,717</u>
Total capital outlay, facilities acquisition and construction	<u>880,272</u>	<u>4,426,025</u>	<u>2,770,966</u>	<u>1,655,059</u>	<u>3,051,468</u>
Total expenditures	<u>880,272</u>	<u>4,496,025</u>	<u>2,771,232</u>	<u>1,724,793</u>	<u>3,260,701</u>
Net change in fund balances	(880,272)	(4,346,025)	(2,663,304)	1,682,721	(3,073,278)
<b>FUND BALANCE, July 1</b>	<u>880,272</u>	<u>4,346,025</u>	<u>4,346,025</u>	<u>-</u>	<u>7,419,303</u>
<b>FUND BALANCE, June 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,682,721</u>	<u>\$ 1,682,721</u>	<u>\$ 4,346,025</u>

**WASHOE COUNTY SCHOOL DISTRICT  
2002 BOND ROLLOVER FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ 50,000	\$ 17,663	\$ (32,337)	\$ 43,756
<b>EXPENDITURES</b>					
Capital outlay, facilities acquisition and construction:					
Architecture and engineering services					
Purchased services	90,410	177,322	133,810	43,512	140,996
Building acquisition and construction					
Purchased services	-	500	74	426	314,198
Property	-	-	-	-	59
Other	-	-	-	-	16
Total building acquisition and construction	-	500	74	426	314,273
Building improvement					
Purchased services	1,142,432	1,235,234	1,190,893	44,341	221,653
Supplies	-	-	1,405	(1,405)	-
Property	-	12,770	36,050	(23,280)	-
Total building improvement	1,142,432	1,248,004	1,228,348	19,656	221,653
Total capital outlay, facilities acquisition and construction	1,232,842	1,425,826	1,362,232	63,594	676,922
Net change in fund balances	(1,232,842)	(1,375,826)	(1,344,569)	31,257	(633,166)
<b>FUND BALANCE, July 1</b>	1,232,842	1,375,826	1,375,826	-	2,008,992
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ 31,257	\$ 31,257	\$ 1,375,826

**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2008**

	<b>GOVERNMENT SERVICES TAX FUND</b>	<b>1999 BOND FUND</b>	<b>BUILDING AND SITES FUND</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Cash and investments	\$ 6,891,655	\$ 5,000	\$ 4,432,623	\$ 11,329,278
Receivables:				
Interest	13,812	-	10,287	24,099
Miscellaneous accounts	49,279	-	172	49,451
Due from other governments	311,740	-	-	311,740
	<u>7,266,486</u>	<u>5,000</u>	<u>4,443,082</u>	<u>11,714,568</u>
Total assets	<u>\$ 7,266,486</u>	<u>\$ 5,000</u>	<u>\$ 4,443,082</u>	<u>\$ 11,714,568</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 183,899	\$ -	\$ 7,675	\$ 191,574
Accrued liabilities	70,791	-	25,000	95,791
Construction contracts payable	457,454	5,000	-	462,454
	<u>712,144</u>	<u>5,000</u>	<u>32,675</u>	<u>749,819</u>
Total liabilities	<u>712,144</u>	<u>5,000</u>	<u>32,675</u>	<u>749,819</u>
<b>FUND BALANCE</b>				
Reserved for:				
Encumbrances	539,565	-	-	539,565
Construction contracts	1,336,811	-	-	1,336,811
Capital projects	383,241	-	3,176,495	3,559,736
Unreserved:				
Undesignated	4,294,725	-	1,233,912	5,528,637
	<u>6,554,342</u>	<u>-</u>	<u>4,410,407</u>	<u>10,964,749</u>
Total fund balance	<u>6,554,342</u>	<u>-</u>	<u>4,410,407</u>	<u>10,964,749</u>
Total liabilities and fund balance	<u>\$ 7,266,486</u>	<u>\$ 5,000</u>	<u>\$ 4,443,082</u>	<u>\$ 11,714,568</u>

**WASHOE COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>GOVERNMENT SERVICES TAX FUND</u>	<u>1999 BOND FUND</u>	<u>BUILDING AND SITES FUND</u>	<u>1998 BOND EXTRAORDINARY MAINTENANCE FUND</u>	<u>TOTAL</u>
<b>REVENUES</b>					
Local sources	\$ 4,887,077	\$ 4,458	\$ 709,195	\$ 25,072	\$ 5,625,802
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support	16,736	-	-	-	16,736
Capital outlay	10,102,000	59,526	1,420,688	25,072	11,607,286
Total expenditures	10,118,736	59,526	1,420,688	25,072	11,624,022
Excess (deficiency) of revenues over expenditures	(5,231,659)	(55,068)	(711,493)	-	(5,998,220)
<b>OTHER FINANCING SOURCES</b>					
Capital leases	1,403,000	-	-	-	1,403,000
Transfers in	309,000	-	-	-	309,000
Total other financing sources	1,712,000	-	-	-	1,712,000
Net change in fund balances	(3,519,659)	(55,068)	(711,493)	-	(4,286,220)
<b>FUND BALANCE, July 1</b>	10,074,001	55,068	5,121,900	-	15,250,969
<b>FUND BALANCE, June 30</b>	\$ <u>6,554,342</u>	\$ <u>-</u>	\$ <u>4,410,407</u>	\$ <u>-</u>	\$ <u>10,964,749</u>

**WASHOE COUNTY SCHOOL DISTRICT  
GOVERNMENT SERVICES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Government services tax	\$ 2,100,000	\$ 3,500,000	\$ 3,764,216	\$ 264,216	\$ 3,842,316
Earnings on investments	10,000	10,000	300,943	290,943	435,689
Other	-	506,000	821,918	315,918	95,234
<b>Total revenues</b>	<b>2,110,000</b>	<b>4,016,000</b>	<b>4,887,077</b>	<b>871,077</b>	<b>4,373,239</b>
<b>EXPENDITURES</b>					
Current:					
Undistributed expenditures					
Business support					
Bond issuance costs	-	25,000	16,736	8,264	-
Capital outlay, facilities acquisition and construction:					
Land acquisition					
Property	-	50,000	25,000	25,000	-
Site improvement					
Salaries	-	-	5,585	(5,585)	-
Benefits	-	-	1,675	(1,675)	-
Purchased services	135,750	1,540,750	499,106	1,041,644	545,885
Other	-	-	1,190	(1,190)	5,908
<b>Total site improvement</b>	<b>135,750</b>	<b>1,540,750</b>	<b>507,556</b>	<b>1,033,194</b>	<b>551,793</b>
Architecture and engineering services					
Salaries	-	490,000	468,638	21,362	424,033
Benefits	-	174,000	137,213	36,787	123,169
Purchased services	379,439	1,097,439	645,305	452,134	447,955
Supplies	-	-	-	-	2,857
Other	-	10,000	10,364	(364)	13,577
<b>Total architecture and engineering services</b>	<b>379,439</b>	<b>1,771,439</b>	<b>1,261,520</b>	<b>509,919</b>	<b>1,011,591</b>
Building acquisition and construction					
Salaries	-	-	889	(889)	-
Benefits	-	-	267	(267)	-
Purchased services	-	-	9,244	(9,244)	2,635,321
Supplies	-	-	-	-	284,580
Property	-	3,925,000	3,077,923	847,077	1,292,673
Other	-	-	-	-	71,344
<b>Total building acquisition and construction</b>	<b>-</b>	<b>3,925,000</b>	<b>3,088,323</b>	<b>836,677</b>	<b>4,283,918</b>

**(CONTINUED)**

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Building improvement					
Salaries	\$ -	\$ -	\$ 74,346	\$ (74,346)	\$ -
Benefits	-	-	22,262	(22,262)	-
Purchased services	3,727,625	6,355,018	4,767,049	1,587,969	-
Supplies	15,012	15,012	86,519	(71,507)	-
Property	-	30,000	251,258	(221,258)	-
Other	-	2,000	18,167	(16,167)	-
Total building improvement	<u>3,742,637</u>	<u>6,402,030</u>	<u>5,219,601</u>	<u>1,182,429</u>	<u>-</u>
Total capital outlay, facilities acquisition and construction	<u>4,257,826</u>	<u>13,689,219</u>	<u>10,102,000</u>	<u>3,587,219</u>	<u>5,847,302</u>
Total expenditures	<u>4,257,826</u>	<u>13,714,219</u>	<u>10,118,736</u>	<u>3,595,483</u>	<u>5,847,302</u>
Excess (deficiency) of revenue over expenditures	<u>(2,147,826)</u>	<u>(9,698,219)</u>	<u>(5,231,659)</u>	<u>4,466,560</u>	<u>(1,474,063)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from capital lease	-	1,403,000	1,403,000	-	-
Transfers in	59,000	309,000	309,000	-	2,868,000
Contingency	-	(780)	-	780	-
Total other financing sources	<u>59,000</u>	<u>1,711,220</u>	<u>1,712,000</u>	<u>780</u>	<u>2,868,000</u>
Net change in fund balances	<u>(2,088,826)</u>	<u>(7,986,999)</u>	<u>(3,519,659)</u>	<u>4,467,340</u>	<u>1,393,937</u>
<b>FUND BALANCE, July 1</b>	<u>2,525,828</u>	<u>10,074,001</u>	<u>10,074,001</u>	<u>-</u>	<u>8,680,064</u>
<b>FUND BALANCE, June 30</b>	<u>\$ 437,002</u>	<u>\$ 2,087,002</u>	<u>\$ 6,554,342</u>	<u>\$ 4,467,340</u>	<u>\$ 10,074,001</u>

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ 10,000	\$ 4,448	\$ (5,552)	\$ 70,203
Other	-	-	10	10	49,055
Total revenues	-	10,000	4,458	(5,542)	119,258
<b>EXPENDITURES</b>					
Capital outlay, facilities acquisition and construction:					
Building acquisition and construction					
Purchased services	-	-	-	-	229
Supplies	-	-	-	-	586
Property	-	-	-	-	376
Total building acquisition and construction	-	-	-	-	1,191
Building improvement					
Salaries	-	-	14,066	(14,066)	-
Benefits	-	-	4,220	(4,220)	-
Purchased services	6,551	60,187	35,593	24,594	1,794,251
Supplies	811	811	-	811	43,093
Property	4,070	4,070	5,631	(1,561)	123,039
Other	-	-	16	(16)	60
Total building improvement	11,432	65,068	59,526	5,542	1,960,443
Total expenditures	11,432	65,068	59,526	5,542	1,961,634
Net change in fund balances	(11,432)	(55,068)	(55,068)	-	(1,842,376)
<b>FUND BALANCE, July 1</b>	11,432	55,068	55,068	-	1,897,444
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ 55,068

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Rental income	\$ -	\$ 84,000	\$ 87,497	\$ 3,497	\$ 72,150
Earnings on investments	-	189,100	222,413	33,313	149,014
Other	-	-	58,906	58,906	120,000
Sale of property	-	340,379	340,379	-	345,374
Total revenues	-	613,479	709,195	95,716	686,538
<b>EXPENDITURES</b>					
Capital outlay, facilities acquisition and construction:					
Land acquisition					
Purchased services	-	100,000	3,016	96,984	6,644
Property	-	2,326,735	1,313,746	1,012,989	-
Other	-	-	16	(16)	132
Total land acquisition	-	2,426,735	1,316,778	1,109,957	6,776
Site improvement					
Purchased services	-	50,000	4,875	45,125	-
Architecture and engineering services					
Purchased services	-	300,000	75,712	224,288	2,892
Building improvement					
Purchased services	-	2,400	2,870	(470)	53,866
Supplies	-	3,000	20,453	(17,453)	16,653
Property	-	25,600	-	25,600	-
Total building improvement	-	31,000	23,323	7,677	70,519
Total expenditures	-	2,807,735	1,420,688	1,387,047	80,187
Excess (deficiency) of revenues over expenditures	-	(2,194,256)	(711,493)	1,482,763	606,351
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	-	3,000,000
Transfers out	-	-	-	-	(50,000)
Total other financing sources	-	-	-	-	2,950,000
Net change in fund balances	-	(2,194,256)	(711,493)	1,482,763	3,556,351
<b>FUND BALANCE, July 1</b>	-	5,121,900	5,121,900	-	1,565,549
<b>FUND BALANCE, June 30</b>	\$ -	\$ 2,927,644	\$ 4,410,407	\$ 1,482,763	\$ 5,121,900

**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, 2008**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ 26,000	\$ 25,072	\$ (928)	\$ -
<b>EXPENDITURES</b>					
Capital outlay, facilities acquisition, and construction:					
Building improvement					
Purchased services	-	26,000	25,072	928	345
Net change in fund balances	-	-	-	-	(345)
<b>FUND BALANCE, July 1</b>	-	-	-	-	345
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>REVENUES</b>					
Local sources:					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ 6,910
<b>EXPENDITURES</b>					
Capital outlay, facilities acquisition, and construction:					
Site improvement					
Purchased services	-	-	-	-	668,047
Other	-	-	-	-	32
Total site improvement	-	-	-	-	668,079
Architecture and engineering services					
Purchased services	-	-	-	-	16,391
Building improvement					
Purchased services	-	-	-	-	1,022
Total expenditures	-	-	-	-	685,492
Net change in fund balances	-	-	-	-	(678,582)
<b>FUND BALANCE, July 1</b>	-	-	-	-	678,582
<b>FUND BALANCE, June 30</b>	\$ -	\$ -	\$ -	\$ -	\$ -

# Enterprise

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# 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, 2008  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2007)**

<b>ASSETS</b>	<u>2008</u>	<u>2007</u>
Current assets:		
Cash and investments	\$ 2,452,106	\$ 2,362,986
Receivables	622,555	482,786
Inventories	668,448	731,937
Prepays	380	270
	<u>3,743,489</u>	<u>3,577,979</u>
Total current assets		
Capital assets:		
Machinery and equipment	1,576,048	1,577,056
Less: Allowance for depreciation	<u>(1,171,246)</u>	<u>(1,073,811)</u>
Total capital assets	<u>404,802</u>	<u>503,245</u>
Total assets	<u>4,148,291</u>	<u>4,081,224</u>
 <b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	231,825	240,374
Accrued liabilities	502,816	348,004
Unearned revenue	<u>294,998</u>	<u>321,856</u>
Total liabilities	<u>1,029,639</u>	<u>910,234</u>
 <b>NET ASSETS</b>		
Invested in capital assets	404,802	503,245
Unrestricted	<u>2,713,850</u>	<u>2,667,745</u>
Total net assets	<u>\$ 3,118,652</u>	<u>\$ 3,170,990</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, 2008  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 6,871,130	\$ 7,171,132	\$ 6,738,145	\$ (432,987)	\$ 6,870,401
<b>OPERATING EXPENSES</b>					
Food and supplies	7,439,395	9,054,237	8,716,418	337,819	8,193,380
Salaries and benefits	7,095,446	7,816,942	7,749,467	67,475	7,315,609
Purchased services	1,032,774	1,032,774	998,407	34,367	1,002,347
Property	15,000	-	10,999	(10,999)	-
Depreciation	102,909	102,909	103,685	(776)	102,035
Other	325,396	325,396	450,019	(124,623)	360,351
Total operating expenses	<u>16,010,920</u>	<u>18,332,258</u>	<u>18,028,995</u>	<u>303,263</u>	<u>16,973,722</u>
Operating (loss)	<u>(9,139,790)</u>	<u>(11,161,126)</u>	<u>(11,290,850)</u>	<u>(129,724)</u>	<u>(10,103,321)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Federal subsidies	8,649,087	9,206,244	9,628,040	421,796	8,633,082
Commodity revenue	-	1,109,854	1,109,854	-	800,534
State matching funds	-	-	250,618	250,618	87,626
Special appropriations	92,007	92,007	-	(92,007)	53,932
Total nonoperating revenues	<u>8,741,094</u>	<u>10,408,105</u>	<u>10,988,512</u>	<u>580,407</u>	<u>9,575,174</u>
(Loss) before transfers	<u>(398,696)</u>	<u>(753,021)</u>	<u>(302,338)</u>	<u>450,683</u>	<u>(528,147)</u>
<b>TRANSFERS</b>					
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Change in net assets	(148,696)	(503,021)	(52,338)	450,683	(528,147)
<b>NET ASSETS - July 1</b>	<u>3,590,530</u>	<u>3,590,530</u>	<u>3,170,990</u>	<u>(419,540)</u>	<u>3,699,137</u>
<b>NET ASSETS - June 30</b>	<u>\$ 3,441,834</u>	<u>\$ 3,087,509</u>	<u>\$ 3,118,652</u>	<u>\$ 31,143</u>	<u>\$ 3,170,990</u>

**WASHOE COUNTY SCHOOL DISTRICT  
NUTRITION SERVICES ENTERPRISE FUND  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>					
Cash flows from operating activities:					
Cash received for services	\$ 6,871,130	\$ 7,171,132	\$ 6,781,160	\$ (389,972)	\$ 7,110,160
Cash paid for food and supplies	(7,439,395)	(7,944,383)	(7,606,564)	337,819	(7,392,846)
Cash paid for salaries and benefits	(7,095,446)	(7,816,942)	(7,749,467)	67,475	(7,315,609)
Cash payments for purchased services	(1,032,774)	(1,032,774)	(998,407)	34,367	(1,002,347)
Cash payments for property	(15,000)	-	(10,999)	(10,999)	-
Cash payments for other	(325,396)	(325,396)	(450,019)	(124,623)	(360,351)
Net cash (used) by operating activities	<u>(9,036,881)</u>	<u>(9,948,363)</u>	<u>(10,034,296)</u>	<u>(85,933)</u>	<u>(9,761,527)</u>
Cash flows from capital and related financing activities:					
Purchase of equipment	(15,000)	-	(5,242)	(5,242)	(62,883)
Cash flows from noncapital financing activities:					
Federal reimbursements	8,649,087	9,206,244	9,628,040	421,796	8,633,082
State matching funds	-	-	250,618	250,618	87,626
State grant funds	92,007	92,007	-	(92,007)	53,932
Transfer from general fund	250,000	250,000	250,000	-	-
Net cash provided by noncapital financing activities	<u>8,991,094</u>	<u>9,548,251</u>	<u>10,128,658</u>	<u>580,407</u>	<u>9,575,174</u>
Net increase (decrease) in cash and cash equivalents	(60,787)	(400,112)	89,120	489,232	(249,236)
<b>Cash and investments, July 1</b>	<u>-</u>	<u>-</u>	<u>2,362,986</u>	<u>2,362,986</u>	<u>2,612,222</u>
<b>Cash and investments, June 30</b>	<u>\$ (60,787)</u>	<u>\$ (400,112)</u>	<u>\$ 2,452,106</u>	<u>\$ 2,852,218</u>	<u>\$ 2,362,986</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating (loss)	\$ (9,139,790)	\$ (11,161,126)	\$ (11,290,850)	\$ (129,724)	\$ (10,103,321)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Depreciation	102,909	102,909	103,685	776	102,035
Commodity revenue	-	1,109,854	1,109,854	-	800,534
Changes in assets and liabilities:					
Accounts receivable	-	-	(139,769)	(139,769)	(82,022)
Inventories	-	-	63,489	63,489	18,507
Prepays	-	-	(110)	(110)	2,019
Accounts payable	-	-	(8,549)	(8,549)	(34,193)
Accrued liabilities	-	-	154,812	154,812	131,854
Unearned revenue	-	-	(26,858)	(26,858)	203,594
Total adjustments	<u>102,909</u>	<u>1,212,763</u>	<u>1,256,554</u>	<u>43,791</u>	<u>341,794</u>
Net cash (used) by operations	<u>\$ (9,036,881)</u>	<u>\$ (9,948,363)</u>	<u>\$ (10,034,296)</u>	<u>\$ (85,933)</u>	<u>\$ (9,761,527)</u>

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# Internal Service

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## 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, 2008**

	<b>INSURANCE FUND (PROPERTY CASUALTY)</b>	<b>INSURANCE FUND (HEALTH INSURANCE)</b>	<b>INSURANCE FUND (WORKERS' COMPENSATION)</b>	<b>TOTAL</b>
<b>ASSETS</b>				
Current assets:				
Cash and Investments	\$ 7,370,213	\$ 27,433,044	\$ 8,862,267	\$ 43,665,524
Accounts receivable	-	595,556	-	595,556
Accrued interest receivable	13,806	42,453	16,123	72,382
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	7,384,019	28,071,053	8,878,390	44,333,462
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	226,478	7,395	46	233,919
Accrued liabilities	15,791	14,740	1,168	31,699
Pending claims	1,210,914	7,157,758	1,495,301	9,863,973
Unearned revenue	-	7	44,205	44,212
	<hr/>	<hr/>	<hr/>	<hr/>
Total current liabilities	1,453,183	7,179,900	1,540,720	10,173,803
Noncurrent liabilities:				
Pending claims	1,469,086	-	2,528,699	3,997,785
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	2,922,269	7,179,900	4,069,419	14,171,588
<b>NET ASSETS</b>				
Unrestricted	4,461,750	20,891,153	4,808,971	30,161,874
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	\$ 4,461,750	\$ 20,891,153	\$ 4,808,971	\$ 30,161,874
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**WASHOE COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 4,211,401	\$ 52,472,831	\$ 3,303,842	\$ 59,988,074
<b>OPERATING EXPENSES</b>				
Salaries and benefits	-	61,677	-	61,677
Employee benefits	-	49,320,575	-	49,320,575
Claims and services	3,006,303	2,466,388	3,292,369	8,765,060
Total operating expenses	<u>3,006,303</u>	<u>51,848,640</u>	<u>3,292,369</u>	<u>58,147,312</u>
Operating income	<u>1,205,098</u>	<u>624,191</u>	<u>11,473</u>	<u>1,840,762</u>
<b>NONOPERATING REVENUES</b>				
Earnings on investments	<u>225,883</u>	<u>835,364</u>	<u>293,430</u>	<u>1,354,677</u>
Income before transfers	<u>1,430,981</u>	<u>1,459,555</u>	<u>304,903</u>	<u>3,195,439</u>
<b>TRANSFERS IN</b>				
General Fund	<u>-</u>	<u>2,046,612</u>	<u>-</u>	<u>2,046,612</u>
Change in net assets	1,430,981	3,506,167	304,903	5,242,051
<b>NET ASSETS - July 1</b>	<u>3,030,769</u>	<u>17,384,986</u>	<u>4,504,068</u>	<u>24,919,823</u>
<b>NET ASSETS - June 30</b>	<u>\$ 4,461,750</u>	<u>\$ 20,891,153</u>	<u>\$ 4,808,971</u>	<u>\$ 30,161,874</u>

**WASHOE COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2008**

	<b>INSURANCE FUND (PROPERTY CASUALTY)</b>	<b>INSURANCE FUND (HEALTH INSURANCE)</b>	<b>INSURANCE FUND (WORKERS' COMPENSATION)</b>	<b>TOTAL</b>
<b>INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>				
Cash flows from operating activities:				
Cash received for services	\$ 4,223,490	\$ 52,100,530	\$ 3,353,026	\$ 59,677,046
Cash paid for salaries and benefits	-	(61,677)	-	(61,677)
Cash payments for employee benefits	-	(49,320,575)	-	(49,320,575)
Cash payments for claims and services	(3,135,189)	(1,582,013)	(2,825,571)	(7,542,773)
Net cash provided by operating activities	1,088,301	1,136,265	527,455	2,752,021
Cash flows from noncapital financing activities:				
Transfer from General Fund	-	2,046,612	-	2,046,612
Cash flows from investing activities:				
Interest received on investments	225,883	835,364	293,430	1,354,677
Net increase in cash and cash equivalents	1,314,184	4,018,241	820,885	6,153,310
<b>Cash and investments, July 1</b>	<b>6,056,029</b>	<b>23,414,803</b>	<b>8,041,382</b>	<b>37,512,214</b>
<b>Cash and investments, June 30</b>	<b>\$ 7,370,213</b>	<b>\$ 27,433,044</b>	<b>\$ 8,862,267</b>	<b>\$ 43,665,524</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS</b>				
Operating income	\$ 1,205,098	\$ 624,191	\$ 11,473	\$ 1,840,762
Adjustments to reconcile operating income to net cash provided by operations:				
Changes in assets and liabilities:				
Accounts receivable	12,089	(372,248)	4,979	(355,180)
Accounts payable	184,546	(14,479)	(376)	169,691
Accrued liabilities	(182,432)	9,259	(8,826)	(181,999)
Pending claims	(131,000)	889,595	476,000	1,234,595
Unearned revenue	-	(53)	44,205	44,152
Total adjustments	(116,797)	512,074	515,982	911,259
Net cash provided by operations	<b>\$ 1,088,301</b>	<b>\$ 1,136,265</b>	<b>\$ 527,455</b>	<b>\$ 2,752,021</b>

**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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>OPERATING REVENUES</b>					
Charges for services	\$ 4,205,549	\$ 4,205,549	\$ 4,206,126	\$ 577	\$ 3,829,309
Refunds	-	-	5,275	5,275	577,941
Operating revenues	4,205,549	4,205,549	4,211,401	5,852	4,407,250
<b>OPERATING EXPENSES</b>					
General Government:					
Claims and services	4,496,982	4,496,982	3,006,303	1,490,679	3,208,374
Operating income (loss)	(291,433)	(291,433)	1,205,098	1,496,531	1,198,876
<b>NONOPERATING REVENUES</b>					
Earnings on investments	100,000	100,000	225,883	125,883	224,227
Change in net assets	(191,433)	(191,433)	1,430,981	1,622,414	1,423,103
<b>NET ASSETS - July 1</b>	1,535,102	1,535,102	3,030,769	1,495,667	1,607,666
<b>NET ASSETS - June 30</b>	\$ 1,343,669	\$ 1,343,669	\$ 4,461,750	\$ 3,118,081	\$ 3,030,769

**WASHOE COUNTY SCHOOL DISTRICT  
INSURANCE FUND - PROPERTY AND CASUALTY  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>					
Cash flows from operating activities:					
Cash received for services	\$ 4,205,549	\$ 4,205,549	\$ 4,223,490	\$ 17,941	\$ 4,396,104
Cash payments for claims and services	(3,980,689)	(3,980,689)	(3,135,189)	845,500	(2,714,816)
Net cash provided by operating activities	<u>224,860</u>	<u>224,860</u>	<u>1,088,301</u>	<u>863,441</u>	<u>1,681,288</u>
Cash flows from investing activities:					
Interest received on investments	<u>100,000</u>	<u>100,000</u>	<u>225,883</u>	<u>125,883</u>	<u>224,227</u>
Net increase in cash and cash equivalents	<u>324,860</u>	<u>324,860</u>	<u>1,314,184</u>	<u>989,324</u>	<u>1,905,515</u>
<b>Cash and investments, July 1</b>	<u>-</u>	<u>-</u>	<u>6,056,029</u>	<u>6,056,029</u>	<u>4,150,514</u>
<b>Cash and investments, June 30</b>	<u>\$ 324,860</u>	<u>\$ 324,860</u>	<u>\$ 7,370,213</u>	<u>\$ 7,045,353</u>	<u>\$ 6,056,029</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS</b>					
Operating income (loss)	\$ (291,433)	\$ (291,433)	\$ 1,205,098	\$ 1,496,531	\$ 1,198,876
Adjustments to reconcile operating income (loss) to net cash provided by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	12,089	12,089	(11,146)
Accounts payable	-	-	184,546	184,546	(63,065)
Accrued liabilities	-	-	(182,432)	(182,432)	185,623
Pending claims	<u>516,293</u>	<u>516,293</u>	<u>(131,000)</u>	<u>(647,293)</u>	<u>371,000</u>
Total adjustments	<u>516,293</u>	<u>516,293</u>	<u>(116,797)</u>	<u>(633,090)</u>	<u>482,412</u>
Net cash provided by operations	<u>\$ 224,860</u>	<u>\$ 224,860</u>	<u>\$ 1,088,301</u>	<u>\$ 863,441</u>	<u>\$ 1,681,288</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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 51,094,545	\$ 51,094,545	\$ 52,472,831	\$ 1,378,286	\$ 47,420,616
<b>OPERATING EXPENSES</b>					
General Government:					
Salaries and benefits	43,549	60,549	61,677	(1,128)	51,865
Employee benefits	50,307,194	50,290,194	49,320,575	969,619	42,838,709
Services and supplies	4,226,251	4,226,251	2,466,388	1,759,863	2,310,837
Total operating expenses	54,576,994	54,576,994	51,848,640	2,728,354	45,201,411
Operating income (loss)	(3,482,449)	(3,482,449)	624,191	4,106,640	2,219,205
<b>NONOPERATING REVENUES</b>					
Earnings on investments	765,378	765,378	835,364	69,986	865,900
Income (loss) before transfers	(2,717,071)	(2,717,071)	1,459,555	4,176,626	3,085,105
<b>TRANSFERS IN</b>					
General Fund	2,046,615	2,020,265	2,046,612	26,347	1,870,926
Change in net assets	(670,456)	(696,806)	3,506,167	4,202,973	4,956,031
<b>NET ASSETS - July 1</b>	<u>8,923,840</u>	<u>8,923,840</u>	<u>17,384,986</u>	<u>8,461,146</u>	<u>12,428,955</u>
<b>NET ASSETS - June 30</b>	<u>\$ 8,253,384</u>	<u>\$ 8,227,034</u>	<u>\$ 20,891,153</u>	<u>\$ 12,664,119</u>	<u>\$ 17,384,986</u>

**WASHOE COUNTY SCHOOL DISTRICT  
INSURANCE FUND - HEALTH INSURANCE  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	2008 BUDGET		2008		2007
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
<b>INCREASE (DECREASE) IN CASH AND INVESTMENTS</b>					
Cash flows from operating activities:					
Cash received for services	\$ 51,094,545	\$ 51,094,545	\$ 52,100,530	\$ 1,005,985	\$ 48,259,939
Cash paid for salaries	(43,549)	(60,549)	(61,677)	(1,128)	(51,865)
Cash payments for employee benefits	(49,263,100)	(49,246,100)	(49,320,575)	(74,475)	(42,838,709)
Cash payments for services and supplies	(4,226,251)	(4,226,251)	(1,582,013)	2,644,238	(2,074,531)
Net cash provided (used) by operating activities	(2,438,355)	(2,438,355)	1,136,265	3,574,620	3,294,834
Cash flows from noncapital financing activities:					
Transfer from General Fund	2,046,615	2,020,265	2,046,612	26,347	1,870,926
Cash flows from investing activities:					
Interest received on investments	765,378	765,378	835,364	69,986	865,900
Net increase in cash and cash equivalents	373,638	347,288	4,018,241	3,670,953	6,031,660
<b>Cash and investments, July 1</b>	<u>23,414,803</u>	<u>23,414,803</u>	<u>23,414,803</u>	<u>-</u>	<u>17,383,143</u>
<b>Cash and investments, June 30</b>	<u>\$ 23,788,441</u>	<u>\$ 23,762,091</u>	<u>\$ 27,433,044</u>	<u>\$ 3,670,953</u>	<u>\$ 23,414,803</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	\$ (3,482,449)	\$ (3,482,449)	\$ 624,191	\$ 4,106,640	\$ 2,219,205
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	(372,248)	(372,248)	839,381
Accounts payable	-	-	(14,479)	(14,479)	20,252
Accrued liabilities	-	-	9,259	9,259	610
Pending claims	1,044,094	1,044,094	889,595	(154,499)	215,444
Unearned revenue	-	-	(53)	(53)	(58)
Total Adjustments	<u>1,044,094</u>	<u>1,044,094</u>	<u>512,074</u>	<u>(532,020)</u>	<u>1,075,629</u>
Net cash provided (used) by operations	<u>\$ (2,438,355)</u>	<u>\$ (2,438,355)</u>	<u>\$ 1,136,265</u>	<u>\$ 3,574,620</u>	<u>\$ 3,294,834</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, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>OPERATING REVENUES</b>					
Charges for services	\$ 3,285,774	\$ 3,285,774	\$ 3,303,842	\$ 18,068	\$ 3,012,684
<b>OPERATING EXPENSES</b>					
General Government:					
Claims and services	3,746,719	3,746,719	3,292,369	454,350	2,383,493
Operating income (loss)	(460,945)	(460,945)	11,473	472,418	629,191
<b>NONOPERATING REVENUES</b>					
Earnings on investments	430,000	430,000	293,430	(136,570)	380,536
Change in net assets	(30,945)	(30,945)	304,903	335,848	1,009,727
<b>NET ASSETS - July 1</b>	<u>2,867,865</u>	<u>2,867,865</u>	<u>4,504,068</u>	<u>1,636,203</u>	<u>3,494,341</u>
<b>NET ASSETS - June 30</b>	<u>\$ 2,836,920</u>	<u>\$ 2,836,920</u>	<u>\$ 4,808,971</u>	<u>\$ 1,972,051</u>	<u>\$ 4,504,068</u>

**WASHOE COUNTY SCHOOL DISTRICT  
INSURANCE FUND - WORKERS' COMPENSATION  
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2008  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2007)**

	<u>2008 BUDGET</u>		<u>2008</u>		<u>2007</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
<b>INCREASE IN CASH AND INVESTMENTS</b>					
Cash flows from operating activities:					
Cash received for services	\$ 3,285,774	\$ 3,285,774	\$ 3,353,026	\$ 67,252	\$ 3,008,908
Payments for claims and services	<u>(2,962,016)</u>	<u>(2,962,016)</u>	<u>(2,825,571)</u>	<u>136,445</u>	<u>(2,387,432)</u>
Net cash provided by operating activities	<u>323,758</u>	<u>323,758</u>	<u>527,455</u>	<u>203,697</u>	<u>621,476</u>
Cash flows from investing activities:					
Interest received on investments	<u>430,000</u>	<u>430,000</u>	<u>293,430</u>	<u>(136,570)</u>	<u>380,536</u>
Net increase in cash and cash equivalents	753,758	753,758	820,885	67,127	1,002,012
<b>Cash and investments, July 1</b>	<u>8,041,382</u>	<u>8,041,382</u>	<u>8,041,382</u>	<u>-</u>	<u>7,039,370</u>
<b>Cash and investments, June 30</b>	<u>\$ 8,795,140</u>	<u>\$ 8,795,140</u>	<u>\$ 8,862,267</u>	<u>\$ 67,127</u>	<u>\$ 8,041,382</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS</b>					
Operating income (loss)	\$ <u>(460,945)</u>	\$ <u>(460,945)</u>	\$ <u>11,473</u>	\$ <u>472,418</u>	\$ <u>629,191</u>
Adjustments to reconcile operating income (loss) to net cash provided by operations:					
Changes in assets and liabilities:					
Accounts receivable	-	-	4,979	4,979	(3,776)
Accounts payable	-	-	(376)	(376)	2,335
Accrued liabilities	-	-	(8,826)	(8,826)	(274)
Pending claims	784,703	784,703	476,000	(308,703)	(6,000)
Unearned revenue	<u>-</u>	<u>-</u>	<u>44,205</u>	<u>44,205</u>	<u>-</u>
Total adjustments	<u>784,703</u>	<u>784,703</u>	<u>515,982</u>	<u>(268,721)</u>	<u>(7,715)</u>
Net cash provided by operations	<u>\$ 323,758</u>	<u>\$ 323,758</u>	<u>\$ 527,455</u>	<u>\$ 203,697</u>	<u>\$ 621,476</u>

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# Fiduciary Funds

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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:

**Other Post-Employment Benefits (OPEB) Trust Fund:**

To account for funds used to pay for healthcare and life insurance costs for qualified District retirees.

**Agency Funds:**

**Student Activities Fund:**

To account for student activity funds under the control of the respective schools in the District.

**80/5 Plan Fund:**

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

**NIAA Fund:**

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

**WASHOE COUNTY SCHOOL DISTRICT  
OTHER POSTEMPLOYMENT BENEFITS (OPEB) TRUST FUND  
STATEMENT OF PLAN NET ASSETS  
JUNE 30, 2008**

	<u>2008</u>
<b>ASSETS</b>	
Cash and investments	\$ 7,846,895
Interest receivable	<u>1,983</u>
Total assets	<u><u>7,848,878</u></u>
 <b>NET ASSETS</b>	 \$ <u><u>7,848,878</u></u>

**WASHOE COUNTY SCHOOL DISTRICT  
OTHER POSTEMPLOYMENT BENEFITS (OPEB) TRUST FUND  
SCHEDULE OF CHANGES IN PLAN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2008**

	2008 BUDGET		2008	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
<b>ADDITIONS</b>				
Contributions by employer	\$ -	\$ 7,846,303	\$ 7,846,303	\$ -
Earnings on investments	-	-	2,575	2,575
Total additions	-	7,846,303	7,848,878	2,575
<b>NET ASSETS - July 1</b>	-	-	-	-
<b>NET ASSETS - June 30</b>	\$ -	\$ 7,846,303	\$ 7,848,878	\$ 2,575

**WASHOE COUNTY SCHOOL DISTRICT  
AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>JUNE 30, 2008</u>
<b>Student Activities</b>				
ASSETS				
Cash and investments	\$ 7,751,466	\$ 17,035,412	\$ 16,486,493	\$ 8,300,385
LIABILITIES				
Due to student groups	\$ 7,751,466	\$ 17,035,412	\$ 16,486,493	\$ 8,300,385
<b>80/5 Salary Plan</b>				
ASSETS				
Cash and investments	\$ 660,241	\$ 113,475	\$ 411,303	\$ 362,413
LIABILITIES				
Accrued liabilities	\$ 660,241	\$ 113,475	\$ 411,303	\$ 362,413
<b>Nevada Interscholastic Athletic Association</b>				
ASSETS				
Cash and investments	\$ -	\$ 2,623	\$ -	\$ 2,623
Accounts receivable	44,569	16,800	44,569	16,800
Total assets	<u>\$ 44,569</u>	<u>\$ 19,423</u>	<u>\$ 44,569</u>	<u>\$ 19,423</u>
LIABILITIES				
Accounts payable	\$ 27,330	\$ 2,108	\$ 27,330	\$ 2,108
Accrued liabilities	17,239	384,414	384,338	17,315
Total liabilities	<u>\$ 44,569</u>	<u>\$ 386,522</u>	<u>\$ 411,668</u>	<u>\$ 19,423</u>
<b>Totals - All Agency Funds</b>				
ASSETS				
Cash and investments	\$ 8,411,707	\$ 17,151,510	\$ 16,897,796	\$ 8,665,421
Accounts receivable	44,569	16,800	44,569	16,800
Total assets	<u>\$ 8,456,276</u>	<u>\$ 17,168,310</u>	<u>\$ 16,942,365</u>	<u>\$ 8,682,221</u>
LIABILITIES				
Accounts payable	\$ 27,330	\$ 2,108	\$ 27,330	\$ 2,108
Accrued liabilities	677,480	497,889	795,641	379,728
Due to student groups	7,751,466	17,035,412	16,486,493	8,300,385
Total liabilities	<u>\$ 8,456,276</u>	<u>\$ 17,535,409</u>	<u>\$ 17,309,464</u>	<u>\$ 8,682,221</u>

**WASHOE COUNTY SCHOOL DISTRICT  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2008**

<b>SCHOOLS</b>	<b>BALANCE JULY 1, 2007</b>	<b>ADDITIONS</b>	<b>DEDUCTIONS</b>	<b>BALANCE JUNE 30, 2008</b>
<b>ELEMENTARY SCHOOLS</b>				
Allen	\$ 18,119	\$ 63,707	\$ 68,300	\$ 13,526
Anderson **	21,188	42,730	45,733	18,185
Beasley	25,032	79,939	79,230	25,741
Beck	17,833	65,414	69,804	13,443
Bennett	26,575	86,239	70,228	42,586
Booth	64,370	85,098	75,516	73,952
Brown	49,871	102,106	94,399	57,578
Cannan **	42,360	53,796	46,995	49,161
Caughlin Ranch	22,802	84,301	77,084	30,019
Corbett	29,835	41,171	39,477	31,529
Desert Heights	32,409	55,064	42,906	44,567
Diedrichsen	13,512	68,618	65,953	16,177
Dodson **	13,307	38,816	32,504	19,619
Donner Springs **	31,077	80,243	88,652	22,668
Double Diamond **	46,533	118,993	113,778	51,748
Drake	22,752	36,514	39,126	20,140
Duncan	39,501	53,021	57,469	35,053
Dunn	13,325	50,421	48,344	15,402
Elmcrest	14,553	22,297	27,120	9,730
Gomes	52,268	120,714	119,627	53,355
Gomm	8,291	74,546	72,982	9,855
Greenbrae **	45,315	60,833	71,326	34,822
Hall	19,167	79,679	75,092	23,754
Hidden Valley	14,910	49,110	49,620	14,400
Huffaker **	38,739	137,351	143,467	32,623
Hunsberger	47,519	190,362	195,317	42,564
Hunter Lake	21,594	43,644	37,950	27,288
Incline	30,134	97,226	90,049	37,311
Juniper	17,471	99,871	96,200	21,142
Lemmon Valley	26,112	66,914	73,702	19,324
Lenz **	39,919	79,550	83,521	35,948
Lincoln Park **	21,087	48,194	38,483	30,798
Loder **	22,518	29,126	37,070	14,574
Mathews **	63,781	35,702	55,163	44,320
Maxwell	11,107	57,401	37,119	31,389
Melton	105,910	207,910	247,471	66,349
Mitchell	11,025	35,298	32,351	13,972
Moss	16,863	48,376	48,052	17,187
Mount Rose	13,098	25,664	24,769	13,993
Natchez **	16,746	21,153	13,869	24,030
Palmer	24,640	83,717	76,759	31,598
Peavine	29,622	45,948	39,252	36,318
Picollo **	120,769	59,466	86,643	93,592
Pleasant Valley	35,640	122,656	121,792	36,504
Risley	28,599	52,329	47,830	33,098
Sepulveda	11,208	153,470	140,657	24,021
Sierra Vista	5,358	16,220	19,390	2,188
Silver Lake	38,185	82,113	66,840	53,458
Smith, Alice	58,003	70,730	66,032	62,701
Smith, Kate	2,916	43,015	28,992	16,939
Smithridge	54,041	26,770	28,308	52,503
Spanish Springs **	54,687	169,902	164,775	59,814
Stead	32,570	96,727	82,982	46,315
Sun Valley	27,420	38,087	44,732	20,775
Taylor **	8,313	162,491	145,390	25,414
Towles	8,367	32,333	34,056	6,644

**(CONTINUED)**

**WASHOE COUNTY SCHOOL DISTRICT  
STUDENT ACTIVITY FUNDS  
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED JUNE 30, 2008**

SCHOOLS	BALANCE JULY 1, 2007	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2008
<b>ELEMENTARY SCHOOLS (CONTINUED)</b>				
Van Gorder	\$ 21,326	\$ 140,128	\$ 142,198	\$ 19,256
Verdi	5,732	52,427	50,398	7,761
Veterans	29,278	40,751	56,025	14,004
Warner **	18,348	32,688	21,611	29,425
Westergard	18,225	82,154	68,413	31,966
Whitehead	37,362	46,711	53,959	30,114
Winnemucca	20,425	172,160	167,975	24,610
Total elementary schools	<u>1,879,562</u>	<u>4,660,105</u>	<u>4,580,827</u>	<u>1,958,840</u>
<b>MIDDLE SCHOOLS</b>				
Billinghurst	98,562	194,780	202,112	91,230
Clayton	67,806	97,251	87,030	78,027
Cold Springs **	31,858	214,081	191,942	53,997
Dilworth **	38,382	102,087	98,142	42,327
Incline	62,401	50,977	40,566	72,812
Mendive	111,294	203,465	209,791	104,968
O'Brien	45,776	123,156	119,800	49,132
Pine	124,352	361,617	365,490	120,479
Shaw	57,595	156,750	152,698	61,647
Sparks	54,163	127,630	123,931	57,862
Swope	66,834	206,469	218,563	54,740
Traner **	20,365	47,701	48,746	19,320
Vaughn	23,306	87,484	82,451	28,339
Total middle schools	<u>802,694</u>	<u>1,973,448</u>	<u>1,941,262</u>	<u>834,880</u>
<b>HIGH SCHOOLS</b>				
Academy of Arts, Careers & Tech **	69,658	152,318	147,964	74,012
Damonte Ranch **	483,113	1,049,482	1,000,495	532,100
Galena	559,229	1,164,571	1,168,865	554,935
Gerlach (1)	58,717	53,960	68,797	43,880
Hug	153,008	312,257	297,043	168,222
Incline	372,103	740,960	748,514	364,549
McQueen	559,108	1,212,071	1,087,992	683,187
North Valleys	412,571	597,830	577,678	432,723
Reed	319,031	1,149,791	1,104,608	364,214
Reno	781,053	1,570,926	1,527,942	824,037
Spanish Springs **	482,073	1,124,594	1,041,290	565,377
Sparks	358,567	411,259	421,046	348,780
TMCC	53,257	37,374	35,683	54,948
Washoe	89,177	131,748	48,701	172,224
Wooster	314,284	664,229	657,996	320,517
Total high schools	<u>5,064,949</u>	<u>10,373,370</u>	<u>9,934,614</u>	<u>5,503,705</u>
<b>OTHER</b>				
Administration Building	84	6,381	6,264	201
Gifted and Talented	2,125	18,877	19,941	1,061
Transportation Employee Fund	2,052	3,231	3,585	1,698
Total other funds	<u>4,261</u>	<u>28,489</u>	<u>29,790</u>	<u>2,960</u>
TOTALS	<u>\$ 7,751,466</u>	<u>\$ 17,035,412</u>	<u>\$ 16,486,493</u>	<u>\$ 8,300,385</u>

(1) Includes E.M. Johnson Elementary

\*\* Audited by Internal Audit

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# **Capital Assets**

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# **Governmental Funds**

Schedules of sources, functions and activities of capital assets used in the operation of governmental funds.

**WASHOE COUNTY SCHOOL DISTRICT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY SOURCE  
JUNE 30, 2008  
(WITH COMPARATIVE TOTALS FOR JUNE 30,2007)**

	<b>2008</b>	<b>2007</b>
Governmental funds capital assets:		
Land	\$ 37,030,472	\$ 32,659,032
Buildings	629,660,141	618,425,883
Improvements other than buildings	10,182,196	9,250,027
Machinery and equipment	49,322,620	44,941,736
Construction in progress	24,728,594	6,718,180
Total governmental funds capital assets	\$ 750,924,023	\$ 711,994,858
Investments in governmental funds capital assets by source:		
General fund	\$ 152,734,649	\$ 148,483,692
Special revenue funds	5,884,483	5,498,708
Capital projects funds	591,437,020	557,248,335
Donations	867,871	764,123
Total governmental funds capital assets	\$ 750,924,023	\$ 711,994,858

**WASHOE COUNTY SCHOOL DISTRICT**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**JUNE 30, 2008**

FUNCTION AND ACTIVITY	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	MACHINERY AND EQUIPMENT	CONSTRUCTION IN PROGRESS	TOTAL
General government:						
Instruction	\$ 131,639	\$ 253,565	\$ 117,353	\$ 7,396,066	\$ -	7,898,623
Student support	-	-	-	928,289	-	928,289
Instructional staff support	-	-	-	704,941	-	704,941
General administration	-	-	-	266,749	-	266,749
School administration	-	-	-	43,779	-	43,779
Business administration	-	-	-	921,267	1,171,773	2,093,040
Operation / maintenance	-	9,924,637	-	1,824,447	-	11,749,084
Student transportation	-	-	-	25,979,062	-	25,979,062
Central support	-	-	-	1,822,353	60,970	1,883,323
Other support	-	-	-	37,054	-	37,054
Community service operations	-	-	-	12,779	-	12,779
Facilities	36,898,833	619,481,939	10,064,843	9,385,834	23,495,851	699,327,300
<b>Total governmental funds capital assets</b>	<b>\$ 37,030,472</b>	<b>\$ 629,660,141</b>	<b>\$ 10,182,196</b>	<b>\$ 49,322,620</b>	<b>\$ 24,728,594</b>	<b>\$ 750,924,023</b>

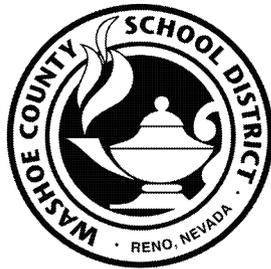
**WASHOE COUNTY SCHOOL DISTRICT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
FOR THE YEAR ENDED JUNE 30, 2008**

<u>FUNCTION AND ACTIVITY</u>	<u>GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2007</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2008</u>
General Government:				
Instruction	\$ 7,591,291	\$ 395,232	\$ 87,900	\$ 7,898,623
Student support	815,190	136,299	23,200	928,289
Instructional staff support	640,820	76,141	12,020	704,941
General administration	266,749	-	-	266,749
School administration	31,518	12,261	-	43,779
Business administration	1,544,535	578,305	29,800	2,093,040
Operation and maintenance	11,630,386	184,507	65,809	11,749,084
Student transportation	23,095,409	3,337,932	454,279	25,979,062
Central support	1,832,539	67,632	16,848	1,883,323
Other support	37,054	-	-	37,054
Community services operations	-	12,779	-	12,779
Facilities	<u>664,509,367</u>	<u>35,209,402</u>	<u>391,469</u>	<u>699,327,300</u>
Total governmental funds capital assets	<u>\$ 711,994,858</u>	<u>\$ 40,010,490</u>	<u>\$ 1,081,325</u>	<u>\$ 750,924,023</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



## Comprehensive Annual Financial Report

# Statistical Section

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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

### **Financial Trends**

**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.

### **Revenue Capacity**

**2.1 - 2.5**

Information to assist in the understanding of the District's most significant local revenue sources, property taxes (ad valorem).

### **Debt Capacity**

**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.

### **Demographic and Economic Information**

**4.1 - 4.2**

Indicators to assist in understanding the environment within which the District's financial activities take place.

### **Operating Information**

**5.1 - 5.4**

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 Seven Fiscal Years  
(accrual basis of accounting)**

	<u>Fiscal Year Ended June 30,</u>	
	<u>2002</u>	<u>2003</u>
<b>Governmental activities</b>		
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042
Restricted	39,073,756	51,061,565
Unrestricted	<u>(14,392,899)</u>	<u>(10,712,992)</u>
<b>Total governmental activities net assets</b>	<b><u>\$ 124,396,253</u></b>	<b><u>\$ 143,623,615</u></b>
<b>Business-type activities</b>		
Invested in capital assets	\$ -	\$ -
Unrestricted	<u>-</u>	<u>-</u>
<b>Total business-type activities net assets</b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Primary government</b>		
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042
Restricted	39,073,756	51,061,565
Unrestricted	<u>(14,392,899)</u>	<u>(10,712,992)</u>
<b>Total primary government net assets</b>	<b><u>\$ 124,396,253</u></b>	<b><u>\$ 143,623,615</u></b>

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		2005		2006		2007		2008	
\$	116,714,931	\$	127,695,444	\$	136,809,928	\$	146,148,691	\$	162,631,890
	48,091,851		59,385,880		70,158,376		98,216,742		128,996,995
	927,744		14,054,767		25,489,421		28,324,447		23,940,259
\$	<b>165,734,526</b>	\$	<b>201,136,091</b>	\$	<b>232,457,725</b>	\$	<b>272,689,880</b>	\$	<b>315,569,144</b>
\$	-	\$	-	\$	542,397	\$	503,245	\$	404,802
	-		-		3,156,740		2,667,745		2,713,850
\$	<b>-</b>	\$	<b>-</b>	\$	<b>3,699,137</b>	\$	<b>3,170,990</b>	\$	<b>3,118,652</b>
\$	116,714,931	\$	127,695,444	\$	137,352,325	\$	146,651,936	\$	163,036,692
	48,091,851		59,385,880		70,158,376		98,216,742		128,996,995
	927,744		14,054,767		28,646,161		30,992,192		26,654,109
\$	<b>165,734,526</b>	\$	<b>201,136,091</b>	\$	<b>236,156,862</b>	\$	<b>275,860,870</b>	\$	<b>318,687,796</b>

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

	<b>Fiscal Year Ended June 30,</b>	
	<b>2002</b>	<b>2003</b>
<b>Expenses</b>		
Governmental activities	\$ 383,012,581	\$ 389,196,315
Business-type activities	-	-
Total primary government expenses	\$ 383,012,581	\$ 389,196,315
<b>Program revenues</b>		
Governmental activities:		
Charges for services	\$ 7,679,075	\$ 7,877,036
Operating grants and contributions	68,176,805	71,314,386
Total governmental activities program revenues	75,855,880	79,191,422
Business-type activities:		
Charges for services	-	-
Operating grants and contributions	-	-
Total business-type activities revenues	-	-
Total primary government revenues	\$ 75,855,880	\$ 79,191,422
<b>Net (expense)/revenue</b>		
Governmental activities	\$ (307,156,701)	\$ (310,004,893)
Business-type activities	-	-
Total primary government net expense	\$ (307,156,701)	\$ (310,004,893)
<b>General revenues and other changes in net assets</b>		
Governmental activities:		
Taxes:		
Property taxes	\$ 102,617,739	\$ 109,768,083
Local school support taxes	112,258,067	116,959,363
Government service taxes	13,015,491	14,230,955
Other taxes and fees	1,516,853	1,697,574
Unrestricted investment earnings	7,363,521	4,912,745
State aid not restricted to specific purposes	75,088,119	78,721,232
Other	2,037,587	2,942,303
Total governmental activities	313,897,377	329,232,255
Business-type activities:		
Transfers	-	-
Total business-type activities	-	-
Total primary government revenues	\$ 313,897,377	\$ 329,232,255
<b>Change in net assets</b>		
Governmental activities	\$ 6,740,676	\$ 19,227,362
Business-type activities	-	-
Total primary government	\$ 6,740,676	\$ 19,227,362

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 1.2

	2004	2005	2006	2007	2008
\$	416,910,616	\$ 444,912,093	\$ 461,271,112	\$ 502,120,005	\$ 536,663,981
	-	-	15,603,133	16,973,722	18,028,995
\$	<u>416,910,616</u>	<u>444,912,093</u>	<u>476,874,245</u>	<u>519,093,727</u>	<u>554,692,976</u>
\$	7,820,959	\$ 8,314,770	\$ 1,805,959	\$ 2,215,979	\$ 2,182,721
	75,489,897	86,721,909	86,523,775	105,380,311	98,800,969
	<u>83,310,856</u>	<u>95,036,679</u>	<u>88,329,734</u>	<u>107,596,290</u>	<u>100,983,690</u>
	-	-	6,945,811	6,870,401	6,738,145
	-	-	9,313,397	9,575,174	10,988,512
	-	-	16,259,208	16,445,575	17,726,657
\$	<u>83,310,856</u>	<u>95,036,679</u>	<u>104,588,942</u>	<u>124,041,865</u>	<u>118,710,347</u>
\$	(333,599,760)	\$ (349,875,414)	\$ (372,941,378)	\$ (394,523,715)	\$ (435,680,291)
	-	-	656,075	(528,147)	(302,338)
\$	<u>(333,599,760)</u>	<u>(349,875,414)</u>	<u>(372,285,303)</u>	<u>(395,051,862)</u>	<u>(435,982,629)</u>
\$	117,819,676	\$ 126,044,207	\$ 136,445,205	\$ 150,413,632	\$ 161,108,715
	128,565,040	145,056,434	161,027,372	156,893,557	153,328,703
	15,817,100	17,260,710	18,277,143	18,677,186	18,297,902
	2,241,927	2,331,837	2,833,827	2,837,924	3,069,404
	1,672,999	5,789,233	7,304,748	10,277,185	13,687,934
	87,154,547	85,542,351	77,280,007	92,147,678	125,171,400
	2,439,382	3,252,207	4,137,772	3,508,708	3,895,497
	<u>355,710,671</u>	<u>385,276,979</u>	<u>407,306,074</u>	<u>434,755,870</u>	<u>478,559,555</u>
	-	-	-	-	250,000
	-	-	-	-	250,000
\$	<u>355,710,671</u>	<u>385,276,979</u>	<u>407,306,074</u>	<u>434,755,870</u>	<u>478,809,555</u>
\$	22,110,911	\$ 35,401,565	\$ 34,364,696	\$ 40,232,155	\$ 42,879,264
	-	-	656,075	(528,147)	(52,338)
\$	<u>22,110,911</u>	<u>35,401,565</u>	<u>35,020,771</u>	<u>39,704,008</u>	<u>42,826,926</u>

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

	Fiscal Year Ended June 30,			
	1999	2000	2001	2002
<b>General fund</b>				
Reserved	\$ 1,242,438	\$ 6,828,924	\$ 6,456,853	\$ 2,917,834
Unreserved	6,187,465	2,709,944	3,606,244	2,515,484
<b>Total general fund</b>	<b>\$ 7,429,903</b>	<b>\$ 9,538,868</b>	<b>\$ 10,063,097</b>	<b>\$ 5,433,318</b>
<b>All other governmental funds</b>				
Reserved	\$ 32,369,481	\$ 84,998,102	\$ 41,661,734	\$ 75,152,558
Unreserved reported in:				
Special revenue funds	(526,776)	(691,376)	(448,548)	1,294,478
Capital projects funds	71,199,174	106,933,436	93,630,785	28,562,722
<b>Total all other governmental funds</b>	<b>\$ 103,041,879</b>	<b>\$ 191,240,162</b>	<b>\$ 134,843,971</b>	<b>\$ 105,009,758</b>
<b>Total governmental funds</b>	<b>\$ 110,471,782</b>	<b>\$ 200,779,030</b>	<b>\$ 144,907,068</b>	<b>\$ 110,443,076</b>

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$	2,332,785	\$ 6,310,332	\$ 1,955,639	\$ 2,991,296	\$ 2,896,595	\$ 1,711,496
	<u>8,223,279</u>	<u>12,600,229</u>	<u>22,681,321</u>	<u>28,909,898</u>	<u>34,864,420</u>	<u>46,515,636</u>
\$	<u><b>10,556,064</b></u>	<u><b>18,910,561</b></u>	<u><b>24,636,960</b></u>	<u><b>31,901,194</b></u>	<u><b>37,761,015</b></u>	<u><b>48,227,132</b></u>
\$	54,937,381	\$ 46,972,103	\$ 76,987,832	\$ 67,813,194	\$ 66,760,281	\$ 121,979,693
	1,714,981	4,475,704	7,022,230	9,953,987	14,959,439	14,286,646
	<u>34,344,217</u>	<u>63,947,633</u>	<u>93,283,119</u>	<u>54,227,357</u>	<u>109,248,946</u>	<u>82,927,717</u>
\$	<u><b>90,996,579</b></u>	<u><b>115,395,440</b></u>	<u><b>177,293,181</b></u>	<u><b>131,994,538</b></u>	<u><b>190,968,666</b></u>	<u><b>219,194,056</b></u>
\$	<u><b>101,552,643</b></u>	<u><b>134,306,001</b></u>	<u><b>201,930,141</b></u>	<u><b>163,895,732</b></u>	<u><b>228,729,681</b></u>	<u><b>267,421,188</b></u>

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

	Fiscal Year Ended June 30,		
	2002	2003	2004
<b>Revenues</b>			
Local sources	\$ 245,902,508	\$ 258,706,169	\$ 277,758,436
State sources	115,513,083	117,830,448	125,302,983
Federal sources	26,831,858	31,007,808	35,131,347
Other sources	1,418,410	1,258,824	2,010
<b>Total revenues</b>	<b>389,665,859</b>	<b>408,803,249</b>	<b>438,194,776</b>
<b>Expenditures</b>			
Current:			
Regular programs	179,366,818	183,529,233	197,968,562
Special programs	29,938,441	31,741,223	34,842,293
Vocational programs	6,564,020	6,169,534	7,293,902
Other instructional programs	2,930,266	2,776,041	2,928,092
Adult education programs	1,090,042	1,420,058	1,369,039
Food service programs	12,576,917	13,507,772	14,009,635
Community service programs	701,908	762,200	813,387
Undistributed expenditures:			
Student support	17,842,362	18,343,762	21,396,488
Instructional staff support	13,268,685	15,217,607	15,593,094
General administration	5,502,641	6,027,809	6,240,901
School administration	18,669,539	19,791,036	21,604,444
Business support	3,983,711	4,169,749	4,517,545
Operation and maintenance	35,762,338	33,181,675	34,592,121
Student transportation	12,142,202	12,635,127	12,717,685
Central support	4,678,884	4,900,142	6,235,573
Other support	167,506	332,299	189,113
Community service operations	-	-	-
Capital outlay			
Capital outlay	40,212,360	53,318,529	36,588,795
Capital outlay below capitalization threshold	5,195,672	3,430,599	2,249,578
Debt service:			
Principal	20,028,992	22,144,229	23,392,727
Interest	19,892,555	16,422,095	19,474,379
Bond issuance costs	-	898,612	693,292
Other	1,105,185	-	9,846
<b>Total expenditures</b>	<b>431,621,044</b>	<b>450,719,331</b>	<b>464,720,491</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(41,955,185)</b>	<b>(41,916,082)</b>	<b>(26,525,715)</b>
<b>Other financing sources (uses)</b>			
Capital leases	3,945,569	259,770	6,914,598
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
Bonds issued	-	36,000,000	55,000,000
Debt premiums	-	6,925,688	1,112,967
Payments to refunded bonds escrow agent	(46,707,069)	(74,464,866)	(12,011,244)
Transfers in	19,020,755	20,201,851	24,167,589
Transfers out	(20,549,591)	(21,955,384)	(27,904,837)
<b>Total other financing sources (uses)</b>	<b>6,399,878</b>	<b>33,025,649</b>	<b>59,099,073</b>
<b>Net change in fund balances</b>	<b>\$ (35,555,307)</b>	<b>\$ (8,890,433)</b>	<b>\$ 32,573,358</b>
<b>Debt service as a percentage of non-capital expenditures</b>	10.48%	9.93%	10.18%

Note: Information prior to 2001-02 not readily available

Source: Washoe County School District Business Office

Table 1.4

	2005	2006	2007	2008
\$	309,321,004	\$ 332,242,387	\$ 345,206,688	\$ 357,047,961
	129,972,727	130,050,648	163,589,108	186,229,991
	40,324,344	31,975,138	32,223,794	34,469,253
	37,345	37,224	32,032	281,635
	<b>479,655,420</b>	<b>494,305,397</b>	<b>541,051,622</b>	<b>578,028,840</b>
	208,690,609	219,930,930	239,765,677	251,866,060
	37,844,397	40,502,495	43,980,533	46,753,582
	7,405,722	8,006,895	6,925,974	7,103,556
	3,114,088	3,199,927	3,917,914	3,839,555
	1,327,449	1,080,063	1,268,709	1,168,060
	14,838,211	-	-	-
	793,625	642,275	854,566	940,823
	25,956,643	27,771,224	28,350,002	32,776,708
	16,027,761	18,305,324	21,286,332	24,379,737
	6,743,167	7,208,768	8,248,281	9,757,193
	22,993,010	24,818,064	26,307,853	30,212,368
	6,222,427	6,881,421	7,615,662	7,513,245
	37,737,291	41,985,686	45,666,518	47,596,337
	19,047,410	16,801,178	19,067,657	23,660,180
	7,945,677	7,454,621	8,514,475	9,172,717
	132,307	16,851	217,113	238,840
	-	-	-	275,219
	18,261,546	84,238,853	21,753,919	39,965,163
	799,093	2,793,185	6,964,292	3,525,626
	25,720,391	26,553,319	29,302,637	32,277,384
	19,156,006	20,881,655	20,276,179	22,752,490
	547,149	1,710,989	511,796	351,480
	13,738	12,325	14,900	14,351
	<b>481,317,717</b>	<b>560,796,048</b>	<b>540,810,989</b>	<b>596,140,674</b>
	<b>(1,662,297)</b>	<b>(66,490,651)</b>	<b>240,633</b>	<b>(18,111,834)</b>
	1,019,287	1,005,000	1,705,000	3,398,000
	-	-	-	-
	-	-	66,585,000	-
	-	-	-	-
	22,970,000	29,820,000	-	-
	66,000,000	30,000,000	65,000,000	55,000,000
	6,792,039	402,898	184,417	701,953
	(25,147,135)	(28,475,000)	(67,010,175)	-
	26,057,411	30,256,343	38,571,267	33,207,173
	(28,405,165)	(32,154,842)	(40,442,193)	(35,503,785)
	<b>69,286,437</b>	<b>30,854,399</b>	<b>64,593,316</b>	<b>56,803,341</b>
\$	<b>67,624,140</b>	<b>(35,636,252)</b>	<b>64,833,949</b>	<b>38,691,507</b>
	9.81%	10.32%	9.65%	9.96%

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

<b>Fiscal Year Ended June 30,</b>	<b>General Fund State Distributive School Fund</b>	<b>General Fund Ad Valorem Taxes</b>	<b>General Fund Franchise Tax</b>	<b>General Fund Government Services Tax</b>	<b>General Fund Local School Support Tax (Sales Tax)</b>
1999	\$ 60,817,440	\$ 57,148,332	\$ 303,384	\$ 7,863,772	\$ 105,775,263
2000	63,148,037	61,583,871	261,743	9,455,201	108,093,526
2001	65,294,451	64,667,692	165,560	9,662,929	110,894,639
2002	75,088,119	67,239,288	230,353	10,338,568	112,258,067
2003	78,721,232	72,277,614	233,187	11,303,671	116,959,363
2004	87,154,547	77,268,419	205,259	12,563,725	128,565,040
2005	85,542,351	82,793,542	286,955	13,709,075	145,056,434
2006	77,280,007	89,351,473	361,157	14,517,247	161,027,372
2007	92,147,678	98,451,752	305,996	14,834,870	156,893,557
2008	125,171,400	105,044,775	462,145	14,533,686	153,328,703

Source: Washoe County School District Business Office

Table 1.5

<u>General Fund Investment Income</u>	<u>Debt Service Fund Ad Valorem Taxes</u>	<u>Capital Projects Fund Government Services Tax</u>	<u>Special Revenue Fund State Distributive School Fund</u>
\$ 1,477,680	\$ 26,522,286	\$ 1,826,815	\$ 11,696,452
1,680,737	32,110,250	2,195,839	12,309,317
1,589,520	34,349,012	2,502,729	12,981,481
778,074	35,327,857	2,676,923	13,887,475
439,873	37,951,688	2,927,284	14,771,785
369,444	40,437,409	3,253,375	15,983,978
1,030,943	43,304,316	3,551,635	16,881,687
2,554,914	46,760,465	3,759,896	18,655,920
3,360,393	51,692,753	3,842,316	19,644,528
3,593,870	55,343,712	3,764,216	21,029,346

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**Washoe County School District  
Washoe County, Nevada  
Principal Property Taxpayers  
Current Year and Nine Years Ago  
(amounts expressed in thousands)**

Table 2.1

Taxpayer	2008			1999		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Prologis NA3 LLC	\$ 98,716	1	0.65%	\$ -	-	-
Peppermill Casinos, Inc.	75,296	2	0.50%	51,018	6	0.63%
Grand Sierra Operating Corporation	72,325	3	0.48%	-	-	-
Circus Circus & Eldorado Joint Venture	59,896	4	0.40%	75,810	2	0.94%
Golden Road Motor Inn, Inc.	39,296	5	0.26%	-	-	-
International Game Technology	37,596	6	0.25%	-	-	-
Eldorado Resorts LLC	31,293	7	0.21%	44,795	8	0.55%
Harrah's Club	28,546	8	0.19%	41,945	10	0.52%
Sparks Nugget Inc.	26,971	9	0.18%	67,038	3	0.83%
Reno Retail Company LLC	24,916	10	0.16%	-	-	-
Sierra Pacific Power Company	-	-	-	155,892	1	1.93%
Dermody Industrial Group	-	-	-	63,453	4	0.78%
Nevada Bell	-	-	-	54,079	5	0.67%
Circus Circus Casinos, Inc.	-	-	-	46,481	7	0.57%
Reno Hilton Resort Corporation	-	-	-	43,563	9	0.54%
<b>SUBTOTAL</b>	<b>494,851</b>		<b>3.28%</b>	<b>644,074</b>		<b>7.97%</b>
All other taxpayers	14,610,641		96.72%	7,441,472		92.03%
<b>TOTAL ASSESSED VALUATION</b>	<b>\$ 15,105,492</b>		<b>100.00%</b>	<b>\$ 8,085,546</b>		<b>100.00%</b>

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,			
	1999	2000	2001	2002
<b>Washoe County</b>				
Operating rate	0.8266	0.8402	0.8401	0.8567
Voter approved:				
Child protective services	0.0400	0.0400	0.0400	0.0400
Regional animal services	-	-	-	-
Senior services	0.0100	0.0100	0.0100	0.0100
Library expansion	0.0200	0.0200	0.0200	0.0200
Legislative overrides:				
Indigent insurance	0.0150	0.0150	0.0150	0.0150
Indigent health	0.1000	0.0900	0.0900	0.0850
Capital acquisition	0.0500	0.0500	0.0500	0.0500
Youth services	0.0046	0.0043	0.0044	0.0048
Detention center	0.0774	0.0774	0.0774	0.0774
SCCRT loss	-	-	-	-
Family court	0.0192	0.0192	0.0192	0.0192
AB 104 Fair share tax	0.0272	0.0272	0.0272	0.0272
Debt service	0.0595	0.0562	0.0562	0.0652
<b>Total Washoe County direct rate</b>	<b>1.2495</b>	<b>1.2495</b>	<b>1.2495</b>	<b>1.2705</b>
State of Nevada	0.1500	0.1500	0.1500	0.1500
Washoe County School District	1.0985	1.1385	1.1385	1.1385
<b>Total, Washoe County unincorporated area</b>	<b>2.4980</b>	<b>2.5380</b>	<b>2.5380</b>	<b>2.5590</b>
<b>Cities</b>				
City of Reno	0.9076	0.9076	0.9076	0.9556
City of Sparks	0.8106	0.8106	0.8106	0.8653
<b>Fire Districts</b>				
North Lake Tahoe Fire Protection District	0.5016	0.4964	0.5025	0.5068
Sierra Fire Protection District	0.3800	0.3800	0.4200	0.4200
Truckee Meadows Fire Protection District	0.4813	0.4813	0.4813	0.4813
<b>General Improvement Districts</b>				
Incline Village	0.0588	0.0588	0.0588	0.0682
Palomino Valley	0.3561	0.3600	0.3646	0.3970
South Truckee Meadows	0.1149	0.1094	0.1329	0.1216
<b>Other Special Districts</b>				
Lemmon Valley Underground Water Basin	-	-	-	-
Sun Valley Water & Sanitation District	0.0890	0.1004	0.1004	0.1084
Truckee Meadows Underground Water	0.0006	0.0005	0.0005	0.0005

Source: Washoe County Comptroller's Office

Table 2.2

2003	2004	2005	2006	2007	2008
0.9217	0.9167	0.9231	0.9231	0.9401	0.9592
0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
-	0.0300	0.0300	0.0300	0.0300	0.0300
0.0100	0.0100	0.0100	0.0100	0.0100	0.0100
0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
0.0150	0.0000	0.0150	0.0150	0.0150	0.0150
0.0800	0.0900	0.1000	0.1000	0.0950	0.0800
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.0070	0.0084	0.0083	0.0083	0.0077	0.0077
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
0.0272	0.0272	0.0272	0.0272	0.0272	0.0272
0.0778	0.0778	0.0715	0.0715	0.0601	0.0560
<b>1.3453</b>	<b>1.3817</b>	<b>1.3917</b>	<b>1.3917</b>	<b>1.3917</b>	<b>1.3917</b>
0.1500	0.1700	0.1700	0.1700	0.1700	0.1700
1.1385	1.1385	1.1385	1.1385	1.1385	1.1385
<b>2.6338</b>	<b>2.6902</b>	<b>2.7002</b>	<b>2.7002</b>	<b>2.7002</b>	<b>2.7002</b>
0.9456	0.9456	0.9456	0.9456	0.9456	0.9456
0.9361	0.9161	0.9161	0.9161	0.9161	0.9161
0.5101	0.5227	0.4746	0.5118	0.5070	0.5142
0.4200	0.4200	0.4200	0.4200	0.4200	0.4200
0.4813	0.4813	0.4713	0.4713	0.4713	0.4713
0.0695	0.0741	0.0730	0.0702	0.0687	0.0711
0.3965	0.4230	0.4353	0.4168	0.4270	0.4270
0.1125	0.1007	-	-	-	-
-	0.0022	0.0020	0.0019	0.0017	0.0012
0.1137	0.1243	0.1329	0.1329	0.1329	0.1329
0.0005	0.0004	0.0005	0.0005	0.0004	0.0004

**Washoe County School District  
Washoe County, Nevada  
Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(amounts expressed in thousands)**

<b>Fiscal Year Ended June 30,</b>	<b>Real Property Assessed Property</b>				<b>Personal Property Assessed Value</b>
	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Other</b>	
1999	\$ 4,484,043	\$ 2,050,921	\$ 561,652	\$ 942,160	547,750
2000	4,899,515	2,188,844	599,318	979,713	554,355
2001	5,345,618	2,224,629	645,829	1,014,684	561,192
2002	5,779,329	2,266,553	716,567	930,450	598,262
2003	6,097,744	1,995,268	690,536	1,130,859	897,928
2004	6,914,968	2,146,658	734,470	1,411,793	632,546
2005	7,359,180	2,401,256	760,477	1,361,320	635,384
2006	8,112,575	2,629,471	805,595	1,490,866	596,491
2007	9,503,764	2,898,745	900,363	1,600,955	703,276
2008	10,767,225	3,317,724	973,242	1,885,497	691,628

Source: Washoe County Comptroller's Office

Table 2.3

<b>Total</b>					
<b>Less: Exempt Property</b>	<b>Taxable Assessed Value</b>	<b>Estimated Actual Assessed Value</b>	<b>Assessed Value To Taxable Value</b>	<b>Total Direct Tax Rate</b>	
\$ 1,085,669	\$ 7,500,857	\$ 21,431,020	35.00%	1.2495	
1,136,199	8,085,546	23,101,560	35.00%	1.2495	
1,167,565	8,624,387	24,641,106	35.00%	1.2495	
1,194,463	9,096,698	25,990,566	35.00%	1.2705	
1,350,371	9,461,964	27,034,183	35.00%	1.3453	
1,431,598	10,408,837	29,739,534	35.00%	1.3817	
1,501,359	11,016,258	31,475,023	35.00%	1.3917	
1,655,650	11,979,348	34,226,709	35.00%	1.3917	
1,861,784	13,745,319	39,272,340	35.00%	1.3917	
2,529,824	15,105,492	43,158,549	35.00%	1.3970	

**Washoe County School District  
Washoe County, Nevada  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
(dollars expressed in thousands)**

<b>Fiscal Year Ended June 30,</b>	<b>Net Secured Roll Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>
1999	\$ 239,267	\$ 235,399	98.38%	\$ 3,835	\$ 239,234
2000	261,772	258,386	98.71%	3,345	261,731
2001	273,864	270,702	98.85%	3,121	273,823
2002	291,603	288,340	98.88%	3,214	291,554
2003	320,081	316,661	98.93%	3,376	320,037
2004	348,064	345,198	99.18%	2,808	348,006
2005	372,702	370,001	99.28%	2,636	372,637
2006	404,224	401,305	99.28%	2,759	404,064
2007	446,362	442,446	99.12%	2,303	444,749
2008	480,945	472,860	98.32%	-	472,860

Source: Washoe County Comptroller's Office

Table 2.4

Total Collections As Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent of Current Levy
99.99% \$	33	0.01%
99.98%	41	0.02%
99.99%	41	0.01%
99.98%	49	0.02%
99.99%	44	0.01%
99.98%	58	0.02%
99.98%	65	0.02%
99.96%	160	0.04%
99.64%	1,613	0.36%
98.32%	8,085	1.68%

**Washoe County School District**  
**Washoe County, Nevada**  
**Taxable Sales**  
**Last Ten Fiscal Years**  
(dollars expressed in thousands)

Table 2.5

Fiscal Year Ended June 30,		Taxable Sales	Percent Change	Local School Support Tax Rate
1999	\$	4,679,516	6.9%	2.25%
2000		4,966,613	6.1%	2.25%
2001		5,194,146	4.6%	2.25%
2002		5,280,706	1.7%	2.25%
2003		5,475,602	3.7%	2.25%
2004		6,003,368	9.6%	2.25%
2005		6,660,263	10.9%	2.25%
2006		7,245,525	8.8%	2.25%
2007		7,202,641	-0.6%	2.25%
2008		6,823,701	-5.3%	2.25%

Source: State of Nevada Department of Taxation

**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)
1999	\$ 277,260,000	3.70%	\$ 828.63	\$ 1,858,569	\$ 279,118,569	2.47%	\$ 834.18
2000	372,135,000	4.60%	1,088.32	8,508,192	380,643,192	3.09%	1,113.20
2001	355,190,000	4.12%	1,005.43	14,692,732	369,882,732	2.84%	1,047.02
2002	355,985,000	3.91%	990.43	21,150,750	377,135,750	2.83%	1,049.28
2003	352,425,000	3.72%	944.25	17,429,798	369,854,798	2.66%	990.95
2004	385,090,000	3.70%	1,004.27	23,131,681	408,221,681	2.71%	1,064.59
2005	427,205,000	3.88%	1,076.51	22,255,576	449,460,576	2.81%	1,132.59
2006	433,985,000	3.62%	1,060.87	21,272,256	455,257,256	2.57%	1,112.87
2007	474,945,000	3.46%	1,142.31	20,709,619	495,654,619	2.59%	1,192.12
2008	500,380,000	3.31%	1,194.12	21,395,235	521,775,235	2.93%	1,245.18

(a) See Schedule 2.3 for taxable property value

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

Source: Washoe County School District Business Office

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

Table 3.2

Fiscal Year Ended June 30,	Debt Limit for School Districts	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
1999	\$ 1,213,034,366	\$ 277,260,000	\$ 935,774,366	22.86%
2000	1,293,658,033	372,135,000	921,523,033	28.77%
2001	1,364,504,640	355,190,000	1,009,314,640	26.03%
2002	1,419,154,875	335,985,000	1,083,169,875	23.68%
2003	1,561,438,114	352,425,000	1,209,013,114	22.57%
2004	1,652,438,739	385,155,000	1,267,283,739	23.31%
2005	1,732,291,780	427,205,000	1,305,086,780	24.66%
2006	1,900,908,705	433,985,000	1,466,923,705	22.83%
2007	2,265,823,871	474,945,000	1,790,878,871	20.96%
2008	2,581,051,586	500,380,000	2,080,671,586	19.39%

**Legal debt margin calculation for fiscal year ended June 30, 2008**

Current assessed valuation for 2008/2009 tax year	\$ 17,207,010,574
Debt limit for school districts - 15% of assessed valuation	2,581,051,586
Total Washoe County School District bonded debt	<u>500,380,000</u>
Legal debt margin	<u><u>\$ 2,080,671,586</u></u>

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.

Source: Washoe County School District Business Office

**Washoe County School District**  
**Washoe County, Nevada**  
**General Obligation Direct and Overlapping Debt**  
**As of June 30, 2008**  
(amounts expressed in thousands)

Table 3.3

	<u>General Obligation Debt Outstanding</u>	<u>Present Self-Supporting General Obligation Debt</u>	<u>Percent Applicable To Washoe County</u>	<u>Applicable Net Debt</u>
<b>Direct debt</b>				
Washoe County School District	\$ 500,380	\$ -	100%	\$ 500,380
<b>Overlapping</b>				
Washoe County-Governmental Activity Bonds	186,637	101,882	100%	84,755
Washoe County-Special Assessment Bonds	2,613	2,613	100%	-
Reno/Sparks Convention Visitor's Authority	132,484	132,484	100%	-
City of Reno	17,640	-	100%	17,640
City of Reno-supported by specific revenues	368,366	368,366	100%	-
Reno-Special Assessment Bonds	25,125	25,125	100%	-
City of Sparks	8,855	-	100%	8,855
Sparks-Sewer/Utility Bonds	46,570	46,570	100%	-
Incline Village General Improvement District	27,172	27,172	100%	-
State of Nevada	<u>2,155,125</u>	<u>765,070</u>	11.25%	<u>156,381</u>
<b>Total overlapping debt</b>	<u>2,970,587</u>	<u>1,469,282</u>		<u>267,631</u>
<b>Total direct and overlapping debt</b>	<u>\$ 3,470,967</u>	<u>\$ 1,469,282</u>		<u>\$ 768,011</u>

Source: Washoe County Comptroller's Office

**Washoe County School District  
Washoe County, Nevada  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
(dollars expressed in thousands)**

<b>Fiscal Year Ended June 30,</b>	<b>Population</b>	<b>Per Capita Income</b>	<b>Median Age</b>	<b>School Enrollment*</b>	<b>Total Personal Income</b>	<b>Unemployment Rate</b>
1999	334,601	\$ 34	36.9	52,562	\$ 11,288,186	4.0%
2000	341,935	36	37.3	54,121	12,322,546	2.9%
2001	353,271	37	35.6	55,651	13,035,713	3.9%
2002	359,423	37	35.6	57,557	13,323,522	4.7%
2003	373,233	37	35.8	58,909	13,917,120	4.5%
2004	383,453	40	35.1	60,373	15,071,220	3.8%
2005	396,844	41	36.1	62,073	16,007,090	3.8%
2006	409,085	44	36.5	62,356	17,685,503	4.0%
2007	415,775	47	34.5	63,044	19,173,828	4.2%
2008	419,037	43	36.5	63,626	17,803,397	5.4%

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

**Table 4.1**

<b>Total Labor Force</b>	<b>Construction Activity Total Value</b>	<b>Number of New Family Units</b>	<b>Taxable Sales</b>	<b>Gross Income From Gaming</b>	<b>Total Passenger Air Traffic</b>
187,800	\$ 201,589	1,086	\$ 4,679,516	\$ 1,032,381	6,318,665
194,500	255,052	1,001	4,957,235	1,111,327	5,951,344
200,600	290,589	1,270	5,194,146	1,113,289	5,332,507
201,700	294,356	1,324	5,292,179	1,049,152	4,485,369
201,200	305,249	1,217	5,481,583	1,032,988	4,514,225
208,800	345,640	1,009	6,023,437	1,011,658	4,918,829
212,400	368,356	1,113	6,687,447	1,016,864	5,097,170
219,400	307,686	851	7,268,593	1,072,937	5,149,700
222,610	225,085	557	7,202,641	1,069,608	5,014,382
228,617	405,038	480	6,823,701	996,614	4,841,257

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

**Table 4.2**

<u>Employer</u>	<u>December, 2007</u>			<u>December, 1998</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>
Washoe County School District	8500-8999	1	3.93%	5500-5999	1	3.06%
University of Nevada, Reno	4500-4999	2	2.13%	2500-2999	2	1.61%
Washoe County	3000-3499	3	1.42%	2500-2999	4	1.42%
International Game Technology	2500-2999	4	1.25%	-	-	-
Renown Medical Center	2500-2999	5	1.15%	2000-2499	7	1.29%
Peppermill Hotel Casino - Reno	2000-2499	6	1.13%	-	-	-
Integrity Staffing Solutions	2000-2499	7	1.03%	-	-	-
Silver Legacy Resort Casino	2000-2499	8	0.96%	2500-2999	5	1.39%
City of Reno	2000-2499	9	0.92%	-	-	-
Atlantis Casino Resort	1500-1999	10	0.84%	-	-	-
Reno Hilton	-	-	-	2500-2999	3	1.60%
Eldorado Hotel & Casino	-	-	-	2500-2999	6	1.39%
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%
<b>Total County covered employment</b>	<b><u>219,501</u></b>			<b><u>187,080</u></b>		

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

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

<b>Fiscal Year Ended June 30,</b>	<b>Enrollment</b>	<b>Governmental Funds Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Primary Government Expenses</b>	<b>Cost per Pupil</b>
1999	52,562	\$ 314,995,769	\$ 5,993	1.90%	N/A	N/A
2000	54,121	372,303,261	6,879	14.79%	N/A	N/A
2001	55,651	423,117,062	7,603	10.52%	N/A	N/A
2002	57,557	431,621,044	7,499	-1.37%	383,012,581	6,654
2003	58,909	450,719,331	7,651	2.03%	389,196,315	6,607
2004	60,373	464,720,491	7,697	0.61%	416,910,616	6,906
2005	62,073	481,317,717	7,754	0.73%	444,912,093	7,168
2006	62,356	560,796,048	8,993	15.98%	476,874,245	7,648
2007	63,044	540,810,989	8,578	-4.62%	519,093,727	8,234
2008	63,626	596,140,674	9,369	9.22%	554,692,976	8,718

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

<b>Percentage Change</b>	<b>Districtwide Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Number of Students Receiving Free or Reduced Priced Meals</b>	<b>Percentage of Students Receiving Free or Reduced Priced Meals</b>	<b>Total Meals Served</b>
N/A	N/A	N/A	14,949	28.44%	3,400,735
N/A	N/A	N/A	15,184	28.06%	3,634,383
N/A	N/A	N/A	15,944	28.65%	3,895,765
-	N/A	N/A	18,902	32.84%	3,996,975
-0.72%	3,477	16.9	21,625	36.71%	4,061,134
4.52%	3,487	17.3	17,338	28.72%	4,179,849
3.79%	3,600	17.2	24,403	39.31%	4,251,638
6.70%	3,653	17.1	21,467	34.43%	4,419,349
7.67%	3,806	16.6	23,218	36.83%	4,578,868
5.88%	3,864	16.5	21,244	33.39%	4,479,298

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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
1999	\$ 23,930	\$ 51,847
2000	24,409	52,884
2001	24,675	53,462
2002	24,675	53,462
2003	25,292	54,799
2004	25,924	56,169
2005	26,508	57,435
2006	27,303	59,158
2007	29,588	63,959
2008	30,069	66,487

Source: Washoe County School District Human Resources

**Washoe County School District  
Full Time Equivalent Employees by Function  
Last Ten Years**

Function	Fiscal Year Ended June 30,			
	1999	2000	2001	2002
Instruction	3,436	3,519	3,648	3,805
Student support	217	214	227	249
Instructional staff support	180	193	205	252
General administration	40	37	44	45
School administration	307	317	330	339
Business administration	70	77	94	81
Operations / maintenance	467	460	466	481
Student transportation	332	330	377	410
Central support	51	67	68	84
Other support	-	-	-	1
Nutrition services operations	257	327	312	330
Community service operations	-	-	-	14
Land & building acquisition, improvement	8	9	8	7
<b>Total full time equivalent employees</b>	<u>5,365</u>	<u>5,550</u>	<u>5,779</u>	<u>6,098</u>

Note: Full time equivalent employees do not include substitutes, student activity workers, athletic coaches, or temporary employees.

Source: Washoe County School District Business Office

**Table 5.3**

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
3,885	3,842	3,968	4,070	4,161	4,149
237	255	300	305	303	327
246	226	205	224	240	263
44	40	44	46	47	57
331	346	367	383	390	403
77	80	97	114	97	101
478	489	495	494	534	562
392	318	330	321	338	371
81	78	84	83	88	91
1	2	1	-	1	2
252	252	231	233	253	249
14	15	13	12	16	14
8	5	6	13	17	15
<u>6,046</u>	<u>5,948</u>	<u>6,141</u>	<u>6,298</u>	<u>6,485</u>	<u>6,604</u>

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

	<b>Fiscal Year Ended June 30,</b>			
	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>Elementary Schools</b>				
Sites	59	60	60	60
Square feet	2,455,734	2,504,749	2,504,749	2,509,069
Base capacity	27,167	27,781	27,781	28,441
<b>Middle Schools</b>				
Sites	11	11	11	11
Square feet	996,480	996,480	996,480	1,000,800
Base capacity	8,300	8,300	8,300	8,300
<b>High Schools</b>				
Sites	11	11	11	13
Square feet	1,738,457	1,750,297	1,750,297	2,251,855
Base capacity	11,656	11,656	11,656	11,656
<b>Administrative</b>				
Sites	7	7	9	9
Square feet	88,701	88,701	88,701	88,701
<b>Transportation</b>				
Sites	3	3	3	3
Square feet	60,645	60,645	60,645	60,645
Buses	267	276	276	288
<b>Nutrition</b>				
Sites	1	1	1	1
Square feet	24,246	24,246	24,246	24,246
<b>Other (Bullis Curriculum &amp; Instruction Center, Edison Curriculum &amp; Instruction Center and Plant Facilities)</b>				
Sites	2	2	3	3
Square feet	32,675	32,675	127,609	162,275

\* Johnson Elementary, located at Gerlach HS, square footage tracking separated from HS in 2007-08

\*\* Opportunity School & Academy of Arts, Careers & Technology, square footage tracking separated from Other in 2007-08

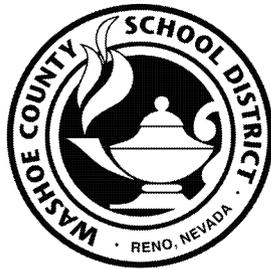
Source: Washoe County School District Plant Facilities

**Table 5.4**

2003	2004	2005	2006	2007	2008
62	62	62	62	64	65 *
2,619,151	2,656,829	2,661,149	2,664,029	2,822,459	2,813,816
28,441	29,761	30,080	30,080	31,286	31,286
11	11	12	12	13	13
1,003,680	1,005,120	1,128,911	1,128,911	1,266,428	1,258,676
8,300	8,300	8,300	9,233	10,279	10,279
13	13	14	14	14	16 **
2,266,868	2,506,623	2,508,063	2,518,197	2,574,892	2,754,294
15,236	15,236	16,244	16,244	16,244	16,244
9	9	9	9	9	8
88,701	88,701	88,701	88,701	88,701	91,981
3	3	3	3	3	3
60,645	60,645	60,645	60,645	60,645	60,645
288	299	254	279	293	300
1	1	1	1	1	1
24,246	24,246	24,246	24,246	28,746	28,746
3	3	3	3	3	3 **
163,715	163,715	163,715	163,715	163,715	130,045

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# **Compliance and Controls**



## **Comprehensive Annual Financial Report**

# **Compliance & Controls**

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- 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 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, 2008, which collectively comprise the District's basic financial statements as listed in the Table of Contents, and have issued our report thereon dated October 23, 2008. 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. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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. We consider the deficiencies described in items 08-1, 08-2 and 08-3 in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting.

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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

#### 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*.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on them.

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 23, 2008



**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, 2008. 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, 2008.

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.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 08-4 to be a significant deficiency.

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. We do not consider the deficiency described in the accompanying schedule of findings and questioned costs as item 08-4 to be a material weakness.

The District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the District's response and, accordingly, we express no opinion on it.

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 23, 2008

WASHOE COUNTY SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>DIRECT PROGRAMS:</i>			
Impact Aid PL 81-874	84.041	n/a	\$ <u>192,488</u>
Title IX, Indian Education	84.060	S060A061031	<u>197,388</u>
Fund for the Improvement of Education - Teaching American History #2	84.215	U215X040011	346,902
Fund for the Improvement of Education - Elementary US History	84.215	U215X050077	331,097
Fund for the Improvement of Education - Smaller Learning Communities	84.215	V215L032251	<u>18,339</u>
			<u>696,338</u>
<b>Total Direct</b>			<u>1,086,214</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
<b>Special Education Cluster</b>			
PL 108-446 - Individuals with Disabilities Ed Act	84.027	08-2715-16	9,581,668
PL 108-446 - Special Ed Case Load Reduction	84.027	08-2715-25	73,446
PL 108-446 - District Improvement	84.027	08-2715-127	11,262
PL 108-446 - Immersion Training	84.027	08-2715-29	10,335
PL 108-446 - Early Childhood Education	84.173	08-2715-56	<u>215,380</u>
<b>Total Special Education Cluster</b>			<u>9,892,091</u>
<b>Title I Grants to Local Education Agencies</b>			
Title I - Basic	84.010	08-2712-21	10,158,981
Title I - Delinquent	84.010	08-2712-120	77,104
Title I - School Improvement	84.010	08-2712-103	95,291
Title I - Even Start Evaluation	84.010	08-2712-68	4,500
Title I - District School Improvement	84.010	08-2712-127	100,000
Title I - Booth School Improvement	84.010	08-2712-127	28,282
Title I - Cannan School Improvement	84.010	08-2712-127	52,004
Title I - Greenbrae School Improvement	84.010	08-2712-127	7,999
Title I - Lincoln Park School Improvement	84.010	08-2712-127	50,317
Title I - Loder School Improvement	84.010	08-2712-127	22,008
Title I - Mathews School Improvement	84.010	08-2712-127	79,043
Title I - Mount Rose School Improvement	84.010	08-2712-127	8,914
Title I - Kate Smith School Improvement	84.010	08-2712-127	41,653
Title I - Smithridge School Improvement	84.010	08-2712-127	46,995
Title I - Sun Valley School Improvement	84.010	08-2712-127	39,114
Title I - Veterans School Improvement	84.010	08-2712-127	43,423
Title I -Traner School Improvement	84.010	08-2712-127	30,349
Title I - Bailey Charter School Improvement	84.010	08-2712-127	31,350
Title I - Mariposa Academy School Improvement	84.010	08-2712-127	<u>35,000</u>
			<u>10,952,327</u>
Title I - Migrant Education	84.011	08-2712-31	<u>49,971</u>
Title I - Even Start State Education Agencies	84.213	08-2712-64	<u>218,083</u>
Career & Technical Education - PL 105-332 - Carl D Perkins Basic/Reserve/NT	84.048	08-2676-16	672,080
Career & Technical Education - PL 105-332 - Carl D Perkins TMCC	84.048	n/a	40,000
Career & Technical Education - PL 105-332 - Carl D Perkins Leadership	84.048	08-2676-16	<u>16,758</u>
			<u>728,838</u>
Safe and Drug-Free Schools and Communities State Grants	84.186	08-2605-16	<u>168,371</u>
Education For Homeless Children and Youth - McKinney Homeless Assistance	84.196	08-2709-43	117,925
21st Century Community Learning Centers, District	84.287	08-2709-78	\$ <u>211,676</u>
21st Century Community Learning Centers, Allen ES	84.287	08-2709-78	89,533
21st Century Community Learning Centers, Booth ES	84.287	08-2709-78	69,199
21st Century Community Learning Centers, Cannan ES	84.287	08-2709-78	86,155
21st Century Community Learning Centers, Desert Heights ES	84.287	08-2709-78	103,562
21st Century Community Learning Centers, Duncan ES	84.287	08-2709-78	69,478

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
21st Century Community Learning Centers, Greenbrae ES	84.287	08-2709-78	93,342
21st Century Community Learning Centers, Lincoln Park ES ES	84.287	08-2709-78	105,822
21st Century Community Learning Centers, Loder ES	84.287	08-2709-78	124,369
21st Century Community Learning Centers, Mathews ES	84.287	08-2709-78	79,919
21st Century Community Learning Centers, Maxwell ES	84.287	08-2709-78	92,258
21st Century Community Learning Centers, Mitchell ES	84.287	08-2709-78	99,030
21st Century Community Learning Centers, Natchez ES	84.287	08-2709-78	100,286
21st Century Community Learning Centers, Risley ES	84.287	08-2709-78	89,687
21st Century Community Learning Centers, Kate Smith ES	84.287	08-2709-78	82,551
21st Century Community Learning Centers, Sun Valley ES	84.287	08-2709-78	96,711
21st Century Community Learning Centers, Warner ES	84.287	08-2709-78	105,280
21st Century Community Learning Centers, Pine MS	84.287	08-2709-78	94,684
21st Century Community Learning Centers, Traner MS	84.287	08-2709-78	85,746
21st Century Community Learning Centers, Vaughn MS	84.287	08-2709-78	81,300
			<u>1,960,588</u>
State Grants For Innovative Programs			
Title V, PL 107-110 State Grants For Innovative Programs	84.298	08-2713-16	41,633
Title V, No Child Left Behind, PL 107-110	84.298	08-2713-22	5,000
Title II, Part A *	84.298	08-2713-27	754,042
			<u>800,675</u>
Title II, Part D, Education Technology State Grants - Formula	84.318	08-2713-76	93,662
Title II, Part D, Education Technology State Grants - Competitive	84.318	08-2713-86	263,845
			<u>357,507</u>
PL 105-17 Special Education - State Personnel Development - Mentor Teacher Program	84.323	08-2715-94	71,617
PL 105-79 Comprehensive School Reform Demonstration #4 - Corbett ES	84.332	07-2712-83	18,668
Gaining Early Awareness and Readiness for Undergraduate Programs - GEAR UP 34 CRF 964 Hug HS	84.334	08-267816	144,984
Reading First State Grant	84.357	08-2712-57	1,129,056
Reading First Academy - Administration	84.357	08-2712-76	5,120
Reading First Academy - Greenbrae ES	84.357	08-2712-73	2,919
Reading First Academy - Warner ES	84.357	08-2712-74	2,389
Reading First - Virtual Academy	84.357	08-2712-46	7,909
			<u>1,147,393</u>
Title III, English Language Acquisition Grants	84.365	08-2709-36	854,467
Title II, Part B, Mathematics and Science Partnerships	84.366	UNR-08-04	6,500
Title II, Part A Improving Teacher Quality State Grants *	84.367	08-2713-27	1,648,999
Title II, Part A International Exchange Pilot	84.367	08-2713-50	19,055
Title II, Part A Pilot Project - Teacher Quality Support	84.367	08-2713-53	16,758
			<u>1,684,812</u>
Grants for State Assessments and Related Activities			
- Technical Assistance	84.369	08-2713-97	15,587
- Educational Training & Technical Support	84.369	2008-2713-93	15,735
			<u>31,322</u>
Fund for the Improvement of Education - Character Education	84.215	07-2709-14	177,881
Total U.S. Department of Education funding passed through the State of Nevada Department of Education			<u>29,384,020</u>

WASHOE COUNTY SCHOOL DISTRICT  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2008

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	\$ 40,994
YMCA 21st Century Community Learning Centers - Donner Springs ES	84.287	2006-2709-154DS	55,988
			<u>96,982</u>
<b>Total U.S. Department of Education</b>			<u>30,567,216</u>
*CFDA 84.298 contains \$754,042 transferred from Title II to Title V through "No Child Left Behind" transferability provisions.			
<b>U.S. DEPARTMENT OF AGRICULTURE:</b>			
<i>DIRECT PROGRAMS:</i>			
Schools and Roads_Grants to States - Forest Reserve	10.665	n/a	<u>6,286</u>
<b>Child Nutrition Cluster</b>			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF GENERAL SERVICES:</i>			
National School Lunch Program (Commodities) **	10.555	n/a	1,109,854
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
School Breakfast Program	10.553	n/a	7,513,487
National School Lunch Program	10.555	n/a	2,114,553
Special Milk Program	10.556		-
<b>Total Child Nutrition Cluster</b>			<u>10,737,894</u>
<b>Total U.S. Department of Agriculture</b>			<u>10,744,180</u>
** Amounts shown as expenditures represent the value of commodity foods used by the District.			
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:</b>			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES:</i>			
Substance Abuse and Mental Health Services_Projects of Regional and National Significance - JTNN - Substance Abuse	93.243	08010SPI	51,825
Substance Abuse and Mental Health Services_Projects of Regional and National Significance - JTNN - FRC	93.243	08009SPI	25,892
			<u>77,717</u>
Title IV-B, Promoting Safe and Stable Families - FRC Coalition CY 2005	93.556	IVB-3145/17-SFY05-07-003	<u>69,557</u>
Chile Abuse and Neglect State Grants			
Children's Trust Fund	93.669	n/a	15,000
Title XX Social Services Block Grant - FRC	93.669	n/a	185,459
			<u>200,459</u>
Head Start - Support and Development of Statewide Data Collection for EC	93.600	n/a	<u>12,000</u>
Block Grants for Prevention and Treatment of Substance Abuse - BADA - P.O.W.E.R.	93.959	08189PX	96,417
Block Grants for Prevention and Treatment of Substance Abuse - BADA - Family Strengthening	93.959	08126PX	70,000
			<u>166,417</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>526,150</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			
NV FFA Foundation's Learn & Serve America	94.004	n/a	<u>36,902</u>
<b>Total Corporation for National and Community Service</b>			<u>36,902</u>

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>			
<i>PASS THROUGH FROM WASHOE COUNTY:</i>			
Community Development Block Grants/Entitlement Grants			
WCHSC - Community Strengthening	14.218	n/a	\$ 38,362
WCHSC - Basic Needs	14.218	n/a	<u>35,083</u>
<b>Total U.S. Department of Housing and Urban Development</b>			<u>73,445</u>
<b>U.S. DEPARTMENT OF LIBRARIES AND ARCHIVES:</b>			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF CULTURAL AFFAIRS:</i>			
Grants to States			
LSTA Reading Week Grant	45.310	2007-20-19	5,000
LSTA Corbett Library Grant	45.310	LSTA 2007-11	11,039
LSTA Verdi Library/Nature Center Grant	45.310	LSTA 2007-12	<u>43,114</u>
<b>Total U.S. Department of Libraries and Archives</b>			<u>59,153</u>
<b>U.S. DEPARTMENT OF LABOR:</b>			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EMPLOYMENT, TRAINING &amp; REHABILITATION:</i>			
Incentive Grants - WIA Section 503	17.267	#PY06-Y-I-WCSD	<u>34,920</u>
<b>Total for U.S. Department of Labor</b>			<u>34,920</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY:</b>			
<i>DIRECT PROGRAM:</i>			
DIRECT - FRC Coalition Emergency Food & Shelter	97.024	589600-012	<u>8,203</u>
DIRECT - Emergency Food & Shelter	97.024	589600-012	<u>-</u>
<b>Total U.S. Department of Homeland Security</b>			<u>8,203</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 42,050,169</u>

WASHOE COUNTY SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2008

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, 2008. 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 and not-for-profit 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.

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	\$ 198,774
Special Revenue Funds	31,113,501
Enterprise Fund – Nutrition Services	<u>10,737,894</u>
	<u>\$42,050,169</u>

WASHOE COUNTY SCHOOL DISTRICT  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED JUNE 30, 2008

**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, 2008.
- Three significant deficiencies were identified during the audit of the financial statements as reported in the 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*. The deficiencies were not considered material weaknesses.
- The audit disclosed no instances of noncompliance which were material to the financial statements of Washoe County School District.
- One significant deficiency in the internal control over major federal award programs disclosed during the audit is reported in the 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. The deficiency was not considered a material weakness.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major programs of Washoe County School District.
- Audit findings, relative to major federal award programs for the Washoe County School District, which are required to be reported under section .510(a) of OMB Circular A-133 are included on the following pages.
- Washoe County School District had two major programs for the year ended June 30, 2008, as follows:

<b>CFDA Number</b>	<b>Program Name</b>
10.553/10.555	Child Nutrition Cluster
84.215	Fund For The Improvement Of Education

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2008, was \$1,261,505.
- Washoe County School District qualified as a low risk auditee for the year ended June 30, 2008 under the criteria set forth in section .530 of OMB Circular A-133.

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

***Findings Relating to the Financial Statement Audit Reported in Accordance With Generally Accepted Governmental Auditing Standards (GAGAS):***

Finding 08-1

Significant Deficiency:

Payroll:

Criteria and Condition: Duties within the payroll department should be segregated to ensure that the ability to process a payroll disbursement is separate from the ability to authorize the disbursement. In addition, payroll disbursements should be supported by the appropriate documentation.

We noted that there was a lack of segregation in duties within the District's payroll department whereby the same individual had the ability to both process a manual payroll check and also transmit the payroll check data to the District's bank, thereby authorizing the bank to fund the check. Also, while testing a sample of payroll transactions, we noted that for two amounts the number of hours paid did not agree to the number of hours noted on the supporting timesheet.

Effect: Unauthorized payroll transactions could have occurred in the District's payroll system. Also, payroll transactions were calculated incorrectly.

Cause: The payroll department did not segregate the processing and authorizing functions related to manual payroll checks. Also, the number of hours per the timecards was not compared to the number of hours paid for two transactions.

Recommendation: We recommend the District segregate duties within the payroll department to separate the processing and authorizing functions. We also recommend the District take steps to ensure all payroll transactions are supported by the appropriate documentation.

Management's Response: The payroll department has now segregated the duties noted in this finding. The payroll supervisor or the PERS technician will issue manual checks. The payroll coordinator will upload the check into bank portal. In the event the payroll coordinator is out of the office, the payroll supervisor will handle the banking transaction and the PERS Technician will handle the check writing.

To address the issue on the sample testing, the payroll department is currently reviewing the batch proof process and will update this area as needed to eliminate these errors.

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

Finding 08-2

Significant Deficiency:

Information Technology:

Criteria and Condition: The District depends heavily on information technology systems and any disruption caused by a disaster could result in operating difficulties. Managing the changes to the information technology environment is necessary to ensure changes occur effectively and to prevent unauthorized changes. The location of the District's datacenter is crucial to the security of the information technology environment.

We noted that while the District's information technology staff has made significant advancements in developing a comprehensive disaster recovery plan and a comprehensive change management policy neither were fully implemented at June 30, 2008. In addition, while an offsite backup datacenter is currently under construction, the current location of the District's datacenter has several deficiencies that put the District at risk in the event of a catastrophe such as a fire or flood.

Effect: The District's information technology systems are at higher risk.

Cause: The District has not fully implemented a comprehensive disaster recovery plan or a comprehensive change management policy for the information technology environment. In addition, the District's datacenter resides in a facility with inherent deficiencies.

Recommendation: We recommend the District continue its efforts to implement a comprehensive disaster recovery plan, a comprehensive change management policy and relocate the datacenter to a different, more secure location.

Management's Response: We concur with the findings and recommendations. The District has committed to establishing a backup site at the Corporate Way facility which is currently being remodeled. The Board of Trustees has allocated funding for Phase One (of three) hardware and software for this facility. A Comprehensive Disaster Recovery plan and a Change Management policy are currently being processed for inclusion as Continuous Systems Improvement (CSI) procedures.

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

Finding 08-3

Significant Deficiency:

Workers' Compensation Insurance Fund:

Criteria and Condition: The District utilizes a third-party administrator to process workers' compensation claims. The third-party administrator manages a District-specific checking account that receives funds exclusively from the District and pays claims solely on behalf of the District. The District transfers funds to that checking account on a regular basis based on information submitted by the third-party administrator.

It was noted that the District transferred an excess amount of funds to the checking account managed by the third-party administrator during the year.

Effect: The District's workers' compensation expense was overstated and the checking account managed by the third-party administrator had received excess funds from the District.

Cause: The information submitted to the District by the third-party administrator included an excess amount of claims. The District then transferred an excess amount of funds based on the information submitted.

Recommendation: We recommend the District enhance its controls and processes over the funding process for the checking account managed by the third-party administrator, including adding a process to check for the duplication of claims.

Management's Response: To address this matter, the District will add the following controls:

1. The District will more closely question excess balances that sometimes occur in third-party administered accounts owned by the District as part of the review of monthly bank reconciliements.
2. The District has requested that all third-party administrators send our Risk Manager an additional copy of weekly draws to add another layer of review.
3. The third-party administrators have been advised to add additional review levels before processing a weekly draw.

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

4. As part of the year-end close, all third-party administrators will be required to submit a fiscal year statement of draws by June 30th which District staff will validate against the general ledger.
5. Finally, the District will post the June 30th book balance for each District owned third-party administrator account into the general ledger as part of the year-end close.

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

***Findings and Questioned Costs for Major Federal Award Programs:***

Finding 08-4:

U.S. Department of Education:

Fund For The Improvement Of Education, CFDA #84.215

Grant Award Number: Potentially affects all grant awards included under CFDA #84.215 on the Schedule of Expenditures of Federal Awards.

Criteria and Condition: The OMB Circular A-133 Compliance Supplement states that non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

While reviewing a contract with a vendor that was funded under the District's Fund For The Improvement of Education - Character Education Program, it was noted that the contract did not contain a certification from the contractor that they were not suspended or debarred. In addition, there was no evidence that the District had taken steps to ensure the contractor was not suspended or debarred.

Questioned Costs: N/A

Context: The condition above appears to be a systemic problem. While contracts obtained through the District's bidding procedures include language certifying the contractor is not suspended or debarred, contracts not subject to the District's bidding procedures do not include a certification clause certifying the contractor is not suspended or debarred.

Effect: The District may have contracted with an entity that had been suspended or debarred or otherwise declared ineligible from receiving Federal contracts.

Cause: The language of the contract did not include a certification clause stating the contractor was not suspended or debarred. The District did not take steps to determine that the contractor was not debarred.

Recommendation: We recommend the District implement procedures to ensure that contractors who perform services for the District that are paid with federal funds are not suspended or debarred, regardless of the process used to secure those services.

Management's Response: See management's response on page 198.



Washoe County School District  
P.O. Box 30425  
Reno, NV 89520-3425

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October 10, 2008

Grantor Agencies

RE: 08-4, US Department of Education, Fund for Improvement of Education, CFDA #84.215

To Whom It May Concern,

This letter is written in response to **FY 07-08 Finding 08-4, US Department of Education, Fund for Improvement of Education, CFDA #84.215**. Washoe County School District (WCSD) has implemented the following two corrective action procedures:

- 1) A **Debarment Certification clause** has been added to the WCSD standard Independent Contractor form. This will ensure all Independent Contractors have certified they are not debarred / suspended from receiving federal funds.
- 2) A **Debarment Certification form** will be signed and kept on file before WCSD disburses state or federal funds to subgrantees. This would apply to Charter Schools (and other applicable organizations) who receive state or federal funding to run their own programs through WCSD, as opposed to a contract to perform services for WCSD, which is covered in 1) above.

The above referenced corrective action will take effect in October 2008 under the direction of Kristen McNeill, Director of State & Federal Programs and monitoring of Rob Luna, Grant Fiscal Administrator.

Sincerely,

A handwritten signature in cursive script that reads "Gary Kraemer".

Gary Kraemer, Chief Financial Officer  
Washoe County School District

GK/rl

WASHOE COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2008

***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, 2008 (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, 2008,
- 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 23, 2008

**WASHOE COUNTY SCHOOL DISTRICT  
AUDITOR'S COMMENTS  
JUNE 30, 2008**

**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, 2007.

**PRIOR YEAR RECOMMENDATIONS**

There were no recommendations made in the audit report for the year ended June 30, 2007.

**CURRENT YEAR RECOMMENDATIONS**

Our current year recommendations are included in the Schedule of Findings and Questioned Costs.

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