

Washoe County School District
Reno, Nevada



Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2011



Washoe County School District
Every Child, By Name And Face, To Graduation



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

Fiscal Year Ended June 30, 2011



**Washoe County
School District**

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Washoe County School District Superintendent & Board of Trustees



Heath Morrison
Superintendent



Barbara McLaury
Board of Trustees
President



Ken Grein
Board of Trustees
Vice President



Scott Kelley
Board of Trustees
Clerk



Dan Carne
Board of Trustees
Member



Barbara Clark
Board of Trustees
Member



Estela Gutierrez
Board of Trustees
Member



John Mayer
Board of Trustees
Member

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2011

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Introductory Section



*Washoe County
School District*

Comprehensive
Annual
Financial Report

Introductory Section

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





Washoe County School District

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Board of Trustees: Barbara McLaury, President • Ken Grein, Vice President • Scott Kelley, Clerk
Dan Carne • Barbara Clark • Estela Gutierrez • John Mayer • Dr. Heath Morrison, Superintendent

October 24, 2011

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, 2011, 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, 2011. 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 2010-11, the District operated sixty-two elementary schools, one K-12 school, fourteen middle schools, twelve comprehensive high schools, plus an alternative high school, a magnet high school, a technical high school and one K-12 special education school (Picollo). The District also offers one middle/high online school (WOLF) and sponsors eight charter schools. The District employed approximately 8,275 employees (certified, classified, administrative and substitutes) and served 62,323 students during the year (after final state audit). The governing board of the District consists of seven members elected by the public for four-year terms. The Board of Trustees believes that our mission is to create an education system where all students achieve academic success, develop personal and civic responsibility, and achieve career and college readiness for the 21st century.

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 instruction, student services, personnel, finance, administration 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 approximately 72.2 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, the AAA Reno Aces baseball team and stadium, expanded convention facilities throughout the region and the Summit, Cabela's and Legends destination shopping locations. 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 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 2010-11 fiscal period is 428,735, which reflects an 18.5% increase over the 2001-02 population of 361,841. From 2009-10 to 2010-11, the County population is forecasted to increase by 7,328 or 1.7%. The annual labor force of the County is estimated at 212,480 at the end of June 2011, and the unemployment rate was established at a fiscal year average of 13.2% compared to 13.8% last year. This can be compared to the United States unemployment rate of 9.3% for the same period.

Other indicators of the economy in the County are reflected in taxable sales that increased 2% compared to a (9.3%) decrease in the prior year. Air traffic in Reno is up .5%, while gross income from gaming was down (4.7%). Additionally, sales of local existing homes decreased 322 or (5.5%) while new family units were at 55 compared to 36 in the prior year. In summary, Washoe County's economy continues to experience slow and, in some cases, declining growth when compared to similar statistics in recent business cycles. These results continue to exceed the economic problems that are being experienced throughout most of the United States.

LONG-TERM FINANCIAL PLANNING

The District has adopted "best practices" financial policies relating to minimum fund balance, contingencies and other policies. The District intends to continue this strategy of improving its financial policies and the goal of maintaining prudent reserves. Additionally, the District is also measuring key performance indicators with the Council of Great City Schools to evaluate how we perform in relation to other school districts around the country.

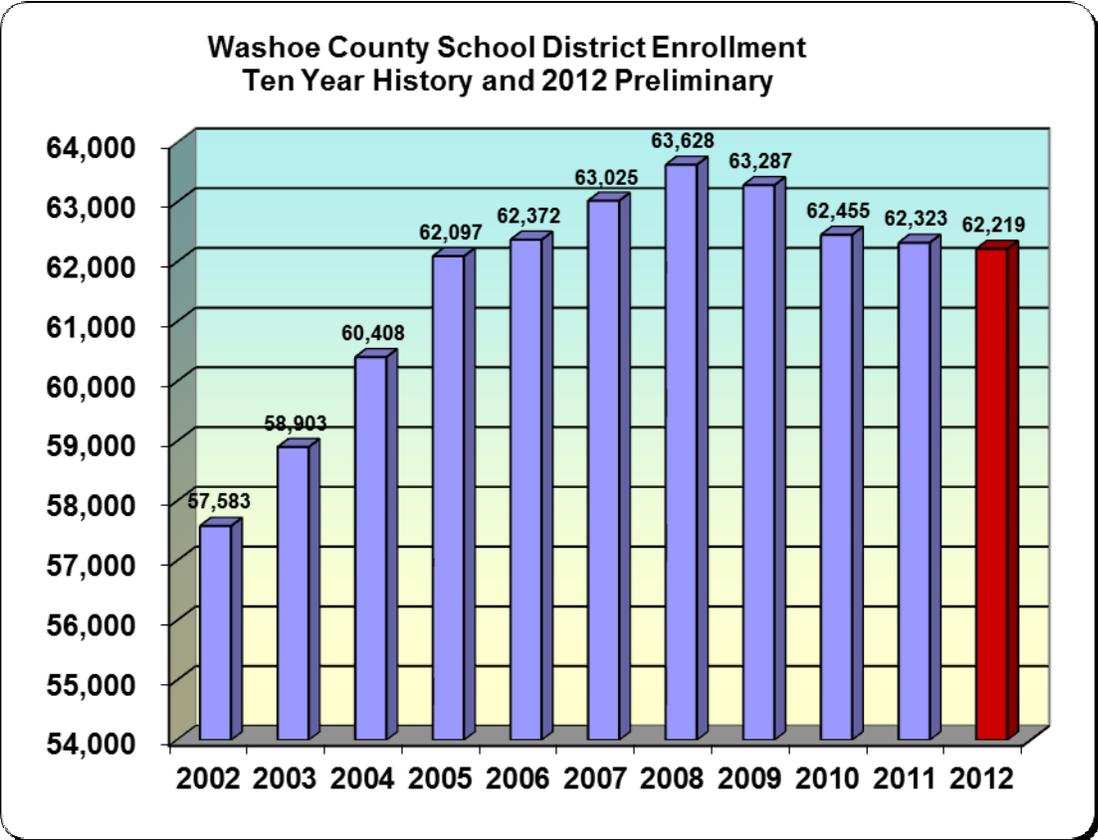
The District's Capital Projects department utilizes a number of tools to work closely with the Board to identify and prioritize capital improvements and their associated planning, design, management and accounting needs. These tools include the "Envision WCSD 2015" strategic plan, the seven year enrollment projection report, student capacity analysis, educational specifications, construction standards, facility condition assessments (FCIS); facility revitalization needs assessments, educational program standards, Vision 2015 educational facility plan and job costing accounting systems. The District is also entering the last year of the ten year rollover bond program that is due to expire in November 2012 and is looking at its options to address capital funding needs for the years that will follow.

The District adopted Government Accounting Standards Board (GASB) Statement No. 45 to address the overall funding issue of the retiree health insurance and has an Other Postemployment Benefits (OPEB) Trust Fund for funding the retiree costs and liability. The District is one of only a few governmental entities in Nevada that have fully funded their annual OPEB costs for fiscal years 2008 through 2011. During fiscal year 2010-11, the District implemented GASB Statement No. 54 to address fund balance reporting and fund type definitions.

MAJOR INITIATIVES

Enrollment Trending

For the fourth consecutive year, the district's total enrollment has declined. The preliminary count showed 62,219 students enrolled in Washoe County's public schools for the 2011-12 school year. In 2010-2011, district audited enrollment was 62,323 students. Compared to last year, enrollment has decreased by (104) students or (.17%). This mirrors a trend being seen in school districts across the state of Nevada. Nevada's school finance formula, however, contains a "hold-harmless" clause allowing districts with a drop in enrollment to use the previous year's enrollment as the base in determining the level of state funding. A historical graph of the District's enrollment is presented below.



Graduation Rates

Improving graduation rates across the Washoe County School District is at the heart of the District's strategic plan, *Envision WCSD 2015 – Investing In Our Future*. Since the implementation of the strategic plan in the fall of 2010, WCSD has made a concerted effort to improve graduation rates by implementing several initiatives at schools and throughout the community, and these efforts have led to significant improvements.

The *Door to Door for Student Achievement* campaign is one of a number of successful initiatives that have had an impact on graduation rates. In the fall, the Superintendent, Board of Trustees, principals, school-based staff, elected officials and community members visit the homes of students who have not enrolled in school or who have chronic attendance issues and are at risk of dropping out. These community teams sit down with the students and their parents and come up with a plan to get that child back in the classroom. A personalized plan of progress is developed for each child and the school, the student and the parents monitor that progress to ensure the child stays on track to graduation. WCSD high schools have also initiated new intervention programs on campus that provide additional opportunities for students to regain credits before and after school and on Saturdays. The District's alternative education program has also been restructured to provide students various educational options.

The District's Re-Engagement Centers are another major initiative that is helping students to stay engaged in school. The grant-funded centers are located in five locations throughout the community and offer credit recovery programs, tutoring opportunities, educational counseling and connections to community resources that support youth and families. Since the centers opened in May 2011, hundreds of students have been re-engaged in school.

These initiatives and programs have led to two consecutive years of significant growth in the graduation rate most recently with Class of 2011 driving the graduation rate up an additional seven percentage points to 70 percent. In total, the District's graduation rate climbed 14 percentage points between 2009 and 2011 from 56 percent to 70 percent. This comes after a four-year period (2006-2009) when the graduation rate remained stagnant between 55 and 57 percent. The data also shows that the graduation rate at every comprehensive high school in the District improved in 2011 and graduation rates for student sub-groups increased in nearly all instances, showing evidence of narrowing the achievement gap.

Test Scores

Washoe County School District students showed marked improvement in achievement in 2011 based on statewide standardized test scores. For the second year in a row, the District demonstrated significant gains in mathematics at the elementary and middle school levels with every grade measured by the state tests (3rd - 8th grades) showing improved scores in 2011. Additionally, the District as a whole posted gains on the eighth grade writing test.

Academic Programs

In addition to improving graduation rates, the District is committed to ensuring every child graduates from high school ready for college and/or high skilled careers. The District made several changes to academic programs to provide additional and more rigorous learning opportunities for its students. While the programs launched in the fall of 2011, the planning happened during 2010-2011.

WCSD expanded its tuition-based full-day kindergarten for the 2011-2012 school year, giving more students an opportunity to get into the early childhood program. The changes include a standardized fee that makes the program more affordable and accessible for parents and students. A limited number of scholarships were also created to provide access for families in need.

Additionally, WCSD restructured its Gifted and Talented Education (GATE) program to increase the learning opportunities for more students. Four GATE magnet middle schools opened in the fall of 2011. These magnet programs provide gifted programming in the core subjects for students in the 6th through 8th grades. Enhancements were also made at the elementary level, allowing more students to receive GATE programming at the school in which they are zoned.

Parent Involvement

As a major part of *Envision WCSD 2015 – Investing In Our Future*, the District is focused on increasing levels of parent involvement. Parents are a child's most valuable supporter and advocate and the District's most important partner, so building strong relationships with parents is a major emphasis for WCSD.

The Office of Family-School Partnerships worked for months in 2010 and 2011 to put together a brand new venture that would reach out to parents in an innovative way. After months of dedication and hard work, the WCSD Parent University opened its doors in September 2011. In collaboration with 22 community partners, the Parent University offers more than 220 free classes to parents and other caregivers that will help every family increase their knowledge of how to help their children succeed. Classes are offered on a variety of topics that cover academic-related subjects or issues like bullying, internet safety and healthy eating. This is a major initiative for the District that will allow parents and educators to collaborate and help support every child so he or she can succeed in the classroom.

Budget Cuts

The Washoe County School District is experiencing a period of challenging budget reductions. Due to cuts at the local, state and federal level, the final 2011-2012 budget included \$50.6 million in reductions and cost-savings measures and the same level of cuts is anticipated for 2012-2013. These cuts are in addition to the \$73 million the District already had cut in the four years prior.

The District's final 2011-2012 budget included maintaining an increase in class size for grades 1-3 by two students, deferring textbook purchases for another year, using savings from healthcare negotiations and spending down contingency and fund balance amounts. The budget also contained more reductions to Central and Direct School Support Services and negotiated employee concessions. The District has finalized negotiations with four of its five employee's associations, and they have agreed to significant concessions.

As a part of the budget plan, WCSD launched a comprehensive budget awareness campaign to keep employees, parents and the community informed during the budget process. With possibilities of huge reductions, the District felt it was vital to provide accurate and timely information to all stakeholders about the budget and any legislative decisions that would impact schools. WCSD provided numerous opportunities for the community to provide input and ask questions through a survey that garnered more than 3,000 responses and during a series of five town hall meetings. The District also created a new budget section of its website dedicated to budget-related content. This page included an online suggestions database for stakeholders to provide cost-savings ideas and the District provided responses to those ideas. The website was updated regularly with videos, news releases and other documents to keep the community informed. Budget information was also communicated through social media sites like Facebook and Twitter, a legislative blog and through media outlets and news conferences.

Nevada continues to be one of the lowest taxed states in the country, but this by itself will not attract new businesses to our region. Successful businesses understand that a strong K-12 and higher education systems are needed to provide the high performing workforce that makes companies successful. The challenge to the governing leaders and the citizens in our state is to make the difficult revenue and spending decisions needed now to properly invest in or fund education at all levels so that top tier businesses will come to Nevada in large numbers to better diversify our economic job base.

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.

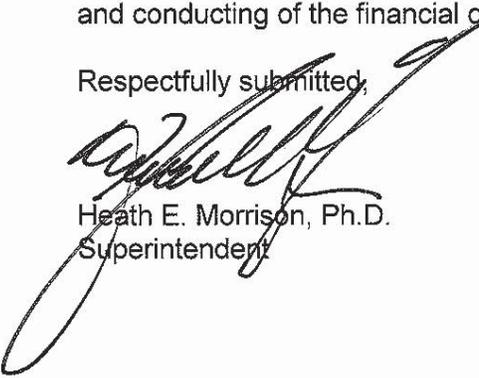
The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the evaluation of such costs and benefits requires estimates and judgments made by management. We believe the District's internal accounting controls provide reasonable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

AWARDS AND ACKNOWLEDGMENTS

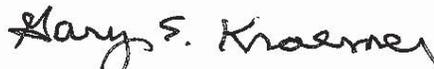
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This is the tenth consecutive year 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,



Heath E. Morrison, Ph.D.
Superintendent



Gary S. Kraemer, CPA
Chief Financial Officer

Washoe County School District Reno, Nevada



District Officials For Fiscal Year Ended June 30, 2011

Board of Trustees

Barbara McLaury
President

Ken Grein
Vice President

Scott Kelley
Clerk

Dan Carne
Member

Barbara Clark
Member

Estella Gutierrez
Member

John Mayer
Member

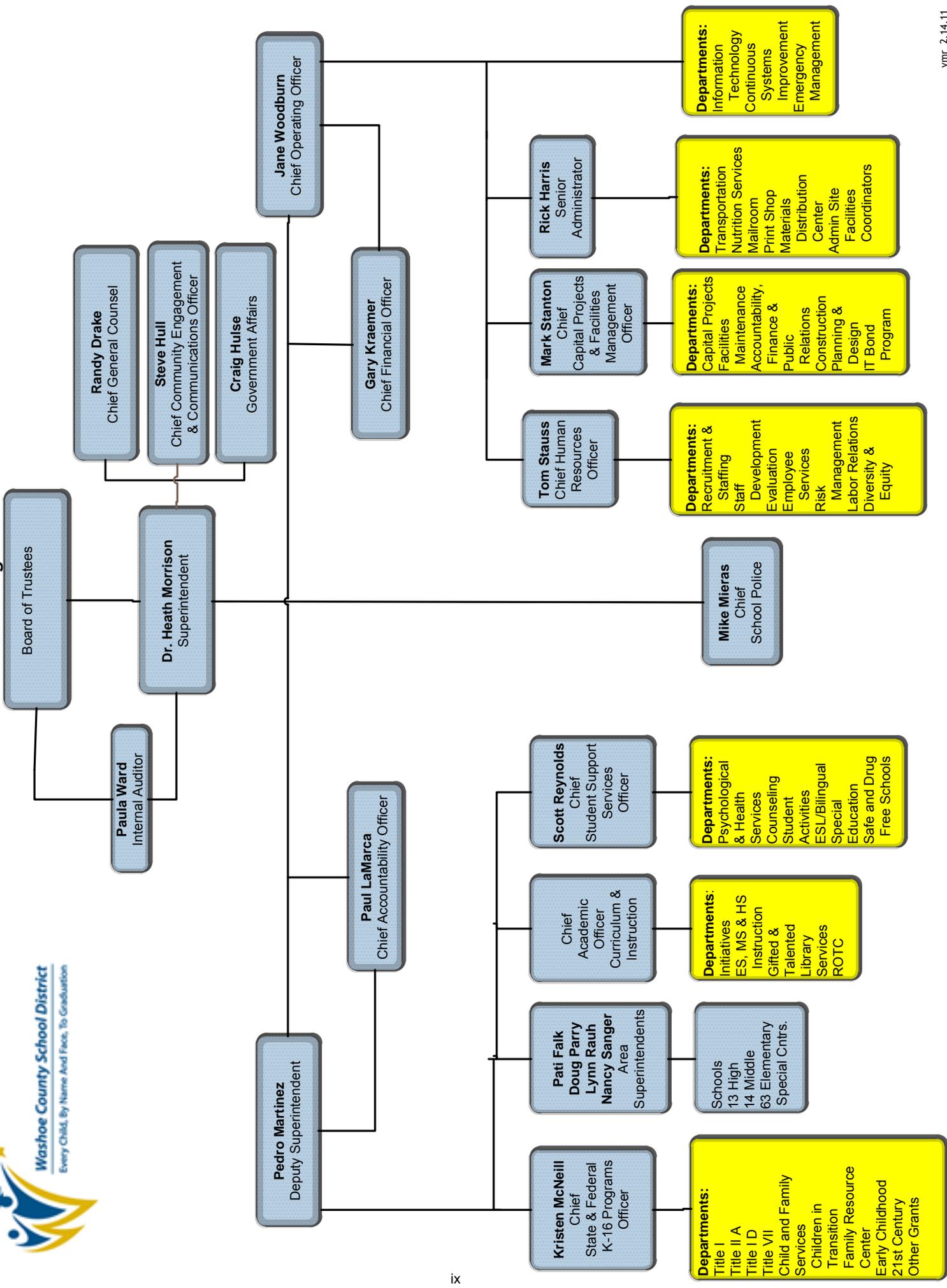
Administrative Officials

Heath Morrison, Ph.D.
Superintendent

Jane Woodburn
Deputy Superintendent

Gary Kraemer, CPA
Chief Financial Officer
Business & Financial Services

Washoe County School District FY 2011 Organization



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, 2010

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



President

Executive Director

Financial Section



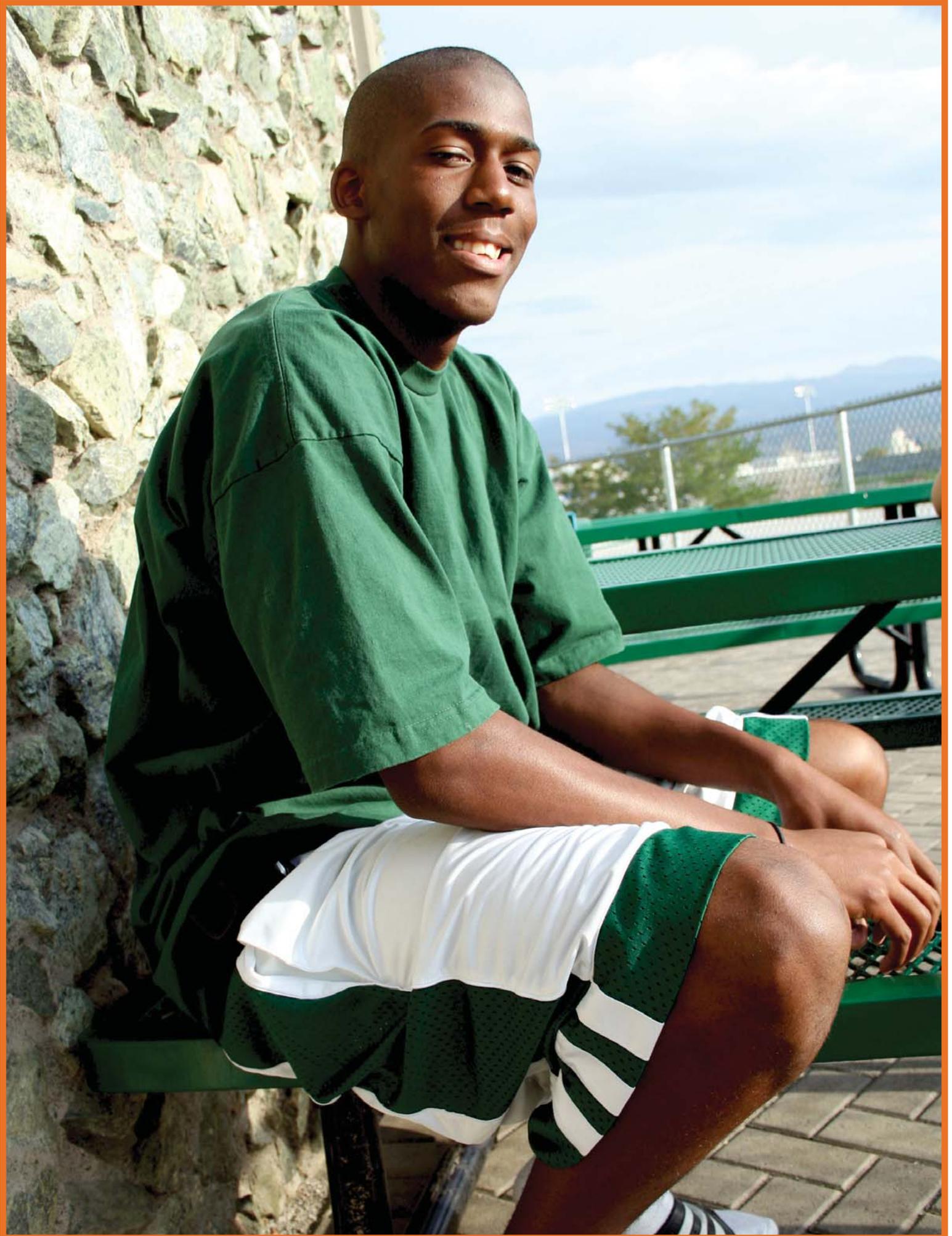
*Washoe County
School District*

Comprehensive
Annual
Financial Report

Financial

Section

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





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, 2011, which collectively comprise the District's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions 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 the 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, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof 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 our report dated October 24, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, reconciliation of budget basis statements to GAAP basis statement, the schedule of funding progress, and the schedule of employer contributions, on pages 3 through 18 and 65 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial

statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, nonmajor combining and individual fund financial statements and schedules, Schedules of Capital Assets Used in the Operation of Governmental Funds, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The nonmajor combining and individual fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. We also have previously audited, in accordance with auditing standards generally accepted in the United States, the District's basic financial statements for the year ended June 30, 2010, which are not presented with the accompanying financial statements. In our report dated October 21, 2010, we expressed unqualified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. In our opinion, the 2010 nonmajor combining and individual fund financial statements and Schedules of Capital Assets Used in the Operation of Governmental Funds are fairly stated in all material respects in relation to the basic financial statements for the year ended June 30, 2010, taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Kafoory, Armstrong & Co.

Reno, Nevada
October 24, 2011

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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 \$7.2 million to \$379.1 million.
- ❑ Unrestricted net assets decreased or declined slightly by \$.3 million to \$60.1 million.
- ❑ The District's total revenues decreased by \$(8.4) million to \$597.5 million. The most significant revenues are local school support taxes (sales tax) at \$128.8 million, property taxes (Ad Valorem) at \$153.7 million and state aid at \$144 million.
- ❑ The District's total expenses increased by \$4.3 million to \$590.4 million. The most significant expenses were in regular instruction at \$200.9 million, special education instruction at \$66.1 million, operation and maintenance at \$45.8 million and other instruction (primarily grants) at \$62.8 million.
- ❑ Net capital assets increased to \$647.3 million. Major additions include \$14.9 million for school renewals, \$6.7 million for photovoltaic energy conservation projects, \$5.2 million for machinery and equipment and \$.5 million for technology upgrades. Depreciation expense totaling \$22.9 million is included in the government-wide statements.
- ❑ The District's general obligation bonds payable decreased by \$(41.8) million or (7.9%). This is the result of the issuance of \$46.9 million in bond debt, \$(28.3) million of debt payments and net refunded or defeased debt of \$(60.4) million.
- ❑ The District has an Aa2 bond rating with a stable outlook from Moody's Investor Service, and an AA rating with a stable outlook from Standard and Poor's Corporation.

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

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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 39 individual governmental funds of which the general, special education, debt service, 2011 bond rollover, 2011B bond rollover, 2010 Washoe County recovery zone economic development bond (RZEDB), 2010 qualified school construction bond (QSCB), 2009 Washoe County RZEDB, 2009 City of Reno RZEDB, 2009 bond rollover, 2008 bond rollover, 2007 bond rollover and 2006 bond rollover are considered major. These funds are disclosed separately in the governmental fund balance sheet and/or in the governmental fund statement of revenues, expenditures and changes in fund balances. The remaining 26 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 (OPEB) Trust Fund. Additional information can be found on the OPEB Trust Fund in Note 9 on pages 56-61 of this report.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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 65 and 66 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

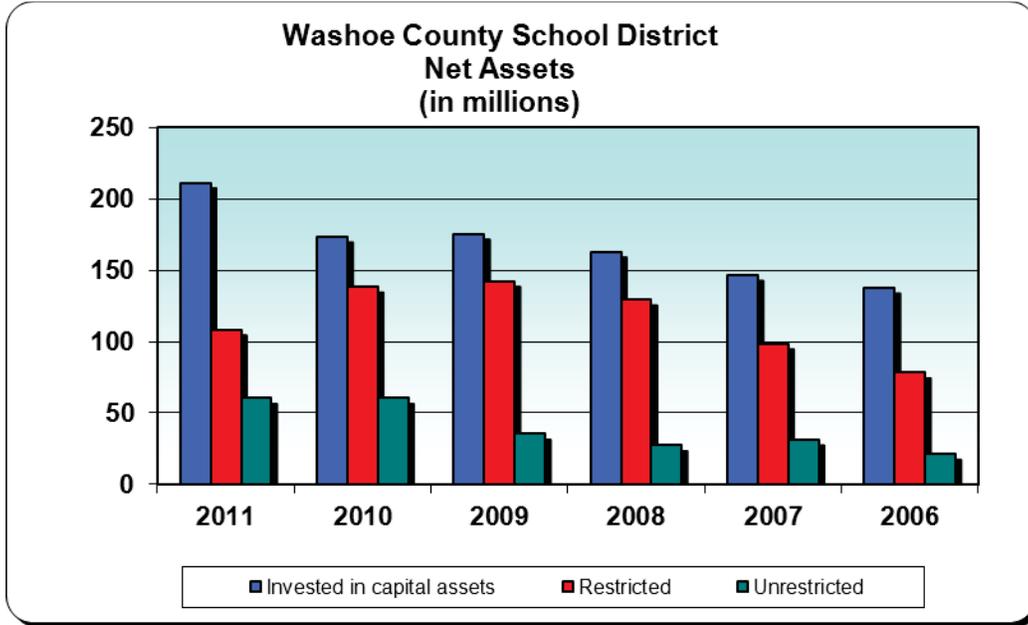
	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	\$ 365,651,515	\$ 403,494,265	\$ 4,245,294	\$ 4,457,628	\$ 369,896,809	\$ 407,951,893
Net capital assets	646,771,402	634,851,522	551,185	633,724	647,322,587	635,485,246
Total assets	<u>1,012,422,917</u>	<u>1,038,345,787</u>	<u>4,796,479</u>	<u>5,091,352</u>	<u>1,017,219,396</u>	<u>1,043,437,139</u>
Liabilities						
Current liabilities	127,759,544	128,298,208	857,926	764,481	128,617,470	129,062,689
Long-term liabilities	509,461,342	542,394,591	-	-	509,461,342	542,394,591
Total liabilities	<u>637,220,886</u>	<u>670,692,799</u>	<u>857,926</u>	<u>764,481</u>	<u>638,078,812</u>	<u>671,457,280</u>
Net Assets						
Invested in capital assets, net of related debt	210,091,401	172,508,687	551,185	633,724	210,642,586	173,142,411
Restricted	108,417,840	138,439,390	-	-	108,417,840	138,439,390
Unrestricted	56,692,790	56,704,911	3,387,368	3,693,147	60,080,158	60,398,058
Total net assets	<u>\$ 375,202,031</u>	<u>\$ 367,652,988</u>	<u>\$ 3,938,553</u>	<u>\$ 4,326,871</u>	<u>\$ 379,140,584</u>	<u>\$ 371,979,859</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 \$379.1 million at June 30, 2011. The largest portion of net assets 55.6% 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, 2011**

An additional portion of the District's assets 28.6% represents resources that are subject to external restrictions (statutory, bond covenants, or granting agency) on how they may be used. At June 30, 2011, the District had unrestricted net assets of \$60.1 million. A graphical history of net assets is as follows:



Governmental activities. Governmental activities increased the District's net assets by \$7.5 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	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues:						
Charges for services	\$ 1,843,639	\$ 1,269,594	\$ 4,933,054	\$ 5,381,119	\$ 6,776,693	\$ 6,650,713
Operating grants and contributions	115,193,329	107,415,696	13,616,037	13,562,465	128,809,366	120,978,161
General revenues:						
Property taxes	153,694,307	167,348,704	-	-	153,694,307	167,348,704
Local school support taxes	128,788,689	127,099,100	-	-	128,788,689	127,099,100
Government service taxes	14,560,297	15,321,249	-	-	14,560,297	15,321,249
Franchise taxes	365,707	332,477	-	-	365,707	332,477
Unrestricted investment earnings	6,630,982	4,954,850	-	-	6,630,982	4,954,850
State aid not restricted to specific purposes	143,954,130	156,389,169	-	-	143,954,130	156,389,169
Other	13,948,550	6,476,613	-	325,635	13,948,550	6,802,248
Total revenues	578,979,630	586,607,452	18,549,091	19,269,219	597,528,721	605,876,671

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

WASHOE COUNTY SCHOOL DISTRICT CHANGE IN NET ASSETS (continued)

	Governmental activities		Business-type activities		Total	
	2011	2010	2011	2010	2011	2010
Expenses						
Instruction:						
Regular instruction	\$ 200,910,500	\$ 215,922,516	\$ -	\$ -	\$ 200,910,500	\$ 215,922,516
Special instruction	66,119,459	67,093,235	-	-	66,119,459	67,093,235
Vocational instruction	8,192,784	8,289,052	-	-	8,192,784	8,289,052
Other instruction	62,794,001	50,408,402	-	-	62,794,001	50,408,402
Adult education instruction	1,951,707	1,600,284	-	-	1,951,707	1,600,284
Community services instruction	757,579	856,533	-	-	757,579	856,533
Co-curricular instruction	3,447,205	3,422,601	-	-	3,447,205	3,422,601
Support services:						
Instruction	339,215	293,830	-	-	339,215	293,830
Student support	24,832,719	25,696,965	-	-	24,832,719	25,696,965
Instructional staff support	12,117,988	12,090,308	-	-	12,117,988	12,090,308
General administration	5,267,326	5,652,249	-	-	5,267,326	5,652,249
School administration	29,682,847	31,075,074	-	-	29,682,847	31,075,074
Central services	20,817,611	23,144,740	-	-	20,817,611	23,144,740
Operation and maintenance	45,840,239	48,294,122	-	-	45,840,239	48,294,122
Student transportation	15,173,027	15,454,876	-	-	15,173,027	15,454,876
Other support	2,079,234	11,137	-	-	2,079,234	11,137
Community services operations	388,674	402,769	-	-	388,674	402,769
Nutrition services	-	-	18,937,409	18,643,773	18,937,409	18,643,773
Facilities	30,214,091	31,261,928	-	-	30,214,091	31,261,928
Interest on long-term debt	24,139,763	25,395,984	-	-	24,139,763	25,395,984
Issuance costs on debt	1,364,618	1,093,095	-	-	1,364,618	1,093,095
Unallocated refund of Incline Village property taxes	15,000,000	-	-	-	15,000,000	-
Total expenses	571,430,587	567,459,700	18,937,409	18,643,773	590,367,996	586,103,473
Increase in net assets	\$ 7,549,043	\$ 19,147,752	\$ (388,318)	\$ 625,446	\$ 7,160,725	\$ 19,773,198

Governmental activities

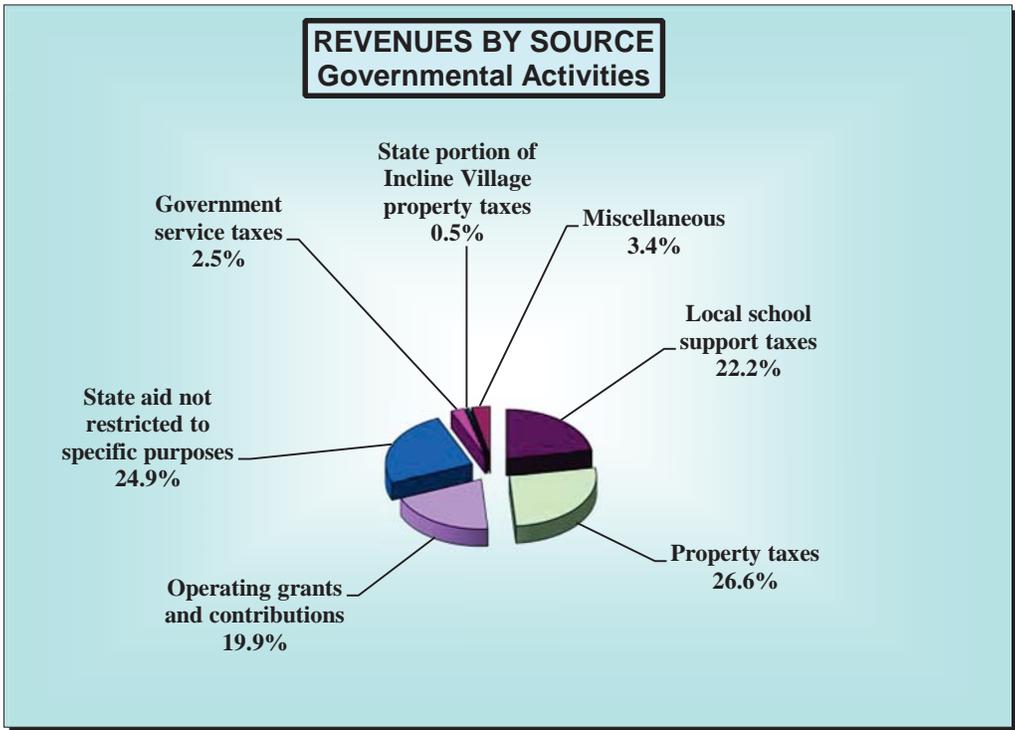
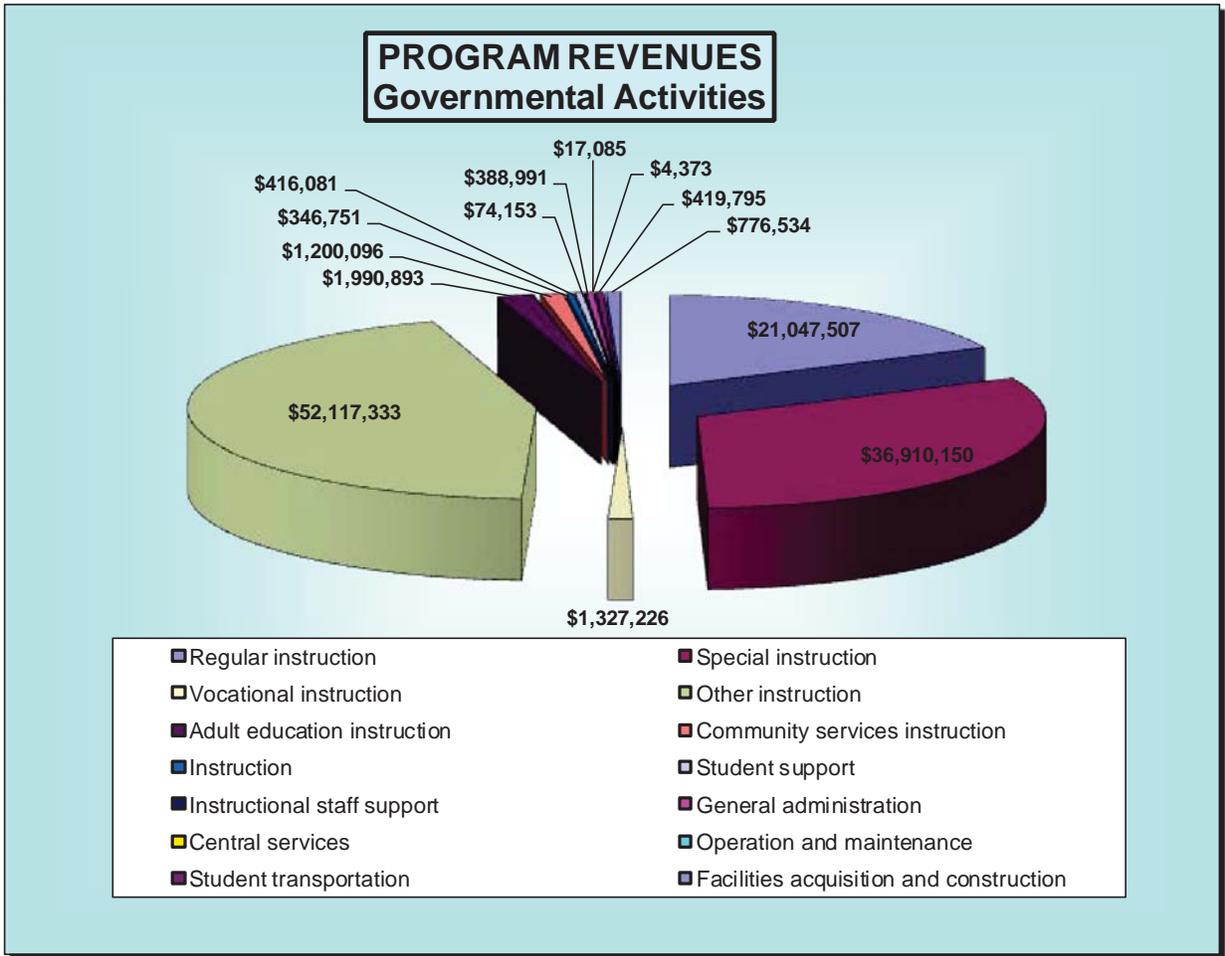
Total Revenues: Total revenues decreased from prior year revenues by (1.3%). General revenues, mainly comprised of taxes, state aid and investment earnings, represented 79.8% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

Program Revenues: Program revenues represent 20.2% of the total revenues collected to pay costs of providing program services. Charges for services increased 45.2% and operating grants and contributions increased 7.2%.

General Revenues: General revenues decreased (3.3%) from the prior fiscal year. The District experienced increases in local school support taxes, franchise taxes, unrestricted investment earnings and other income with decreases in all other categories.

The following two graphs demonstrate the governmental activities revenue by function and by source.

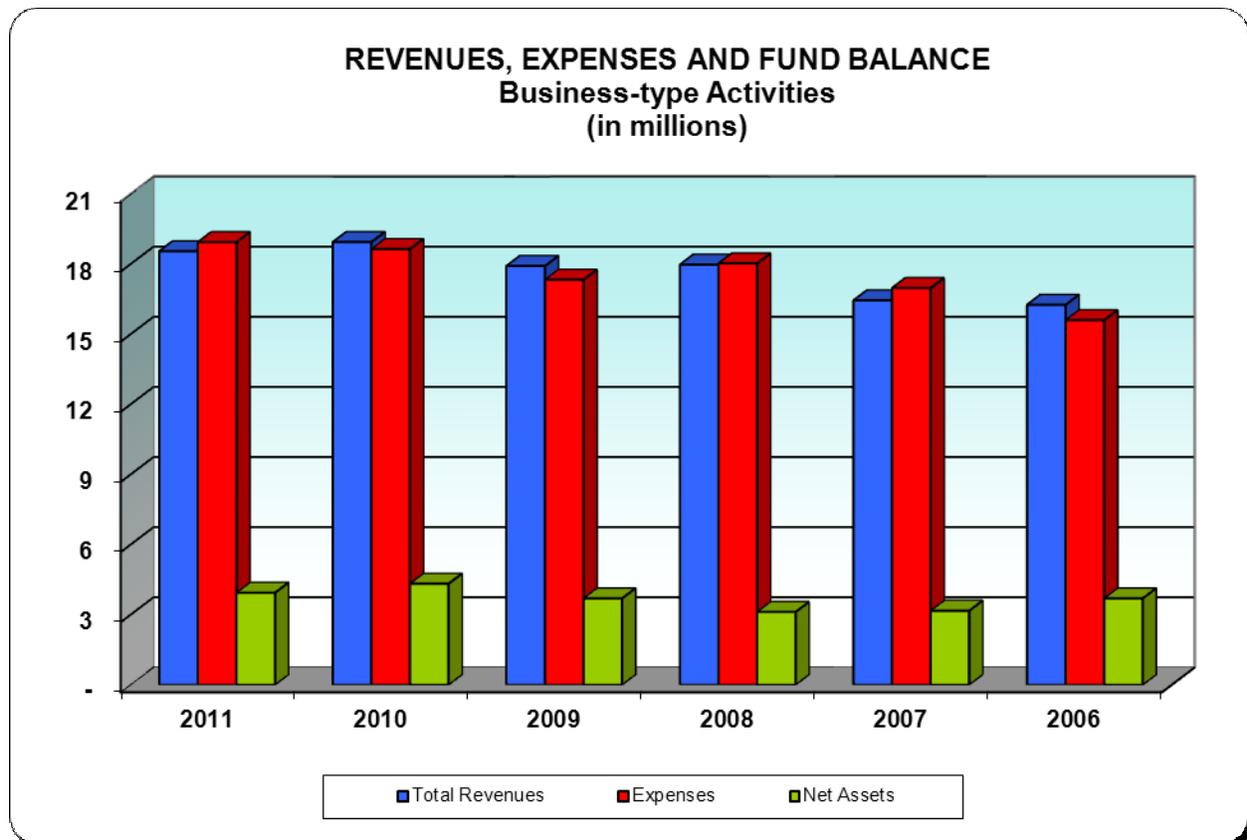
**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**



**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

- ❑ The largest and main revenue sources for the District are property taxes (Ad Valorem), local school support taxes and state aid, which comprise 73.7% of total revenues.
- ❑ Ad Valorem taxes decreased (8.2%) from the prior year due to decreased tax collections and decreases in assessed valuations.
- ❑ Local school support taxes increased 1.3% primarily due to a temporary legislative increase in the rate of taxable sales for school districts in Nevada along with some economic improvement.
- ❑ State revenue, as provided in the Nevada Plan (State aid guaranteed funding), decreased (8%). The decreased state aid results from increases in school support tax, offset by one-third of the decreases in property taxes and finally a special legislative session that resulted in an overall reduction in state aid.

Business-type activities. Business-type activities consist solely of the District's Nutrition Services Enterprise Fund. In the current fiscal year this activity decreased net assets by \$(388,318). Nutrition services charges and federal subsidies, including contributions of commodity food products, account for 100% of revenues received by business-type activities, with student charges representing 26.6% and federal subsidies accounting for 73.4%. The majority of expenses in the business-type activities are for food purchases and salary expenses to maintain the District's nutrition services program. The decreased net assets resulted from higher operating expenses, primarily higher salaries and benefits, and the start-up costs of adding six provision II schools offset by furloughs and purchased services tied to additional staffing by the new external management company (four members) compared to the previous external manager (two members) during the year.



**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

FINANCIAL ANALYSIS OF THE DISTRICT'S MAJOR FUNDS

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

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

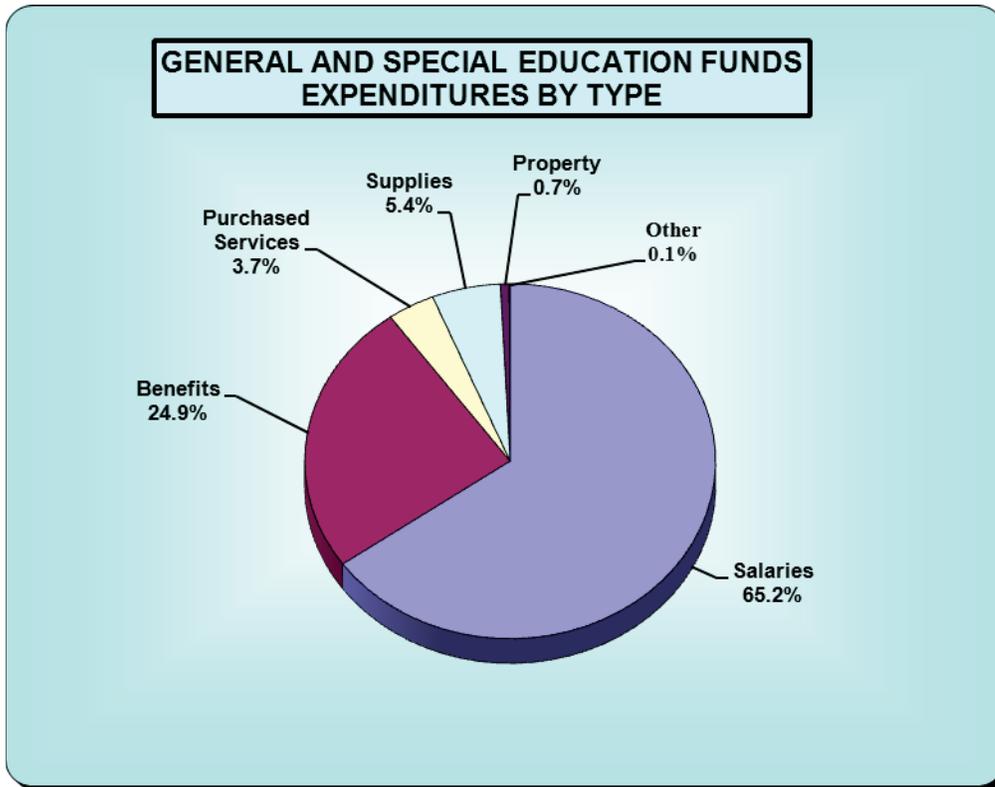
During the fiscal year, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 54 to address fund balance reporting and fund type definitions. As a result of this change, the presentation of this year's financial statements will differ from last year. The District's governmental funds reported combined ending fund balances of \$205.7 million, a decrease of \$(40.6) million from the prior year. Of this total, \$1.1 million or .5% is *nonspendable fund balance* (inventories and prepaids), \$134 million or 65.2% constitutes *restricted fund balance* (constrained, typically by creditors, grantors, contributors, laws or legislation, to being used for a specific purpose) and \$70.5 million is *assigned fund balance* (amounts intended to be used for a specific purpose). The District had no *committed or unassigned fund balance* (available for any purpose) at June 30, 2011. A detailed discussion of the fund balance reporting is provided in Note 7 on pages 53-55 of this report.

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

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

	<u>2011</u>		<u>2010</u>
Salaries	\$ 274,061,940	\$	281,195,080
Benefits	104,885,783		105,156,183
Purchased services	15,745,864		15,358,226
Supplies	22,706,068		26,528,442
Property	2,911,848		1,367,111
Other	318,312		363,753
Totals	\$ 420,629,815	\$	429,968,795

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**



- Salaries comprise 65.2% of total expenditures. School districts by their nature are labor intensive.
- Employee benefits average 38.3% of salaries and 24.9% of total expenditures. Benefits include contributions on the behalf of employees for retirement (Public Employees' Retirement), health insurance, Medicare, old age survivor's disability insurance (part-time employees), life insurance, workers' compensation and OPEB.
- Purchased services, supplies, property and other comprise 9.9% of total expenditures. Details regarding variances on a fund level are available in separate reports.

As noted earlier, the District implemented GASB 54 which changed the fund balance reporting from the prior year. At the end of the current fiscal year, nonspendable fund balance in the General Fund was \$1.1 million and assigned fund balance was \$70.5 million. The total fund balance was \$71.6 million with no comparison reporting in the initial year of GASB 54. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 19.4% of total fund expenditures. It is also important to note that the General Fund has no unassigned fund balance at June 30, 2011, which is clearly a function of the current economic times that exist.

Listed below are the key factors in fund balance changes during the fiscal year presented in the same categories as the prior year followed by the addition of the three funds consolidated into the General Fund for GAAP reporting to address the implementation of GASB 54. The key factors are as follows:

- On a budgetary basis, total revenues of \$397.5 million decreased from the prior year revenue by \$(15.3) million or (3.7%), primarily due to decreases in state aid (7.9%), property

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

tax (7.2%), government services tax (4.9%) and earnings on investments (41.3%). Partially offsetting these decreases are increases in school support taxes 1.3%, along with some increases in tuition funded programs.

- Total expenditures of \$368.3 million decreased from the prior year by \$(13.3) million or (3.5%). Salaries and benefits decreased (5.6%) primarily as a result of negotiated furloughs by all bargaining groups to address budget cuts.
- Operating (non-salary) categories decreased by \$(2.4) million or (5.5%) from the prior year. Due to ongoing economic factors during the fiscal year, the District re-established a budget freeze to reduce spending. This freeze, coupled with judicious spending, helped reduce supply purchases by \$(4.8) million while purchased services were slightly up, \$630,418, and property increased \$1.5 million (mostly buses).
- The excess of revenues over expenditures was \$29.2 million. Transfers in from other funds were \$6.5 million for Class Size Reduction and \$2.2 million from the Pre-Funded Retiree Health Benefits Fund. Transfers to other funds were \$34.6 million. Significant transfers include \$29.4 million to the Special Education Fund, \$3.6 million to the Debt Service Fund and \$1.6 million to the Health Insurance Fund.
- As part of implementing GASB 54, it was determined that the Medicaid, Community Education and Pre-funded Retiree Health Benefits funds, previously reported in Special Revenue funds, will now be included in the General Fund financial statements for GAAP basis reporting. These three funds collectively had \$2.1 million of revenues and \$1.1 million of expenses with an ending fund balance of \$1.6 million.

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 \$52.3 million, an increase from the prior year of \$4 million or 8.2%. This increase in the Special Education Fund is to offset the loss of ARRA Special Education funding from previous years. All fund resources were from State aid of \$22.9 million and transfers from the General Fund of \$29.4 million.

The Debt Service Fund has a total fund balance of \$54.3 million, all of which is restricted for the payment of debt service. The fund balance decreased by \$(13.9) million primarily as a result of accelerated debt payments and declining property tax offset by new debt issues.

Rollover Bond 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, when needed, to address increases in student enrollment. These bonds are 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 2011 Bond Rollover Fund issuance in October 2010 for \$5.4 million will be used primarily for infrastructure improvements at four high schools. During FY 10/11 approximately \$80,000 was expended for bond issuance costs. The ending fund balance on June 30, 2011 of \$5.3 million consists of unspent bond proceeds and investment income.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The 2011B Bond Rollover Fund issuance was completed in July 2011 for \$35 million of which the District received a good faith deposit of \$400,000 at June 30, 2011. During FY 10/11 approximately \$123,000 was expended for bond issuance. The ending fund balance on June 30, 2011 of \$277,000 consists of unspent bond proceeds and investment income.

The 2010 Washoe County Recovery Zone Economic Development Bond (RZEDB) issuance in April 2010 for \$10.515 million is being used for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County. During FY 10/11 expenditures included \$2.4 million for infrastructure upgrades (41% expended) and \$646,000 for capital renewal projects (41% expended). The ending fund balance on June 30, 2011 of \$7.0 million consists of unspent bond proceeds and investment income.

The 2009B Washoe County Recovery Zone Economic Development Bond (RZEDB) issuance in November 2009 for \$15 million is being used primarily for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County. During FY 10/11 expenditures included \$1.1 million for school revitalization (53% expended). \$1.1 million for infrastructure upgrades (43% expended) and \$3.3 million for capital renewal projects (54% expended). The ending fund balance on June 30, 2011 of \$9.2 million consists of unspent bond proceeds and investment income.

The 2009B City of Reno Recovery Zone Economic Development Bond (RZEDB) issuance in November 2009 for \$21.93 million is being used primarily for revitalization/infrastructure improvements and capital renewal projects for schools located within Reno city limits. During FY 10/11 approximately \$3.9 million was expended for elementary school revitalizations (81% expended), \$1.7 million was expended for infrastructure (96% expended) and \$4.0 million was expended for capital renewal projects (51% expended). The \$9.9 million ending fund balance on June 30, 2011 consists of unspent bond proceeds and investment income.

The 2010 Qualified School Construction Bonds (QSCB) issued in May 2010 for \$3.55 million is being used primarily for revitalization/infrastructure improvements at two elementary schools. During FY 10/11 approximately \$2.7 million was expended for revitalization activities at those schools (approximately 95% expended). The ending fund balance on June 30, 2011 is \$121,000 and consists of unspent bond proceeds and investment income.

The 2009 Bond Rollover Fund bond issuance for \$45 million is being used for revitalization of existing elementary schools, upgrades to information technology hardware/software, and capital renewal projects such as re-roofing and re-paving. During FY 10/11 \$3.6 million was expended for elementary school revitalization (68% expended). Additionally, \$2.7 million was expended for upgrades to IT infrastructure (77% expended), re-roofing, re-paving and fire alarm upgrades (approximately 84% expended) and administrative costs (31% expended). The ending fund balance on June 30, 2011 is \$15.4 million and consists of unspent bond proceeds and investment income.

The 2008 Bond Rollover Fund bond issuance for \$55 million was primarily used for construction of Depoali Middle School. Additional projects include completion of the Incline Elementary School addition, acquisition of mobile classrooms, and various school renewal and information technology projects. During FY 10/11 \$1.1 million was expended for various capital renewal projects including backflow prevention, fire alarm upgrades and lock replacements (97% expended). Central services costs totaling \$571,000 were also recorded in this fund for FY 10/11 (78% expended). The ending fund balance on June 30, 2011 of \$8.2 million consists of unspent bond proceeds and investment income.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The 2007 Bond Rollover Fund bond issuance for \$65 million was primarily used for construction of Depoali Middle School, the continued renovation of the District's existing facilities, acquisition of mobile classrooms and various technology upgrades. During FY 10/11 \$2.0 million was spent for information technology related projects (55% expended), \$3.1 million was spent for elementary school revitalization (55% expended), high school security cameras (90% expended) and capital renewal projects (55% expended). The \$14.1 million June 30, 2011 ending fund balance consists of unspent bond proceeds and investment income.

The 2006 Bond Rollover Fund bond issuance for \$30 million was primarily used for the renovation of existing District facilities and for construction of Depoali Middle School. The facility renovations/upgrades include re-roofing, re-paving, re-carpeting, etc., transportation yard improvements and technology related projects. During FY 10/11 \$425,000 was spent for infrastructure upgrades (99% expended), \$806,000 for the District's Backup Data Center (100% expended) and \$160,000 for capital renewal projects (97% expended). The ending fund balance on June 30, 2011 is \$1.1 million and 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 \$47.2 million. The Health Insurance Fund has a Net Asset balance of \$36.2 million compared to \$28.7 million in the prior year; the Property and Casualty Fund has a balance of \$7.1 million compared to a balance in the prior year of \$6.7 million; and the Workers' Compensation Fund finished the year with a balance of \$4 million compared to \$5.4 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 \$3.9 million compared to \$4.3 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.

GENERAL FUND BUDGETARY HIGHLIGHTS

Prior to the beginning of the fiscal year, the District adopts its original budget on or before June 8. The District is 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 final budget for the District was approved on May 25, 2010 and addressed a \$32 million dollar budget shortfall. \$18 million of the shortfall was due to the declining Nevada economy (mainly decreases in sales tax and ad valorem taxes), \$9 million was related to the decline in opening fund balance (used to offset the prior year shortfall) and the remainder was due to mandated expenditure increases of \$5 million (mostly negotiated salary rollups).

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The District offset \$10.7 million of the shortfall by negotiating freezes in salary rollups and instituting furlough days for employees. The legislature approved an increase in class size for grades 1-3 which saved \$5.8 million and also approved a waiver for the amount the district spends on textbooks resulting in a \$2 million savings. Ending fund balance and budget contingency accounts were used to offset \$8.4 million, a reorganization of the District's central services saved \$2.5 million, utility savings contributed \$2 million and other non-salary and benefit operating costs were reduced by \$1 million.

The District augmented the budget by \$27 million on December 14, 2010 as actual opening assigned fund balances were in excess of the Final Budget amounts. \$6.7 million of the reserves and designations were for prior year encumbrances and allowable department budget carryovers and \$1.9 million was for compensation. \$17 million was utilized to increase the designation for budget uncertainties and \$1 million was used to cover other cost increases.

The District approved a final revision of the budget on June 28, 2011. The revisions resulted in a \$4.9 million increase to the budget. Of the increase, \$2.2 million was related to bus lease proceeds and was used to continue the District's bus replacement program while \$2.7 million was for energy rebates and was assigned to balance the subsequent year's budget. In addition, the budgeted expenditures were reduced by \$4 million as a result of expenditure freezing and placed in the assigned category for budget uncertainties.

GENERAL FUND BUDGET ADJUSTMENTS

	<u>2011 BUDGET</u>		
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>DIFFERENCE</u>
REVENUES			
Local sources	\$ 235,680,253	\$ 238,548,991	\$ 2,868,738
State sources	156,965,070	156,904,517	(60,553)
Federal sources	516,000	516,000	-
Other sources	50,000	50,000	-
Total revenues	<u>393,211,323</u>	<u>396,019,508</u>	<u>2,808,185</u>
OTHER FINANCING SOURCES			
Capital Leases	-	2,192,000	2,192,000
Transfers in	8,011,823	8,699,827	688,004
FUND BALANCE, July 1	<u>39,497,153</u>	<u>64,532,881</u>	<u>25,035,728</u>
TOTAL SOURCES	<u>\$ 440,720,299</u>	<u>\$ 471,444,216</u>	<u>\$ 30,723,917</u>

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

GENERAL FUND BUDGET ADJUSTMENTS (continued)

	<u>ORIGINAL</u>	<u>FINAL</u>	<u>DIFFERENCE</u>
EXPENDITURES			
Current			
Regular programs	\$ 193,040,054	\$ 195,506,834	\$ 2,466,780
Special programs	1,419,916	1,925,546	505,630
Vocational programs	7,491,831	7,031,384	(460,447)
Other instructional programs	13,632,830	13,689,937	57,107
Co-curricular programs	4,297,944	4,528,360	230,416
Undistributed expenditures			
Student support	25,891,601	25,370,795	(520,806)
Instructional staff support	13,364,505	15,388,257	2,023,752
General administration	5,678,008	6,187,100	509,092
School administration	31,814,590	30,891,887	(922,703)
Central services	19,507,835	19,867,367	359,532
Operation and maintenance	48,894,699	50,107,033	1,212,334
Student transportation	15,418,434	18,217,187	2,798,753
Total expenditures	<u>380,452,247</u>	<u>388,711,687</u>	<u>8,259,440</u>
OTHER FINANCING USES			
Contingency	1,093,277	1,093,277	-
Transfers out	<u>38,027,312</u>	<u>36,437,722</u>	<u>(1,589,590)</u>
Total other financing uses	<u>39,120,589</u>	<u>37,530,999</u>	<u>(1,589,590)</u>
FUND BALANCE, June 30	<u>21,147,463</u>	<u>45,201,530</u>	<u>24,054,067</u>
TOTAL APPLICATIONS	<u>\$ 440,720,299</u>	<u>\$ 471,444,216</u>	<u>\$ 30,723,917</u>

Actual expenditures were 95% 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, 2011 amounts to \$647.3 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 1.9%. The major capital additions this fiscal year included:

School renewals	\$ 14.9 million	Machinery/Equipment	\$ 5.2 million
Photovoltaic energy projects	6.7 million	Technology	.5 million

Additional information on the District's capital assets can be found in Note 5 on pages 49-50 of this report.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

Governmental Activities

	<u>2011</u>	<u>2010</u>
Land	\$ 38,017,804	\$ 38,017,804
Construction in progress	23,913,664	16,376,260
Buildings	547,483,457	543,557,983
Improvements other than buildings	17,660,247	17,630,308
Machinery and equipment	19,696,230	19,269,167
Total	<u>\$ 646,771,402</u>	<u>\$ 634,851,522</u>

Business-type Activities

Machinery and equipment	<u>\$ 551,185</u>	<u>\$ 633,724</u>
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WASHOE COUNTY SCHOOL DISTRICT OUTSTANDING DEBT

	<u>2011</u>	<u>2010</u>
General Obligation Bonds	\$ 482,900,000	\$ 524,700,000
Capital Lease Obligations	8,940,526	9,444,732
Qualified Zone Academy Bonds	<u>7,268,997</u>	<u>7,268,997</u>
Total	<u>\$ 499,109,523</u>	<u>\$ 541,413,729</u>

The District's outstanding debt decreased by \$(42.3) million during the current fiscal year primarily due to the issuance of the new rollover bonds netted with the effects of planned principal payments and defeasance of outstanding general obligation debt. The District also added a new capital lease during the year.

State statute (NRS 387.400) limits the amount of general obligation debt a school district may issue to 15% of its total assessed valuation. The current limitation for the Washoe County School District is \$2.16 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 50-53 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

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

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

amount the State provides stability to the amount of revenue the District can expect for general operating purposes.

The District originally faced a \$74.6 million shortfall for fiscal year 2011-12 due to a combination of many factors. First, the downturn in the economy resulted in a loss of sources for the State to continue to fund education at previous levels resulting in a proposed \$38.4 million loss of funding between local and state sources of revenue. Other items including costs of restoration of prior year furloughs, health insurance premiums and textbook budgets totaled \$8.7 million. Inclusion of negotiated salary rollups were \$6.7 million while rate increases for retirement, OPEB and unemployment were \$4 million and other operating increases were \$5.4 million.

After an extensive involvement in the legislative process, a very transparent review of the District's budget to identify reductions and with the cooperation of the District's bargaining units, the shortfall was reconciled. The legislature restored \$24 million in funding and allowed the continuation of class size increase for grades 1-2 resulting in a savings of \$6.6 million and the continuation of textbook expenditure reductions of \$2 million. Use of \$13.3 million of the District's \$26.3 million budget for uncertainties was used as well as \$2.9 million of ending fund balance. Health insurance premium holidays will save \$6.3 million, central and school support services reductions \$5.5 million, early separation incentive programs \$1.4 million and reallocation of costs to other funding sources \$2 million. The balance of \$10.6 million was to be made up with negotiated salary and benefit reductions. All employee groups but one have settled negotiations.

Despite the reductions, the District was able to make progress towards meeting the goals of a new strategic plan that emphasizes, "every child, by name and face, to graduation," by reorganizing and realigning existing staff and operating budgets.

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. By January 1, 2012 this report will also be available on the web site at www.washoe.k12.nv.us.

Basic Financial Statements

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

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



**WASHOE COUNTY SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2011**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Current assets			
Cash and investments	\$ 269,604,849	\$ 2,350,692	\$ 271,955,541
Receivables			
Property taxes	6,499,178	-	6,499,178
Interest	400,011	-	400,011
Grants	9,063,964	-	9,063,964
Miscellaneous	2,539,829	832,509	3,372,338
Due from other governments	40,460,990	-	40,460,990
Prepays	21,868	-	21,868
Inventories	1,108,844	1,061,478	2,170,322
Deferred charges	13,858,622	615	13,859,237
Total current assets	<u>343,558,155</u>	<u>4,245,294</u>	<u>347,803,449</u>
Noncurrent assets			
Restricted cash	4,363,677	-	4,363,677
Other postemployment benefits asset	17,729,683	-	17,729,683
Capital assets			
Land and construction in progress	61,931,468	-	61,931,468
Other capital assets, net of depreciation	584,839,934	551,185	585,391,119
Total noncurrent assets	<u>668,864,762</u>	<u>551,185</u>	<u>669,415,947</u>
Total assets	<u>1,012,422,917</u>	<u>4,796,479</u>	<u>1,017,219,396</u>
LIABILITIES			
Current liabilities			
Accounts payable	5,320,404	394,904	5,715,308
Accrued liabilities	46,690,529	282,868	46,973,397
Construction contracts payable	3,787,529	-	3,787,529
Interest payable	1,983,154	-	1,983,154
Due to other governments	474,444	-	474,444
Unearned revenue	3,388,900	180,154	3,569,054
Refund of Incline Village property taxes principal	12,900,000	-	12,900,000
Refund of Incline Village property taxes interest	2,100,000	-	2,100,000
Current portion of long-term obligations	51,114,584	-	51,114,584
Total current liabilities	<u>127,759,544</u>	<u>857,926</u>	<u>128,617,470</u>
Noncurrent liabilities			
General obligation bonds payable	499,265,019	-	499,265,019
Deposit on issued bonds	400,000	-	400,000
Arbitrage payable	576,635	-	576,635
Capital leases payable	16,209,523	-	16,209,523
Accrued compensated absences	28,519,594	-	28,519,594
Accrued early separation incentive stipends	337,606	-	337,606
Accrued self-insurance pending claims	14,198,736	-	14,198,736
Other postemployment benefits liability	1,068,813	-	1,068,813
Less: current portion of long-term obligations	(51,114,584)	-	(51,114,584)
Total noncurrent liabilities	<u>509,461,342</u>	<u>-</u>	<u>509,461,342</u>
Total liabilities	<u>637,220,886</u>	<u>857,926</u>	<u>638,078,812</u>
NET ASSETS			
Invested in capital assets, net of related debt	210,091,401	551,185	210,642,586
Restricted for			
Debt service	46,074,024	-	46,074,024
Capital projects	15,095,646	-	15,095,646
Self-insurance activities	47,248,170	-	47,248,170
Unrestricted (result of other postemployment benefits)	16,660,870	-	16,660,870
Unrestricted	40,031,920	3,387,368	43,419,288
Total net assets	<u>\$ 375,202,031</u>	<u>\$ 3,938,553</u>	<u>\$ 379,140,584</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, 2011**

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
Governmental activities						
Instruction						
Regular instruction	\$ 200,910,500	\$ -	\$ 21,047,507	\$ (179,862,993)	\$ -	\$ (179,862,993)
Special instruction	66,119,459	-	36,910,150	(29,209,309)	-	(29,209,309)
Vocational instruction	8,192,784	-	1,327,226	(6,865,558)	-	(6,865,558)
Other instruction	62,794,001	1,410,373	50,706,960	(10,676,668)	-	(10,676,668)
Adult education instruction	1,951,707	-	1,990,893	39,186	-	39,186
Community services instruction	757,579	433,266	766,830	442,517	-	442,517
Co-curricular instruction	3,447,205	-	-	(3,447,205)	-	(3,447,205)
Total instruction	<u>344,173,235</u>	<u>1,843,639</u>	<u>112,749,566</u>	<u>(229,580,030)</u>	<u>-</u>	<u>(229,580,030)</u>
Support services						
Instruction	339,215	-	346,751	7,536	-	7,536
Student support	24,832,719	-	416,081	(24,416,638)	-	(24,416,638)
Instructional staff support	12,117,988	-	74,153	(12,043,835)	-	(12,043,835)
General administration	5,267,326	-	388,991	(4,878,335)	-	(4,878,335)
School administration	29,682,847	-	-	(29,682,847)	-	(29,682,847)
Central services	20,817,611	-	17,085	(20,800,526)	-	(20,800,526)
Operation and maintenance	45,840,239	-	4,373	(45,835,866)	-	(45,835,866)
Student transportation	15,173,027	-	419,795	(14,753,232)	-	(14,753,232)
Other support	2,079,234	-	-	(2,079,234)	-	(2,079,234)
Community service operations	388,674	-	-	(388,674)	-	(388,674)
Facilities	30,214,091	-	776,534	(29,437,557)	-	(29,437,557)
Interest on long-term debt	24,139,763	-	-	(24,139,763)	-	(24,139,763)
Amortization of issuance costs on debt	1,364,618	-	-	(1,364,618)	-	(1,364,618)
Total support services	<u>212,257,352</u>	<u>-</u>	<u>2,443,763</u>	<u>(209,813,589)</u>	<u>-</u>	<u>(209,813,589)</u>
Unallocated refund of Incline Village property taxes						
	<u>15,000,000</u>	<u>-</u>	<u>-</u>	<u>(15,000,000)</u>	<u>-</u>	<u>(15,000,000)</u>
Total governmental activities	<u>571,430,587</u>	<u>1,843,639</u>	<u>115,193,329</u>	<u>(454,393,619)</u>	<u>-</u>	<u>(454,393,619)</u>
Business-type activities						
Nutrition services	<u>18,937,409</u>	<u>4,933,054</u>	<u>13,616,037</u>	<u>-</u>	<u>(388,318)</u>	<u>(388,318)</u>
Total business-type activities	<u>18,937,409</u>	<u>4,933,054</u>	<u>13,616,037</u>	<u>-</u>	<u>(388,318)</u>	<u>(388,318)</u>
Total school district	<u>\$ 590,367,996</u>	<u>\$ 6,776,693</u>	<u>\$ 128,809,366</u>	<u>(454,393,619)</u>	<u>(388,318)</u>	<u>(454,781,937)</u>
General revenues						
Property taxes, levied for general purposes				100,699,519	-	100,699,519
Property taxes, levied for debt service				52,994,788	-	52,994,788
Local school support taxes				128,788,689	-	128,788,689
Government service taxes for general purposes				11,566,263	-	11,566,263
Government service taxes for capital purposes				2,994,034	-	2,994,034
Franchise taxes				365,707	-	365,707
Unrestricted investment earnings				6,630,982	-	6,630,982
Gain on the sale of assets				512,124	-	512,124
State aid not restricted to specific purposes				143,954,130	-	143,954,130
State aid special appropriations				527,290	-	527,290
Other local sources				9,857,424	-	9,857,424
Federal aid not restricted to specific purposes				218,379	-	218,379
State portion of Incline Village property taxes				2,833,333	-	2,833,333
Total general revenues				<u>461,942,662</u>	<u>-</u>	<u>461,942,662</u>
Change in net assets				7,549,043	(388,318)	7,160,725
NET ASSETS - July 1				<u>367,652,988</u>	<u>4,326,871</u>	<u>371,979,859</u>
NET ASSETS - June 30				<u>\$ 375,202,031</u>	<u>\$ 3,938,553</u>	<u>\$ 379,140,584</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011**

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	2010 WASHOE COUNTY RZEDB FUND
ASSETS				
Cash and investments	\$ 66,287,041	\$ 3,746,547	\$ 49,597,532	\$ 7,809,831
Receivables				
Property taxes	5,137,619	-	1,361,559	-
Interest	8,900	-	378,873	-
Grants	-	-	-	-
Miscellaneous	1,818,043	4,759	-	-
Due from other funds	3,995,943	-	-	-
Due from other governments	35,470,044	1,902,236	-	-
Prepays	19,382	-	-	-
Inventories	1,108,844	-	-	-
Cash and investments - restricted	-	-	4,363,677	-
Total assets	\$ 113,845,816	\$ 5,653,542	\$ 55,701,641	\$ 7,809,831
LIABILITIES				
Accounts payable	\$ 2,711,229	\$ 52,852	\$ 19,899	\$ 137,060
Accrued liabilities	35,424,286	5,600,690	18,167	254
Construction contracts payable	-	-	-	716,894
Due to other funds	-	-	-	-
Due to other governments	417,908	-	-	-
Deferred revenues	3,635,218	-	1,361,559	-
Total liabilities	42,188,641	5,653,542	1,399,625	854,208
FUND BALANCE				
Nonspendable	1,108,844	-	-	-
Restricted	-	-	54,302,016	6,955,623
Assigned	70,548,331	-	-	-
Total fund balance	71,657,175	-	54,302,016	6,955,623
	\$ 113,845,816	\$ 5,653,542	\$ 55,701,641	\$ 7,809,831
Total liabilities and fund balance				

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

<u>2009B WASHOE COUNTY RZEDB FUND</u>	<u>2009B CITY OF RENO RZEDB FUND</u>	<u>2011B BOND ROLLOVER FUND</u>	<u>2011 BOND ROLLOVER FUND</u>	<u>2010 QSCB FUND</u>	<u>2009 BOND ROLLOVER FUND</u>
\$ 10,937,490	\$ 11,115,327	\$ 400,000	\$ 5,342,009	\$ 120,570	\$ 15,590,383
-	-	-	-	-	-
-	-	13	594	30	1,684
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,937,490</u>	<u>11,115,327</u>	<u>400,013</u>	<u>5,342,603</u>	<u>120,600</u>	<u>15,592,067</u>
\$ 58,232	\$ 56,055	\$ 63,933	\$ -	\$ -	\$ 39,090
1,220	-	58,786	-	-	81,532
1,665,692	1,113,002	-	-	-	22,309
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,725,144</u>	<u>1,169,057</u>	<u>122,719</u>	<u>-</u>	<u>-</u>	<u>142,931</u>
-	-	-	-	-	-
9,212,346	9,946,270	277,294	5,342,603	120,600	15,449,136
-	-	-	-	-	-
<u>9,212,346</u>	<u>9,946,270</u>	<u>277,294</u>	<u>5,342,603</u>	<u>120,600</u>	<u>15,449,136</u>
<u>10,937,490</u>	<u>11,115,327</u>	<u>400,013</u>	<u>5,342,603</u>	<u>120,600</u>	<u>15,592,067</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011**

	<u>2008 BOND ROLLOVER FUND</u>	<u>2007 BOND ROLLOVER FUND</u>	<u>2006 BOND ROLLOVER FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and investments	\$ 8,294,287	\$ 14,901,319	\$ 1,281,921	\$ 13,251,280	\$ 208,675,537
Receivables					
Property taxes	-	-	-	-	6,499,178
Interest	936	1,710	149	857	393,746
Grants	-	-	-	9,063,964	9,063,964
Miscellaneous	-	-	-	74,027	1,896,829
Due from other funds	-	-	-	-	3,995,943
Due from other governments	-	-	-	255,377	37,627,657
Prepays	-	-	-	2,486	21,868
Inventories	-	-	-	-	1,108,844
Cash and investments - restricted	-	-	-	-	4,363,677
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 8,295,223</u>	<u>\$ 14,903,029</u>	<u>\$ 1,282,070</u>	<u>\$ 22,647,991</u>	<u>\$ 273,647,243</u>
LIABILITIES					
Accounts payable	\$ 46,526	\$ 135,526	\$ -	\$ 1,872,287	\$ 5,192,689
Accrued liabilities	11,310	441,498	140,050	5,454,907	47,232,700
Construction contracts payable	7,541	221,529	-	40,562	3,787,529
Due to other funds	-	-	-	3,995,943	3,995,943
Due to other governments	-	-	-	56,536	474,444
Deferred revenues	-	-	-	2,308,046	7,304,823
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,308,046</u>	<u>7,304,823</u>
Total liabilities	<u>65,377</u>	<u>798,553</u>	<u>140,050</u>	<u>13,728,281</u>	<u>67,988,128</u>
FUND BALANCES					
Nonspendable	-	-	-	-	1,108,844
Restricted	8,229,846	14,104,476	1,142,020	8,919,710	134,001,940
Assigned	-	-	-	-	70,548,331
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,548,331</u>
Total fund balance	<u>8,229,846</u>	<u>14,104,476</u>	<u>1,142,020</u>	<u>8,919,710</u>	<u>205,659,115</u>
Total liabilities and fund balance	<u>\$ 8,295,223</u>	<u>\$ 14,903,029</u>	<u>\$ 1,282,070</u>	<u>\$ 22,647,991</u>	<u>\$ 273,647,243</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011**

Total Fund Balances for Governmental Funds	\$	205,659,115
<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	\$ 61,931,468	
Capital assets subject to depreciation	829,982,078	
Less accumulated depreciation	<u>(245,172,652)</u>	646,740,894
<p>Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Deferred debt charges	14,672,530	
Debt issuance costs	7,375,550	
Less accumulated amortization	<u>(8,189,458)</u>	13,858,622
<p>Refund of Incline Village property taxes is not a use of current resources and therefore is not reported in the governmental funds.</p>		
Principal	(12,900,000)	
Interest	(2,100,000)	
Less State portion of Incline Village property taxes	<u>2,833,333</u>	(12,166,667)
<p>Other postemployment benefits net asset is not a financial resource and therefore is not reported in the governmental funds.</p>		
		16,660,870
<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	(482,900,000)	
Good faith deposit on bond issue	(400,000)	
Bond premium	(24,709,474)	
Less accumulated amortization	8,344,455	
Capital leases payable	(16,209,523)	
Compensated absences	(28,519,594)	
Early separation incentive stipends	<u>(337,606)</u>	(544,731,742)
Interest payable		(1,983,154)
<p>Deferred revenue represents amounts that were not available to fund current expenditures and therefore is not reported in the governmental funds.</p>		
		3,915,923
<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>47,248,170</u>
Total Net Assets of Governmental Activities	\$	<u><u>375,202,031</u></u>

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

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2010 WASHOE COUNTY RZEDB FUND</u>
REVENUES				
Local sources	\$ 252,806,275	\$ -	\$ 56,362,709	\$ 21,204
State sources	144,481,420	22,911,657	-	-
Federal sources	2,347,778	-	-	-
Other sources	50,630	-	-	-
Total revenues	<u>399,686,103</u>	<u>22,911,657</u>	<u>56,362,709</u>	<u>21,204</u>
EXPENDITURES				
Current				
Regular programs	189,197,013	-	-	-
Special programs	2,546,984	52,310,052	-	-
Vocational programs	6,993,595	-	-	-
Other instructional programs	13,366,855	-	-	-
Adult education programs	-	-	-	-
Community services programs	-	-	-	-
Co-curricular programs	3,501,320	-	-	-
Undistributed expenditures				
Instruction	-	-	-	-
Student support	24,807,906	-	-	-
Instructional staff support	12,200,391	-	-	-
General administration	4,987,502	-	-	-
School administration	30,116,636	-	-	-
Central services	18,529,431	-	-	-
Operation and maintenance	46,251,310	-	-	-
Student transportation	16,484,167	-	-	-
Community service operations	394,001	-	-	-
Capital outlay	-	-	-	3,030,223
Debt service				
Principal	-	-	47,411,206	-
Interest	-	-	24,351,047	-
Bond issuance costs	-	-	338,027	-
Other	-	-	2,078,371	-
Total expenditures	<u>369,377,111</u>	<u>52,310,052</u>	<u>74,178,651</u>	<u>3,030,223</u>
Excess (deficiency) of revenues over expenditures	<u>30,308,992</u>	<u>(29,398,395)</u>	<u>(17,815,942)</u>	<u>(3,009,019)</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	2,192,000	-	-	-
Bonds issued	-	-	-	-
Refunding bonds issued	-	-	41,515,000	-
Bond premiums	-	-	4,954,986	-
Payments to refunded bonds escrow agent	-	-	(46,104,110)	-
Transfers in	6,499,827	29,398,395	3,591,016	-
Transfers out	(34,615,635)	-	-	-
Total other financing sources (uses)	<u>(25,923,808)</u>	<u>29,398,395</u>	<u>3,956,892</u>	<u>-</u>
Net change in fund balance	4,385,184	-	(13,859,050)	(3,009,019)
FUND BALANCE, July 1	<u>67,271,991</u>	<u>-</u>	<u>68,161,066</u>	<u>9,964,642</u>
FUND BALANCE, June 30	<u>\$ 71,657,175</u>	<u>\$ -</u>	<u>\$ 54,302,016</u>	<u>\$ 6,955,623</u>

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

<u>2009B</u> <u>WASHOE COUNTY</u> <u>RZEDB FUND</u>	<u>2009B</u> <u>CITY OF RENO</u> <u>RZEDB FUND</u>	<u>2011B BOND</u> <u>ROLLOVER</u> <u>FUND</u>	<u>2011 BOND</u> <u>ROLLOVER</u> <u>FUND</u>	<u>2010</u> <u>QSCB</u> <u>FUND</u>	<u>2009 BOND</u> <u>ROLLOVER</u> <u>FUND</u>	<u>2008 BOND</u> <u>ROLLOVER</u> <u>FUND</u>
\$ 68,285	\$ 71,156	\$ 13	\$ 7,151	\$ 2,698	\$ 36,342	\$ 40,781
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>68,285</u>	<u>71,156</u>	<u>13</u>	<u>7,151</u>	<u>2,698</u>	<u>36,342</u>	<u>40,781</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	35,945	809,519	570,624
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,527,955	9,581,518	-	-	2,704,427	5,493,568	1,128,543
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	122,719	79,548	-	-	-
-	-	-	-	-	-	-
<u>5,527,955</u>	<u>9,581,518</u>	<u>122,719</u>	<u>79,548</u>	<u>2,740,372</u>	<u>6,303,087</u>	<u>1,699,167</u>
<u>(5,459,670)</u>	<u>(9,510,362)</u>	<u>(122,706)</u>	<u>(72,397)</u>	<u>(2,737,674)</u>	<u>(6,266,745)</u>	<u>(1,658,386)</u>
-	-	-	-	-	-	-
-	-	400,000	5,415,000	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	400,000	5,415,000	-	-	-
<u>(5,459,670)</u>	<u>(9,510,362)</u>	<u>277,294</u>	<u>5,342,603</u>	<u>(2,737,674)</u>	<u>(6,266,745)</u>	<u>(1,658,386)</u>
<u>14,672,016</u>	<u>19,456,632</u>	<u>-</u>	<u>-</u>	<u>2,858,274</u>	<u>21,715,881</u>	<u>9,888,232</u>
<u>\$ 9,212,346</u>	<u>\$ 9,946,270</u>	<u>\$ 277,294</u>	<u>\$ 5,342,603</u>	<u>\$ 120,600</u>	<u>\$ 15,449,136</u>	<u>\$ 8,229,846</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>2007 BOND ROLLOVER FUND</u>	<u>2006 BOND ROLLOVER FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Local sources	\$ 35,224	\$ 176,626	\$ 9,260,815	\$ 318,889,279
State sources	-	-	36,302,502	203,695,579
Federal sources	-	-	50,775,537	53,123,315
Other sources	-	-	-	50,630
Total revenues	<u>35,224</u>	<u>176,626</u>	<u>96,338,854</u>	<u>575,758,803</u>
EXPENDITURES				
Current				
Regular programs	-	-	14,519,200	203,716,213
Special programs	-	-	12,288,812	67,145,848
Vocational programs	-	-	1,327,226	8,320,821
Other instructional programs	-	-	50,706,960	64,073,815
Adult education programs	-	-	1,990,893	1,990,893
Community services programs	-	-	766,830	766,830
Co-curricular programs	-	-	-	3,501,320
Undistributed expenditures				
Instruction	-	-	346,751	346,751
Student support	-	-	401,244	25,209,150
Instructional staff support	-	-	76,982	12,277,373
General administration	-	-	328,880	5,316,382
School administration	-	-	-	30,116,636
Central services	1,664,746	52,089	17,085	21,679,439
Operation and maintenance	-	-	16,381	46,267,691
Student transportation	-	-	-	16,484,167
Community service operations	-	-	-	394,001
Capital outlay	3,500,052	1,338,673	8,863,459	41,168,418
Debt service				
Principal	-	-	-	47,411,206
Interest	-	-	-	24,351,047
Bond issuance costs	-	-	-	540,294
Other	-	-	-	2,078,371
Total expenditures	<u>5,164,798</u>	<u>1,390,762</u>	<u>91,650,703</u>	<u>623,156,666</u>
Excess (deficiency) of revenues over expenditures	<u>(5,129,574)</u>	<u>(1,214,136)</u>	<u>4,688,151</u>	<u>(47,397,863)</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	-	-	-	2,192,000
Bonds issued	-	-	-	5,815,000
Refunding bonds issued	-	-	-	41,515,000
Bond premiums	-	-	-	4,954,986
Payments to refunded bonds escrow agent	-	-	-	(46,104,110)
Transfers in	-	-	-	39,489,238
Transfers out	-	-	(6,499,827)	(41,115,462)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,499,827)</u>	<u>6,746,652</u>
Net change in fund balance	(5,129,574)	(1,214,136)	(1,811,676)	(40,651,211)
FUND BALANCE, July 1	<u>19,234,050</u>	<u>2,356,156</u>	<u>10,731,386</u>	<u>246,310,326</u>
FUND BALANCE, June 30	<u>\$ 14,104,476</u>	<u>\$ 1,142,020</u>	<u>\$ 8,919,710</u>	<u>\$ 205,659,115</u>

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

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, 2011

Net Change in Fund Balances - Governmental Funds		\$ (40,651,211)
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	\$ 34,688,316	
Less current year depreciation	<u>(22,783,440)</u>	11,904,876
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.		
		47,411,206
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.		
		211,284
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.		
		(960,719)
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.		
		(2,192,000)
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.		
		(11,533)
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	(41,115,000)	
Good faith deposit on bond issue	(400,000)	
Refunding bonds issued	(5,815,000)	
Payment of refunded bonds	44,015,000	
Deferred debt charges on refunding bonds	<u>2,089,110</u>	(1,225,890)
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	540,294	
Current year amortization of debt issuance costs and charges	<u>(1,364,618)</u>	(824,324)
Current year bond premiums	(4,954,986)	
Current year amortization of bond premiums	<u>1,348,213</u>	(3,606,773)
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	331,483	
Change in long-term compensated absences	(1,587,153)	
Change in other postemployment benefits net asset	4,443,438	
Refund of Incline Village property taxes principal	(12,900,000)	
Refund of Incline Village property taxes interest	(2,100,000)	
State portion of Incline Village property taxes	<u>2,833,333</u>	(8,978,899)
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>6,473,026</u>
Change in Net Assets of Governmental Activities		<u>\$ 7,549,043</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2011**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
ASSETS		
Current assets		
Cash and investments	\$ 2,350,692	\$ 60,929,312
Accounts receivable	832,509	643,000
Interest receivable	-	6,265
Inventories	1,061,478	-
Prepays	615	-
	4,245,294	61,578,577
Total current assets		
Capital assets		
Machinery and equipment	1,921,736	39,843
Less: Allowance for depreciation	(1,370,551)	(9,335)
	551,185	30,508
Total capital assets		
Total assets	4,796,479	61,609,085
LIABILITIES		
Current liabilities		
Accounts payable	394,904	127,715
Accrued liabilities	282,868	34,464
Pending claims	-	9,479,526
Unearned revenue	180,154	-
	857,926	9,641,705
Total current liabilities		
Noncurrent liabilities		
Pending claims	-	4,719,210
	857,926	14,360,915
Total liabilities		
NET ASSETS		
Invested in capital assets	551,185	30,508
Unrestricted	3,387,368	47,217,662
	3,938,553	47,248,170
Total net assets	\$ 3,938,553	\$ 47,248,170

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

**WASHOE COUNTY SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2011**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
OPERATING REVENUES		
Charges for services	\$ 4,933,054	\$ 60,516,405
OPERATING EXPENSES		
Food and supplies	8,435,537	-
Salaries and benefits	8,740,427	197,259
Employee benefits	-	49,322,897
Claims and services	-	6,249,150
Purchased services	1,220,220	-
Depreciation	91,455	2,511
Other	449,770	-
Total operating expenses	18,937,409	55,771,817
Operating income (loss)	(14,004,355)	4,744,588
NONOPERATING REVENUES (EXPENSES)		
Federal subsidies	12,772,293	-
Commodity revenue	772,820	-
State matching funds	77,872	-
Loss on disposal of asset	(6,948)	-
Earnings on investments	-	102,214
Total nonoperating revenues	13,616,037	102,214
Income (loss) before transfers	(388,318)	4,846,802
TRANSFERS		
Transfers in	-	1,626,224
Change in net assets	(388,318)	6,473,026
NET ASSETS - July 1	4,326,871	40,775,144
NET ASSETS - June 30	\$ 3,938,553	\$ 47,248,170

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, 2011**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities		
Cash received for services	\$ 4,896,640	\$ 60,559,089
Cash paid for salaries and benefits	(8,711,381)	(197,259)
Cash payments for employee benefits	-	(49,322,897)
Cash payments for claims and services	-	(5,317,662)
Cash paid for food and supplies	(8,139,056)	-
Cash payments for purchased services	(1,220,220)	-
Cash payments for other	(449,770)	-
Net cash provided (used) by operating activities	<u>(13,623,787)</u>	<u>5,721,271</u>
Cash flows from capital and related financing activities		
Purchase of equipment	<u>(15,864)</u>	<u>(29,048)</u>
Cash flows from noncapital financing activities		
Federal reimbursements	12,772,293	-
State matching funds	77,872	-
Transfer from General Fund	<u>-</u>	<u>1,626,224</u>
Net cash provided by noncapital financing activities	<u>12,850,165</u>	<u>1,626,224</u>
Cash flows from investing activities		
Interest received on investments	<u>-</u>	<u>102,214</u>
Net increase (decrease) in cash and cash equivalents	(789,486)	7,420,661
Cash and investments, beginning of year	<u>3,140,178</u>	<u>53,508,651</u>
Cash and investments, end of year	<u>\$ 2,350,692</u>	<u>\$ 60,929,312</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS		
Operating income (loss)	\$ <u>(14,004,355)</u>	\$ <u>4,744,588</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations		
Depreciation	91,455	2,511
Commodity revenue	772,820	-
Changes in assets and liabilities		
Accounts receivable	(31,995)	42,684
Inventories	(545,207)	-
Prepays	50	-
Accounts payable	120,157	(1,688)
Accrued liabilities	(22,293)	13,561
Pending claims	-	919,615
Unearned revenue	<u>(4,419)</u>	<u>-</u>
Total adjustments	<u>380,568</u>	<u>976,683</u>
Net cash provided (used) by operations	<u>\$ (13,623,787)</u>	<u>\$ 5,721,271</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2011**

	<u>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</u>	<u>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</u>	<u>AGENCY FUNDS</u>
ASSETS			
Cash and investments	\$ 1,082,783	\$ 30,206,657	\$ 8,181,660
Accounts receivable	-	-	59,575
Total assets	<u>1,082,783</u>	<u>30,206,657</u>	<u>8,241,235</u>
LIABILITIES			
Accrued liabilities	-	-	133,969
Due to student groups	-	-	8,107,266
Total liabilities	<u>-</u>	<u>-</u>	<u>8,241,235</u>
NET ASSETS			
Assets held in trust	<u>\$ 1,082,783</u>	<u>\$ 30,206,657</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, 2011**

	<u>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</u>	<u>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</u>
ADDITIONS		
Contributions by employer	\$ -	\$ 11,766,000
Earnings on investments	2,119	614,234
Adjustment to fair market value	-	3,583,735
Donations	29,446	-
	<u>31,565</u>	<u>15,963,969</u>
Total additions		
DEDUCTIONS		
Benefits	-	6,042,889
Other	39,040	-
	<u>39,040</u>	<u>6,042,889</u>
Total deductions		
Change in net assets	(7,475)	9,921,080
NET ASSETS - July 1	<u>1,090,258</u>	<u>20,285,577</u>
NET ASSETS - June 30	<u>\$ 1,082,783</u>	<u>\$ 30,206,657</u>

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

Notes to

Financial Statements

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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 revenues (Ad

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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 *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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

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 and all revenues and expenditures of internally reported special revenue 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. The revenues of the fund consist of distributions from the State of Nevada Distributive School Account.
- **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.
- **2010 Washoe County Recovery Zone Economic Development Bond (RZEDB) Fund** – The 2010 Washoe County RZEDB Fund accounts for the proceeds of this bond issuance. The proceeds are being used for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County.
- **2009B Washoe County Recovery Zone Economic Development Bond (RZEDB) Fund** – The 2009 Washoe County RZEDB Fund accounts for the proceeds of this bond issuance. The proceeds are being used primarily for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County.
- **2009B City of Reno Recovery Zone Economic Development Bond (RZEDB) Fund** – The 2009 City of Reno RZEDB Fund accounts for the proceeds of this bond issuance. The proceeds are being used primarily for revitalization/infrastructure improvements and capital renewal projects for schools located within Reno City Limits.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

- **2011B Bond Rollover Fund** – The 2011B Bond Rollover Fund accounts for the proceeds of this bond issuance. The proceeds will be used primarily for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County.
- **2011 Bond Rollover Fund** – The 2011 Bond Rollover Fund accounts for the proceeds of this bond issuance. The proceeds will be used primarily for infrastructure improvements at four high schools.
- **2010 Qualified School Construction Bonds (QSCB) Fund** – The 2010 QSCB Fund accounts for the proceeds of this bond issuance. The proceeds are being used primarily for revitalization/infrastructure improvements at two elementary schools.
- **2009 Bond Rollover Fund** – The 2009 Bond Rollover Capital Projects Fund accounts for the proceeds of this bond issuance. The proceeds are being used for the construction of a new elementary school, school renewal projects and information technology projects.
- **2008 Bond Rollover Fund** – The 2008 Bond Rollover Capital Projects Fund accounts for the proceeds of this bond issuance. 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.
- **2007 Bond Rollover Fund** - The 2007 Bond Rollover Capital Projects Fund accounts for the proceeds of this bond issuance. The proceeds are being used for new school construction, school renewal projects and information technology projects.
- **2006 Bond Rollover Fund** - The 2006 Bond Rollover Capital Projects Fund accounts for the proceeds of this bond issuance. The proceeds are being used for site and water rights acquisition, advanced planning and technology costs, school renewal projects and transportation yard improvements.

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:

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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 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 grant revenues to be available if they are collected within 75 days of the end of the current fiscal period and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues have been extended due to the increased period required to collect revenues from the Federal Government. When revenues are due but will not be collected within the availability period, the receivable is recorded and an offsetting deferred revenue account is established. Expenditures generally are recorded

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

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

Proprietary Funds:

Proprietary Funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid. The provision for claims incurred but not yet reported is estimated based on District experience since the inception of the program.

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

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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Property Taxes:

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

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

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

Secured roll property taxes receivable reflect only those taxes receivable from the last two delinquent roll years. Delinquent taxes from all roll years prior to fiscal year 2009-10 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

- (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 provided the Board publishes notice of intention to act, in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.
- (6) The legal level of budgetary control is at the function level for the General Fund, Special Revenue and Capital Projects Funds, and the sum of operating and non-operating expenses in the Enterprise and Internal Service Funds. State statute does not require that debt service payments be limited by the budget.
- (7) The Chief Financial Officer is authorized to transfer appropriations within and between funds if amounts do not exceed the original budget. The Board of Trustees is advised of the transfer and the transfer is recorded in the minutes. Augmentations in excess of the original budget require approval from the Board of Trustees.
- (8) Formal budgetary integration is employed as a management control device for the General Fund, Special Revenue Funds, Debt Service Fund, Enterprise Fund, Internal Service Funds and Capital Projects Funds. Such funds have legally adopted annual budgets which lapse at year-end. The ensuing year's budget is augmented to provide for the payment of prior year encumbrances. The prior year encumbrances, where applicable, have been included in the Original Budget column of the financial statements.
- (9) All budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all funds except for the Private Purpose Scholarship Trust Fund, the Other Postemployment Benefits 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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

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

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

Statements of Cash Flows:

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

Inventories:

Inventories for the General Fund and the Nutrition Services Enterprise Fund are maintained on a consumption basis of accounting, where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventories are stated at cost for the General Fund and the lower of cost or market for the Nutrition Services Enterprise Fund, except for inventories of commodities which are stated at market value, using the first-in, first-out (FIFO) method of valuation.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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.

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, 2011, but not yet paid.

Expenditures:

Expenditure data is characterized by major program classifications pursuant to the provisions of the National Center for Education Statistics handbook entitled *Financial Accounting for Local and State School Systems* as modified by the State of Nevada. Below is a brief description of these program classifications.

Regular programs are activities that provide students in prekindergarten through grade 12 with learning experiences to prepare them for further education or training and for responsibilities as citizens, family members, and workers.

Special programs include activities for elementary and secondary students (prekindergarten through grade 12) receiving special education and related services. These services are related to mental retardation, orthopedic impairment, emotional disturbance, developmental delay, specific learning disabilities, multiple disabilities, hearing impairment, other health impairments, visual impairments including blindness, autism, deaf-blindness, traumatic brain injury, and speech or language impairments. Special Programs includes students receiving services related to gifted and talented programs.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Vocational programs are activities delivered through traditional comprehensive and vocational-technical high schools or recognized charter schools that prepare students to meet challenging academic standards as well as industry skill standards while preparing students for broad-based careers and further education beyond high school.

Other instructional programs are activities that provide students in prekindergarten through grade 12 with learning experiences in English for speakers of other languages, alternative and at risk education programs, remedial programs, summer school programs, and other instructional programs.

Adult education programs are activities that develop knowledge and skills to meet immediate and long-range educational objectives of adults who, having completed or interrupted formal schooling, have accepted adult roles and responsibilities. Programs include activities to foster the development of fundamental tools of learning; prepare students for a postsecondary career; prepare students for postsecondary education programs; upgrade occupational competence; prepare students for a new or different career; develop skills and appreciation for special interests; or enrich the aesthetic qualities of life.

Community services 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.

Co-curricular programs are activities that add to a student's educational experience but are not related to educational activities. These include events and activities that take place outside the traditional classroom such as student government, athletics, band, choir, clubs, and honors societies.

Undistributed expenditures are those which are not allocated to any single program. Student and instructional staff support and overall general and administrative costs are classified as undistributed expenditures. Also included are costs of operating, maintaining, and constructing the physical facilities of the District.

Compensated Absences:

Teachers and certain hourly employees do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to specific maximum days/hours. Employees are allowed to accumulate up to 190 sick days for future use. The District pays limited accumulated sick leave benefits to certain employees upon retirement. In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as a payroll expenditure only if they have matured as a result of employees who have terminated as of June 30. The current portion is defined as those benefits expected to be paid in the subsequent twelve months. The estimated long-term liability for compensated absences is accounted for in the government-wide financial statements.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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.

Comparative Data:

Comparative total data for the prior years has been presented to provide an understanding of the changes in the financial position and operations. It has been provided to add comparability but is not considered full disclosures of transactions for fiscal year 2010. Such information can only be obtained by referring to the audited financial statement for that year. Certain amounts in the prior year statements have been reclassified when feasible to conform to current year 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, 2011 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, 2011, the District had the following amounts reported as cash and investments:

Government-Wide Balances:	
Pooled Cash	\$ 27,883,999
Investments	<u>248,435,219</u>
	<u>276,319,218</u>
Fiduciary Funds Balances:	
Pooled Cash	1,157,177
Cash held by Student Activity Agency Fund	3,893,171
Cash held by OPEB Trust Fund	25,337
Investments	<u>34,395,415</u>
	<u>39,471,100</u>
Total Pooled Cash and Investments	<u>\$ 315,790,318</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

As of June 30, 2011, the District had the following investments and maturities:

Government-Wide Balances:

	Fair Value	Investment Maturities (In Years)			
		Less than 1	1 to 4	4 to 6	6 to 10
Investments:					
Money Market Mutual Fund	\$ 955,115	\$ 955,115	\$ -	\$ -	\$ -
Municipal Bonds	599,118	-	-	599,118	-
State of Nevada Local Government Investment Pool	166,250,905	166,250,905 *	-	-	-
State of Nevada Local Government Investment Pool-Workers Comp	2,087,591	2,087,591 *	-	-	-
Washoe County Investment Pool	49,186,815	5,553,341	28,815,469	7,657,864	7,160,141
U.S. Treasuries	10,059,278	176,073	9,883,205	-	-
U.S. Agencies	15,088,285	3,699,003	10,690,789	11,466	687,027
Asset-Backed Corporate Securities	529,804	-	207,225	322,579	-
Corporate Securities	3,272,037	433,902	2,838,135	-	-
Government Guaranteed - Corp	406,271	406,271	-	-	-
Total Investments	\$ 248,435,219	\$ 179,562,201	\$ 52,434,823	\$ 8,591,027	\$ 7,847,168

Fiduciary Fund Balances:

	Fair Value
Investments:	
Retirement Benefits Investment Fund	\$ 30,181,320 **
State of Nevada Local Government Investment Pool	4,214,095 *
Total Investments	\$ 34,395,415

* Average weighted maturity of 69 days.

** Average weighted maturity is unavailable.

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 Loan 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 Local Government Investment Pool (LGIP), the Washoe County Investment Pool, and the Retirement Benefits Investment Fund are unrated external investment pools. Nevada Statutes and the District's investment policy limit investment in money market mutual funds and asset-backed securities to the "AAA" rating (or equivalent) by a nationally recognized statistical rating organization. All of the District's money market mutual funds and asset-backed securities investments are rated by nationally recognized statistical rating organizations as "AAA".

Concentration of Credit Risk. To limit exposure to concentrations of credit risk, the District's investment policy limits investment in bankers' acceptance notes to 15%, repurchase

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

agreements to 25%, commercial paper to 20%, and money market mutual funds to 25%, of the entire portfolio on the date of purchase.

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.

LGIP is an unrated external investment pool administered by the State Treasurer, with oversight by the State of Nevada Board of Finance. Investment in LGIP 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 Mellon 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 allocations of interest income and realized and unrealized gains and losses.

The Retirement Benefits Investment Fund (RBIF) is an external pool administered by a board that consists of the same Governor appointed individuals who serve on the Public Employees' Retirement Board. The Board is responsible for administering the Pool in accordance with NRS 355.220(2). The external investment pool is not registered with the SEC as an investment company. Bank of New York Mellon determines the fair value of the investment pool monthly. Each participant acts as fiduciary for its particular share of the Pool. RBIF allocates earnings (which include realized and unrealized gain or loss, interest, and other income) and expenses (both administrative and investment) to each participant according to their proportional share in the Pool. This investment pool is available only to the OPEB Trust Fund (a fiduciary fund of the District).

NOTE 4 – Interfund Balances and Transfers:

Interfund receivable/payable balances at June 30, 2011 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund - major fund	Other Governmental Funds	\$ 3,995,943
Total		<u>\$ 3,995,943</u>

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

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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Transfers between funds during the year ended June 30, 2011, are as follows:

	Transfers In:				Total
	General Fund	Special Education Fund	Debt Service Fund	Internal Service Fund	
Transfers Out:					
General Fund	\$ -	\$ 29,398,395	\$ 3,591,016	\$ 1,626,224	\$ 34,615,635
Other Governmental Funds	6,499,827	-	-	-	6,499,827
Total	<u>\$ 6,499,827</u>	<u>\$ 29,398,395</u>	<u>\$ 3,591,016</u>	<u>\$ 1,626,224</u>	<u>\$ 41,115,462</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 repayment of non-general obligation debt.

Other Governmental Funds - The transfer to the General Fund from the Class Size Reduction Special Revenue Fund is to mitigate budget reductions as approved by the State of Nevada.

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2011 was as follows:

	July 1, 2010 Balance	Increases	Decreases	June 30, 2011 Balance
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 38,017,804	\$ -	\$ -	\$ 38,017,804
Construction in progress	16,376,260	29,518,431	(21,981,027)	23,913,664
Total capital assets not being depreciated	<u>54,394,064</u>	<u>29,518,431</u>	<u>(21,981,027)</u>	<u>61,931,468</u>
Other capital assets				
Buildings	730,216,496	20,892,972	-	751,109,468
Improvements other than buildings	20,366,025	1,046,755	-	21,412,780
Machinery and equipment	52,495,127	5,240,233	(235,687)	57,499,673
Total capital assets being depreciated	<u>803,077,648</u>	<u>27,179,960</u>	<u>(235,687)</u>	<u>830,021,921</u>
Total capital assets	<u>857,471,712</u>	<u>56,698,391</u>	<u>(22,216,714)</u>	<u>891,953,389</u>
Less accumulated depreciation for:				
Buildings	(186,658,513)	(16,967,498)	-	(203,626,011)
Improvements other than buildings	(2,735,717)	(1,016,816)	-	(3,752,533)
Machinery and equipment	(33,225,960)	(4,801,637)	224,154	(37,803,443)
Total accumulated depreciation	<u>(222,620,190)</u>	<u>(22,785,951)</u>	<u>224,154</u>	<u>(245,181,987)</u>
Governmental activities capital assets, net	<u>\$ 634,851,522</u>	<u>\$ 33,912,440</u>	<u>\$ (21,992,560)</u>	<u>\$ 646,771,402</u>
Business-Type Activities				
Machinery and equipment	\$ 1,927,068	\$ 15,864	\$ (21,196)	\$ 1,921,736
Less accumulated depreciation	<u>(1,293,344)</u>	<u>(91,455)</u>	<u>14,248</u>	<u>(1,370,551)</u>
Business-Type Activities capital assets, net	<u>\$ 633,724</u>	<u>\$ (75,591)</u>	<u>\$ (6,948)</u>	<u>\$ 551,185</u>

**WASHOE COUNTY SCHOOL DISTRICT
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Depreciation was charged to the functions/programs of the District as follows:

Governmental activities:	
Instruction	\$ 494,342
Student support	49,422
Instructional staff support	47,192
General administration	25,299
School administration	3,381
Central support	333,683
Operation/maintenance	429,807
Student transportation	1,872,546
Other support	863
Community services operations	1,597
Facilities	19,527,819
	19,527,819
Total governmental activities depreciation expense	\$ 22,785,951
Business-type activities:	
Nutrition services operations	\$ 91,455
Total business-type activities depreciation expense	\$ 91,455

Machinery and equipment include equipment under capital leases, which consist of school buses and electrical retrofit with an aggregate carrying value of \$13,974,704 at June 30, 2011 (see Note 6).

NOTE 6 – General Long-Term Obligations:

Refunding:

On October 6, 2010, the District issued \$41,515,000 in General Obligation (Limited Tax) Refunding Bonds, Series 2010F. The net proceeds of \$46,104,110 were used for the defeasance of \$44,015,000 of bonds. The advanced refunding was undertaken to reduce total debt service payments by \$1,844,840 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,657,420.

Advance Defeasance:

On June 21, 2011, the District paid \$18,436,221 from the debt service fund for the defeasance of \$16,375,000 of bonds. The defeasance was undertaken to reduce total debt service payments by \$19,799,500 between Fiscal Years 2012 and 2019 which allowed the District to issue additional bonds. The defeasance resulted in an economic loss (difference between the cash deposited into escrow and the present value of the debt service payments on the old debt) of \$2,061,221.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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Bonds Issued:

On October 6, 2010, Washoe County School District issued \$5,415,000 in General Obligation School Improvement Bonds, Series 2010E. The proceeds of the 2010E bonds will be used primarily for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County.

General long-term debt consists of the following at June 30, 2011:

Series	Date Issued	Date of Maturity	General Obligation Bonds		Balance June 30, 2011
			Interest Rate (%)	Amount Issued	
2001A	5/1/2001	6/1/2020	4.25-5.25%	73,865,000	\$ 26,895,000
2002B	8/1/2002	6/1/2020	3.00-5.50%	68,940,000	51,850,000
2003A	3/1/2003	6/1/2023	2.00-4.625%	27,770,000	13,065,000
2003C	12/1/2003	6/1/2024	2.75-5.00%	55,000,000	21,260,000
2004B	9/1/2004	6/1/2015	5.000%	22,970,000	15,995,000
2005A	3/24/2005	6/1/2025	4.00-5.00%	66,000,000	34,425,000
2005B	1/5/2006	6/1/2020	3.950%	29,820,000	20,530,000
2006	4/5/2006	6/1/2026	4.00-5.50%	30,000,000	28,535,000
2007B	2/1/2007	6/1/2025	3.895%	42,395,000	12,130,000
2007C	5/1/2007	6/1/2027	3.25-5.25%	65,000,000	59,000,000
2008	3/20/2008	6/1/2028	4.00-5.00%	55,000,000	47,040,000
2009	2/18/2009	6/1/2029	2.00-5.00%	45,000,000	42,050,000
2009B	11/12/2009	6/1/2024	3.89-6.07%	36,930,000	36,930,000
2010A	4/1/2010	4/1/2025	4.101%-6.212%	10,515,000	10,515,000
2010B	4/1/2010	4/1/2017	2.00%-5.00%	13,700,000	12,200,000
2010D	5/26/2010	5/1/2027	3.797-6.000%	3,550,000	3,550,000
2010E	10/6/2010	6/1/2027	2.811-5.194%	5,415,000	5,415,000
2010F	10/6/2010	6/1/2023	3.00-5.00%	41,515,000	41,515,000
Total					<u>\$ 482,900,000 *</u>

Summary of general obligation bond debt service requirements to maturity:

Year(s) Ending June 30,	Principal	Interest	Total Requirements
2012	\$ 26,495,000	\$ 22,470,208	\$ 48,965,208
2013	27,415,000	21,272,733	48,687,733
2014	28,910,000	20,010,650	48,920,650
2015	30,475,000	18,640,315	49,115,315
2016	32,705,000	17,331,833	50,036,833
2017-2021	177,960,000	62,506,598	240,466,598
2022-2026	130,800,000	22,586,932	153,386,932
2027-2031	28,140,000	1,911,203	30,051,203
Total	<u>\$ 482,900,000 *</u>	<u>\$ 186,730,472</u>	<u>\$ 669,630,472</u>

*Principal amounts shown exclude bond premiums.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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, 2011, the liability has been estimated to be \$576,635 and is reported as a noncurrent liability on the Statement of Net Assets. The arbitrage liability will be liquidated through the fund where excess investment earnings were earned.

Prior Years' Advance Refundings:

In prior years, the District defeased certain general obligation debt by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the bonds refunded. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. As of June 30, 2011, \$57,145,000 of bonds outstanding are considered defeased.

Capital Lease Obligations:

The District has various capital leases on school buses, automobiles, educational software, and energy conservation projects. As of June 30, 2011, the assets acquired through capital leases are as follows:

Machinery and Equipment	\$22,557,500
Less: Accumulated amortization	<u>(8,582,796)</u>
Total	<u>\$13,974,704</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>	
2012	\$ 2,772,852
2013	2,225,906
2014	4,628,677
2015	4,679,600
2016	2,493,955
2017-2018	<u>802,717</u>
Total minimum lease payments	17,603,707
Less: amount representing interest	<u>(1,394,184)</u>
Present value of minimum lease payments	<u>\$ 16,209,523</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Changes in General Long-Term Obligations:

	<u>Balance July 1, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2011</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 524,700,000	\$ 46,930,000	\$ 88,730,000	\$ 482,900,000	\$ 26,495,000
Deferred amounts for issuance of premium	12,758,246	4,954,986	1,348,213	16,365,019	1,414,732
Arbitrage payable	748,959	-	172,324	576,635	140,050
Capital lease obligations	16,713,729	2,192,000	2,696,206	16,209,523	2,339,810
Compensated absences	26,932,441	22,127,517	20,540,364	28,519,594	20,540,364
Early separation incentive pay	<u>669,089</u>	<u>-</u>	<u>331,483</u>	<u>337,606</u>	<u>184,628</u>
Total	<u>\$582,522,464</u>	<u>\$ 76,204,503</u>	<u>\$113,818,590</u>	<u>\$544,908,377</u>	<u>\$ 51,114,584</u>

The liabilities for compensated absences and early separation incentive pay 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 Statute 387.400, within the legal debt limit at June 30, 2011.

NOTE 7 – Fund Balance/Net Assets:

Government-Wide Financial Statements:

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

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

The restriction for debt service represents assets legally restricted by statute or bond covenants for future debt service requirements of both principal and interest. The amount restricted for capital projects consists of unspent grants, donations, and debt proceeds with third party restrictions for use on specific projects or programs. Net assets restricted for self-insurance activities represent the net assets of the self-insurance funds, which are legally restricted for the purposes for which the funds were established. 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
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Fund Financial Statements:

The District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in the year ended June 30, 2011, which redefined how fund balances of the governmental funds are presented in the financial statements. In the governmental fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – Amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the law or regulations of other governments.

Committed – Amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Trustees, the District's highest level of decision making authority.

Assigned – Amounts that the District intends to use for a specific purpose, but do not meet the definitions of restricted or committed fund balance. Under the District's adopted policy, amounts may be assigned by the Superintendent or the Chief Financial Officer under the authorization of the Board.

Unassigned – Amounts that have not been assigned to other funds or restricted, committed, or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned amounts are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally, unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

**WASHOE COUNTY SCHOOL DISTRICT
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As of June 30, 2011, fund balances are composed of the following.

	General Fund	Major Debt Service Fund	Major Capital Projects Funds	Other Funds	Total
Fund balances					
Nonspendable					
Inventory	\$ 1,108,844	\$ -	\$ -	\$ -	\$ 1,108,844
Restricted for					
Non-expendable	-	4,363,677	-	495,557	4,859,234
Student housing	-	-	1,818,791	-	1,818,791
Technology/infrastructure	-	-	15,592,445	-	15,592,445
Advanced planning	-	-	492,014	-	492,014
Site acquisition	-	-	3,541	-	3,541
School revitalization	-	-	26,147,638	-	26,147,638
Capital renewal	-	-	10,349,612	-	10,349,612
Administration of capital projects	-	-	3,110,675	-	3,110,675
Other capital projects	-	-	9,987	7,175,462	7,185,449
Debt service	-	49,938,339	-	-	49,938,339
Wellness	-	-	-	671,517	671,517
Other purposes	-	-	-	577,174	577,174
Ongoing capital projects	-	-	13,255,511	-	13,255,511
Total restricted	-	54,302,016	70,780,214	8,919,710	134,001,940
Assigned for					
Subsequent year's expenditures	11,392,543	-	-	-	11,392,543
Purchased services and supplies	2,776,980	-	-	-	2,776,980
Repayment of carryover appropriations	6,686,803	-	-	-	6,686,803
Balancing the subsequent year's budget	26,521,774	-	-	-	26,521,774
Replacement of loss of federal funding	2,951,850	-	-	-	2,951,850
Special education maintenance of effort	1,020,648	-	-	-	1,020,648
Decline in property tax revenue	3,056,385	-	-	-	3,056,385
Incline Village property tax lawsuit	7,047,664	-	-	-	7,047,664
Outstanding and unresolved lawsuits	7,500,000	-	-	-	7,500,000
Community education	185,969	-	-	-	185,969
Medicaid supported special education	1,407,715	-	-	-	1,407,715
Total assigned	70,548,331	-	-	-	70,548,331
Total fund balances	<u>\$ 71,657,175</u>	<u>\$ 54,302,016</u>	<u>\$ 70,780,214</u>	<u>\$ 8,919,710</u>	<u>\$ 205,659,115</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
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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 21.50% for regular members and 37.00% for police on all covered payroll.

The second funding mechanism for providing benefits is the employer/employee paid contribution plan. Under this method, employees are required to contribute a percentage of their compensation to the plan, while the District is required to match that contribution. The rate for regular employees under this plan was 11.25%.

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>	
2010-11	21.50%	37.00%	11.25%	\$61,707,988
2009-10	21.50%	37.00%	11.25%	\$62,898,537
2008-09	20.50%	33.50%	10.50%	\$59,157,102

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. The District adopted GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* during the fiscal year ended June 30, 2008, and began recognizing the cost of postemployment healthcare and life insurance in the year when the employee services are received, reporting the accumulated liability from prior years, and providing 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 benefit 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

**WASHOE COUNTY SCHOOL DISTRICT
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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 employee 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.

The WCSDRHP explicitly subsidizes medical premiums pursuant to the contracts negotiated with various bargaining units for employees who retire from the District with at least 15 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 3.0% annually and was \$1.6 million for fiscal year 2010-2011. 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 \$8,764 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 - \$250,000
- 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.

In prior fiscal years, under the NPEBP plan, pursuant to NRS 287.023, retirees had 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. District retirees not receiving PEBP benefits as of November 30, 2008 are no longer allowed to participate in NPEBP. For the remaining eligible retirees, local governments are required to pay the same portion of the cost of coverage for those persons participating in 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, 2011, 1,403 retirees were utilizing this benefit.

**WASHOE COUNTY SCHOOL DISTRICT
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The subsidy paid directly to PEPB by the District for this coverage for the year ended June 30, 2011 was \$6,042,889. 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 employee 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 studies contracted for by the District. For fiscal year 2010-11, the District paid net medical claims of \$4,012,229 out of the self-insured Health Insurance Fund for WCSDRHP retirees (approximately 56 percent of total costs) and an additional \$1,799,373 was paid to prefund benefits. Plan member retirees receiving benefits contributed \$3,137,657 or approximately 44 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 2010-11, the District contributed \$6,042,890 to NPEBP for current premiums and an additional \$3,265,455 to prefund benefits. Information on plan members' contributions to NPEBP is unavailable. NRS 287.023 sunsetted the option to join PEPB for District employees who were not receiving PEPB benefits by November 30, 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 employee 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 2010-11, the District contributed \$1,012,208 for current premiums for retirees (approximately 89 percent of total costs) and paid \$658,283 to the OPEB Trust Fund for retirees to prefund benefits. Plan member retirees receiving life insurance coverage contributed \$130,124 or approximately 11 percent of the total costs for retirees, through their required contribution to the Health Insurance Fund.

The number of participants as of July 1, 2010, the actuarial valuation date, follows.

	Active	WCSD Retiree Life Insurance Plan	WCSDRHP	NPEBP Medical Plan
Active employees	6,379			
Retirees enrolled in District Plans		1,930	828	
Retirees enrolled in NPEBP				1,403

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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 2010-11 were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
WCSDRHP	6/30/11	\$4,918,000	\$5,811,602	118.17%	\$(3,449,524)
WCSDRHP	6/30/10	\$4,492,000	\$4,961,898	110.46%	\$(2,555,922)
WCSDRHP	6/30/09	\$5,514,000	\$5,820,198	105.55%	\$(2,086,024)
NPEBP	6/30/11	\$5,586,000	\$9,308,345	166.64%	\$(14,280,159)
NPEBP	6/30/10	\$4,778,000	\$8,980,224	187.95%	\$(10,557,814)
NPEBP	6/30/09	\$5,129,000	\$9,959,948	194.19%	\$(6,355,590)
WCSD Retiree Life Insurance Plan	6/30/11	\$1,843,000	\$1,670,491	90.64%	\$1,068,813
WCSD Retiree Life Insurance Plan	6/30/10	\$1,930,000	\$1,548,842	80.25%	\$896,304
WCSD Retiree Life Insurance Plan	6/30/09	\$1,610,000	\$1,343,718	83.46%	\$515,146
Combined Totals	6/30/11	\$12,347,000	\$16,790,438		
Combined Totals	6/30/10	\$11,200,000	\$15,490,964		
Combined Totals	6/30/09	\$12,253,000	\$17,123,864		

The net OPEB obligation (asset) (NOPEBO) as of June 30, 2011, was calculated as follows:

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan	Totals
Annual required contribution	\$4,983,000	\$5,843,000	\$1,821,000	\$12,647,000
Interest on the beginning net OPEB obligation	(204,000)	(845,000)	72,000	(977,000)
ARC Adjustment	139,000	588,000	(50,000)	677,000
Annual OPEB cost	\$4,918,000	\$5,586,000	\$1,843,000	\$12,347,000
Contributions made	\$5,811,602	\$9,308,345	\$1,670,491	\$16,790,438
Increase (decrease) in net OPEB obligation	\$(893,602)	\$(3,722,345)	\$172,509	\$(4,443,438)
Net OPEB obligation (asset), beginning of year	(2,555,922)	(10,557,814)	896,304	(12,217,432)
Net OPEB obligation (asset), end of year	\$(3,449,524)	\$(14,280,159)	\$1,068,813	\$(16,660,870)

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

Funded Status and Funding Progress:

The funded status of the plans as of the most recent actuarial valuation (July 1, 2010) was as follows:

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan	Totals
Accrued actuarial liability (a)	\$55,188,000	\$104,929,000	\$20,251,000	\$180,368,000
Actuarial value of plan assets (b)	\$11,192,000	\$7,753,000	\$1,341,000	\$20,286,000
Unfunded actuarial accrued liability (a) - (b)	\$43,996,000	\$97,176,000	\$18,910,000	\$160,082,000
Funded ratio (b) / (a)	20.28%	7.39%	6.62%	11.25%
Covered payroll (c)	\$315 million	N/A	\$315 million	
Unfunded actuarial accrued liability as a percentage of covered payroll $[(a) - (b)] / (c)$	13.97%	N/A	6.00%	

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 and prior year information (and will provide complete required 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, 2011**

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

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan
Actuarial valuation date	7/1/10	7/1/10	7/1/10
Actuarial cost method	Projected unit credit	Projected unit credit	Projected unit credit
Amortization method	Level percentage of pay, open	Level percentage of pay, closed	Level percentage of pay, open
Remaining amortization period	30 years	29 years	30 years
Asset valuation method	Market value	Market value	Market value
Actuarial assumptions:			
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 5.0% is reached	10.5%	10.5%	10.5%

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 GASB Statements No. 10 *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* and No. 30 *Risk Financing Omnibus an amendment of GASB Statement No. 10*.

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, 2011**

At June 30, 2011, the amount of this liability was \$14,198,736. This liability is determined by actuaries using all available information. Changes in the reported liability since July 1, 2009 are as follows:

	Property & Casualty	Health Insurance	Workers' Compensation	Total
Claims liability, July 1, 2009	\$ 2,609,000	\$ 7,910,574	\$ 4,547,000	\$ 15,066,574
Current year claims and changes in estimates	(243,134)	48,899,735	1,683,758	50,340,359
Claims payments	<u>(667,866)</u>	<u>(49,735,188)</u>	<u>(1,724,758)</u>	<u>(52,127,812)</u>
Claims liability, June 30, 2010	1,698,000	7,075,121	4,506,000	13,279,121
Current year claims and changes in estimates	1,569,902	46,843,281	2,415,120	50,828,303
Claims payments	<u>(700,902)</u>	<u>(47,112,666)</u>	<u>(2,095,120)</u>	<u>(49,908,688)</u>
Claims liability, June 30, 2011	<u>\$ 2,567,000</u>	<u>\$ 6,805,736</u>	<u>\$ 4,826,000</u>	<u>\$ 14,198,736</u>
Due within one year	<u>\$ 1,113,852</u>	<u>\$ 6,805,736</u>	<u>\$ 1,559,938</u>	<u>\$ 9,479,526</u>

At June 30, 2011, the Internal Service Funds held \$60,929,312 in cash and investments available 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 \$5,000,000 per occurrence for crime, and \$15,000,000 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 an annual maximum of \$2,000,000 per employee.

Workers' Compensation Insurance - The District is self-insured for individual workers' compensation claims up to \$500,000 for each accident. Accidents in excess of \$500,000 are covered by excess insurance up to State statutory limits.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

The District maintains an account with a market value of \$2,087,591 as of June 30, 2011 to meet its State of Nevada security deposit requirement.

The Property and 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, 2011, 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>
ADA Retrofit Projects	1,335,681	March 2012
All Day Kindergarten Projects	274,650	December 2011
Backflow Projects	8,455	March 2012
Best Management Practice Projects	18,354	June 2012
Bleacher Replacement Projects	166,109	September 2011
CCTV Projects	121,883	March 2012
Depoali Middle School Projects	844	December 2011
Drainage Projects	214,619	June 2012
Environmental Cooling Upgrades	62,950	December 2011
Fire Alarm Upgrades	208,039	December 2011
Flooring Upgrades	47,854	September 2011
Heating/Cooling System Projects	1,447,436	December 2011
Infinite Campus Projects	88,798	June 2012
Information System Projects	116,696	June 2014
Infrastructure Improvements	2,196,707	December 2011
Lock Projects	27,995	December 2011
Photovoltaic Installations	3,730	December 2011
Repaving Projects	1,283,707	September 2011
Reroofing Projects	365,934	September 2011
Revitalization Projects	2,285,249	June 2012
Storage Tank Remediation Projects	12,870	June 2012
	<u>\$ 10,288,560</u>	

Currently, no additional financing is required to complete construction on the projects above.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011**

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.

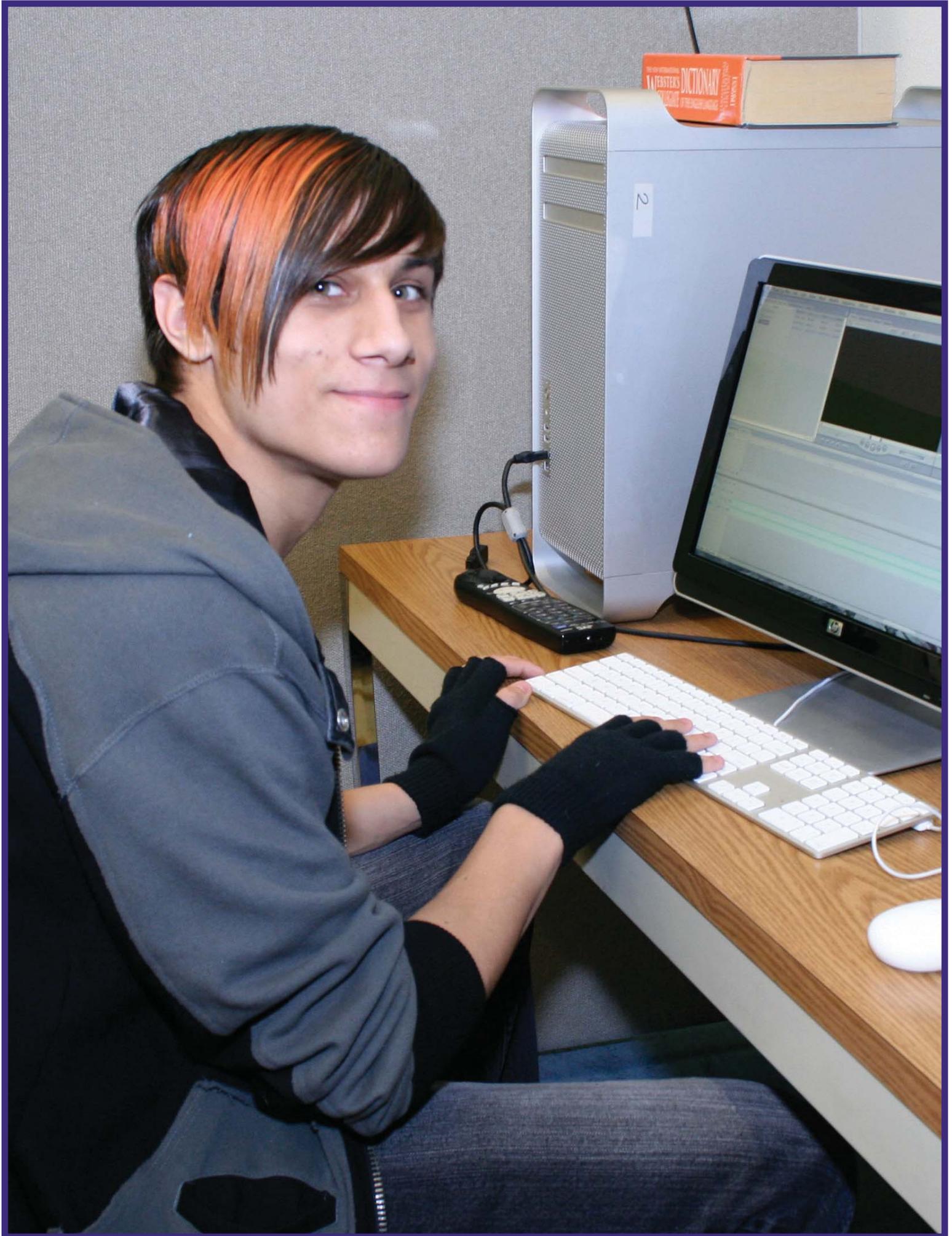
The District receives a portion of the property tax revenues collected by Washoe County. Washoe County is currently the defendant in various lawsuits with property owners in addition to the lawsuit presented below, disputing the County Assessor's valuation methods used for property within the Lake Tahoe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

NOTE 12 – Subsequent Events:

On July 6, 2011, the District issued \$43,450,000 in General Obligation School Improvement and Refunding Bonds, Series 2011A. The term of the Series 2011A bonds is 20 years with interest rates ranging from 3.0% to 5.0%. Interest payments begin in December 2011 and principal payments will begin in June 2015. The District is refunding \$9,000,000 of its Refunding Bonds Series 2005 with a portion of the proceeds. As of June 30, 2011, the District has received an advance deposit of \$400,000 on the issuance of these bonds.

The District receives a portion of the property tax revenues collected in Washoe County. On July 7, 2011, affirming a writ of mandamus issued by the Second Judicial District Court, the Second Judicial District Court ordered the County Treasurer to comply with the Washoe County Board of Equalization decision to roll back 2006-2007 taxable values for 8,700 properties located in the Lake Tahoe area of Washoe County to 2002-2003 levels and to refund excess property taxes paid by property tax payers plus interest. The estimated amount of the refunds and interest in governmental activities is \$15,000,000. Since the court ordered refunds became due subsequent to year end, no provision for the liability has been made in governmental funds.

On September 29, 2011, the District paid \$33,655,174, from the debt service fund for the partial defeasance of series 2002B, 2003A, 2003C, 2005A, and 2007C. The defeasance was undertaken to reduce total future debt service payments by \$35,022,000.



Required Supplementary Information



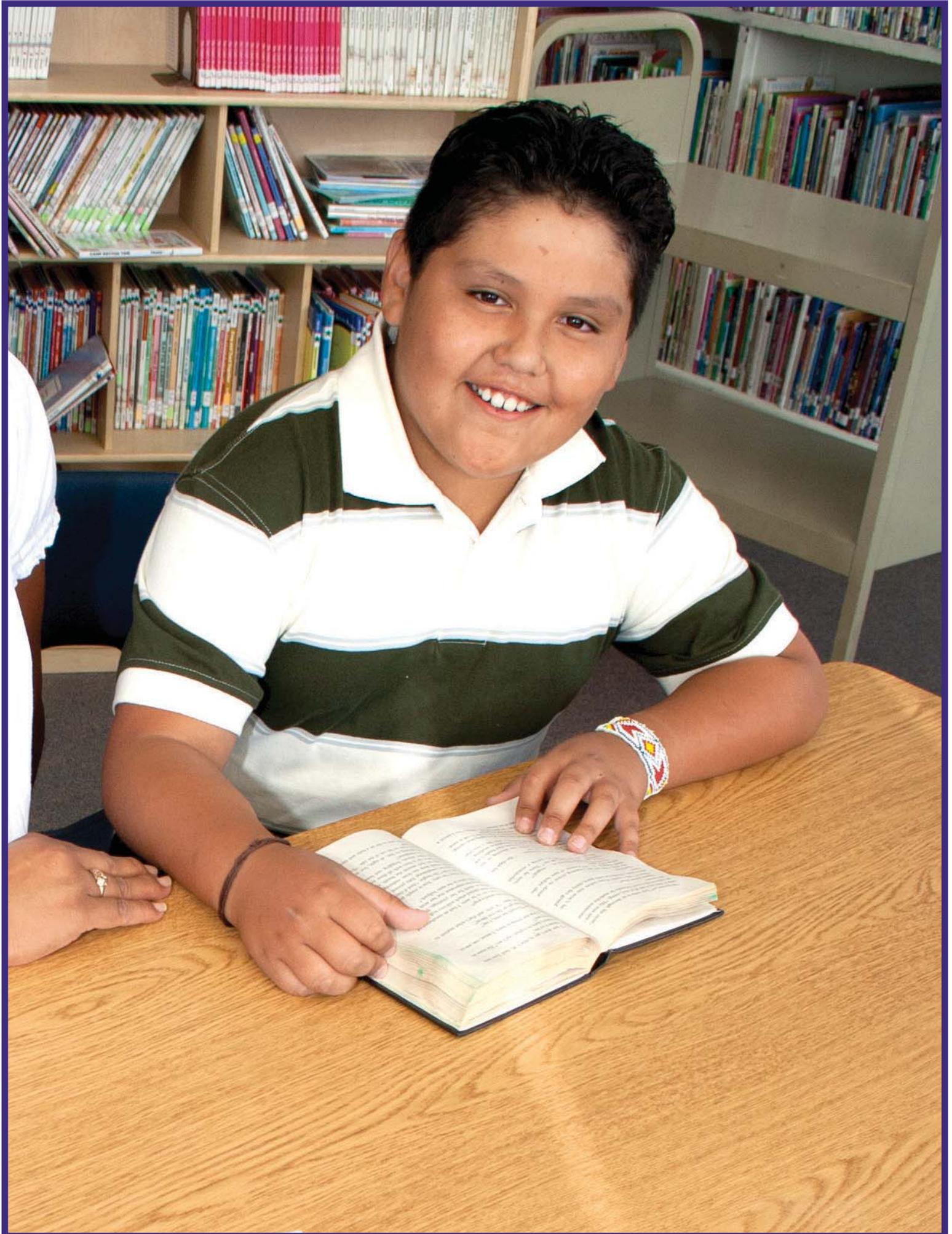
*Washoe County
School District*

Comprehensive
Annual
Financial Report

Required

Supplementary Information

- General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance
- Special Education Fund Schedule of Revenues Expenditures and Changes in Fund Balance
- Reconciliation of the General Fund (Budgetary Basis) to the General Fund (Actual Basis) – Balance Sheet
- Reconciliation of the General Fund (Budgetary Basis) to the General Fund (Actual Basis) – Statement of Revenues, Expenditures and Changes in Fund Balance
- Schedule of Funding Progress and Schedule of Employer Contributions
- Notes to Required Supplementary Information



**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Local sources	\$ 235,680,253	\$ 238,548,991	\$ 252,368,787	\$ 13,819,796
State sources	156,965,070	156,904,517	144,481,420	(12,423,097)
Federal sources	516,000	516,000	638,097	122,097
Other sources	50,000	50,000	50,630	630
Total revenues	<u>393,211,323</u>	<u>396,019,508</u>	<u>397,538,934</u>	<u>1,519,426</u>
EXPENDITURES				
Current				
Regular programs	193,040,054	195,506,834	189,167,013	6,339,821
Special programs	1,419,916	1,925,546	1,913,637	11,909
Vocational programs	7,491,831	7,031,384	6,993,595	37,789
Other instructional programs	13,632,830	13,689,937	13,366,855	323,082
Co-curricular programs	4,297,944	4,528,360	3,501,320	1,027,040
Undistributed expenditures				
Student support	25,891,601	25,370,795	24,807,906	562,889
Instructional staff support	13,364,505	15,388,257	12,200,391	3,187,866
General administration	5,678,008	6,187,100	4,987,502	1,199,598
School administration	31,814,590	30,891,887	30,116,636	775,251
Central services	19,507,835	19,867,367	18,529,431	1,337,936
Operation and maintenance	48,894,699	50,107,033	46,251,310	3,855,723
Student transportation	15,418,434	18,217,187	16,484,167	1,733,020
Total expenditures	<u>380,452,247</u>	<u>388,711,687</u>	<u>368,319,763</u>	<u>20,391,924</u>
Excess of revenues over expenditures	<u>12,759,076</u>	<u>7,307,821</u>	<u>29,219,171</u>	<u>21,911,350</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	-	2,192,000	2,192,000	-
Contingency	(1,093,277)	(1,093,277)	-	1,093,277
Transfers in	8,011,823	8,699,827	8,735,074	35,247
Transfers out	(38,027,312)	(36,437,722)	(34,615,635)	1,822,087
Total other financing sources (uses)	<u>(31,108,766)</u>	<u>(26,639,172)</u>	<u>(23,688,561)</u>	<u>2,950,611</u>
Net change in fund balance	(18,349,690)	(19,331,351)	5,530,610	24,861,961
FUND BALANCE, July 1	<u>39,497,153</u>	<u>64,532,881</u>	<u>64,532,881</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 21,147,463</u>	<u>\$ 45,201,530</u>	<u>\$ 70,063,491</u>	<u>\$ 24,861,961</u>

The notes to required supplementary information are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SPECIAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>BUDGET</u>		<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
State sources	\$ 22,866,600	\$ 22,826,832	\$ 22,911,657	\$ 84,825
EXPENDITURES				
Current				
Special programs	55,369,956	53,906,774	52,310,052	1,596,722
Excess (deficiency) of revenues over expenditures	(32,503,356)	(31,079,942)	(29,398,395)	1,681,547
OTHER FINANCING SOURCES				
Transfers in	32,503,356	31,079,942	29,398,395	(1,681,547)
Net change in fund balance	-	-	-	-
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -

The notes to required supplementary information are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
RECONCILIATION OF THE GENERAL FUND (BUDGETARY BASIS) TO THE
GENERAL FUND (ACTUAL BASIS)
BALANCE SHEET
JUNE 30, 2011**

	<u>GENERAL FUND</u>	<u>INTERNALLY REPORTED FUNDS</u>	<u>ELIMINATIONS</u>	<u>GENERAL FUND TOTAL</u>
ASSETS				
Cash and investments	\$ 64,664,077	\$ 1,622,964	\$ -	\$ 66,287,041
Receivables				
Property taxes	5,137,619	-	-	5,137,619
Interest	8,900	-	-	8,900
Miscellaneous	1,818,043	-	-	1,818,043
Due from other funds	3,995,943	-	-	3,995,943
Due from other governments	35,470,044	-	-	35,470,044
Prepays	-	19,382	-	19,382
Inventories	1,108,844	-	-	1,108,844
	<u>112,203,470</u>	<u>1,642,346</u>	<u>-</u>	<u>113,845,816</u>
Total assets	\$	\$	\$	\$
LIABILITIES				
Accounts payable	\$ 2,690,534	\$ 20,695	\$ -	\$ 2,711,229
Accrued liabilities	35,396,319	27,967	-	35,424,286
Due to other governments	417,908	-	-	417,908
Deferred revenues	3,635,218	-	-	3,635,218
	<u>42,139,979</u>	<u>48,662</u>	<u>-</u>	<u>42,188,641</u>
Total liabilities				
FUND BALANCE				
Nonspendable	1,108,844	-	-	1,108,844
Assigned	68,954,647	1,593,684	-	70,548,331
	<u>70,063,491</u>	<u>1,593,684</u>	<u>-</u>	<u>71,657,175</u>
Total fund balance				
Total liabilities and fund balance	\$ <u>112,203,470</u>	\$ <u>1,642,346</u>	\$ <u>-</u>	\$ <u>113,845,816</u>

The notes to required supplementary information are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
RECONCILIATION OF THE GENERAL FUND (BUDGETARY BASIS) TO THE
GENERAL FUND (ACTUAL BASIS)
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>GENERAL FUND</u>	<u>INTERNALLY REPORTED FUNDS</u>	<u>ELIMINATIONS</u>	<u>GENERAL FUND TOTAL</u>
REVENUES				
Local sources	\$ 252,368,787	\$ 437,488	\$ -	\$ 252,806,275
State sources	144,481,420	-	-	144,481,420
Federal sources	638,097	1,709,681	-	2,347,778
Other sources	50,630	-	-	50,630
	<u>397,538,934</u>	<u>2,147,169</u>	<u>-</u>	<u>399,686,103</u>
Total revenues				
EXPENDITURES				
Current				
Regular programs	189,167,013	30,000	-	189,197,013
Special programs	1,913,637	633,347	-	2,546,984
Vocational programs	6,993,595	-	-	6,993,595
Other instructional programs	13,366,855	-	-	13,366,855
Co-curricular programs	3,501,320	-	-	3,501,320
Undistributed expenditures				
Student support	24,807,906	-	-	24,807,906
Instructional staff support	12,200,391	-	-	12,200,391
General administration	4,987,502	-	-	4,987,502
School administration	30,116,636	-	-	30,116,636
Central services	18,529,431	-	-	18,529,431
Operation and maintenance	46,251,310	-	-	46,251,310
Student transportation	16,484,167	-	-	16,484,167
Community service operations	-	394,001	-	394,001
	<u>368,319,763</u>	<u>1,057,348</u>	<u>-</u>	<u>369,377,111</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>29,219,171</u>	<u>1,089,821</u>	<u>-</u>	<u>30,308,992</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	2,192,000	-	-	2,192,000
Transfers in	8,735,074	-	(2,235,247)	6,499,827
Transfers out	(34,615,635)	(2,235,247)	2,235,247	(34,615,635)
	<u>(23,688,561)</u>	<u>(2,235,247)</u>	<u>-</u>	<u>(25,923,808)</u>
Total other financing sources (uses)				
Net change in fund balance	5,530,610	(1,145,426)	-	4,385,184
FUND BALANCE, July 1	<u>64,532,881</u>	<u>2,739,110</u>	<u>-</u>	<u>67,271,991</u>
FUND BALANCE, June 30	<u>\$ 70,063,491</u>	<u>\$ 1,593,684</u>	<u>\$ -</u>	<u>\$ 71,657,175</u>

The notes to required supplementary information are an integral part of this statement.

**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2011**

Schedule 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							
	7/1/2010	\$11,192,000	\$ 55,188,000	\$ 43,996,000	20.28 %	\$ 315,000,000	13.97 %
	7/1/2009	3,941,182	45,891,000	41,949,818	8.59 %	315,000,000	13.32 %
	4/1/2008	2,119,768	50,980,000	48,860,232	4.16 %	283,000,000	17.27 %
NPEBP							
	7/1/2010	\$ 7,753,000	\$ 104,929,000	\$ 97,176,000	7.39 %	N/A	
	7/1/2009	7,752,497	91,431,000	83,678,503	8.48 %	N/A	
	4/1/2008	4,974,842	119,644,000	114,669,158	4.16 %	N/A	
WCSD Retiree Life Insurance Plan							
	7/1/2010	\$ 1,341,000	\$ 20,251,000	\$ 18,910,000	6.62 %	\$315,000,000	6.00 %
	7/1/2009	1,340,959	20,062,000	18,721,041	6.68 %	315,000,000	5.94 %
	4/1/2008	754,268	18,140,000	17,385,732	4.16 %	283,000,000	6.14 %

Schedule of Employer Contributions

	Year Ended June 30,	Annual Required	Percentage Contributed
WCSDRHP			
	2011	\$ 4,983,000	116.63 %
	2010	4,545,000	109.17 %
	2009	5,559,000	104.70 %
NPEBP			
	2011	\$ 5,843,000	159.31 %
	2010	4,939,000	181.82 %
	2009	5,168,000	192.72 %
WCSD Retiree Life Insurance Plan			
	2011	\$ 1,821,000	91.73 %
	2010	1,917,000	80.80 %
	2009	1,604,000	83.77 %

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2011**

The accompanying Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) presents balances combined for external financial reporting purposes.

Budget to actual comparisons are presented for all funds of the District, except for Agency Funds, as required by Nevada Revised Statutes. Such budget comparisons are required to be presented using the budget as adopted, and approved by the State of Nevada Department of Taxation. However, guidance provided in governmental accounting standards specify that three of these internally reported funds of the District, not meeting the definition of special revenue funds, do not qualify to be separately presented for external reporting purposes.

These internally reported funds of the District (Medicaid Fund, Community Education Fund, and Pre-funded Retiree Health Benefits Fund) are combined with the General Fund for external financial reporting purposes. The District has closed the Pre-funded Retiree Health Benefits Fund as of June 30, 2011, by transferring the remaining net assets to the General Fund.

Nonmajor

Governmental Funds

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

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011**

	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL
ASSETS			
Cash and investments	\$ 6,167,754	\$ 7,083,526	\$ 13,251,280
Receivables			
Interest	77	780	857
Grants	9,063,964	-	9,063,964
Miscellaneous	73,971	56	74,027
Due from other governments	-	255,377	255,377
Prepays	2,486	-	2,486
Total assets	\$ 15,308,252	\$ 7,339,739	\$ 22,647,991
LIABILITIES			
Accounts payable	\$ 1,769,703	\$ 102,584	\$ 1,872,287
Accrued liabilities	5,404,977	49,930	5,454,907
Construction contracts payable	28,799	11,763	40,562
Due to other funds	3,995,943	-	3,995,943
Due to other governments	56,536	-	56,536
Deferred revenues	2,308,046	-	2,308,046
Total liabilities	13,564,004	164,277	13,728,281
FUND BALANCE			
Restricted	1,744,248	7,175,462	8,919,710
Total liabilities and fund balance	\$ 15,308,252	\$ 7,339,739	\$ 22,647,991

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
REVENUES			
Local sources	\$ 3,074,157	\$ 6,186,658	\$ 9,260,815
State sources	36,302,502	-	36,302,502
Federal sources	50,775,537	-	50,775,537
	<u>90,152,196</u>	<u>6,186,658</u>	<u>96,338,854</u>
EXPENDITURES			
Current			
Regular programs	14,519,200	-	14,519,200
Special programs	12,288,812	-	12,288,812
Vocational programs	1,327,226	-	1,327,226
Other instructional programs	50,706,960	-	50,706,960
Adult education programs	1,990,893	-	1,990,893
Community services programs	766,830	-	766,830
Undistributed expenditures			
Instruction	346,751	-	346,751
Student support	401,244	-	401,244
Instructional staff support	76,982	-	76,982
General administration	328,880	-	328,880
Central services	17,085	-	17,085
Operation and maintenance	16,381	-	16,381
Capital outlay	776,534	8,086,925	8,863,459
	<u>83,563,778</u>	<u>8,086,925</u>	<u>91,650,703</u>
Excess (deficiency) of revenues over expenditures	<u>6,588,418</u>	<u>(1,900,267)</u>	<u>4,688,151</u>
OTHER FINANCING (USES)			
Transfers out	<u>(6,499,827)</u>	-	<u>(6,499,827)</u>
Net change in fund balance	88,591	(1,900,267)	(1,811,676)
FUND BALANCE, July 1	<u>1,655,657</u>	<u>9,075,729</u>	<u>10,731,386</u>
FUND BALANCE, June 30	<u>\$ 1,744,248</u>	<u>\$ 7,175,462</u>	<u>\$ 8,919,710</u>

General Fund

To account for and report all financial resources not accounted for and reported in another fund.

**WASHOE COUNTY SCHOOL DISTRICT
COMPARATIVE BALANCE SHEET
GENERAL FUND (BUDGETARY BASIS)
JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2010)**

	2011	2010
ASSETS		
Cash and investments	\$ 64,664,077	\$ 63,914,397
Receivables		
Property taxes	5,137,619	6,345,895
Interest	8,900	15,224
Miscellaneous	1,818,043	725,221
Due from other funds	3,995,943	5,953,249
Due from other governments	35,470,044	38,282,017
Inventories	1,108,844	1,097,142
Total assets	\$ 112,203,470	\$ 116,333,145
LIABILITIES		
Accounts payable	\$ 2,690,534	\$ 2,768,943
Accrued liabilities	35,396,319	36,674,830
Due to other governments	417,908	8,539,464
Deferred revenues	3,635,218	3,817,027
Total liabilities	42,139,979	51,800,264
FUND BALANCE		
Nonspendable	1,108,844	1,097,142
Assigned	68,954,647	63,435,739
Total fund balance	70,063,491	64,532,881
Total liabilities and fund balance	\$ 112,203,470	\$ 116,333,145

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 235,680,253	\$ 238,548,991	\$ 252,368,787	\$ 13,819,796	\$ 255,530,695
State sources	156,965,070	156,904,517	144,481,420	(12,423,097)	156,915,831
Federal sources	516,000	516,000	638,097	122,097	348,266
Other sources	50,000	50,000	50,630	630	28,533
Total revenues	<u>393,211,323</u>	<u>396,019,508</u>	<u>397,538,934</u>	<u>1,519,426</u>	<u>412,823,325</u>
EXPENDITURES					
Current					
Regular programs	193,040,054	195,506,834	189,167,013	6,339,821	198,009,040
Special programs	1,419,916	1,925,546	1,913,637	11,909	1,525,824
Vocational programs	7,491,831	7,031,384	6,993,595	37,789	7,084,206
Other instructional programs	13,632,830	13,689,937	13,366,855	323,082	12,962,701
Co-curricular programs	4,297,944	4,528,360	3,501,320	1,027,040	3,532,363
Undistributed expenditures					
Student support	25,891,601	25,370,795	24,807,906	562,889	25,431,398
Instructional staff support	13,364,505	15,388,257	12,200,391	3,187,866	12,118,047
General administration	5,678,008	6,187,100	4,987,502	1,199,598	5,426,437
School administration	31,814,590	30,891,887	30,116,636	775,251	31,582,362
Central services	19,507,835	19,867,367	18,529,431	1,337,936	20,192,888
Operation and maintenance	48,894,699	50,107,033	46,251,310	3,855,723	48,839,363
Student transportation	15,418,434	18,217,187	16,484,167	1,733,020	14,908,326
Total expenditures	<u>380,452,247</u>	<u>388,711,687</u>	<u>368,319,763</u>	<u>20,391,924</u>	<u>381,612,955</u>
Excess of revenues over expenditures	<u>12,759,076</u>	<u>7,307,821</u>	<u>29,219,171</u>	<u>21,911,350</u>	<u>31,210,370</u>
OTHER FINANCING SOURCES (USES)					
Capital leases	-	2,192,000	2,192,000	-	870,000
Contingency	(1,093,277)	(1,093,277)	-	1,093,277	-
Transfers in	8,011,823	8,699,827	8,735,074	35,247	6,500,000
Transfers out	<u>(38,027,312)</u>	<u>(36,437,722)</u>	<u>(34,615,635)</u>	<u>1,822,087</u>	<u>(30,852,530)</u>
Total other financing sources (uses)	<u>(31,108,766)</u>	<u>(26,639,172)</u>	<u>(23,688,561)</u>	<u>2,950,611</u>	<u>(23,482,530)</u>
Net change in fund balance	(18,349,690)	(19,331,351)	5,530,610	24,861,961	7,727,840
FUND BALANCE, July 1	<u>39,497,153</u>	<u>64,532,881</u>	<u>64,532,881</u>	<u>-</u>	<u>56,805,041</u>
FUND BALANCE, June 30	<u>\$ 21,147,463</u>	<u>\$ 45,201,530</u>	<u>\$ 70,063,491</u>	<u>\$ 24,861,961</u>	<u>\$ 64,532,881</u>

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources					
Ad valorem taxes	\$ 101,539,673	\$ 101,539,673	\$ 101,306,516	\$ (233,157)	\$ 109,168,786
School support taxes	115,602,580	115,602,580	128,788,689	13,186,109	127,099,100
Franchise taxes	300,000	300,000	365,707	65,707	332,477
Government services tax	11,200,000	11,200,000	11,566,263	366,263	12,163,806
Revenue in lieu of taxes	230,000	230,000	206,917	(23,083)	210,987
Tuition - regular day school	395,000	395,000	669,438	274,438	433,402
Tuition - summer school	800,000	800,000	740,935	(59,065)	111,516
Earnings on investments	650,000	650,000	513,922	(136,078)	876,542
Refunds	10,000	10,000	33,426	23,426	34,046
Indirect costs	2,000,000	2,000,000	1,958,468	(41,532)	1,909,611
Transportation	325,000	325,000	419,795	94,795	479,919
Reimbursements	1,545,000	1,545,000	1,582,860	37,860	1,545,760
Grant administration	400,000	400,000	373,478	(26,522)	451,317
Other	683,000	3,551,738	3,842,373	290,635	713,426
Total local sources	<u>235,680,253</u>	<u>238,548,991</u>	<u>252,368,787</u>	<u>13,819,796</u>	<u>255,530,695</u>
State sources					
Distributive school fund	156,965,070	156,904,517	143,954,130	(12,950,387)	156,389,169
Special appropriations	-	-	527,290	527,290	526,662
Total state sources	<u>156,965,070</u>	<u>156,904,517</u>	<u>144,481,420</u>	<u>(12,423,097)</u>	<u>156,915,831</u>
Federal sources					
Forest reserve	6,000	6,000	27,833	21,833	29,357
Revenue in lieu of taxes, P.L. 81-874	190,000	190,000	190,546	546	178,908
E-Rate refund	320,000	320,000	419,718	99,718	140,001
Total federal sources	<u>516,000</u>	<u>516,000</u>	<u>638,097</u>	<u>122,097</u>	<u>348,266</u>
Other sources	<u>50,000</u>	<u>50,000</u>	<u>50,630</u>	<u>630</u>	<u>28,533</u>
Total revenues	<u>393,211,323</u>	<u>396,019,508</u>	<u>397,538,934</u>	<u>1,519,426</u>	<u>412,823,325</u>
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	133,456,257	133,524,914	131,870,545	1,654,369	137,410,571
Benefits	47,772,478	50,096,250	49,724,643	371,607	50,423,692
Purchased services	1,293,011	1,369,709	1,175,938	193,771	930,202
Supplies	10,409,629	10,414,142	6,374,358	4,039,784	9,160,468
Property	70,500	65,900	972	64,928	51,245
Other	38,179	35,919	20,557	15,362	32,862
Total regular programs	<u>193,040,054</u>	<u>195,506,834</u>	<u>189,167,013</u>	<u>6,339,821</u>	<u>198,009,040</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Special programs					
Instruction					
Salaries	\$ 980,172	\$ 1,174,969	\$ 1,164,333	\$ 10,636	\$ 952,875
Benefits	409,090	482,486	483,640	(1,154)	371,813
Total instruction	1,389,262	1,657,455	1,647,973	9,482	1,324,688
Student support					
Salaries	-	141,117	144,151	(3,034)	117,225
Benefits	-	46,845	47,106	(261)	45,494
Purchased services	11,000	11,000	16,450	(5,450)	9,144
Supplies	19,654	69,129	57,364	11,765	29,064
Other	-	-	593	(593)	209
Total student support	30,654	268,091	265,664	2,427	201,136
Total special programs	1,419,916	1,925,546	1,913,637	11,909	1,525,824
Vocational programs					
Instruction					
Salaries	5,216,436	4,766,143	4,734,184	31,959	4,915,600
Benefits	2,082,328	1,876,242	1,881,482	(5,240)	1,918,079
Purchased services	57,000	57,754	48,283	9,471	47,103
Supplies	127,383	131,799	133,409	(1,610)	131,864
Property	1,000	1,000	-	1,000	-
Other	700	700	1,464	(764)	694
Total instruction	7,484,847	6,833,638	6,798,822	34,816	7,013,340
Student support					
Salaries	-	141,714	141,967	(253)	48,286
Benefits	-	49,048	49,072	(24)	15,623
Purchased services	2,700	2,700	1,499	1,201	3,931
Supplies	4,284	4,284	2,235	2,049	3,026
Total student support	6,984	197,746	194,773	2,973	70,866
Total vocational programs	7,491,831	7,031,384	6,993,595	37,789	7,084,206
Other instructional programs					
Instruction					
Salaries	9,507,022	9,226,716	8,948,945	277,771	8,885,084
Benefits	3,786,422	3,459,742	3,435,229	24,513	3,449,580
Purchased services	13,610	13,500	2,066	11,434	4,152
Supplies	17,256	21,579	17,974	3,605	77,341
Total instruction	13,324,310	12,721,537	12,404,214	317,323	12,416,157

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Student support					
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 9,024
Benefits	-	-	-	-	741
Total student support	-	-	-	-	9,765
Instructional staff support					
Salaries	36,500	472,078	477,236	(5,158)	206,521
Benefits	310	179,612	177,661	1,951	72,895
Purchased services	194,148	196,148	166,858	29,290	173,706
Supplies	77,562	120,562	140,886	(20,324)	83,657
Total instructional staff support	308,520	968,400	962,641	5,759	536,779
Total other instructional programs	13,632,830	13,689,937	13,366,855	323,082	12,962,701
Co-curricular programs					
Instruction					
Salaries	2,409,478	2,786,531	2,048,043	738,488	1,866,667
Benefits	112,288	132,954	93,110	39,844	90,081
Purchased services	-	24	24	-	-
Total instruction	2,521,766	2,919,509	2,141,177	778,332	1,956,748
Student support					
Salaries	306,536	129,958	129,035	923	234,435
Benefits	64,871	42,882	42,809	73	59,483
Purchased services	2,317	1,500	-	1,500	3,883
Supplies	569	569	-	569	-
Total student support	374,293	174,909	171,844	3,065	297,801
Instructional staff support					
Benefits	-	-	419	(419)	10
Purchased services	420,700	420,700	382,450	38,250	392,641
Supplies	4,433	4,433	2,585	1,848	8,883
Other	87,000	87,000	80,087	6,913	91,279
Total instructional staff support	512,133	512,133	465,541	46,592	492,813
Student transportation					
Salaries	451,974	383,173	343,288	39,885	285,735
Benefits	139,893	241,027	216,894	24,133	184,850
Purchased services	297,885	297,609	162,430	135,179	314,327
Supplies	-	-	146	(146)	89
Total student transportation	889,752	921,809	722,758	199,051	785,001
Total co-curricular programs	4,297,944	4,528,360	3,501,320	1,027,040	3,532,363
Total current programs	219,882,575	222,682,061	214,942,420	7,739,641	223,114,134

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed expenditures					
Student support					
Salaries	\$ 18,302,033	\$ 17,911,669	\$ 17,732,045	\$ 179,624	\$ 18,227,713
Benefits	7,246,429	7,085,808	6,835,115	250,693	6,916,420
Purchased services	197,041	194,365	168,559	25,806	202,363
Supplies	145,373	178,228	71,910	106,318	84,282
Other	725	725	277	448	620
Total student support	<u>25,891,601</u>	<u>25,370,795</u>	<u>24,807,906</u>	<u>562,889</u>	<u>25,431,398</u>
Instructional staff support					
Salaries	8,426,397	9,026,596	7,556,785	1,469,811	7,698,218
Benefits	3,078,482	2,935,424	2,744,453	190,971	2,882,407
Purchased services	1,075,839	2,100,538	1,329,297	771,241	945,775
Supplies	757,688	1,300,370	553,190	747,180	576,429
Property	17,999	17,999	-	17,999	-
Other	8,100	7,330	16,666	(9,336)	15,218
Total instructional staff support	<u>13,364,505</u>	<u>15,388,257</u>	<u>12,200,391</u>	<u>3,187,866</u>	<u>12,118,047</u>
General administration					
Salaries	2,857,090	3,208,886	2,887,462	321,424	3,180,396
Benefits	2,249,943	2,224,990	1,672,877	552,113	1,786,018
Purchased services	363,821	384,636	280,628	104,008	291,321
Supplies	182,704	343,838	94,602	249,236	92,043
Property	6,000	6,000	-	6,000	-
Other	18,450	18,750	51,933	(33,183)	76,659
Total general administration	<u>5,678,008</u>	<u>6,187,100</u>	<u>4,987,502</u>	<u>1,199,598</u>	<u>5,426,437</u>
School administration					
Salaries	23,163,769	22,576,401	22,225,614	350,787	23,277,941
Benefits	8,337,994	7,965,469	7,767,624	197,845	8,003,995
Purchased services	80,286	77,713	47,795	29,918	167,327
Supplies	218,416	259,259	65,811	193,448	126,535
Property	3,000	3,000	-	3,000	-
Other	11,125	10,045	9,792	253	6,564
Total school administration	<u>31,814,590</u>	<u>30,891,887</u>	<u>30,116,636</u>	<u>775,251</u>	<u>31,582,362</u>
Central services					
Salaries	9,304,289	9,616,693	9,396,046	220,647	10,718,597
Benefits	3,718,371	3,376,478	3,313,915	62,563	3,675,140
Purchased services	5,990,370	6,239,646	5,528,935	710,711	5,547,465
Supplies	451,407	586,752	222,880	363,872	147,061
Property	23,128	27,528	5,452	22,076	33,504
Other	20,270	20,270	62,203	(41,933)	71,121
Total central services	<u>19,507,835</u>	<u>19,867,367</u>	<u>18,529,431</u>	<u>1,337,936</u>	<u>20,192,888</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GENERAL FUND (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Operation and maintenance					
Salaries	\$ 20,883,974	\$ 21,597,138	\$ 20,497,887	\$ 1,099,251	\$ 21,239,124
Benefits	9,359,181	8,499,417	8,452,979	46,438	8,757,318
Purchased services	7,486,919	6,513,649	5,554,857	958,792	5,399,026
Supplies	11,041,074	13,373,278	11,670,849	1,702,429	13,286,269
Property	2,043	2,043	12,334	(10,291)	99,277
Other	121,508	121,508	62,404	59,104	58,349
Total operation and maintenance	48,894,699	50,107,033	46,251,310	3,855,723	48,839,363
Student transportation					
Salaries	7,849,260	7,718,998	7,580,304	138,694	7,835,355
Benefits	3,583,236	3,354,382	3,264,771	89,611	3,261,969
Purchased services	347,067	407,614	717,371	(309,757)	520,656
Supplies	2,966,908	3,872,010	2,017,794	1,854,216	2,098,448
Property	671,713	2,863,713	2,893,090	(29,377)	1,183,085
Other	250	470	10,837	(10,367)	8,813
Total student transportation	15,418,434	18,217,187	16,484,167	1,733,020	14,908,326
Total undistributed expenditures	160,569,672	166,029,626	153,377,343	12,652,283	158,498,821
Total expenditures	380,452,247	388,711,687	368,319,763	20,391,924	381,612,955
Excess of revenues over expenditures	12,759,076	7,307,821	29,219,171	21,911,350	31,210,370
OTHER FINANCING SOURCES (USES)					
Capital leases	-	2,192,000	2,192,000	-	870,000
Contingency	(1,093,277)	(1,093,277)	-	1,093,277	-
Transfers in	8,011,823	8,699,827	8,735,074	35,247	6,500,000
Transfers out	(38,027,312)	(36,437,722)	(34,615,635)	1,822,087	(30,852,530)
Total other financing sources (uses)	(31,108,766)	(26,639,172)	(23,688,561)	2,950,611	(23,482,530)
Net change in fund balance	(18,349,690)	(19,331,351)	5,530,610	24,861,961	7,727,840
FUND BALANCE, July 1	39,497,153	64,532,881	64,532,881	-	56,805,041
FUND BALANCE, June 30	\$ 21,147,463	\$ 45,201,530	\$ 70,063,491	\$ 24,861,961	\$ 64,532,881



Special Revenue Funds

To account for and report the proceeds of specific revenue sources (other than for private-purpose trust or major capital projects) that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. 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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Distributive school account	\$ 22,866,600	\$ 22,826,832	\$ 22,911,657	\$ 84,825	\$ 22,866,600
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	30,272,036	24,317,207	23,593,728	723,479	21,974,619
Benefits	11,909,821	9,850,345	9,705,583	144,762	8,517,901
Purchased services	9,808	47,156	30,968	16,188	30,414
Supplies	6,000	283,000	5,574	277,426	14,609
Total instruction	42,197,665	34,497,708	33,335,853	1,161,855	30,537,543
Student support					
Salaries	3,541,133	7,237,952	7,034,049	203,903	6,756,489
Benefits	1,123,020	2,605,066	2,574,390	30,676	2,426,023
Purchased services	730	-	-	-	-
Supplies	5,225	5,225	4,975	250	-
Other	-	-	250	(250)	-
Total student support	4,670,108	9,848,243	9,613,664	234,579	9,182,512
Instructional staff support					
Salaries	1,285,179	1,300,416	1,252,406	48,010	1,320,555
Benefits	533,360	444,084	442,713	1,371	474,883
Purchased services	120,407	119,370	102,630	16,740	122,548
Supplies	30,483	33,939	36,809	(2,870)	13,616
Other	1,500	1,500	1,249	251	1,365
Total instructional staff support	1,970,929	1,899,309	1,835,807	63,502	1,932,967
General administration					
Salaries	-	251,025	228,786	22,239	107,546
Benefits	-	68,264	68,264	-	36,155
Total general administration	-	319,289	297,050	22,239	143,701
School administration					
Salaries	228,495	265,333	261,722	3,611	228,014
Benefits	75,116	85,649	85,536	113	73,606
Purchased services	180	135	135	-	-
Total school administration	303,791	351,117	347,393	3,724	301,620

(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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Central services					
Salaries	\$ -	\$ 67,725	\$ 41,995	\$ 25,730	\$ -
Benefits	-	23,466	15,922	7,544	7
Purchased services	800	800	1,487	(687)	-
Supplies	10,865	10,865	9,827	1,038	10,330
Total central services	11,665	102,856	69,231	33,625	10,337
Operation and maintenance					
Salaries	39,941	43,618	41,219	2,399	41,630
Benefits	18,832	17,924	18,118	(194)	18,163
Total operation and maintenance	58,773	61,542	59,337	2,205	59,793
Student transportation					
Salaries	3,487,096	3,918,986	3,730,165	188,821	3,656,850
Benefits	1,843,788	1,821,684	1,771,458	50,226	1,693,847
Purchased services	320,101	40,000	27,204	12,796	252,242
Supplies	506,040	1,046,040	1,222,890	(176,850)	584,428
Total student transportation	6,157,025	6,826,710	6,751,717	74,993	6,187,367
Total expenditures	55,369,956	53,906,774	52,310,052	1,596,722	48,355,840
Excess (deficiency) of revenues over expenditures	(32,503,356)	(31,079,942)	(29,398,395)	1,681,547	(25,489,240)
OTHER FINANCING SOURCES					
Transfers in	32,503,356	31,079,942	29,398,395	(1,681,547)	25,489,240
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -



**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011
(Page 1 of 3)**

	<u>TITLE I</u>	<u>DIRECT FEDERAL GRANTS</u>	<u>FEDERAL SPECIAL EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>SPECIAL GRANTS</u>
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables					
Interest	-	-	-	-	-
Grants	1,278,116	557,628	1,579,406	162,861	774,136
Miscellaneous	1	-	680	-	-
Prepays	-	-	-	-	1,208
	-	-	-	-	1,208
Total assets	\$ 1,278,117	\$ 557,628	\$ 1,580,086	\$ 162,861	\$ 775,344
LIABILITIES					
Accounts payable	\$ 383,451	\$ 149,549	\$ 349,273	\$ 12,556	\$ 168,566
Accrued liabilities	379,930	112,118	286,725	43,421	147,994
Construction contracts payable	-	-	-	-	-
Due to other funds	514,736	295,961	944,088	99,447	136,220
Due to other governments	-	-	-	-	56,536
Deferred revenues	-	-	-	7,437	266,028
	-	-	-	7,437	266,028
Total liabilities	1,278,117	557,628	1,580,086	162,861	775,344
FUND BALANCE					
Restricted	-	-	-	-	-
Total liabilities and fund balance	\$ 1,278,117	\$ 557,628	\$ 1,580,086	\$ 162,861	\$ 775,344

<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>TWENTY-FIRST CENTURY</u>
\$ -	\$ 767,226	\$ 1,647,531	\$ -	\$ 53,628	\$ 177,700	\$ -
-	-	-	-	-	-	-
205,817	-	-	22,897	41,612	-	421,475
-	-	-	-	90	4,280	2,063
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 205,817</u>	<u>\$ 767,226</u>	<u>\$ 1,647,531</u>	<u>\$ 22,897</u>	<u>\$ 95,330</u>	<u>\$ 181,980</u>	<u>\$ 423,538</u>
\$ 17,595	\$ 177,711	\$ -	\$ 137	\$ 29,130	\$ -	\$ 73,854
28,077	110,978	1,647,531	2,617	66,200	3,500	55,039
-	-	-	-	-	-	-
44,617	-	-	20,143	-	-	7,130
-	-	-	-	-	-	-
<u>115,528</u>	<u>478,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,480</u>	<u>287,515</u>
<u>205,817</u>	<u>767,226</u>	<u>1,647,531</u>	<u>22,897</u>	<u>95,330</u>	<u>181,980</u>	<u>423,538</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 205,817</u>	<u>\$ 767,226</u>	<u>\$ 1,647,531</u>	<u>\$ 22,897</u>	<u>\$ 95,330</u>	<u>\$ 181,980</u>	<u>\$ 423,538</u>

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011
 (Page 2 of 3)

	TITLE II PART A TEACHER TRAINING	TITLE III ENGLISH LANGUAGE ACQUISITION	REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM	EDUCATION ALLIANCE	PRIVATE FOUNDATIONS
ASSETS					
Cash and investments	\$ -	\$ -	\$ 867,054	\$ 109,616	\$ 117,940
Receivables					
Interest	-	-	-	-	-
Grants	416,174	211,928	-	49,960	35,756
Miscellaneous	99	-	-	-	-
Prepays	-	-	-	-	-
	<u>416,273</u>	<u>211,928</u>	<u>867,054</u>	<u>159,576</u>	<u>153,696</u>
Total assets	<u>\$ 416,273</u>	<u>\$ 211,928</u>	<u>\$ 867,054</u>	<u>\$ 159,576</u>	<u>\$ 153,696</u>
LIABILITIES					
Accounts payable	\$ 106,103	\$ 40,961	\$ 3,795	\$ 10,305	\$ 20,612
Accrued liabilities	182,364	36,823	192,078	5,249	10,225
Construction contracts payable	-	-	-	-	-
Due to other funds	127,806	134,144	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenues	-	-	671,181	144,022	122,859
	<u>416,273</u>	<u>211,928</u>	<u>867,054</u>	<u>159,576</u>	<u>153,696</u>
Total liabilities	<u>416,273</u>	<u>211,928</u>	<u>867,054</u>	<u>159,576</u>	<u>153,696</u>
FUND BALANCE					
Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 416,273</u>	<u>\$ 211,928</u>	<u>\$ 867,054</u>	<u>\$ 159,576</u>	<u>\$ 153,696</u>

<u>FULL DAY KINDERGARTEN</u>	<u>ARRA TITLE I</u>	<u>ARRA SPECIAL EDUCATION</u>	<u>ARRA OTHER</u>	<u>FEDERAL EDU-JOBS</u>	<u>CATEGORICAL GRANTS</u>
\$ 583,587	\$ -	\$ -	\$ 27,750	\$ -	\$ 36,995
-	-	-	-	-	-
-	827,949	285,197	373,745	1,819,307	-
-	-	28	-	-	65,511
-	1,278	-	-	-	-
<u>\$ 583,587</u>	<u>\$ 829,227</u>	<u>\$ 285,225</u>	<u>\$ 401,495</u>	<u>\$ 1,819,307</u>	<u>\$ 102,506</u>
\$ -	\$ 13,201	\$ 19,625	\$ 107,641	\$ 79,809	\$ -
583,587	290,760	61,052	47,551	1,015,165	66,047
-	-	-	28,799	-	-
-	525,266	204,548	217,504	724,333	-
-	-	-	-	-	-
-	-	-	-	-	36,459
<u>583,587</u>	<u>829,227</u>	<u>285,225</u>	<u>401,495</u>	<u>1,819,307</u>	<u>102,506</u>
-	-	-	-	-	-
<u>\$ 583,587</u>	<u>\$ 829,227</u>	<u>\$ 285,225</u>	<u>\$ 401,495</u>	<u>\$ 1,819,307</u>	<u>\$ 102,506</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011
(Page 3 of 3)**

	<u>GIFTS AND DONATIONS</u>	<u>WELLNESS</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 1,092,730	\$ 685,997	\$ 6,167,754
Receivables			
Interest	-	77	77
Grants	-	-	9,063,964
Miscellaneous	1,219	-	73,971
Prepays	<u>-</u>	<u>-</u>	<u>2,486</u>
Total assets	<u>\$ 1,093,949</u>	<u>\$ 686,074</u>	<u>\$ 15,308,252</u>
LIABILITIES			
Accounts payable	\$ 4,897	\$ 932	\$ 1,769,703
Accrued liabilities	16,321	13,625	5,404,977
Construction contracts payable	-	-	28,799
Due to other funds	-	-	3,995,943
Due to other governments	-	-	56,536
Deferred revenues	<u>-</u>	<u>-</u>	<u>2,308,046</u>
Total liabilities	<u>21,218</u>	<u>14,557</u>	<u>13,564,004</u>
FUND BALANCE			
Restricted	<u>1,072,731</u>	<u>671,517</u>	<u>1,744,248</u>
Total liabilities and fund balance	<u>\$ 1,093,949</u>	<u>\$ 686,074</u>	<u>\$ 15,308,252</u>



**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011
(Page 1 of 3)**

	<u>TITLE I</u>	<u>DIRECT FEDERAL GRANTS</u>	<u>FEDERAL SPECIAL EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>	<u>SPECIAL GRANTS</u>
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 14,796
State sources	-	-	-	607,142	365,737
Federal sources	12,540,040	1,877,732	9,635,692	757,938	3,057,086
Total revenues	<u>12,540,040</u>	<u>1,877,732</u>	<u>9,635,692</u>	<u>1,365,080</u>	<u>3,437,619</u>
EXPENDITURES					
Current					
Regular programs	-	-	-	-	-
Special programs	-	-	9,635,692	-	-
Vocational programs	-	-	-	1,327,226	-
Other instructional programs	12,540,040	1,877,732	-	-	3,437,619
Adult education programs	-	-	-	-	-
Community services programs	-	-	-	-	-
Undistributed expenditures					
Instruction	-	-	-	-	-
Student support	-	-	-	-	-
Instructional staff support	-	-	-	-	-
General administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation and maintenance	-	-	-	-	-
Capital outlay	-	-	-	37,854	-
Total expenditures	<u>12,540,040</u>	<u>1,877,732</u>	<u>9,635,692</u>	<u>1,365,080</u>	<u>3,437,619</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
OTHER FINANCING (USES)					
Transfers out	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	<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>READING IMPROVEMENT</u>
\$ 47,453	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
462,910	1,990,893	19,946,876	-	781,226	5,608,294	-
251,445	-	-	59,674	206,804	-	11,888
<u>761,808</u>	<u>1,990,893</u>	<u>19,946,876</u>	<u>59,674</u>	<u>988,030</u>	<u>5,608,294</u>	<u>11,888</u>
-	-	13,447,049	-	-	-	-
-	-	-	-	206,804	-	-
-	-	-	-	-	-	-
-	-	-	59,674	781,226	5,608,294	11,888
-	1,990,893	-	-	-	-	-
761,808	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>761,808</u>	<u>1,990,893</u>	<u>13,447,049</u>	<u>59,674</u>	<u>988,030</u>	<u>5,608,294</u>	<u>11,888</u>
-	-	6,499,827	-	-	-	-
-	-	(6,499,827)	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<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, 2011
(Page 2 of 3)**

	<u>TWENTY-FIRST CENTURY</u>	<u>TITLE II PART A TEACHER TRAINING</u>	<u>TITLE III ENGLISH LANGUAGE ACQUISITION</u>	<u>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</u>	<u>EDUCATION ALLIANCE</u>
REVENUES					
Local sources	\$ 346,751	\$ -	\$ -	\$ -	\$ 301,689
State sources	-	-	-	1,932,864	-
Federal sources	2,544,524	2,231,684	1,156,897	-	389,360
	<u>2,891,275</u>	<u>2,231,684</u>	<u>1,156,897</u>	<u>1,932,864</u>	<u>691,049</u>
Total revenues					
EXPENDITURES					
Current					
Regular programs	-	-	-	-	-
Special programs	-	-	-	-	-
Vocational programs	-	-	-	-	-
Other instructional programs	2,544,524	2,231,684	1,156,897	1,932,864	457,026
Adult education programs	-	-	-	-	-
Community services programs	-	-	-	-	-
Undistributed expenditures					
Instruction	346,751	-	-	-	-
Student support	-	-	-	-	234,023
Instructional staff support	-	-	-	-	-
General administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation and maintenance	-	-	-	-	-
Capital outlay	-	-	-	-	-
	<u>2,891,275</u>	<u>2,231,684</u>	<u>1,156,897</u>	<u>1,932,864</u>	<u>691,049</u>
Total expenditures					
Excess (deficiency) of revenues over expenditures	-	-	-	-	-
OTHER FINANCING (USES)					
Transfers out	-	-	-	-	-
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>PRIVATE FOUNDATIONS</u>	<u>FULL DAY KINDERGARTEN</u>	<u>ARRA TITLE I</u>	<u>ARRA SPECIAL EDUCATION</u>	<u>ARRA OTHER</u>	<u>FEDERAL EDU-JOBS</u>
\$ 570,390	\$ -	\$ -	\$ -	\$ -	\$ -
-	4,606,560	-	-	-	-
-	-	5,125,044	2,425,551	1,560,574	6,943,604
<u>570,390</u>	<u>4,606,560</u>	<u>5,125,044</u>	<u>2,425,551</u>	<u>1,560,574</u>	<u>6,943,604</u>
-	-	-	-	-	-
-	-	-	2,425,551	-	-
-	-	-	-	-	-
570,390	4,606,560	5,125,044	-	821,894	6,943,604
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	738,680	-
<u>570,390</u>	<u>4,606,560</u>	<u>5,125,044</u>	<u>2,425,551</u>	<u>1,560,574</u>	<u>6,943,604</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, 2011
(Page 3 of 3)**

	<u>CATEGORICAL GRANTS</u>	<u>GIFTS AND DONATIONS</u>	<u>WELLNESS</u>	<u>TOTAL</u>
REVENUES				
Local sources	\$ 979,281	\$ 424,806	\$ 388,991	\$ 3,074,157
State sources	-	-	-	36,302,502
Federal sources	-	-	-	50,775,537
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	979,281	424,806	388,991	90,152,196
EXPENDITURES				
Current				
Regular programs	964,444	107,707	-	14,519,200
Special programs	-	20,765	-	12,288,812
Vocational programs	-	-	-	1,327,226
Other instructional programs	-	-	-	50,706,960
Adult education programs	-	-	-	1,990,893
Community services programs	-	5,022	-	766,830
Undistributed expenditures				
Instruction	-	-	-	346,751
Student support	-	167,221	-	401,244
Instructional staff support	2,829	74,153	-	76,982
General administration	-	-	328,880	328,880
Central services	-	17,085	-	17,085
Operation and maintenance	12,008	4,373	-	16,381
Capital outlay	-	-	-	776,534
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	979,281	396,326	328,880	83,563,778
Excess (deficiency) of revenues over expenditures	<hr/>	<hr/>	<hr/>	<hr/>
	-	28,480	60,111	6,588,418
OTHER FINANCING (USES)				
Transfers out	-	-	-	(6,499,827)
	<hr/>	<hr/>	<hr/>	<hr/>
Net change in fund balance	-	28,480	60,111	88,591
FUND BALANCE, July 1	<hr/>	<hr/>	<hr/>	<hr/>
	-	1,044,251	611,406	1,655,657
FUND BALANCE, June 30	<hr/>	<hr/>	<hr/>	<hr/>
	\$ -	\$ 1,072,731	\$ 671,517	\$ 1,744,248

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 14,200,745	\$ 15,379,322	\$ 12,540,040	\$ (2,839,282)	\$ 9,661,429
EXPENDITURES					
Current					
Other Instructional programs					
Instruction					
Salaries	4,295,673	2,577,259	2,265,734	311,525	2,578,903
Benefits	1,785,902	967,419	727,767	239,652	1,019,113
Purchased services	1,632,362	2,519,482	2,109,014	410,468	1,476,494
Supplies	1,190,633	1,223,239	1,190,028	33,211	1,123,017
Other	83,903	47,211	29,438	17,773	68,665
Total instruction	8,988,473	7,334,610	6,321,981	1,012,629	6,266,192
Student support					
Salaries	913,042	498,591	332,897	165,694	815,179
Benefits	312,226	190,501	111,734	78,767	260,366
Purchased services	451,831	290,398	268,014	22,384	403,382
Supplies	75,780	34,949	23,922	11,027	63,000
Other	2,111	-	-	-	1,262
Total student support	1,754,990	1,014,439	736,567	277,872	1,543,189
Instructional staff support					
Salaries	1,407,268	1,798,508	1,237,419	561,089	563,700
Benefits	317,961	555,277	326,174	229,103	50,204
Purchased services	501,844	791,792	483,904	307,888	377,208
Supplies	64,254	265,673	225,836	39,837	35,735
Other	2,010	7,550	4,123	3,427	-
Total instructional staff support	2,293,337	3,418,800	2,277,456	1,141,344	1,026,847
General administration					
Salaries	136,961	903,737	851,185	52,552	59,808
Benefits	45,169	458,700	364,655	94,045	18,130
Purchased services	201	71,915	47,385	24,530	-
Supplies	-	27,290	16,249	11,041	-
Other	-	42,631	39,601	3,030	-
Total general administration	182,331	1,504,273	1,319,075	185,198	77,938
School administration					
Salaries	-	456,220	438,066	18,154	-
Benefits	-	174,800	152,312	22,488	-
Total school administration	-	631,020	590,378	40,642	-

(CONTINUED)

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Central services					
Salaries	\$ 92,964	\$ 366,617	\$ 344,420	\$ 22,197	\$ 97,523
Benefits	-	103,778	81,244	22,534	1,487
Purchased services	-	135,812	102,899	32,913	60
Supplies	-	31,527	26,165	5,362	-
Other	444,656	510,410	417,857	92,553	284,243
Total central services	537,620	1,148,144	972,585	175,559	383,313
Student transportation					
Purchased services	443,994	328,036	321,998	6,038	363,950
Total expenditures	14,200,745	15,379,322	12,540,040	2,839,282	9,661,429
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
TITLE V - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 3,433,190	\$ -	\$ -	\$ -	\$ 19,429
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	1,603,782	-	-	-	-
Benefits	479,687	-	-	-	-
Purchased services	86,250	-	-	-	-
Supplies	116,141	-	-	-	-
Other	34,500	-	-	-	-
Total instruction	2,320,360	-	-	-	-
Student support					
Salaries	302,162	-	-	-	-
Benefits	90,376	-	-	-	-
Purchased services	16,250	-	-	-	-
Supplies	21,881	-	-	-	-
Other	6,500	-	-	-	-
Total student support	437,169	-	-	-	-
Instructional staff support					
Salaries	418,379	-	-	-	-
Benefits	125,135	-	-	-	-
Purchased services	22,500	-	-	-	7,300
Supplies	30,297	-	-	-	11,248
Other	9,000	-	-	-	-
Total instructional staff support	605,311	-	-	-	18,548
General administration					
Salaries	52,500	-	-	-	-
Benefits	17,850	-	-	-	-
General administration	70,350	-	-	-	-
Central services					
Salaries	-	-	-	-	191
Other	-	-	-	-	690
Total central services	-	-	-	-	881
Total expenditures	3,433,190	-	-	-	19,429
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
DIRECT FEDERAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	2011 BUDGET		2011	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Federal sources	\$ 1,000,000	\$ 5,778,346	\$ 1,877,732	\$ (3,900,614)
EXPENDITURES				
Current				
Other instructional programs				
Instruction				
Salaries	-	77,920	1,470	76,450
Benefits	-	15,731	21	15,710
Supplies	-	200,933	1,995	198,938
Property	-	6,380	-	6,380
Other	-	2,000	-	2,000
Total instruction	-	302,964	3,486	299,478
Student support				
Salaries	-	201,420	29,981	171,439
Benefits	-	77,262	13,522	63,740
Purchased services	-	418,225	11,933	406,292
Supplies	-	154,091	59,964	94,127
Property	-	15,137	14,707	430
Total student support	-	866,135	130,107	736,028
Instructional staff support				
Salaries	671,910	1,858,677	676,427	1,182,250
Benefits	259,983	726,130	244,593	481,537
Purchased services	24,100	83,649	19,682	63,967
Supplies	8,607	79,682	55,731	23,951
Total instructional staff support	964,600	2,748,138	996,433	1,751,705
Central services				
Salaries	-	342,500	110,769	231,731
Benefits	-	141,742	38,797	102,945
Purchased services	-	250,565	82,185	168,380
Supplies	-	315,160	65,864	249,296
Other	35,400	168,295	52,212	116,083
Total central services	35,400	1,218,262	349,827	868,435
Operation and maintenance				
Purchased services	-	332,000	201,520	130,480
Supplies	-	51,205	36,799	14,406
Property	-	84,939	77,716	7,223
Total operation and maintenance	-	468,144	316,035	152,109

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
DIRECT FEDERAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>2011 BUDGET</u>		<u>2011</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
Community service operations				
Salaries	\$ -	\$ 110,000	\$ 62,799	\$ 47,201
Benefits	-	64,703	19,045	45,658
Total community service operations	-	174,703	81,844	92,859
Total expenditures	1,000,000	5,778,346	1,877,732	3,900,614
Net change in fund balance	-	-	-	-
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 9,736,433	\$ 10,802,913	\$ 9,635,692	\$ (1,167,221)	\$ 9,642,211
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	4,537,860	4,823,500	4,452,762	370,738	4,458,019
Benefits	1,878,912	1,814,762	1,726,659	88,103	1,745,879
Purchased services	9,200	26,279	3,149	23,130	4,375
Supplies	118,233	324,937	205,165	119,772	153,626
Property	-	20,000	-	20,000	-
Other	37,400	83,600	28,285	55,315	35,102
Total instruction	6,581,605	7,093,078	6,416,020	677,058	6,397,001
Student support					
Salaries	864,784	947,016	886,076	60,940	864,381
Benefits	325,644	366,752	351,403	15,349	320,845
Purchased services	286,460	320,465	265,241	55,224	356,378
Supplies	59,378	167,109	75,969	91,140	44,224
Property	10,000	26,300	-	26,300	-
Other	629,650	676,585	656,129	20,456	629,290
Total student support	2,175,916	2,504,227	2,234,818	269,409	2,215,118
Instructional staff support					
Salaries	285,913	288,719	245,692	43,027	263,885
Benefits	89,505	94,592	86,976	7,616	89,281
Purchased services	58,957	156,625	91,810	64,815	144,792
Supplies	13,170	85,083	31,576	53,507	7,008
Property	-	10,000	-	10,000	-
Other	500	1,000	600	400	200
Total instructional staff support	448,045	636,019	456,654	179,365	505,166
Central services					
Salaries	179,550	184,876	183,169	1,707	181,501
Benefits	33,051	33,300	32,113	1,187	32,076
Other	318,266	351,413	312,918	38,495	311,349
Total central services	530,867	569,589	528,200	41,389	524,926
Total expenditures	9,736,433	10,802,913	9,635,692	1,167,221	9,642,211
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
VOCATIONAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 638,487	\$ 614,579	\$ 607,142	\$ (7,437)	\$ 714,576
Federal sources	650,023	768,627	757,938	(10,689)	634,915
Total revenues	1,288,510	1,383,206	1,365,080	(18,126)	1,349,491
EXPENDITURES					
Current					
Vocational programs					
Instruction					
Salaries	3,864	-	-	-	4,110
Benefits	86	-	-	-	70
Purchased services	38,106	19,078	39,903	(20,825)	60,623
Supplies	641,314	731,817	706,320	25,497	670,640
Property	88,827	93,077	92,992	85	85,240
Other	12,726	21,287	21,287	-	13,338
Total instruction	784,923	865,259	860,502	4,757	834,021
Instructional staff support					
Salaries	166,519	200,022	195,447	4,575	175,481
Benefits	50,662	54,463	51,192	3,271	50,029
Purchased services	167,314	134,732	132,129	2,603	184,072
Supplies	470	970	770	200	497
Other	649	195	195	-	690
Total instructional staff support	385,614	390,382	379,733	10,649	410,769
Central services					
Other	39,362	44,240	42,862	1,378	41,454
Student transportation					
Purchased services	67,331	45,471	44,129	1,342	48,144
Total vocational programs	1,277,230	1,345,352	1,327,226	18,126	1,334,388
Capital outlay					
Site improvement					
Purchased services	-	37,854	37,854	-	15,103
Building improvement					
Purchased services	11,280	-	-	-	-
Total capital outlay	11,280	37,854	37,854	-	15,103
Total expenditures	1,288,510	1,383,206	1,365,080	18,126	1,349,491
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 6,617	\$ 14,796	\$ 14,796	\$ -	\$ 9,300
State sources	377,559	374,254	365,737	(8,517)	472,427
Federal sources	4,506,290	4,050,921	3,057,086	(993,835)	3,634,930
Total revenues	4,890,466	4,439,971	3,437,619	(1,002,352)	4,116,657
EXPENDITURES					
Current					
Other instructional programs:					
Instruction					
Salaries	172,248	78,878	77,381	1,497	111,047
Benefits	35,213	5,337	5,313	24	27,742
Purchased services	516,368	432,893	423,503	9,390	454,901
Supplies	47,022	44,534	28,103	16,431	40,301
Other	1,045	649	649	-	675
Total instruction	771,896	562,291	534,949	27,342	634,666
Student support					
Salaries	907,343	801,661	664,286	137,375	768,880
Benefits	333,570	258,673	213,291	45,382	264,849
Purchased services	352,835	338,493	280,117	58,376	291,478
Supplies	191,356	277,270	146,830	130,440	169,376
Property	5,225	-	-	-	-
Other	20,764	20,734	18,925	1,809	16,323
Total student support	1,811,093	1,696,831	1,323,449	373,382	1,510,906
Instructional staff support					
Salaries	665,962	809,225	540,635	268,590	620,793
Benefits	166,553	178,916	117,070	61,846	147,253
Purchased services	395,956	324,528	215,370	109,158	301,209
Supplies	306,306	364,120	329,678	34,442	431,795
Property	110,770	11,717	11,717	-	46,946
Other	3,423	819	819	-	1,147
Total instructional staff support	1,648,970	1,689,325	1,215,289	474,036	1,549,143
Central services					
Salaries	25,207	26,718	26,718	-	24,121
Purchased services	261,382	62,145	62,145	-	189,000
Other	123,234	110,027	87,816	22,211	102,934
Total central services	409,823	198,890	176,679	22,211	316,055
Operation and maintenance					
Salaries	89,605	94,215	56,027	38,188	52,882
Benefits	42,298	38,871	31,733	7,138	30,617
Purchased services	15,199	14,941	7,962	6,979	5,300
Supplies	93,288	86,834	40,656	46,178	9,845
Total operation and maintenance	240,390	234,861	136,378	98,483	98,644
Student transportation					
Purchased services	8,294	57,773	50,875	6,898	7,243
Total expenditures	4,890,466	4,439,971	3,437,619	1,002,352	4,116,657
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
FAMILY RESOURCE CENTERS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 79,065	\$ 162,981	\$ 47,453	\$ (115,528)	\$ 61,554
State sources	452,673	497,701	462,910	(34,791)	498,967
Federal sources	350,626	303,925	251,445	(52,480)	323,480
Total revenues	882,364	964,607	761,808	(202,799)	884,001
EXPENDITURES					
Current					
Community services programs					
Central services					
Salaries	6,812	7,325	7,325	-	7,239
Other	27,933	28,277	25,031	3,246	28,930
Total central services	34,745	35,602	32,356	3,246	36,169
Community service operations					
Salaries	466,556	480,537	447,086	33,451	518,375
Benefits	207,646	216,463	171,649	44,814	209,089
Purchased services	102,735	81,959	58,840	23,119	80,986
Supplies	70,240	126,104	35,538	90,566	38,937
Other	442	23,942	16,339	7,603	445
Total community service operations	847,619	929,005	729,452	199,553	847,832
Total expenditures	882,364	964,607	761,808	202,799	884,001
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
ADULT EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 2,060,729	\$ 2,448,615	\$ 1,990,893	\$ (457,722)	\$ 1,651,604
EXPENDITURES					
Current					
Adult education programs					
Instruction					
Salaries	949,769	682,569	649,979	32,590	668,414
Benefits	172,100	160,285	112,818	47,467	115,249
Purchased services	99,900	99,900	12,846	87,054	40,412
Supplies	264,300	486,186	439,830	46,356	66,278
Property	-	-	6,399	(6,399)	-
Other	-	200,000	-	200,000	-
Total instruction	1,486,069	1,628,940	1,221,872	407,068	890,353
Student support					
Salaries	66,000	152,000	142,337	9,663	144,090
Benefits	36,400	56,400	48,805	7,595	48,498
Total student support	102,400	208,400	191,142	17,258	192,588
School administration					
Salaries	255,975	325,975	314,220	11,755	264,432
Benefits	93,500	113,500	112,513	987	92,479
Other	87,735	87,735	70,252	17,483	58,622
Total school administration	437,210	527,210	496,985	30,225	415,533
Operation and maintenance					
Salaries	24,550	59,750	56,854	2,896	57,534
Benefits	10,500	24,315	24,040	275	24,738
Purchased services	-	-	-	-	70,858
Total operation and maintenance	35,050	84,065	80,894	3,171	153,130
Total expenditures	2,060,729	2,448,615	1,990,893	457,722	1,651,604
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	310,329	-	-	-	-
FUND BALANCE, June 30	\$ 310,329	\$ -	\$ -	\$ -	\$ -

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 19,778,057	\$ 19,946,876	\$ 19,946,876	\$ -	\$ 19,669,323
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	10,030,749	9,690,563	9,679,662	10,901	14,193,753
Benefits	3,935,485	3,756,486	3,767,387	(10,901)	5,475,570
Total expenditures	13,966,234	13,447,049	13,447,049	-	19,669,323
Excess (Deficiency) of revenues over expenditures	5,811,823	6,499,827	6,499,827	-	-
OTHER FINANCING SOURCES (USES)					
Transfers out	(5,811,823)	(6,499,827)	(6,499,827)	-	-
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
DRUG FREE SCHOOLS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ -	\$ 66,259	\$ 59,674	\$ (6,585)	\$ 131,807
EXPENDITURES					
Current					
Other instructional programs					
Student support					
Salaries	-	18,700	18,406	294	71,332
Benefits	-	10,182	7,719	2,463	26,600
Purchased services	-	22,713	19,470	3,243	17,284
Supplies	-	13,365	12,909	456	14,007
Total student support	-	64,960	58,504	6,456	129,223
Central services					
Other	-	1,299	1,170	129	2,584
Total expenditures	-	66,259	59,674	6,585	131,807
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
EARLY CHILDHOOD - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 727,322	\$ 781,226	\$ 781,226	\$ -	\$ 781,226
Federal sources	234,812	379,488	206,804	(172,684)	242,104
Total revenues	962,134	1,160,714	988,030	(172,684)	1,023,330
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	162,705	171,200	136,945	34,255	160,502
Benefits	40,436	44,684	32,459	12,225	38,692
Purchased services	3,000	25,000	5,664	19,336	2,733
Supplies	4,050	107,572	6,926	100,646	15,238
Total instruction	210,191	348,456	181,994	166,462	217,165
Student support					
Salaries	-	10,306	10,223	83	10,375
Benefits	-	3,713	3,687	26	3,729
Total student support	-	14,019	13,910	109	14,104
Central services					
Salaries	2,242	3,579	3,579	-	2,242
Other	8,334	13,434	7,321	6,113	8,593
Total central services	10,576	17,013	10,900	6,113	10,835
Total special programs	220,767	379,488	206,804	172,684	242,104
Other instructional programs					
Instruction					
Salaries	381,524	427,446	427,446	-	426,786
Benefits	175,798	173,187	173,187	-	173,826
Purchased services	2,107	545	545	-	1,513
Supplies	2,234	1,203	1,203	-	2,433
Other	51,205	-	-	-	55,000
Total instruction	612,868	602,381	602,381	-	659,558
Student support					
Salaries	10,305	-	-	-	-
Benefits	3,740	-	-	-	-
Total student support	14,045	-	-	-	-
Instructional staff support					
Purchased services	378	1,710	1,710	-	135

(CONTINUED)

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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Central services					
Salaries	\$ 6,988	\$ 7,505	\$ 7,505	\$ -	\$ 7,505
Purchased services	85,484	91,819	91,819	-	91,819
Other	21,604	77,811	77,811	-	22,209
Total central services	114,076	177,135	177,135	-	121,533
Total other instructional programs	741,367	781,226	781,226	-	781,226
Total expenditures	962,134	1,160,714	988,030	172,684	1,023,330
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
SPECIAL STATE APPROPRIATIONS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 4,212,100	\$ 5,786,774	\$ 5,608,294	\$ (178,480)	\$ 5,263,879
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	2,695,744	3,656,649	3,480,354	176,295	3,352,018
Benefits	1,516,356	2,130,125	2,127,940	2,185	1,911,861
Total expenditures	4,212,100	5,786,774	5,608,294	178,480	5,263,879
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
READING IMPROVEMENT - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 48,231	\$ 11,888	\$ 11,888	\$ -	\$ 605,972
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	20,000	1,288	1,288	-	219,318
Benefits	2,500	102	102	-	47,004
Purchased services	800	-	-	-	32,562
Supplies	10,477	-	-	-	113,453
Other	200	-	-	-	99,000
Total instruction	33,977	1,390	1,390	-	511,337
Student support					
Salaries	-	-	-	-	4,165
Benefits	-	-	-	-	328
Purchased services	-	500	500	-	28,861
Supplies	-	-	-	-	5,977
Total student support	-	500	500	-	39,331
Instructional staff support					
Salaries	500	-	-	-	3,120
Benefits	42	-	-	-	45
Purchased services	12,000	9,596	9,596	-	5,705
Supplies	-	-	-	-	29,290
Total instructional staff support	12,542	9,596	9,596	-	38,160
Central services					
Other	1,712	402	402	-	17,144
Total expenditures	48,231	11,888	11,888	-	605,972
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 TWENTY-FIRST CENTURY - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 389,511	\$ 634,265	\$ 346,751	\$ (287,514)	\$ 303,553
Federal sources	2,559,905	2,885,839	2,544,524	(341,315)	2,213,955
Total revenues	2,949,416	3,520,104	2,891,275	(628,829)	2,517,508
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	1,236,764	1,493,793	1,398,698	95,095	1,140,835
Benefits	354,519	389,886	290,417	99,469	203,612
Purchased services	301,969	270,970	239,606	31,364	220,151
Supplies	150,203	164,477	132,349	32,128	180,527
Other	-	-	-	-	2,681
Total instruction	2,043,455	2,319,126	2,061,070	258,056	1,747,806
Instructional staff support					
Salaries	195,104	2,890	1,105	1,785	190,792
Benefits	78,246	597	87	510	60,402
Purchased services	70,634	34,847	26,406	8,441	42,917
Supplies	10,624	11,316	6,598	4,718	23,725
Other	1,940	-	-	-	300
Total instructional staff support	356,548	49,650	34,196	15,454	318,136
Central services					
Salaries	20,902	217,212	197,825	19,387	23,927
Benefits	-	90,521	60,414	30,107	543
Purchased services	-	9,000	7,015	1,985	-
Supplies	22,962	40,475	39,331	1,144	23,794
Other	89,316	101,248	89,145	12,103	76,420
Total central services	133,180	458,456	393,730	64,726	124,684
Student transportation					
Purchased services	2,509	7,200	5,200	2,000	23,329
Other	24,213	-	-	-	-
Total student transportation	26,722	7,200	5,200	2,000	23,329
Food services operations					
Purchased services	-	51,407	50,328	1,079	-
Total other instructional programs	2,559,905	2,885,839	2,544,524	341,315	2,213,955

(CONTINUED)

**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, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed expenditures					
Instruction					
Salaries	\$ 232,411	\$ 421,649	\$ 275,260	\$ 146,389	\$ 207,741
Benefits	35,131	71,159	53,730	17,429	37,309
Purchased services	86,721	54,976	9,959	45,017	48,130
Supplies	35,220	86,154	7,802	78,352	10,373
Property	28	-	-	-	-
Other	-	327	-	327	-
Total undistributed expenditures	389,511	634,265	346,751	287,514	303,553
Total expenditures	2,949,416	3,520,104	2,891,275	628,829	2,517,508
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 2,024,299	\$ 2,724,635	\$ 2,231,684	\$ (492,951)	\$ 1,911,661
EXPENDITURES					
Current					
Other instructional programs					
Instructional staff support					
Salaries	898,203	1,137,645	1,040,221	97,424	992,461
Benefits	307,106	404,275	358,109	46,166	303,292
Purchased services	409,248	630,747	365,728	265,019	372,443
Supplies	79,942	145,624	102,810	42,814	73,617
Other	3,150	5,500	3,599	1,901	3,625
Total instructional staff support	1,697,649	2,323,791	1,870,467	453,324	1,745,438
General administration					
Salaries	105,000	114,243	114,216	27	-
Benefits	35,700	37,311	35,818	1,493	-
Purchased services	-	660	660	-	-
Total general administration	140,700	152,214	150,694	1,520	-
Central services					
Salaries	71,902	105,363	98,130	7,233	69,031
Benefits	19,248	40,813	32,213	8,600	18,802
Purchased services	18,900	5,800	5,800	-	8,026
Supplies	4,050	200	-	200	4,251
Other	71,850	96,454	74,380	22,074	66,113
Total central services	185,950	248,630	210,523	38,107	166,223
Total expenditures	2,024,299	2,724,635	2,231,684	492,951	1,911,661
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
TITLE III, ENGLISH LANGUAGE ACQUISITION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 1,054,138	\$ 1,384,691	\$ 1,156,897	\$ (227,794)	\$ 1,019,232
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	556,011	685,535	628,337	57,198	612,899
Benefits	369,655	396,485	327,776	68,709	271,666
Purchased services	43,353	63,000	53,101	9,899	45,790
Supplies	19,306	143,031	97,250	45,781	19,972
Total instruction	988,325	1,288,051	1,106,464	181,587	950,327
Instructional staff support					
Purchased services	45,144	65,490	24,342	41,148	49,508
Central services					
Other	20,669	27,150	22,096	5,054	19,397
Student transportation					
Purchased services	-	4,000	3,995	5	-
Total expenditures	1,054,138	1,384,691	1,156,897	227,794	1,019,232
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 2,084,099	\$ 2,604,045	\$ 1,932,864	\$ (671,181)	\$ 1,873,073
EXPENDITURES					
Current					
Other instructional programs					
Instructional staff support					
Salaries	1,190,367	1,127,192	1,004,655	122,537	1,055,202
Benefits	378,797	395,691	348,650	47,041	363,079
Purchased services	124,289	639,325	298,622	340,703	98,450
Supplies	83,871	319,924	196,862	123,062	54,337
Other	220,637	8,235	284	7,951	221,932
Total instructional staff support	1,997,961	2,490,367	1,849,073	641,294	1,793,000
Central services					
Salaries	19,980	21,493	21,493	-	21,460
Other	66,158	92,185	62,298	29,887	58,613
Total central services	86,138	113,678	83,791	29,887	80,073
Total expenditures	2,084,099	2,604,045	1,932,864	671,181	1,873,073
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
EDUCATION ALLIANCE - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 514,235	\$ 450,612	\$ 301,689	\$ (148,923)	\$ 505,991
Federal sources	652,246	647,820	389,360	(258,460)	533,866
Total revenues	<u>1,166,481</u>	<u>1,098,432</u>	<u>691,049</u>	<u>(407,383)</u>	<u>1,039,857</u>
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	98,838	45,823	43,479	2,344	134,646
Benefits	-	1,228	827	401	2,549
Purchased services	<u>2,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total instruction	<u>101,187</u>	<u>47,051</u>	<u>44,306</u>	<u>2,745</u>	<u>137,195</u>
Instructional staff support					
Purchased services	6,501	10,566	2,000	8,566	6,750
Supplies	<u>3,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,211</u>
Total instructional staff support	<u>9,824</u>	<u>10,566</u>	<u>2,000</u>	<u>8,566</u>	<u>8,961</u>
General administration					
Salaries	324,784	290,050	180,010	110,040	250,090
Benefits	115,170	122,148	64,604	57,544	95,309
Purchased services	189,032	215,089	135,208	79,881	180,204
Supplies	14,650	28,231	15,023	13,208	13,708
Other	<u>155</u>	<u>3,539</u>	<u>3,507</u>	<u>32</u>	<u>3,875</u>
Total general administration	<u>643,791</u>	<u>659,057</u>	<u>398,352</u>	<u>260,705</u>	<u>543,186</u>
Central services					
Other	<u>21,478</u>	<u>23,168</u>	<u>12,368</u>	<u>10,800</u>	<u>17,848</u>
Student transportation					
Purchased services	<u>5,490</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,800</u>
Total other instructional programs	<u>781,770</u>	<u>739,842</u>	<u>457,026</u>	<u>282,816</u>	<u>722,990</u>
Undistributed expenditures					
Student support					
Salaries	9,087	2,762	-	2,762	2,550
Benefits	217	-	-	-	201
Purchased services	230,090	286,312	91,204	195,108	46,418
Supplies	55,276	3,516	78,910	(75,394)	103,349
Other	<u>90,041</u>	<u>66,000</u>	<u>63,909</u>	<u>2,091</u>	<u>164,349</u>
Total student support	<u>384,711</u>	<u>358,590</u>	<u>234,023</u>	<u>124,567</u>	<u>316,867</u>
Total expenditures	<u>1,166,481</u>	<u>1,098,432</u>	<u>691,049</u>	<u>407,383</u>	<u>1,039,857</u>
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 689,260	\$ 695,034	\$ 570,390	\$ (124,644)	\$ 679,134
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	209,676	184,961	139,997	44,964	150,292
Benefits	4,581	1,316	23,954	(22,638)	18,710
Purchased services	5,008	6,208	7,761	(1,553)	3,829
Supplies	92,323	99,538	74,777	24,761	99,028
Property	1,388	-	-	-	-
Other	-	4,525	1,025	3,500	3,000
Total instruction	312,976	296,548	247,514	49,034	274,859
Student support					
Salaries	2,662	7,616	2,415	5,201	1,891
Benefits	310	218	31	187	306
Purchased services	31,489	17,827	16,347	1,480	22,415
Supplies	137,967	89,975	80,194	9,781	133,860
Property	15,087	-	-	-	5,198
Other	170	176	176	-	317
Total student support	187,685	115,812	99,163	16,649	163,987
Instructional staff support					
Salaries	826	41,380	41,380	-	960
Benefits	100	10,440	10,440	-	7
Purchased services	838	14,730	14,730	-	80
Supplies	174,640	197,369	140,508	56,861	211,672
Total instructional staff support	176,404	263,919	207,058	56,861	212,719
Central services					
Purchased services	-	12,049	12,049	-	17,951
Operation and maintenance					
Supplies	1,002	-	-	-	1,083
Student transportation					
Purchased services	11,193	6,706	4,606	2,100	8,535
Total expenditures	689,260	695,034	570,390	124,644	679,134
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 FULL DAY KINDERGARTEN - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 4,741,800	\$ 4,606,560	\$ 4,606,560	\$ -	\$ 4,741,800
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	3,353,308	3,240,650	3,236,425	4,225	3,192,868
Benefits	1,388,492	1,365,910	1,370,135	(4,225)	1,548,932
Total expenditures	4,741,800	4,606,560	4,606,560	-	4,741,800
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) - TITLE I - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 3,435,205	\$ 5,736,565	\$ 5,125,044	\$ (611,521)	\$ 3,932,757
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	2,316,020	1,213,219	1,080,461	132,758	2,513,107
Benefits	515,721	406,100	340,807	65,293	827,039
Purchased services	285,000	7,190	7,190	-	7,268
Supplies	149,100	810,561	717,419	93,142	16,294
Other	17,000	6,222	6,222	-	79,074
Total instruction	3,282,841	2,443,292	2,152,099	291,193	3,442,782
Student support					
Salaries	3,000	62,990	55,370	7,620	13,440
Benefits	252	21,753	19,344	2,409	637
Purchased services	-	2,203	2,203	-	1,000
Supplies	-	4,885	4,885	-	-
Total student support	3,252	91,831	81,802	10,029	15,077
Instructional staff support					
Salaries	13,000	1,762,035	1,636,198	125,837	48,448
Benefits	1,100	658,328	595,391	62,937	3,052
Purchased services	13,000	145,016	82,077	62,939	91,501
Supplies	2,000	33,394	32,070	1,324	11,414
Other	-	5,219	5,219	-	-
Total instructional staff support	29,100	2,603,992	2,350,955	253,037	154,415
General administration					
Salaries	43,971	155,704	150,286	5,418	72,084
Benefits	12,000	53,465	44,499	8,966	15,849
Purchased services	-	13,174	13,174	-	24,146
Supplies	2,000	23,631	23,631	-	11,985
Other	-	15,800	15,800	-	-
Total general administration	57,971	261,774	247,390	14,384	124,064
School administration					
Salaries	-	53,240	48,718	4,522	-
Benefits	-	21,311	17,937	3,374	-
Total school administration	-	74,551	66,655	7,896	-
Central services					
Salaries	-	33,378	33,378	-	58,837
Other	61,541	201,492	180,310	21,182	136,782
Total central services	61,541	234,870	213,688	21,182	195,619

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) - TITLE I - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Student transportation					
Purchased services	\$ 500	\$ 26,255	\$ 12,455	\$ 13,800	\$ 800
Total expenditures	<u>3,435,205</u>	<u>5,736,565</u>	<u>5,125,044</u>	<u>611,521</u>	<u>3,932,757</u>
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WASHOE COUNTY SCHOOL DISTRICT
AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) - SPECIAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 2,334,419	\$ 2,567,011	\$ 2,425,551	\$ (141,460)	\$ 7,897,143
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	1,207,873	1,016,578	946,473	70,105	4,552,494
Benefits	318,150	290,497	270,552	19,945	1,830,072
Purchased services	-	985	985	-	17,875
Supplies	181,360	243,943	241,284	2,659	319,076
Property	24,036	-	-	-	15,964
Total instruction	1,731,419	1,552,003	1,459,294	92,709	6,735,481
Student support					
Salaries	150,264	150,213	150,072	141	138,046
Benefits	55,529	54,534	54,518	16	47,379
Purchased services	75,494	107,517	90,187	17,330	-
Supplies	-	43,544	43,539	5	12,053
Property	-	22,674	22,674	-	-
Other	-	168,778	168,778	-	450,494
Total student support	281,287	547,260	529,768	17,492	647,972
Instructional staff support					
Salaries	28,125	101,765	100,550	1,215	30,115
Benefits	1,648	30,490	29,466	1,024	563
Purchased services	167,900	204,650	179,685	24,965	97,772
Supplies	34,040	51,654	50,997	657	17,840
Other	5,000	5,000	5,000	-	5,000
Total instructional staff support	236,713	393,559	365,698	27,861	151,290
Central services					
Salaries	-	-	-	-	100,252
Other	85,000	74,189	70,791	3,398	262,148
Total central services	85,000	74,189	70,791	3,398	362,400
Total expenditures	2,334,419	2,567,011	2,425,551	141,460	7,897,143
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
 AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) - OTHER - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 2,231,069	\$ 1,591,871	\$ 1,560,574	\$ (31,297)	\$ 2,425,852
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	163,950	206,304	206,304	-	227,949
Benefits	50,496	91,607	91,607	-	73,284
Purchased services	-	-	-	-	38,561
Supplies	167,383	44,068	19,071	24,997	305,855
Other	750	-	-	-	441
Total instruction	382,579	341,979	316,982	24,997	646,090
Student support					
Salaries	33,614	75,627	75,627	-	33,382
Benefits	13,669	27,008	27,008	-	8,219
Purchased services	34,790	5,785	5,785	-	63,599
Supplies	1,561	31,985	31,985	-	13,632
Other	365	1,436	1,436	-	2,635
Total student support	83,999	141,841	141,841	-	121,467
Instructional staff support					
Salaries	122,622	156,879	150,579	6,300	67,997
Benefits	26,999	23,581	23,581	-	22,361
Purchased services	108,377	128,005	128,005	-	56,425
Supplies	51,100	16,953	16,953	-	23,826
Total instructional staff support	309,098	325,418	319,118	6,300	170,609
Central services					
Salaries	-	870	870	-	1,283
Supplies	-	-	-	-	426,247
Other	21,717	43,018	43,018	-	-
Total central services	21,717	43,888	43,888	-	427,530
Operation and maintenance					
Purchased services	249,000	-	-	-	-
Supplies	43,200	-	-	-	6,395
Property	82,800	-	-	-	25,461
Total operation and maintenance	375,000	-	-	-	31,856
Student transportation					
Purchased services	-	65	65	-	169
Nutrition services operations					
Property	-	-	-	-	325,635
Total other instructional programs	1,172,393	853,191	821,894	31,297	1,723,356

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
 AMERICAN REINVESTMENT AND RECOVERY ACT (ARRA) - OTHER - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2011
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Capital outlay					
Architecture and engineering					
Purchased services	\$ 260,176	\$ 15,500	\$ 15,500	\$ -	\$ 54,250
Site improvement					
Purchased services	-	-	-	-	646,337
Supplies	-	-	-	-	1,592
Other	-	-	-	-	317
Total site improvement	-	-	-	-	648,246
Building improvement					
Purchased services	798,500	723,180	723,180	-	-
Total capital outlay	1,058,676	738,680	738,680	-	702,496
Total expenditures	2,231,069	1,591,871	1,560,574	31,297	2,425,852
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
FEDERAL EDU-JOBS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	2011 BUDGET		2011	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Federal sources	\$ -	\$ 12,353,317	\$ 6,943,604	\$ (5,409,713)
EXPENDITURES				
Current				
Other instructional programs				
Instruction				
Salaries	-	8,475,000	4,574,656	3,900,344
Benefits	-	3,303,336	1,886,121	1,417,215
Other	-	299,981	277,305	22,676
Total instruction	-	12,078,317	6,738,082	5,340,235
Student support				
Salaries	-	50,000	34,180	15,820
Benefits	-	20,000	15,271	4,729
Total student support	-	70,000	49,451	20,549
Instructional staff support				
Salaries	-	50,000	38,382	11,618
Benefits	-	20,000	15,749	4,251
Total instructional staff support	-	70,000	54,131	15,869
General administration				
Salaries	-	100,000	67,633	32,367
Other	-	35,000	34,307	693
Total general administration	-	135,000	101,940	33,060
Total expenditures	-	12,353,317	6,943,604	5,409,713
Net change in fund balance	-	-	-	-
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ -	\$ 1,233,500	\$ 979,281	\$ (254,219)	\$ 725,802
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	1,173,500	740,676	432,824	567,445
Benefits	-	-	222,189	(222,189)	140,271
Supplies	-	-	1,579	(1,579)	-
Total regular programs	-	1,173,500	964,444	209,056	707,716
Undistributed expenditures					
Instructional staff support					
Salaries	-	10,000	2,324	7,676	2,660
Benefits	-	-	505	(505)	618
Total instructional staff support	-	10,000	2,829	7,171	3,278
Operation and maintenance					
Salaries	-	50,000	7,541	42,459	9,560
Benefits	-	-	4,467	(4,467)	5,248
Total operation and maintenance	-	50,000	12,008	37,992	14,808
Total undistributed expenditures	-	60,000	14,837	45,163	18,086
Total expenditures	-	1,233,500	979,281	254,219	725,802
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ -	\$ 967,951	\$ 424,806	\$ (543,145)	\$ 674,113
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	203,938	31,196	172,742	69,228
Benefits	-	5,064	5,064	-	4,386
Purchased services	-	88,714	34,008	54,706	31,304
Supplies	-	33,581	33,580	1	20,959
Other	-	3,859	3,859	-	30,104
Total instruction	-	335,156	107,707	227,449	155,981
Student support					
Purchased services	-	375	-	375	-
Supplies	-	375	-	375	-
Total student support	-	750	-	750	-
Total regular programs	-	335,906	107,707	228,199	155,981
Special programs					
Instruction					
Salaries	-	7,675	5,109	2,566	6,697
Benefits	-	195	195	-	315
Purchased services	-	18,113	2,890	15,223	10,435
Supplies	-	12,572	12,571	1	6,169
Property	-	-	-	-	8,941
Other	-	-	-	-	3,160
Total instruction	-	38,555	20,765	17,790	35,717
Instructional staff support					
Supplies	-	218	-	218	-
Total special programs	-	38,773	20,765	18,008	35,717
Community services programs					
Community service operations					
Salaries	-	22,831	-	22,831	(5,710)
Benefits	-	-	-	-	1,242
Purchased services	-	289	289	-	2,381
Supplies	-	4,583	4,583	-	862
Other	-	150	150	-	110
Total community services programs	-	27,853	5,022	22,831	(1,115)

(CONTINUED)

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed expenditures					
Student support					
Salaries	\$ -	\$ 149,370	\$ 9,243	\$ 140,127	\$ 6,193
Benefits	-	2,878	2,878	-	151
Purchased services	-	115,138	55,612	59,526	87,315
Supplies	-	63,444	56,916	6,528	50,348
Property	-	10,420	10,420	-	-
Other	-	32,152	32,152	-	31,138
Total student support	-	373,402	167,221	206,181	175,145
Instructional staff support					
Salaries	-	71,713	71,713	-	42,005
Benefits	-	1,664	1,664	-	856
Purchased services	-	343	285	58	-
Supplies	-	62,316	491	61,825	5,500
Total instructional staff support	-	136,036	74,153	61,883	48,361
Central services					
Salaries	-	18,789	83	18,706	(766)
Benefits	-	8	8	-	32
Purchased services	-	12,548	12,548	-	11,172
Supplies	-	5,840	4,256	1,584	10,118
Other	-	190	190	-	525
Total central services	-	37,375	17,085	20,290	21,081
Operation and maintenance					
Purchased services	-	8,003	1,912	6,091	-
Supplies	-	10,603	2,461	8,142	5,642
Total operation and maintenance	-	18,606	4,373	14,233	5,642
Total undistributed expenditures	-	565,419	262,832	302,587	250,229
Total expenditures	-	967,951	396,326	571,625	440,812
Net change in fund balance	-	-	28,480	28,480	233,301
FUND BALANCE, July 1	-	-	1,044,251	1,044,251	810,950
FUND BALANCE, June 30	\$ -	\$ -	\$ 1,072,731	\$ 1,072,731	\$ 1,044,251

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 342,000	\$ 342,000	\$ 388,991	\$ 46,991	\$ 389,397
EXPENDITURES					
Undistributed expenditures					
General administration					
Salaries	105,000	125,000	102,992	22,008	104,076
Benefits	37,000	37,000	37,792	(792)	39,253
Purchased services	110,000	210,000	132,517	77,483	136,226
Supplies	45,000	45,000	54,600	(9,600)	31,364
Property	500	500	-	500	-
Other	1,000	1,000	979	21	292
Total expenditures	298,500	418,500	328,880	89,620	311,211
Net change in fund balance	43,500	(76,500)	60,111	136,611	78,186
FUND BALANCE, July 1	580,490	611,406	611,406	-	533,220
FUND BALANCE, June 30	\$ 623,990	\$ 534,906	\$ 671,517	\$ 136,611	\$ 611,406

Special Revenue Funds, Internally Reported

To account for the proceeds of specific revenue sources that are not legally restricted to expenditure for particular purposes but are separated from the General Fund for internal accounting purposes and reported as part of the General Fund for external reporting purposes.

**WASHOE COUNTY SCHOOL DISTRICT
INTERNALLY REPORTED (BUDGETARY BASIS) FUNDS REPORTED
AS PART OF THE GENERAL FUND FOR EXTERNAL REPORTING PURPOSES
COMBINING BALANCE SHEET
JUNE 30, 2011**

	<u>MEDICAID</u>	<u>COMMUNITY EDUCATION</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 1,428,499	\$ 194,465	\$ 1,622,964
Prepays	<u>19,382</u>	<u>-</u>	<u>19,382</u>
Total assets	<u>\$ 1,447,881</u>	<u>\$ 194,465</u>	<u>\$ 1,642,346</u>
LIABILITIES			
Accounts payable	\$ 20,611	\$ 84	\$ 20,695
Accrued liabilities	<u>19,555</u>	<u>8,412</u>	<u>27,967</u>
Total liabilities	<u>40,166</u>	<u>8,496</u>	<u>48,662</u>
FUND BALANCE			
Unassigned	<u>1,407,715</u>	<u>185,969</u>	<u>1,593,684</u>
Total liabilities and fund balance	<u>\$ 1,447,881</u>	<u>\$ 194,465</u>	<u>\$ 1,642,346</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNALLY REPORTED (BUDGETARY BASIS) FUNDS REPORTED
AS PART OF THE GENERAL FUND FOR EXTERNAL REPORTING PURPOSES
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	MEDICAID	COMMUNITY EDUCATION	PRE-FUNDED RETIREE HEALTH BENEFITS	TOTAL
REVENUES				
Local sources	\$ -	\$ 433,266	\$ 4,222	\$ 437,488
Federal sources	1,709,681	-	-	1,709,681
Total revenues	1,709,681	433,266	4,222	2,147,169
EXPENDITURES				
Current				
Regular programs	30,000	-	-	30,000
Special programs	633,347	-	-	633,347
Undistributed expenditures				
Community service operations	-	394,001	-	394,001
Total expenditures	663,347	394,001	-	1,057,348
Excess (deficiency) of revenues over expenditures	1,046,334	39,265	4,222	1,089,821
OTHER FINANCING (USES)				
Transfers out	-	-	(2,235,247)	(2,235,247)
Net change in fund balance	1,046,334	39,265	(2,231,025)	(1,145,426)
FUND BALANCE, July 1	361,381	146,704	2,231,025	2,739,110
FUND BALANCE, June 30	\$ 1,407,715	\$ 185,969	\$ -	\$ 1,593,684

**WASHOE COUNTY SCHOOL DISTRICT
MEDICAID
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 150,000	\$ 2,071,063	\$ 1,709,681	\$ (361,382)	\$ 85,450
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	30,000	28,600	1,400	-
Benefits	-	2,000	1,400	600	-
Total regular programs	-	32,000	30,000	2,000	-
Special programs					
Instruction					
Supplies	-	-	-	-	31,213
Student support					
Salaries	-	1,233,063	3,500	1,229,563	-
Purchased services	285,750	300,000	288,451	11,549	267,978
Supplies	-	-	-	-	1,426
Total student support	285,750	1,533,063	291,951	1,241,112	269,404
Instructional staff support					
Purchased services	-	100,000	52,528	47,472	-
Supplies	45,000	10,000	4,914	5,086	30,825
Other	-	1,000	396	604	-
Total instructional staff support	45,000	111,000	57,838	53,162	30,825
School administration					
Salaries	-	100,000	76,029	23,971	79,673
Benefits	-	50,000	26,609	23,391	27,172
Total school administration	-	150,000	102,638	47,362	106,845
Central services					
Salaries	57,968	100,000	56,789	43,211	56,608
Benefits	16,587	25,000	15,963	9,037	15,845
Purchased services	33,750	120,000	108,168	11,832	15,777
Total central services	108,305	245,000	180,920	64,080	88,230
Total special programs	439,055	2,039,063	633,347	1,405,716	526,517
Total expenditures	439,055	2,071,063	663,347	1,407,716	526,517
Net change in fund balance	(289,055)	-	1,046,334	1,046,334	(441,067)
FUND BALANCE, July 1	346,486	-	361,381	361,381	802,448
FUND BALANCE, June 30	\$ 57,431	\$ -	\$ 1,407,715	\$ 1,407,715	\$ 361,381

**WASHOE COUNTY SCHOOL DISTRICT
COMMUNITY EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 271,424	\$ 345,204	\$ 433,266	\$ 88,062	\$ 335,279
EXPENDITURES					
Current					
Community services programs					
School administration					
Salaries	-	-	-	-	1,384
Benefits	-	-	-	-	378
Total community services programs	-	-	-	-	1,762
Undistributed expenditures					
Community service operations					
Salaries	261,203	269,417	279,568	(10,151)	239,443
Benefits	71,151	46,460	50,996	(4,536)	55,176
Purchased services	120,000	107,869	58,619	49,250	112,919
Supplies	10,000	6,545	4,728	1,817	5,630
Other	1,500	90	90	-	1,280
Total undistributed expenditures	463,854	430,381	394,001	36,380	414,448
Total expenditures	463,854	430,381	394,001	36,380	416,210
Net change in fund balance	(192,430)	(85,177)	39,265	124,442	(80,931)
FUND BALANCE, July 1	195,626	146,704	146,704	-	227,635
FUND BALANCE, June 30	\$ 3,196	\$ 61,527	\$ 185,969	\$ 124,442	\$ 146,704

**WASHOE COUNTY SCHOOL DISTRICT
PRE-FUNDED RETIREE HEALTH BENEFITS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ -	\$ 4,975	\$ 4,222	\$ (753)	\$ 15,691
OTHER FINANCING (USES)					
Transfers out	(2,200,000)	(2,236,000)	(2,235,247)	753	(6,500,000)
Net change in fund balance	(2,200,000)	(2,231,025)	(2,231,025)	-	(6,484,309)
FUND BALANCE, July 1	<u>2,200,000</u>	<u>2,231,025</u>	<u>2,231,025</u>	<u>-</u>	<u>8,715,334</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,231,025</u>



Debt Service

Fund

To account for and report financial resources that are restricted, committed, or assigned to expenditure for 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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Ad valorem taxes	\$ 53,036,798	\$ 53,036,799	\$ 53,348,510	\$ 311,711	\$ 57,629,191
Earnings on investments	2,587,535	2,733,424	3,191,066	457,642	2,381,478
Net increase in the fair value of investments	-	-	(176,867)	(176,867)	844,519
Total revenues	<u>55,624,333</u>	<u>55,770,223</u>	<u>56,362,709</u>	<u>592,486</u>	<u>60,855,188</u>
EXPENDITURES					
Debt service					
Principal	31,036,206	47,411,206	47,411,206	-	43,609,116
Interest	24,819,525	24,351,047	24,351,047	-	25,444,338
Bond issuance costs	-	307,568	338,027	(30,459)	133,919
Other	100,000	2,161,221	2,078,371	82,850	8,250
Total expenditures	<u>55,955,731</u>	<u>74,231,042</u>	<u>74,178,651</u>	<u>52,391</u>	<u>69,195,623</u>
Excess of revenues over expenditures	<u>(331,398)</u>	<u>(18,460,819)</u>	<u>(17,815,942)</u>	<u>644,877</u>	<u>(8,340,435)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds of refunding bonds	-	41,515,000	41,515,000	-	13,700,000
Premium on bonds sold	-	4,954,986	4,954,986	-	1,022,133
Payment to refunded bonds escrow agent	-	(46,104,110)	(46,104,110)	-	(14,570,000)
Transfers in	3,591,016	3,591,016	3,591,016	-	3,619,477
Total other financing sources (uses)	<u>3,591,016</u>	<u>3,956,892</u>	<u>3,956,892</u>	<u>-</u>	<u>3,771,610</u>
Net change in fund balance	3,259,618	(14,503,927)	(13,859,050)	644,877	(4,568,825)
FUND BALANCE, July 1	<u>64,915,057</u>	<u>68,161,066</u>	<u>68,161,066</u>	<u>-</u>	<u>72,729,891</u>
FUND BALANCE, June 30	<u>\$ 68,174,675</u>	<u>\$ 53,657,139</u>	<u>\$ 54,302,016</u>	<u>\$ 644,877</u>	<u>\$ 68,161,066</u>



Capital Projects Funds

To account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (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
2010 WASHOE COUNTY RECOVERY ZONE ECONOMIC DEVELOPMENT BOND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 21,204	\$ 21,204	\$ 6,488
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	-	1,000,000	321,524	678,476	-
Other	-	-	21,577	(21,577)	-
Total architecture and engineering services	-	1,000,000	343,101	656,899	-
Site improvement					
Purchased services	-	10,000	208	9,792	-
Building improvements					
Salaries	-	50,000	25,735	24,265	-
Benefits	-	-	7,720	(7,720)	-
Purchased services	332,714	8,904,642	2,085,154	6,819,488	432,186
Supplies	-	-	330,072	(330,072)	-
Property	-	-	182,855	(182,855)	-
Other	-	-	55,378	(55,378)	3,950
Total building improvements	332,714	8,954,642	2,686,914	6,267,728	436,136
Total capital outlay, facilities acquisition and construction	332,714	9,964,642	3,030,223	6,934,419	436,136
Debt service					
Bond issuance costs	-	-	-	-	120,710
Total expenditures	332,714	9,964,642	3,030,223	6,934,419	556,846
Excess (deficiency) of revenues over expenditures	(332,714)	(9,964,642)	(3,009,019)	6,955,623	(550,358)
OTHER FINANCING SOURCES					
Bonds issued	-	-	-	-	10,515,000
Net change in fund balance	(332,714)	(9,964,642)	(3,009,019)	6,955,623	9,964,642
FUND BALANCE, July 1	332,714	9,964,642	9,964,642	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 6,955,623	\$ 6,955,623	\$ 9,964,642

WASHOE COUNTY SCHOOL DISTRICT
2009B WASHOE COUNTY RECOVERY ZONE ECONOMIC DEVELOPMENT BOND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 68,285	\$ 68,285	\$ 25,982
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Purchased services	-	250,000	-	250,000	4,588
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	-	750,000	258,440	491,560	-
Supplies	-	-	24,546	(24,546)	-
Total architecture and engineering services	-	750,000	282,986	467,014	-
Site improvement					
Purchased services	582,454	2,822,454	611,560	2,210,894	-
Other	-	10,000	8,763	1,237	-
Total site improvement	582,454	2,832,454	620,323	2,212,131	-
Building improvements					
Salaries	-	-	35,119	(35,119)	-
Benefits	-	-	10,536	(10,536)	-
Purchased services	1,159,721	10,337,062	4,102,954	6,234,108	219,343
Supplies	-	-	190,430	(190,430)	1,410
Property	-	500,000	272,958	227,042	-
Other	-	2,500	12,649	(10,149)	-
Total building improvements	1,159,721	10,839,562	4,624,646	6,214,916	220,753
Total capital outlay, facilities acquisition and construction	1,742,175	14,422,016	5,527,955	8,894,061	220,753
Debt service					
Bond issuance costs	-	-	-	-	128,625
Total expenditures	1,742,175	14,672,016	5,527,955	9,144,061	353,966
Excess (deficiency) of revenues over expenditures	(1,742,175)	(14,672,016)	(5,459,670)	9,212,346	(327,984)
OTHER FINANCING SOURCES					
Bonds issued	-	-	-	-	15,000,000
Net change in fund balance	(1,742,175)	(14,672,016)	(5,459,670)	9,212,346	14,672,016
FUND BALANCE, July 1	1,742,175	14,672,016	14,672,016	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 9,212,346	\$ 9,212,346	\$ 14,672,016

**WASHOE COUNTY SCHOOL DISTRICT
2009B CITY OF RENO RECOVERY ZONE ECONOMIC DEVELOPMENT BOND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 71,156	\$ 71,156	\$ 40,528
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Purchased services	-	-	-	-	6,712
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	-	500,000	167,900	332,100	-
Other	-	-	31,833	(31,833)	-
Total architecture and engineering services	-	500,000	199,733	300,267	-
Site improvement					
Purchased services	629,007	6,129,008	848,260	5,280,748	-
Building improvements					
Salaries	-	-	18,682	(18,682)	-
Benefits	-	-	5,605	(5,605)	-
Purchased services	3,566,003	11,306,124	7,220,026	4,086,098	1,882,957
Supplies	11,953	20,000	465,000	(445,000)	223,978
Property	-	1,500,000	796,828	703,172	208,053
Other	-	1,500	27,384	(25,884)	4,010
Total building improvements	3,577,956	12,827,624	8,533,525	4,294,099	2,318,998
Total capital outlay, facilities acquisition and construction	4,206,963	19,456,632	9,581,518	9,875,114	2,318,998
Debt service					
Bond issuance costs	-	-	-	-	188,186
Total expenditures	4,206,963	19,456,632	9,581,518	9,875,114	2,513,896
Excess (deficiency) of revenues over expenditures	(4,206,963)	(19,456,632)	(9,510,362)	9,946,270	(2,473,368)
OTHER FINANCING SOURCES					
Bonds issued	-	-	-	-	21,930,000
Net change in fund balance	(4,206,963)	(19,456,632)	(9,510,362)	9,946,270	19,456,632
FUND BALANCE, July 1	4,206,963	19,456,632	19,456,632	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 9,946,270	\$ 9,946,270	\$ 19,456,632

**WASHOE COUNTY SCHOOL DISTRICT
2011B BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>2011 BUDGET</u>		<u>2011</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local sources				
Earnings on investments	\$ -	\$ -	\$ 13	\$ 13
EXPENDITURES				
Debt service				
Bond issuance costs	-	400,000	122,719	277,281
Excess (deficiency) of revenues over expenditures	-	(400,000)	(122,706)	277,294
OTHER FINANCING SOURCES				
Bonds issued	-	400,000	400,000	-
Net change in fund balance	-	-	277,294	277,294
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 277,294</u>	<u>\$ 277,294</u>

**WASHOE COUNTY SCHOOL DISTRICT
2011 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>2011 BUDGET</u>		<u>2011</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local sources				
Earnings on investments	\$ -	\$ -	\$ 7,151	\$ 7,151
EXPENDITURES				
Capital outlay, facilities acquisition and construction				
Architecture and engineering services				
Purchased services	-	500,000	-	500,000
Building improvements				
Purchased services	-	4,815,000	-	4,815,000
Total capital outlay, facilities acquisition and construction	-	5,315,000	-	5,315,000
Debt service				
Bond issuance costs	-	100,000	79,548	20,452
Total expenditures	-	5,415,000	79,548	5,335,452
Excess (deficiency) of revenues over expenditures	-	(5,415,000)	(72,397)	5,342,603
OTHER FINANCING SOURCES				
Bonds issued	-	5,415,000	5,415,000	-
Net change in fund balance	-	-	5,342,603	5,342,603
FUND BALANCE, July 1	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 5,342,603	\$ 5,342,603

**WASHOE COUNTY SCHOOL DISTRICT
2010 QUALIFIED SCHOOL CONSTRUCTION BONDS (QSCB)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 2,698	\$ 2,698	\$ 764
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Other	150,000	60,000	35,945	24,055	-
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	386,215	136,215	57,646	78,569	29,435
Building improvements					
Salaries	-	-	149	(149)	-
Benefits	-	-	45	(45)	-
Purchased services	5,006,507	2,655,561	2,488,937	166,624	645,010
Supplies	-	-	157,379	(157,379)	-
Property	550,000	5,998	-	5,998	-
Other	-	500	271	229	-
Total building improvements	5,556,507	2,662,059	2,646,781	15,278	645,010
Total capital outlay, facilities acquisition and construction	5,942,722	2,798,274	2,704,427	93,847	674,445
Debt service					
Bond issuance costs	-	-	-	-	18,045
Total expenditures	6,092,722	2,858,274	2,740,372	117,902	692,490
Excess (deficiency) of revenues over expenditures	(6,092,722)	(2,858,274)	(2,737,674)	120,600	(691,726)
OTHER FINANCING SOURCES					
Bonds issued	3,550,000	-	-	-	3,550,000
Net change in fund balance	(2,542,722)	(2,858,274)	(2,737,674)	120,600	2,858,274
FUND BALANCE, July 1	2,542,722	2,858,274	2,858,274	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 120,600	\$ 120,600	\$ 2,858,274

**WASHOE COUNTY SCHOOL DISTRICT
2009 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 36,342	\$ 36,342	\$ 66,427
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	360,000	418,006	(58,006)	105,646
Benefits	-	154,000	159,708	(5,708)	36,271
Purchased services	414,692	1,400,693	206,511	1,194,182	28,327
Supplies	4,670	4,670	18,116	(13,446)	5,956
Property	1,320	1,320	7,178	(5,858)	247,251
Total undistributed expenditures	420,682	1,920,683	809,519	1,111,164	423,451
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	179,510	279,510	123,105	156,405	1,158,284
Other	-	-	16	(16)	15,031
Total architecture and engineering services	179,510	279,510	123,121	156,389	1,173,315
Building acquisition and construction					
Purchased services	-	-	-	-	235,099
Site improvement					
Purchased services	165,708	665,708	201,379	464,329	693,960
Property	346	346	-	346	4,769
Other	-	-	16	(16)	-
Total site improvement	166,054	666,054	201,395	464,659	698,729
Building improvements					
Salaries	-	485,000	436,928	48,072	241,117
Benefits	-	100,000	102,300	(2,300)	70,075
Purchased services	2,053,930	15,750,967	2,241,967	13,509,000	12,806,739
Supplies	2,044,226	2,500,000	2,370,876	129,124	3,582,169
Property	6,167	6,167	6,314	(147)	1,136,597
Other	-	7,500	10,667	(3,167)	74,415
Total building improvements	4,104,323	18,849,634	5,169,052	13,680,582	17,911,112
Total capital outlay, facilities acquisition and construction	4,449,887	19,795,198	5,493,568	14,301,630	20,018,255
Total expenditures	4,870,569	21,715,881	6,303,087	15,412,794	20,441,706
Excess (deficiency) of revenues over expenditures	(4,870,569)	(21,715,881)	(6,266,745)	15,449,136	(20,375,279)
FUND BALANCE, July 1	4,870,569	21,715,881	21,715,881	-	42,091,160
FUND BALANCE, June 30	\$ -	\$ -	\$ 15,449,136	\$ 15,449,136	\$ 21,715,881

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 40,781	\$ 40,781	\$ 237,358
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	800,000	445,075	354,925	1,191,072
Benefits	-	50,000	108,747	(58,747)	406,972
Purchased services	20,985	120,985	16,802	104,183	186,135
Supplies	5,397	5,397	-	5,397	387,190
Property	-	-	-	-	5,873
Total undistributed expenditures	26,382	976,382	570,624	405,758	2,177,242
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	25,000	32,897	(7,897)	51,744
Benefits	-	10,000	8,282	1,718	12,734
Purchased services	154,522	1,114,523	116,944	997,579	1,212,552
Other	-	5,000	7,813	(2,813)	1,771
Total architecture and engineering services	154,522	1,154,523	165,936	988,587	1,278,801
Building acquisition and construction					
Benefits	-	-	-	-	24,653
Purchased services	4,513	54,513	32,820	21,693	5,745,033
Supplies	18,933	126,433	136,100	(9,667)	1,700,089
Property	4,292	54,292	828	53,464	425,528
Other	-	-	-	-	16
Total building acquisition and construction	27,738	235,238	169,748	65,490	7,895,319
Site improvement					
Salaries	-	-	-	-	82
Benefits	-	-	-	-	24
Purchased services	-	25,000	2,197	22,803	606,875
Supplies	-	-	-	-	12
Property	-	-	-	-	25,603
Other	-	-	-	-	5,717
Total site improvement	-	25,000	2,197	22,803	638,313

(CONTINUED)

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Building improvements					
Salaries	\$ -	\$ 100,000	\$ 106,235	\$ (6,235)	\$ 280,776
Benefits	-	25,000	37,863	(12,863)	63,744
Purchased services	271,287	7,359,708	542,757	6,816,951	3,281,293
Supplies	4,881	4,881	46,864	(41,983)	625,344
Property	-	7,500	50,865	(43,365)	9,914
Other	-	-	6,078	(6,078)	13,538
Total building improvements	276,168	7,497,089	790,662	6,706,427	4,274,609
Total capital outlay, facilities acquisition and construction	458,428	8,911,850	1,128,543	7,783,307	14,087,042
Total expenditures	484,810	9,888,232	1,699,167	8,189,065	16,264,284
Net change in fund balance	(484,810)	(9,888,232)	(1,658,386)	8,229,846	(16,026,926)
FUND BALANCE, July 1	484,810	9,888,232	9,888,232	-	25,915,158
FUND BALANCE, June 30	\$ -	\$ -	\$ 8,229,846	\$ 8,229,846	\$ 9,888,232

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 35,224	\$ 35,224	\$ 47,803
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	380,000	246,324	133,676	83,468
Benefits	-	120,000	75,896	44,104	22,982
Purchased services	400,534	1,349,935	700,321	649,614	662,341
Supplies	481,848	600,000	592,050	7,950	439,618
Property	242,296	674,143	47,620	626,523	295,456
Other	-	600	2,535	(1,935)	1,931
Total undistributed expenditures	1,124,678	3,124,678	1,664,746	1,459,932	1,505,796
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	650,000	148,870	501,130	23,067
Benefits	-	200,000	52,179	147,821	6,920
Purchased services	691,428	1,966,428	1,754,780	211,648	1,247,230
Other	-	25,000	94,415	(69,415)	29,584
Total architecture and engineering services	691,428	2,841,428	2,050,244	791,184	1,306,801
Building acquisition and construction					
Salaries	-	5,000	6,631	(1,631)	7,972
Benefits	-	1,500	2,167	(667)	2,400
Purchased services	5,640	5,641	589	5,052	1,950,743
Supplies	-	18,500	1,943	16,557	5,876
Total building acquisition and construction	5,640	30,641	11,330	19,311	1,966,991
Site improvement					
Purchased services	56,849	106,849	72,544	34,305	750
Supplies	-	100,000	-	100,000	-
Total site improvement	56,849	206,849	72,544	134,305	750
Building improvements					
Salaries	-	75,000	333,607	(258,607)	55,542
Benefits	-	25,000	116,694	(91,694)	16,663
Purchased services	403,465	12,885,454	749,028	12,136,426	488,620
Supplies	8,970	20,000	95,855	(75,855)	1,948
Property	7,991	25,000	66,436	(41,436)	114,195
Other	-	-	4,314	(4,314)	2,998
Total building improvements	420,426	13,030,454	1,365,934	11,664,520	679,966

(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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total capital outlay, facilities acquisition and construction	\$ 1,174,343	\$ 16,109,372	\$ 3,500,052	\$ 12,609,320	\$ 3,954,508
Total expenditures	2,299,021	19,234,050	5,164,798	14,069,252	5,460,304
Net change in fund balance	(2,299,021)	(19,234,050)	(5,129,574)	14,104,476	(5,412,501)
FUND BALANCE, July 1	2,299,021	19,234,050	19,234,050	-	24,646,551
FUND BALANCE, June 30	\$ -	\$ -	\$ 14,104,476	\$ 14,104,476	\$ 19,234,050

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ 25,000	\$ 176,626	\$ 151,626	\$ 8,156
Other	-	-	-	-	22,951
Total revenues	-	25,000	176,626	151,626	31,107
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	40,000	38,338	1,662	-
Benefits	-	14,999	11,501	3,498	-
Purchased services	2,364	2,364	2,152	212	5,314
Supplies	-	-	98	(98)	-
Total undistributed expenditures	2,364	57,363	52,089	5,274	5,314
Capital outlay, facilities acquisition and construction					
Land acquisition					
Purchased services	-	20,000	827	19,173	-
Property	-	-	-	-	291,145
Total land acquisition	-	20,000	827	19,173	291,145
Architecture and engineering services					
Salaries	-	4,000	3,416	584	774
Benefits	-	1,000	1,229	(229)	126
Purchased services	113,103	163,103	89,049	74,054	982,448
Other	-	-	-	-	2,808
Total architecture and engineering services	113,103	168,103	93,694	74,409	986,156
Building acquisition and construction					
Purchased services	-	-	-	-	69,338
Supplies	-	-	-	-	8,441
Total building acquisition and construction	-	-	-	-	77,779
Site improvement					
Purchased services	-	-	-	-	678
Building improvements					
Salaries	-	30,000	24,014	5,986	87,570
Benefits	-	10,000	8,399	1,601	26,377
Purchased services	389,576	1,870,690	515,103	1,355,587	1,689,441
Supplies	30,545	150,000	389,357	(239,357)	72,281
Property	882	75,000	307,263	(232,263)	58,695
Other	-	-	16	(16)	490
Total building improvements	421,003	2,135,690	1,244,152	891,538	1,934,854

(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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total capital outlay, facilities acquisition and construction	\$ 534,106	\$ 2,323,793	\$ 1,338,673	\$ 985,120	\$ 3,290,612
Total expenditures	536,470	2,381,156	1,390,762	990,394	3,295,926
Net change in fund balance	(536,470)	(2,356,156)	(1,214,136)	1,142,020	(3,264,819)
FUND BALANCE, July 1	536,470	2,356,156	2,356,156	-	5,620,975
FUND BALANCE, June 30	\$ -	\$ -	\$ 1,142,020	\$ 1,142,020	\$ 2,356,156

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ -	\$ -	\$ 1,760
Other	-	-	-	-	1,200
Total revenues	-	-	-	-	2,960
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	-	-	-	102,789
Benefits	-	-	-	-	31,614
Purchased services	-	-	-	-	3,377
Supplies	-	-	-	-	87,973
Property	-	-	-	-	123,326
Total undistributed expenditures	-	-	-	-	349,079
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	-	-	-	96,931
Benefits	-	-	-	-	29,079
Purchased services	-	-	-	-	142,505
Total architecture and engineering services	-	-	-	-	268,515
Building acquisition and construction					
Salaries	-	-	-	-	10,000
Benefits	-	-	-	-	2,552
Purchased services	-	-	-	-	10,479
Other	-	-	-	-	2,700
Total building acquisition and construction	-	-	-	-	25,731
Site improvement					
Purchased services	-	-	-	-	27,058
Building improvements					
Salaries	-	-	-	-	19,659
Benefits	-	-	-	-	6,025
Purchased services	-	-	-	-	258,121
Supplies	-	-	-	-	64,643
Property	-	-	-	-	302,126
Total building improvements	-	-	-	-	650,574

(CONTINUED)

WASHOE COUNTY SCHOOL DISTRICT
2005 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total capital outlay, facilities acquisition and construction	\$ -	\$ -	\$ -	\$ -	\$ 971,878
Total expenditures	-	-	-	-	1,320,957
Net change in fund balance	-	-	-	-	(1,317,997)
FUND BALANCE, July 1	-	-	-	-	1,317,997
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2011**

	GOVERNMENT SERVICES TAX FUND	BUILDING AND SITES FUND	TOTAL
ASSETS			
Cash and investments	\$ 4,699,934	\$ 2,383,592	\$ 7,083,526
Receivables			
Interest	515	265	780
Miscellaneous	56	-	56
Due from other governments	255,377	-	255,377
Total assets	\$ 4,955,882	\$ 2,383,857	\$ 7,339,739
LIABILITIES			
Accounts payable	\$ 75,989	\$ 26,595	\$ 102,584
Accrued liabilities	49,930	-	49,930
Construction contracts payable	7,073	4,690	11,763
Total liabilities	132,992	31,285	164,277
FUND BALANCE			
Restricted	4,822,890	2,352,572	7,175,462
Total liabilities and fund balance	\$ 4,955,882	\$ 2,383,857	\$ 7,339,739

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2011**

	GOVERNMENT SERVICES TAX FUND	BUILDING AND SITES FUND	TOTAL
REVENUES			
Local sources	\$ 3,817,496	\$ 2,369,162	\$ 6,186,658
EXPENDITURES			
Capital outlay	3,133,686	4,953,239	8,086,925
Excess (deficiency) of revenues over expenditures	683,810	(2,584,077)	(1,900,267)
FUND BALANCE, July 1	4,139,080	4,936,649	9,075,729
FUND BALANCE, June 30	\$ 4,822,890	\$ 2,352,572	\$ 7,175,462

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Government services tax	\$ 3,000,000	\$ 3,000,000	\$ 2,994,034	\$ (5,966)	\$ 3,157,443
Earnings on investments	6,000	6,000	8,207	2,207	7,301
Other	1,000,000	1,000,000	815,255	(184,745)	325,114
Total revenues	4,006,000	4,006,000	3,817,496	(188,504)	3,489,858
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Other	-	-	-	-	40,111
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	766,200	936,728	732,039	204,689	756,969
Benefits	264,528	194,000	245,614	(51,614)	256,271
Purchased services	470,209	448,809	246,796	202,013	253,427
Other	-	-	1,822	(1,822)	899
Total architecture and engineering services	1,500,937	1,579,537	1,226,271	353,266	1,267,566
Building acquisition and construction					
Salaries	-	-	-	-	5,088
Benefits	-	-	-	-	1,526
Purchased services	-	-	-	-	18,094
Supplies	-	-	-	-	1,929
Property	-	-	-	-	18,443
Total building acquisition and construction	-	-	-	-	45,080
Site improvement					
Salaries	5,000	-	-	-	3,780
Benefits	1,500	-	-	-	1,134
Purchased services	253,720	300,220	247,042	53,178	305,772
Supplies	-	-	11,541	(11,541)	-
Total site improvement	260,220	300,220	258,583	41,637	310,686
Building improvements					
Salaries	50,000	69,264	30,623	38,641	37,353
Benefits	15,000	-	9,029	(9,029)	11,206
Purchased services	2,274,692	2,595,601	1,530,902	1,064,699	1,088,170
Supplies	29,506	24,506	50,154	(25,648)	25,901
Property	50,000	-	25,215	(25,215)	34,100
Other	10,000	-	2,909	(2,909)	7,559
Total building improvements	2,429,198	2,689,371	1,648,832	1,040,539	1,204,289

(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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Total capital outlay, facilities acquisition and construction	\$ 4,190,355	\$ 4,569,128	\$ 3,133,686	\$ 1,435,442	\$ 2,827,621
Total expenditures	4,190,355	4,569,128	3,133,686	1,435,442	2,867,732
Excess (deficiency) of revenue over expenditures	(184,355)	(563,128)	683,810	1,246,938	622,126
OTHER FINANCING SOURCES					
Transfers in	59,000	59,000	-	(59,000)	-
Net change in fund balance	(125,355)	(504,128)	683,810	1,187,938	622,126
FUND BALANCE, July 1	<u>3,760,307</u>	<u>4,139,080</u>	<u>4,139,080</u>	<u>-</u>	<u>3,516,954</u>
FUND BALANCE, June 30	<u>\$ 3,634,952</u>	<u>\$ 3,634,952</u>	<u>\$ 4,822,890</u>	<u>\$ 1,187,938</u>	<u>\$ 4,139,080</u>

**WASHOE COUNTY SCHOOL DISTRICT
BUILDING AND SITES FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources					
Rental income	\$ 30,000	\$ 30,000	\$ 91,971	\$ 61,971	\$ 100,052
Earnings on investments	10,000	-	6,648	6,648	9,593
Other	-	250,000	1,809,049	1,559,049	59,347
Sale of property	-	461,494	461,494	-	460,629
Total revenues	40,000	741,494	2,369,162	1,627,668	629,621
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	4,151	100,000	28,016	71,984	22,641
Other	-	-	183	(183)	(293)
Total architecture and engineering services	4,151	100,000	28,199	71,801	22,348
Site improvement					
Purchased services	-	2,500	595	1,905	2,000
Building improvements					
Salaries	-	-	10,447	(10,447)	2,308
Benefits	-	-	3,444	(3,444)	692
Purchased services	103,056	4,722,500	4,261,375	461,125	70,579
Supplies	37,663	530,000	495,951	34,049	38,914
Property	-	250,000	150,370	99,630	10,000
Other	-	73,143	2,858	70,285	1,219
Total building improvements	140,719	5,575,643	4,924,445	651,198	123,712
Total expenditures	144,870	5,678,143	4,953,239	724,904	148,060
Net change in fund balance	(104,870)	(4,936,649)	(2,584,077)	2,352,572	481,561
FUND BALANCE, July 1	<u>3,380,225</u>	<u>4,936,649</u>	<u>4,936,649</u>	<u>-</u>	<u>4,455,088</u>
FUND BALANCE, June 30	<u>\$ 3,275,355</u>	<u>\$ -</u>	<u>\$ 2,352,572</u>	<u>\$ 2,352,572</u>	<u>\$ 4,936,649</u>

Enterprise Fund

Nutrition Services Fund:

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

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
STATEMENT OF NET ASSETS
JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2010)**

ASSETS	<u>2011</u>	<u>2010</u>
Current assets		
Cash and investments	\$ 2,350,692	\$ 3,140,178
Receivables	832,509	800,514
Inventories	1,061,478	516,271
Prepays	615	665
	<u>4,245,294</u>	<u>4,457,628</u>
Total current assets		
Capital assets		
Machinery and equipment	1,921,736	1,927,068
Less: Allowance for depreciation	<u>(1,370,551)</u>	<u>(1,293,344)</u>
Total capital assets	<u>551,185</u>	<u>633,724</u>
Total assets	<u>4,796,479</u>	<u>5,091,352</u>
 LIABILITIES		
Current liabilities		
Accounts payable	394,904	274,747
Accrued liabilities	282,868	305,161
Unearned revenue	<u>180,154</u>	<u>184,573</u>
Total liabilities	<u>857,926</u>	<u>764,481</u>
 NET ASSETS		
Invested in capital assets	551,185	633,724
Unrestricted	<u>3,387,368</u>	<u>3,693,147</u>
Total net assets	<u>\$ 3,938,553</u>	<u>\$ 4,326,871</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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 6,699,678	\$ 6,699,678	\$ 4,933,054	\$ (1,766,624)	\$ 5,381,119
OPERATING EXPENSES					
Food and supplies	8,106,901	8,714,238	8,435,537	278,701	8,416,969
Salaries and benefits	7,775,669	8,505,669	8,740,427	(234,758)	8,451,292
Purchased services	1,259,560	1,259,560	1,220,220	39,340	939,649
Depreciation	115,801	121,802	91,455	30,347	109,848
Other	598,328	638,328	449,770	188,558	400,380
Total operating expenses	17,856,259	19,239,597	18,937,409	302,188	18,318,138
Operating (loss)	(11,156,581)	(12,539,919)	(14,004,355)	(1,464,436)	(12,937,019)
NONOPERATING REVENUES					
Federal subsidies	11,842,679	11,842,679	12,772,293	929,614	12,133,276
Commodity revenue	-	1,000,000	772,820	(227,180)	1,043,049
State matching funds	-	80,000	77,872	(2,128)	81,205
Loss on disposal of asset	-	-	(6,948)	(6,948)	(20,700)
Total nonoperating revenues	11,842,679	12,922,679	13,616,037	693,358	13,236,830
Capital contributions	-	-	-	-	325,635
Change in net assets	686,098	382,760	(388,318)	(771,078)	625,446
NET ASSETS - July 1	4,023,535	4,326,871	4,326,871	-	3,701,425
NET ASSETS - June 30	\$ 4,709,633	\$ 4,709,631	\$ 3,938,553	\$ (771,078)	\$ 4,326,871

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 6,699,678	\$ 6,699,678	\$ 4,896,640	\$ (1,803,038)	\$ 6,248,198
Cash paid for salaries and benefits	(7,775,669)	(8,505,669)	(8,711,381)	(205,712)	(8,496,642)
Cash paid for food and supplies	(8,106,901)	(7,714,238)	(8,139,056)	(424,818)	(7,499,500)
Cash payments for purchased services	(1,259,560)	(1,259,560)	(1,220,220)	39,340	(939,649)
Cash payments for other	(598,328)	(638,328)	(449,770)	188,558	(400,380)
Net cash (used) by operating activities	<u>(11,040,780)</u>	<u>(11,418,117)</u>	<u>(13,623,787)</u>	<u>(2,205,670)</u>	<u>(11,087,973)</u>
Cash flows from capital and related financing activities					
Purchase of equipment	-	-	(15,864)	(15,864)	(41,838)
Cash flows from noncapital financing activities					
Federal reimbursements	11,842,679	11,842,679	12,772,293	929,614	12,133,276
State matching funds	-	80,000	77,872	(2,128)	81,205
Net cash provided by noncapital financing activities	<u>11,842,679</u>	<u>11,922,679</u>	<u>12,850,165</u>	<u>927,486</u>	<u>12,214,481</u>
Net increase (decrease) in cash and cash equivalents	801,899	504,562	(789,486)	(1,294,048)	1,084,670
Cash and investments, July 1	-	-	3,140,178	3,140,178	2,055,508
Cash and investments, June 30	<u>\$ 801,899</u>	<u>\$ 504,562</u>	<u>\$ 2,350,692</u>	<u>\$ 1,846,130</u>	<u>\$ 3,140,178</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATIONS					
Operating (loss)	\$ (11,156,581)	\$ (12,539,919)	\$ (14,004,355)	\$ (1,464,436)	\$ (12,937,019)
Adjustments to reconcile operating (loss) to net cash (used) by operations					
Depreciation	115,801	121,802	91,455	(30,347)	109,848
Commodity revenue	-	1,000,000	772,820	(227,180)	1,043,049
Changes in assets and liabilities					
Accounts receivable	-	-	(31,995)	(31,995)	927,318
Inventories	-	-	(545,207)	(545,207)	65,786
Prepays	-	-	50	50	(300)
Accounts payable	-	-	120,157	120,157	42,541
Accrued liabilities	-	-	(22,293)	(22,293)	(278,957)
Unearned revenue	-	-	(4,419)	(4,419)	(60,239)
Total adjustments	<u>115,801</u>	<u>1,121,802</u>	<u>380,568</u>	<u>(741,234)</u>	<u>1,849,046</u>
Net cash (used) by operations	<u>\$ (11,040,780)</u>	<u>\$ (11,418,117)</u>	<u>\$ (13,623,787)</u>	<u>\$ (2,205,670)</u>	<u>\$ (11,087,973)</u>
Noncash investing, capital, and financing activities					
Contributions of capital assets from government	\$ -	\$ -	\$ -	\$ -	\$ 325,635



Internal Service Funds

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

Insurance Fund – Property and Casualty:

To account for the self-insured property and casualty costs of the District.

Insurance Fund – Health Insurance:

To account for the self-insured health benefit costs of District employees.

Insurance Fund – Workers’ Compensation:

To account for the self-insured workers’ compensation costs of the District.

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2011**

	INSURANCE FUND (PROPERTY CASUALTY)	INSURANCE FUND (HEALTH INSURANCE)	INSURANCE FUND (WORKERS' COMPENSATION)	TOTAL
ASSETS				
Current assets				
Cash and investments	\$ 9,746,273	\$ 42,392,270	\$ 8,790,769	\$ 60,929,312
Accounts receivable	-	643,000	-	643,000
Interest receivable	1,089	4,210	966	6,265
Total current assets	<u>9,747,362</u>	<u>43,039,480</u>	<u>8,791,735</u>	<u>61,578,577</u>
Capital assets				
Machinery and equipment	39,843	-	-	39,843
Less: Allowance for depreciation	<u>(9,335)</u>	<u>-</u>	<u>-</u>	<u>(9,335)</u>
Total capital assets	<u>30,508</u>	<u>-</u>	<u>-</u>	<u>30,508</u>
Total assets	<u>9,777,870</u>	<u>43,039,480</u>	<u>8,791,735</u>	<u>61,609,085</u>
LIABILITIES				
Current liabilities				
Accounts payable	90,459	32,573	4,683	127,715
Accrued liabilities	20,473	12,466	1,525	34,464
Pending claims	<u>1,113,852</u>	<u>6,805,736</u>	<u>1,559,938</u>	<u>9,479,526</u>
Total current liabilities	<u>1,224,784</u>	<u>6,850,775</u>	<u>1,566,146</u>	<u>9,641,705</u>
Noncurrent liabilities				
Pending claims	<u>1,453,148</u>	<u>-</u>	<u>3,266,062</u>	<u>4,719,210</u>
Total liabilities	<u>2,677,932</u>	<u>6,850,775</u>	<u>4,832,208</u>	<u>14,360,915</u>
NET ASSETS				
Invested in capital assets	30,508	-	-	30,508
Unrestricted	<u>7,069,430</u>	<u>36,188,705</u>	<u>3,959,527</u>	<u>47,217,662</u>
Total net assets	<u>\$ 7,099,938</u>	<u>\$ 36,188,705</u>	<u>\$ 3,959,527</u>	<u>\$ 47,248,170</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
OPERATING REVENUES				
Charges for services	\$ 3,768,911	\$ 55,337,956	\$ 1,409,538	\$ 60,516,405
OPERATING EXPENSES				
Salaries and benefits	-	197,259	-	197,259
Employee benefits	-	49,322,897	-	49,322,897
Claims and services	3,361,822	1,512	2,885,816	6,249,150
Depreciation	2,511	-	-	2,511
Total operating expenses	<u>3,364,333</u>	<u>49,521,668</u>	<u>2,885,816</u>	<u>55,771,817</u>
Operating income (loss)	<u>404,578</u>	<u>5,816,288</u>	<u>(1,476,278)</u>	<u>4,744,588</u>
NONOPERATING REVENUES				
Earnings on investments	<u>18,136</u>	<u>65,599</u>	<u>18,479</u>	<u>102,214</u>
Income (loss) before transfers	<u>422,714</u>	<u>5,881,887</u>	<u>(1,457,799)</u>	<u>4,846,802</u>
TRANSFERS IN				
General Fund	<u>-</u>	<u>1,626,224</u>	<u>-</u>	<u>1,626,224</u>
Change in net assets	422,714	7,508,111	(1,457,799)	6,473,026
NET ASSETS - July 1	<u>6,677,224</u>	<u>28,680,594</u>	<u>5,417,326</u>	<u>40,775,144</u>
NET ASSETS - June 30	<u>\$ 7,099,938</u>	<u>\$ 36,188,705</u>	<u>\$ 3,959,527</u>	<u>\$ 47,248,170</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>INSURANCE FUND (PROPERTY CASUALTY)</u>	<u>INSURANCE FUND (HEALTH INSURANCE)</u>	<u>INSURANCE FUND (WORKERS' COMPENSATION)</u>	<u>TOTAL</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS				
Cash flows from operating activities				
Cash received for services	\$ 3,769,394	\$ 55,379,318	\$ 1,410,377	\$ 60,559,089
Cash paid for salaries and benefits	-	(197,259)	-	(197,259)
Cash payments for employee benefits	-	(49,322,897)	-	(49,322,897)
Cash payments for claims and services	(2,499,209)	(232,355)	(2,586,098)	(5,317,662)
Net cash provided (used) by operating activities	<u>1,270,185</u>	<u>5,626,807</u>	<u>(1,175,721)</u>	<u>5,721,271</u>
Cash flows from capital and related financing activities				
Purchase of equipment	(29,048)	-	-	(29,048)
Cash flows from noncapital financing activities				
Transfer from General Fund	-	1,626,224	-	1,626,224
Cash flows from investing activities				
Interest received on investments	18,136	65,599	18,479	102,214
Net increase (decrease) in cash and cash equivalents	1,259,273	7,318,630	(1,157,242)	7,420,661
Cash and investments, July 1	<u>8,487,000</u>	<u>35,073,640</u>	<u>9,948,011</u>	<u>53,508,651</u>
Cash and investments, June 30	<u>\$ 9,746,273</u>	<u>\$ 42,392,270</u>	<u>\$ 8,790,769</u>	<u>\$ 60,929,312</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATIONS				
Operating income (loss)	\$ 404,578	\$ 5,816,288	\$ (1,476,278)	\$ 4,744,588
Adjustments to reconcile operating income (loss) to net cash provided by operations				
Depreciation	2,511	-	-	2,511
Changes in assets and liabilities				
Accounts receivable	483	41,362	839	42,684
Accounts payable	(13,072)	31,850	(20,466)	(1,688)
Accrued liabilities	6,685	6,692	184	13,561
Pending claims	869,000	(269,385)	320,000	919,615
Total adjustments	<u>865,607</u>	<u>(189,481)</u>	<u>300,557</u>	<u>976,683</u>
Net cash provided (used) by operations	<u>\$ 1,270,185</u>	<u>\$ 5,626,807</u>	<u>\$ (1,175,721)</u>	<u>\$ 5,721,271</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS- BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 3,561,881	\$ 3,110,528	\$ 3,114,551	\$ 4,023	\$ 3,184,351
Refunds	-	654,360	654,360	-	15,006
Operating revenues	<u>3,561,881</u>	<u>3,764,888</u>	<u>3,768,911</u>	<u>4,023</u>	<u>3,199,357</u>
OPERATING EXPENSES					
General government					
Claims and services	3,386,158	3,809,154	3,361,822	447,332	1,773,873
Depreciation	-	-	2,511	(2,511)	1,059
Total operating expenses	<u>3,386,158</u>	<u>3,809,154</u>	<u>3,364,333</u>	<u>444,821</u>	<u>1,774,932</u>
Operating income (loss)	<u>175,723</u>	<u>(44,266)</u>	<u>404,578</u>	<u>448,844</u>	<u>1,424,425</u>
NONOPERATING REVENUES					
Earnings on investments	<u>27,000</u>	<u>19,105</u>	<u>18,136</u>	<u>(969)</u>	<u>15,075</u>
Change in net assets	202,723	(25,161)	422,714	447,875	1,439,500
NET ASSETS - July 1	<u>5,591,318</u>	<u>6,677,224</u>	<u>6,677,224</u>	<u>-</u>	<u>5,237,724</u>
NET ASSETS - June 30	<u>\$ 5,794,041</u>	<u>\$ 6,652,063</u>	<u>\$ 7,099,938</u>	<u>\$ 447,875</u>	<u>\$ 6,677,224</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	2011 BUDGET		2011		2010
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 3,561,881	\$ 3,764,888	\$ 3,769,394	\$ 4,506	\$ 3,200,203
Cash payments for claims and services	(3,386,158)	(2,940,154)	(2,499,209)	440,945	(2,779,615)
Net cash provided by operating activities	175,723	824,734	1,270,185	445,451	420,588
Cash flows from capital and related financing activities					
Purchase of equipment	-	-	(29,048)	(29,048)	-
Cash flows from investing activities					
Interest received on investments	27,000	19,105	18,136	(969)	15,075
Net increase in cash and cash equivalents	202,723	843,839	1,259,273	415,434	435,663
Cash and investments, July 1	-	-	8,487,000	8,487,000	8,051,337
Cash and investments, June 30	\$ 202,723	\$ 843,839	\$ 9,746,273	\$ 8,902,434	\$ 8,487,000
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS					
Operating income (loss)	\$ 175,723	\$ (44,266)	\$ 404,578	\$ 448,844	\$ 1,424,425
Adjustments to reconcile operating income (loss) to net cash provided by operations					
Depreciation	-	-	2,511	2,511	1,059
Changes in assets and liabilities					
Accounts receivable	-	-	483	483	846
Accounts payable	-	-	(13,072)	(13,072)	(29,874)
Accrued liabilities	-	-	6,685	6,685	(64,868)
Pending claims	-	869,000	869,000	-	(911,000)
Total adjustments	-	869,000	865,607	(3,393)	(1,003,837)
Net cash provided by operations	\$ 175,723	\$ 824,734	\$ 1,270,185	\$ 445,451	\$ 420,588

**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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 53,930,199	\$ 53,930,199	\$ 55,337,956	\$ 1,407,757	\$ 56,001,719
OPERATING EXPENSES					
General government					
Salaries and benefits	224,643	224,643	197,259	27,384	184,287
Employee benefits	59,107,798	59,107,698	49,322,897	9,784,801	52,406,428
Services and supplies	-	-	1,512	(1,512)	17,360
Total operating expenses	59,332,441	59,332,341	49,521,668	9,810,673	52,608,075
Operating income (loss)	(5,402,242)	(5,402,142)	5,816,288	11,218,430	3,393,644
NONOPERATING REVENUES					
Earnings on investments	39,936	39,936	65,599	25,663	51,294
Income (loss) before transfers	(5,362,306)	(5,362,206)	5,881,887	11,244,093	3,444,938
TRANSFERS IN					
General Fund	1,707,764	1,707,764	1,626,224	(81,540)	1,743,813
Change in net assets	(3,654,542)	(3,654,442)	7,508,111	11,162,553	5,188,751
NET ASSETS - July 1	<u>25,993,780</u>	<u>28,680,594</u>	<u>28,680,594</u>	<u>-</u>	<u>23,491,843</u>
NET ASSETS - June 30	<u>\$ 22,339,238</u>	<u>\$ 25,026,152</u>	<u>\$ 36,188,705</u>	<u>\$ 11,162,553</u>	<u>\$ 28,680,594</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 53,930,199	\$ 53,930,199	\$ 55,379,318	\$ 1,449,119	\$ 55,748,674
Cash paid for salaries	(224,643)	(224,643)	(197,259)	27,384	(184,287)
Cash payments for employee benefits	(58,321,268)	(58,321,168)	(49,322,897)	8,998,271	(52,406,428)
Cash payments for services and supplies	-	-	(232,355)	(232,355)	(878,140)
Net cash provided (used) by operating activities	<u>(4,615,712)</u>	<u>(4,615,612)</u>	<u>5,626,807</u>	<u>10,242,419</u>	<u>2,279,819</u>
Cash flows from noncapital financing activities					
Transfer from General Fund	<u>1,707,764</u>	<u>1,707,764</u>	<u>1,626,224</u>	<u>(81,540)</u>	<u>1,743,813</u>
Cash flows from investing activities					
Interest received on investments	<u>39,936</u>	<u>39,936</u>	<u>65,599</u>	<u>25,663</u>	<u>51,294</u>
Net increase (decrease) in cash and cash equivalents	(2,868,012)	(2,867,912)	7,318,630	10,186,542	4,074,926
Cash and investments, July 1	<u>35,073,640</u>	<u>35,073,640</u>	<u>35,073,640</u>	<u>-</u>	<u>30,998,714</u>
Cash and investments, June 30	<u>\$ 32,205,628</u>	<u>\$ 32,205,728</u>	<u>\$ 42,392,270</u>	<u>\$ 10,186,542</u>	<u>\$ 35,073,640</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS					
Operating income (loss)	\$ (5,402,242)	\$ (5,402,142)	\$ 5,816,288	\$ 11,218,430	\$ 3,393,644
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations					
Changes in assets and liabilities					
Accounts receivable	-	-	41,362	41,362	(253,045)
Accounts payable	-	-	31,850	31,850	(10,580)
Accrued liabilities	-	-	6,692	6,692	(14,747)
Pending claims	<u>786,530</u>	<u>786,530</u>	<u>(269,385)</u>	<u>(1,055,915)</u>	<u>(835,453)</u>
Total adjustments	<u>786,530</u>	<u>786,530</u>	<u>(189,481)</u>	<u>(976,011)</u>	<u>(1,113,825)</u>
Net cash provided (used) by operations	<u>\$ (4,615,712)</u>	<u>\$ (4,615,612)</u>	<u>\$ 5,626,807</u>	<u>\$ 10,242,419</u>	<u>\$ 2,279,819</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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 1,367,050	\$ 1,367,051	\$ 1,409,538	\$ 42,487	\$ 1,687,261
OPERATING EXPENSES					
General government					
Claims and services	3,064,213	3,064,213	2,885,816	178,397	2,208,683
Operating income (loss)	(1,697,163)	(1,697,162)	(1,476,278)	220,884	(521,422)
NONOPERATING REVENUES					
Earnings on investments	30,000	30,000	18,479	(11,521)	20,508
Change in net assets	(1,667,163)	(1,667,162)	(1,457,799)	209,363	(500,914)
NET ASSETS - July 1	<u>5,086,610</u>	<u>5,417,326</u>	<u>5,417,326</u>	<u>-</u>	<u>5,918,240</u>
NET ASSETS - June 30	<u>\$ 3,419,447</u>	<u>\$ 3,750,164</u>	<u>\$ 3,959,527</u>	<u>\$ 209,363</u>	<u>\$ 5,417,326</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF CASH FLOWS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS					
Cash flows from operating activities					
Cash received for services	\$ 1,367,050	\$ 1,367,051	\$ 1,410,377	\$ 43,326	\$ 1,688,534
Payments for claims and services	<u>(2,613,613)</u>	<u>(2,613,613)</u>	<u>(2,586,098)</u>	<u>27,515</u>	<u>(2,233,945)</u>
Net cash provided (used) by operating activities	<u>(1,246,563)</u>	<u>(1,246,562)</u>	<u>(1,175,721)</u>	<u>70,841</u>	<u>(545,411)</u>
Cash flows from investing activities					
Interest received on investments	<u>30,000</u>	<u>30,000</u>	<u>18,479</u>	<u>(11,521)</u>	<u>20,508</u>
Net increase (decrease) in cash and cash equivalents	(1,216,563)	(1,216,562)	(1,157,242)	59,320	(524,903)
Cash and investments, July 1	<u>9,948,011</u>	<u>9,948,011</u>	<u>9,948,011</u>	<u>-</u>	<u>10,472,914</u>
Cash and investments, June 30	<u>\$ 8,731,448</u>	<u>\$ 8,731,449</u>	<u>\$ 8,790,769</u>	<u>\$ 59,320</u>	<u>\$ 9,948,011</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS					
Operating income (loss)	\$ (1,697,163)	\$ (1,697,162)	\$ (1,476,278)	\$ 220,884	\$ (521,422)
Adjustments to reconcile operating income (loss) to net cash provided by operations					
Changes in assets and liabilities					
Accounts receivable	-	-	839	839	1,273
Accounts payable	-	-	(20,466)	(20,466)	18,771
Accrued liabilities	-	-	184	184	(3,033)
Pending claims	<u>450,600</u>	<u>450,600</u>	<u>320,000</u>	<u>(130,600)</u>	<u>(41,000)</u>
Total adjustments	<u>450,600</u>	<u>450,600</u>	<u>300,557</u>	<u>(150,043)</u>	<u>(23,989)</u>
Net cash provided (used) by operations	<u>\$ (1,246,563)</u>	<u>\$ (1,246,562)</u>	<u>\$ (1,175,721)</u>	<u>\$ 70,841</u>	<u>\$ (545,411)</u>



Fiduciary Funds

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

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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2010)

	2011	2010
ASSETS		
Cash and investments	\$ 30,206,657	\$ 20,285,577
NET ASSETS HELD IN TRUST FOR OPEB	\$ 30,206,657	\$ 20,285,577

**WASHOE COUNTY SCHOOL DISTRICT
OTHER POSTEMPLOYMENT BENEFITS (OPEB) TRUST FUND
SCHEDULE OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2010)**

	<u>2011 BUDGET</u>		<u>2011</u>		<u>2010</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
ADDITIONS					
Contributions by employer	\$ 11,766,000	\$ 11,766,000	\$ 11,766,000	\$ -	\$ 11,401,000
Earnings on investments	1,016,432	1,016,432	614,234	(402,198)	391,467
Adjustment to fair market value	-	-	3,583,735	3,583,735	1,258,937
Total additions	<u>12,782,432</u>	<u>12,782,432</u>	<u>15,963,969</u>	<u>3,181,537</u>	<u>13,051,404</u>
DISBURSEMENTS					
Plan benefits	<u>12,782,432</u>	<u>12,782,432</u>	<u>6,042,889</u>	<u>6,739,543</u>	<u>5,800,465</u>
Change in net assets	-	-	9,921,080	9,921,080	7,250,939
NET ASSETS - July 1	<u>20,328,638</u>	<u>20,328,638</u>	<u>20,285,577</u>	<u>(43,061)</u>	<u>13,034,638</u>
NET ASSETS - June 30	<u>\$ 20,328,638</u>	<u>\$ 20,328,638</u>	<u>\$ 30,206,657</u>	<u>\$ 9,878,019</u>	<u>\$ 20,285,577</u>

**WASHOE COUNTY SCHOOL DISTRICT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2011**

	<u>JULY 1, 2010</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>JUNE 30, 2011</u>
Student Activities				
ASSETS				
Cash and investments	\$ 7,825,833	\$ 15,047,784	\$ 14,766,351	\$ 8,107,266
LIABILITIES				
Due to student groups	\$ 7,825,833	\$ 15,047,784	\$ 14,766,351	\$ 8,107,266
80/5 Salary Plan				
ASSETS				
Cash and investments	\$ 56,693	\$ 74,394	\$ 56,693	\$ 74,394
LIABILITIES				
Accrued liabilities	\$ 56,693	\$ 17,701	\$ -	\$ 74,394
Nevada Interscholastic Athletic Association				
ASSETS				
Cash and investments	\$ -	\$ 469,981	\$ 469,981	\$ -
Accounts receivable	58,762	59,575	58,762	59,575
Total assets	<u>\$ 58,762</u>	<u>\$ 529,556</u>	<u>\$ 528,743</u>	<u>\$ 59,575</u>
LIABILITIES				
Accounts payable	\$ 56	\$ -	\$ 56	\$ -
Accrued liabilities	58,706	59,575	58,706	59,575
Total liabilities	<u>\$ 58,762</u>	<u>\$ 59,575</u>	<u>\$ 58,762</u>	<u>\$ 59,575</u>
Totals - All Agency Funds				
ASSETS				
Cash and investments	\$ 7,882,526	\$ 15,592,159	\$ 15,293,025	\$ 8,181,660
Accounts receivable	58,762	59,575	58,762	59,575
Total assets	<u>\$ 7,941,288</u>	<u>\$ 15,651,734</u>	<u>\$ 15,351,787</u>	<u>\$ 8,241,235</u>
LIABILITIES				
Accounts payable	\$ 56	\$ -	\$ 56	\$ -
Accrued liabilities	115,399	77,276	58,706	133,969
Due to student groups	7,825,833	15,047,784	14,766,351	8,107,266
Total liabilities	<u>\$ 7,941,288</u>	<u>\$ 15,125,060</u>	<u>\$ 14,825,113</u>	<u>\$ 8,241,235</u>

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

SCHOOLS	BALANCE JULY 1, 2010	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2011
ELEMENTARY SCHOOLS				
Allen	\$ 12,171	\$ 46,749	\$ 36,486	\$ 22,434
Anderson	17,966	28,052	23,415	22,603
Beasley	38,911	161,297	123,366	76,842
Beck	9,506	103,326	90,414	22,418
Bennett	17,206	38,805	32,984	23,027
Booth	28,032	40,870	38,702	30,200
Brown	43,286	74,773	81,316	36,743
Cannan	35,964	48,660	71,290	13,334
Caughlin Ranch	19,548	170,498	138,752	51,294
Corbett	28,912	19,895	21,709	27,098
Desert Heights	19,022	59,206	59,919	18,309
Diedrichsen	34,454	37,231	37,082	34,603
Dodson	18,180	30,112	33,308	14,984
Donner Springs	7,227	51,310	50,334	8,203
Double Diamond	57,899	96,364	108,952	45,311
Drake	15,293	20,965	22,943	13,315
Duncan	18,067	42,865	43,731	17,201
Dunn	13,420	72,936	59,170	27,186
Elmcrest	10,591	12,417	14,483	8,525
Gomes	42,331	66,272	56,935	51,668
Gomm	10,984	167,309	152,603	25,690
Greenbrae	25,204	37,484	44,898	17,790
Hall	26,142	92,936	90,333	28,745
Hidden Valley	12,166	30,356	30,475	12,047
Huffaker	49,454	193,854	197,791	45,517
Hunsberger	24,402	335,311	297,588	62,125
Hunter Lake	21,681	34,915	30,689	25,907
Incline	27,101	82,274	91,907	17,468
Juniper	31,198	102,058	98,650	34,606
Lemmon Valley	18,956	91,358	101,204	9,110
Lenz	25,221	61,386	56,488	30,119
Lincoln Park	25,547	32,375	39,101	18,821
Loder	6,244	29,005	32,651	2,598
Mathews	14,412	21,947	18,996	17,363
Maxwell	16,414	46,515	42,550	20,379
Melton	71,520	136,814	177,006	31,328
Mitchell	13,753	30,838	34,941	9,650
Moss	31,601	60,241	54,952	36,890
Mount Rose	18,543	26,658	36,087	9,114
Natchez	20,663	14,042	12,176	22,529
Palmer	40,890	71,182	73,571	38,501
Peavine	22,670	24,942	29,069	18,543
Picollo	54,693	50,864	44,132	61,425
Pleasant Valley	27,321	62,681	60,448	29,554
Risley	12,737	18,422	21,368	9,791
Sepulveda	46,274	136,684	119,318	63,640
Sierra Vista	3,605	27,471	24,801	6,275
Silver Lake	42,288	50,274	49,779	42,783
Smith, Alice	53,496	71,439	60,058	64,877
Smith, Kate	8,532	7,796	8,781	7,547
Smithridge	29,355	39,733	44,610	24,478
Spanish Springs	56,587	140,836	126,171	71,252
Stead	26,499	57,428	50,396	33,531
Sun Valley	16,131	51,753	49,399	18,485
Taylor	98,871	105,262	117,682	86,451
Towles	9,976	46,271	40,053	16,194

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

SCHOOLS	BALANCE JULY 1, 2010	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2011
ELEMENTARY SCHOOLS (CONTINUED)				
Van Gorder	\$ 9,838	\$ 116,896	\$ 113,001	\$ 13,733
Verdi	20,268	54,902	60,363	14,807
Veterans	13,202	18,651	19,420	12,433
Warner	12,445	50,416	45,531	17,330
Westergard	67,975	150,523	157,987	60,511
Whitehead	25,363	35,009	38,304	22,068
Winnemucca	37,367	187,304	176,356	48,315
Total elementary schools	<u>1,715,575</u>	<u>4,427,018</u>	<u>4,316,975</u>	<u>1,825,618</u>
MIDDLE SCHOOLS				
Billinghurst	67,990	209,602	188,262	89,330
Clayton	93,629	66,129	77,927	81,831
Cold Springs	60,517	198,385	199,713	59,189
Depoali	72,993	249,518	217,802	104,709
Dilworth	49,148	72,473	97,038	24,583
Incline	75,134	57,299	39,574	92,859
Mendive	65,666	141,491	155,006	52,151
O'Brien	47,884	106,376	102,045	52,215
Pine	103,699	186,119	216,492	73,326
Shaw	80,740	120,535	135,153	66,122
Sparks	48,476	114,217	113,067	49,626
Swope	57,187	207,626	200,003	64,810
Traner	24,618	46,969	45,142	26,445
Vaughn	17,089	36,371	44,175	9,285
Total middle schools	<u>864,770</u>	<u>1,813,110</u>	<u>1,831,399</u>	<u>846,481</u>
HIGH SCHOOLS				
Academy of Arts, Careers & Tech	82,051	123,079	118,362	86,768
Damonte Ranch	531,159	826,074	752,589	604,644
Galena	555,039	1,045,939	1,000,575	600,403
Gerlach (1)	34,016	34,821	37,586	31,251
Hug	211,578	305,331	292,274	224,635
Incline	112,119	263,018	242,221	132,916
McQueen	606,272	970,849	958,221	618,900
North Valleys	416,144	628,337	614,061	430,420
Reed	405,464	991,086	967,520	429,030
Reno	766,494	1,170,554	1,138,406	798,642
Spanish Springs	617,926	1,086,191	1,183,207	520,910
Sparks	355,684	429,749	404,728	380,705
TMCC	58,798	42,925	57,115	44,608
Washoe	152,662	70,092	36,109	186,645
Wooster	328,281	772,289	773,387	327,183
Total high schools	<u>5,233,687</u>	<u>8,760,334</u>	<u>8,576,361</u>	<u>5,417,660</u>
OTHER				
Administration Building	2,702	4,842	4,775	2,769
Gifted and Talented	4,126	41,392	34,650	10,868
Transportation Employee Fund	4,973	1,088	2,191	3,870
Total other funds	<u>11,801</u>	<u>47,322</u>	<u>41,616</u>	<u>17,507</u>
TOTALS	<u>\$ 7,825,833</u>	<u>\$ 15,047,784</u>	<u>\$ 14,766,351</u>	<u>\$ 8,107,266</u>

(1) Includes E.M. Johnson Elementary



Foresman

Foresman

Foresman



Capital Assets

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, 2011
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2010)**

	2011	2010
Governmental funds capital assets:		
Land	\$ 38,017,804	\$ 38,017,804
Buildings	751,109,468	730,216,496
Improvements other than buildings	21,412,780	20,366,025
Machinery and equipment	57,459,830	52,484,332
Construction in progress	23,913,664	16,376,260
Total governmental funds capital assets	\$ 891,913,546	\$ 857,460,917
Investments in governmental funds capital assets by source:		
General fund	\$ 158,280,266	\$ 151,124,708
Special revenue funds	7,174,059	6,733,058
Capital projects funds	725,222,038	698,369,888
Donations	1,237,183	1,233,263
Total governmental funds capital assets	\$ 891,913,546	\$ 857,460,917

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

**WASHOE COUNTY SCHOOL DISTRICT
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2011**

<u>FUNCTION AND ACTIVITY</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>MACHINERY AND EQUIPMENT</u>	<u>CONSTRUCTION IN PROGRESS</u>	<u>TOTAL</u>
General government:						
Instruction	\$ 131,639	\$ 253,565	\$ 117,353	\$ 7,387,546	\$ -	\$ 7,890,103
Student support	-	-	-	1,052,983	-	1,052,983
Instructional staff support	-	-	-	721,825	-	721,825
General administration	-	-	-	280,563	-	280,563
School administration	-	-	-	43,779	-	43,779
170 Central services	-	50,000	-	3,477,773	2,610,646	6,138,419
Operations and maintenance	-	9,924,637	-	2,322,783	110,191	12,357,611
Student transportation	-	-	-	26,382,913	-	26,382,913
Other support	-	-	-	42,407	-	42,407
Community services operations	-	-	-	12,779	-	12,779
Facilities	<u>37,886,165</u>	<u>740,881,266</u>	<u>21,295,427</u>	<u>15,734,479</u>	<u>21,192,827</u>	<u>836,990,164</u>
Total governmental funds capital assets	<u>\$ 38,017,804</u>	<u>\$ 751,109,468</u>	<u>\$ 21,412,780</u>	<u>\$ 57,459,830</u>	<u>\$ 23,913,664</u>	<u>\$ 891,913,546</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. Generally, the capital assets on internal service funds are included as governmental activities in the statement of net assets. The capital assets of the enterprise fund are reported separately under business-type activities.

**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, 2011**

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2010	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2011
General Government:				
Instruction	\$ 7,853,456	\$ 130,483	\$ 93,836	\$ 7,890,103
Student support	1,011,518	47,801	6,336	1,052,983
Instructional staff support	718,487	11,717	8,379	721,825
General administration	279,697	7,502	6,636	280,563
171 School administration	43,779	-	-	43,779
Central services	5,226,001	925,229	12,811	6,138,419
Operations and maintenance	12,164,007	193,604	-	12,357,611
Student transportation	23,509,638	2,888,319	15,044	26,382,913
Other support	42,407	-	-	42,407
Community services operations	12,779	-	-	12,779
Facilities	<u>806,599,148</u>	<u>30,483,661</u>	<u>92,645</u>	<u>836,990,164</u>
Total governmental funds capital assets	<u>\$ 857,460,917</u>	<u>\$ 34,688,316</u>	<u>\$ 235,687</u>	<u>\$ 891,913,546</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. Generally, the capital assets on internal service funds are included as governmental activities in the statement of net assets. The capital assets of the enterprise fund are reported separately under business-type activities.



Statistical Section



*Washoe County
School District*

Comprehensive
Annual
Financial Report

Statistical Section

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

	<u>Tables</u>
Financial Trends Provides trend information to assist in understanding how the District's financial performance and well-being have changed over time.	1.1 – 1.5
Revenue Capacity Information to assist in understanding the District's most significant local revenue sources, property taxes (ad valorem).	2.1 – 2.5
Debt Capacity Information assessing the affordability of the District's current levels of outstanding debt and the ability to issue additional debt in the future.	3.1 – 3.3
Demographic and Economic Information Indicators to assist in understanding the environment within which the District's financial activities take place.	4.1 – 4.2
Operating Information Service and infrastructure data to assist in understanding how the information in the District's financial report relates to the services and activities provided.	5.1 – 5.4

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

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

	Fiscal Year Ended June 30, 2011			
	2002	2003	2004	2005
Governmental activities				
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042	\$ 116,714,931	\$ 127,695,444
Restricted	36,878,994	48,612,148	42,954,923	51,789,892
Unrestricted	(12,198,137)	(8,263,575)	6,064,672	21,650,755
Total governmental activities net assets	\$ 124,396,253	\$ 143,623,615	\$ 165,734,526	\$ 201,136,091
Business-type activities				
Invested in capital assets	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	-	-	-
Total business-type activities net assets	\$ -	\$ -	\$ -	\$ -
Primary government				
Invested in capital assets, net of related debt	\$ 99,715,396	\$ 103,275,042	\$ 116,714,931	\$ 127,695,444
Restricted	36,878,994	48,612,148	42,954,923	51,789,892
Unrestricted	(12,198,137)	(8,263,575)	6,064,672	21,650,755
Total primary government net assets	\$ 124,396,253	\$ 143,623,615	\$ 165,734,526	\$ 201,136,091

Source: Washoe County School District Business Office

Table 1.1

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$	136,809,928	\$ 146,148,691	\$ 162,631,890	\$ 174,502,710	\$ 172,508,687	\$ 210,091,401
	60,204,389	98,216,742	114,710,349	130,837,182	138,439,390	108,417,840
	35,443,408	28,324,447	38,226,905	43,165,344	56,704,911	56,692,790
\$	<u>232,457,725</u>	<u>272,689,880</u>	<u>315,569,144</u>	<u>348,505,236</u>	<u>367,652,988</u>	<u>375,202,031</u>
\$	542,397	\$ 503,245	\$ 404,802	\$ 396,799	\$ 633,724	\$ 551,185
	3,156,740	2,667,745	2,713,850	3,304,626	3,693,147	3,387,368
\$	<u>3,699,137</u>	<u>3,170,990</u>	<u>3,118,652</u>	<u>3,701,425</u>	<u>4,326,871</u>	<u>3,938,553</u>
\$	137,352,325	\$ 146,651,936	\$ 163,036,692	\$ 174,899,509	\$ 173,142,411	\$ 210,642,586
	60,204,389	98,216,742	128,996,995	130,837,182	138,439,390	108,417,840
	38,600,148	30,992,192	26,654,109	46,469,970	60,398,058	60,080,158
\$	<u>236,156,862</u>	<u>275,860,870</u>	<u>318,687,796</u>	<u>352,206,661</u>	<u>371,979,859</u>	<u>379,140,584</u>

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Expenses				
Governmental activities				
Instruction				
Regular instruction	\$ 180,196,628	\$ 184,993,866	\$ 194,831,967	\$ 206,911,454
Special instruction	30,070,560	32,001,726	34,870,606	37,356,574
Vocational instruction	6,593,175	6,227,423	7,299,838	7,310,262
Other instruction	4,767,956	5,009,228	5,263,695	5,299,761
Adult education instruction	-	-	-	-
Community services instruction	-	-	-	-
Co-curricular instruction	-	-	-	-
Total instruction	<u>221,628,319</u>	<u>228,232,243</u>	<u>242,266,106</u>	<u>256,878,051</u>
Support services				
Instruction	-	-	-	-
Student support	17,903,382	18,448,225	21,195,379	25,372,276
Instructional staff support	13,329,522	15,336,683	15,536,807	15,787,724
General administration	5,542,329	6,077,638	6,261,080	6,632,435
School administration	18,739,572	19,965,103	21,622,401	22,674,418
Central services	8,699,048	9,105,838	10,653,433	13,448,660
Operation and maintenance	32,528,440	33,658,260	34,840,160	36,854,305
Student transportation	12,376,312	13,343,831	13,507,932	15,126,041
Other support	179,924	336,498	199,114	144,341
Nutrition services	12,554,171	13,373,888	13,853,617	14,621,816
Community service operations	-	-	-	-
Facilities	17,369,591	13,737,063	17,294,160	17,700,847
Interest on long-term debt	22,161,971	17,121,442	19,132,944	18,955,978
Amortization of issuance costs on debt	-	459,603	547,483	715,201
Total support services	<u>161,384,262</u>	<u>160,964,072</u>	<u>174,644,510</u>	<u>188,034,042</u>
Unallocated refund of Incline Village property taxes	-	-	-	-
Total governmental activities	<u>383,012,581</u>	<u>389,196,315</u>	<u>416,910,616</u>	<u>444,912,093</u>
Business-type activities				
Nutrition services	-	-	-	-
Total school district	<u>\$ 383,012,581</u>	<u>\$ 389,196,315</u>	<u>\$ 416,910,616</u>	<u>\$ 444,912,093</u>

Table 1.2

	2006	2007	2008	2009	2010	2011
\$	219,283,856	\$ 237,531,977	\$ 249,002,229	\$ 255,214,934	\$ 215,922,516	\$ 200,910,500
	40,361,274	43,558,232	46,242,040	51,095,105	67,093,235	66,119,459
	7,978,977	6,859,471	7,025,834	7,408,013	8,289,052	8,192,784
	4,908,141	5,983,182	5,883,354	6,478,515	50,408,402	62,794,001
	-	-	-	-	1,600,284	1,951,707
	-	-	-	-	856,533	757,579
	-	-	-	-	3,422,601	3,447,205
	<u>272,532,248</u>	<u>293,932,862</u>	<u>308,153,457</u>	<u>320,196,567</u>	<u>347,592,623</u>	<u>344,173,235</u>
	-	-	-	-	293,830	339,215
	27,775,369	28,176,004	32,412,506	34,798,496	25,696,965	24,832,719
	18,234,230	21,037,319	24,081,071	24,778,616	12,090,308	12,117,988
	7,195,661	8,181,454	9,670,750	10,209,601	5,652,249	5,267,326
	24,734,884	26,058,599	29,873,872	31,301,763	31,075,074	29,682,847
	14,374,653	15,077,494	16,161,147	18,357,475	23,144,740	20,817,611
	42,085,877	45,212,457	47,252,870	50,175,497	48,294,122	45,840,239
	16,311,285	17,172,992	21,834,104	21,974,038	15,454,876	15,173,027
	29,117	231,449	238,197	313,763	11,137	2,079,234
	-	-	-	-	-	-
	-	-	271,759	231,969	402,769	388,674
	16,272,050	25,817,244	22,954,240	26,315,951	31,261,928	30,214,091
	20,921,135	20,107,992	22,641,916	24,090,170	25,395,984	24,139,763
	804,603	1,114,139	1,118,092	1,151,957	1,093,095	1,364,618
	<u>188,738,864</u>	<u>208,187,143</u>	<u>228,510,524</u>	<u>243,699,296</u>	<u>219,867,077</u>	<u>212,257,352</u>
	-	-	-	-	-	15,000,000
	<u>461,271,112</u>	<u>502,120,005</u>	<u>536,663,981</u>	<u>563,895,863</u>	<u>567,459,700</u>	<u>571,430,587</u>
	<u>15,603,133</u>	<u>16,973,722</u>	<u>18,028,995</u>	<u>17,334,964</u>	<u>18,643,773</u>	<u>18,937,409</u>
\$	<u><u>476,874,245</u></u>	<u><u>519,093,727</u></u>	<u><u>554,692,976</u></u>	<u><u>581,230,827</u></u>	<u><u>586,103,473</u></u>	<u><u>590,367,996</u></u>

(CONTINUED)

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Program revenues				
Governmental activities				
Charges for services				
Regular instruction	\$ 221,483	\$ 231,908	\$ 158,452	\$ 172,569
Other instruction	934,942	1,104,753	985,198	1,175,060
Instructional staff support	205,004	240,161	236,461	238,541
General administration	-	-	-	-
School administration	142,112	145,547	153,168	149,688
Nutrition services	6,175,534	6,154,667	6,287,680	6,578,912
Community services instruction	-	-	-	-
Operating grants and contributions	68,176,805	71,314,386	75,489,897	86,721,909
Total governmental activities program revenues	<u>75,855,880</u>	<u>79,191,422</u>	<u>83,310,856</u>	<u>95,036,679</u>
Business-type activities				
Charges for services	-	-	-	-
Operating grants and contributions	-	-	-	-
Total business-type activities revenues	-	-	-	-
Total primary government revenues	<u>\$ 75,855,880</u>	<u>\$ 79,191,422</u>	<u>\$ 83,310,856</u>	<u>\$ 95,036,679</u>
Net (expense)/revenue				
Governmental activities	\$ (307,156,701)	\$ (310,004,893)	\$ (333,599,760)	\$ (349,875,414)
Business-type activities	-	-	-	-
Total primary government net expense	<u>\$ (307,156,701)</u>	<u>\$ (310,004,893)</u>	<u>\$ (333,599,760)</u>	<u>\$ (349,875,414)</u>
General revenues and other changes in net assets				
Governmental activities				
Taxes				
Property taxes	\$ 102,617,739	\$ 109,768,083	\$ 117,819,676	\$ 126,044,207
Local school support taxes	112,258,067	116,959,363	128,565,040	145,056,434
Government service taxes	13,015,491	14,230,955	15,817,100	17,260,710
Other local sources	3,324,087	4,406,690	4,476,050	5,297,089
Unrestricted investment earnings	7,363,521	4,912,745	1,672,999	5,789,233
State aid not restricted to specific purposes	75,088,119	78,721,232	87,154,547	85,542,351
State aid special appropriations	-	-	-	-
ARRA - State fiscal stabilization	-	-	-	-
Franchise taxes	230,353	233,187	205,259	286,955
State portion of Incline Village property taxes	-	-	-	-
Total governmental activities	<u>313,897,377</u>	<u>329,232,255</u>	<u>355,710,671</u>	<u>385,276,979</u>
Business-type activities				
Transfers	-	-	-	-
Total primary government revenues	<u>\$ 313,897,377</u>	<u>\$ 329,232,255</u>	<u>\$ 355,710,671</u>	<u>\$ 385,276,979</u>
Change in net assets				
Governmental activities	\$ 6,740,676	\$ 19,227,362	\$ 22,110,911	\$ 35,401,565
Business-type activities	-	-	-	-
Total primary government	<u>\$ 6,740,676</u>	<u>\$ 19,227,362</u>	<u>\$ 22,110,911</u>	<u>\$ 35,401,565</u>

Source: Washoe County School District Business Office

Table 1.2

	2006	2007	2008	2009	2010	2011
\$	263,077	\$ 290,232	\$ -	\$ -	\$ -	\$ -
	976,922	1,193,347	1,283,690	1,038,137	544,918	1,410,373
	425,096	580,332	520,432	390,408	-	-
	-	-	-	-	389,397	-
	140,864	152,068	162,735	162,438	-	-
	-	-	-	-	-	-
	-	-	215,864	205,767	335,279	433,266
	86,523,775	105,380,311	98,800,969	105,300,822	107,415,696	115,193,329
	<u>88,329,734</u>	<u>107,596,290</u>	<u>100,983,690</u>	<u>107,097,572</u>	<u>108,685,290</u>	<u>117,036,968</u>
	6,945,811	6,870,401	6,738,145	5,968,280	5,381,119	4,933,054
	9,313,397	9,575,174	10,988,512	11,949,457	13,562,465	13,616,037
	16,259,208	16,445,575	17,726,657	17,917,737	18,943,584	18,549,091
\$	<u>104,588,942</u>	<u>124,041,865</u>	<u>118,710,347</u>	<u>125,015,309</u>	<u>127,628,874</u>	<u>135,586,059</u>
\$	(372,941,378)	\$ (394,523,715)	\$ (435,680,291)	\$ (456,798,291)	\$ (458,774,410)	\$ (454,393,619)
	656,075	(528,147)	(302,338)	582,773	299,811	(388,318)
\$	<u>(372,285,303)</u>	<u>(395,051,862)</u>	<u>(435,982,629)</u>	<u>(456,215,518)</u>	<u>(458,474,599)</u>	<u>(454,781,937)</u>
\$	136,445,205	\$ 150,413,632	\$ 161,108,715	\$ 170,321,918	\$ 167,348,704	\$ 153,694,307
	161,027,372	156,893,557	153,328,703	120,369,201	127,099,100	128,788,689
	18,277,143	18,677,186	18,297,902	16,643,570	15,321,249	14,560,297
	6,610,442	6,040,636	6,502,756	7,608,186	6,476,613	10,587,927
	7,304,748	10,277,185	13,687,934	9,476,546	4,954,850	6,630,982
	77,280,007	92,147,678	125,171,400	143,080,662	156,389,169	143,954,130
	-	-	-	-	-	527,290
	-	-	-	21,869,831	-	-
	361,157	305,996	462,145	364,469	332,477	365,707
	-	-	-	-	-	2,833,333
	<u>407,306,074</u>	<u>434,755,870</u>	<u>478,559,555</u>	<u>489,734,383</u>	<u>477,922,162</u>	<u>461,942,662</u>
	-	-	250,000	-	325,635	-
\$	<u>407,306,074</u>	<u>434,755,870</u>	<u>478,809,555</u>	<u>489,734,383</u>	<u>478,247,797</u>	<u>461,942,662</u>
\$	34,364,696	\$ 40,232,155	\$ 42,879,264	\$ 32,936,092	\$ 19,147,752	\$ 7,549,043
	656,075	(528,147)	(52,338)	582,773	625,446	(388,318)
\$	<u>35,020,771</u>	<u>39,704,008</u>	<u>42,826,926</u>	<u>33,518,865</u>	<u>19,773,198</u>	<u>7,160,725</u>

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
General fund				
Reserved	\$ 2,917,834	\$ 2,332,785	\$ 6,310,332	\$ 1,955,639
Unreserved	2,515,484	8,223,279	12,600,229	22,681,321
Non-spendable	-	-	-	-
Assigned	-	-	-	-
Total general fund	\$ 5,433,318	\$ 10,556,064	\$ 18,910,561	\$ 24,636,960
All other governmental funds				
Reserved	\$ 75,152,558	\$ 54,937,381	\$ 46,972,103	\$ 76,987,832
Unreserved reported in				
Special revenue funds	1,294,478	1,714,981	4,475,704	7,022,230
Capital projects funds	28,562,722	34,344,217	63,947,633	93,283,119
Restricted	-	-	-	-
Total all other governmental funds	\$ 105,009,758	\$ 90,996,579	\$ 115,395,440	\$ 177,293,181
Total governmental funds	\$ 110,443,076	\$ 101,552,643	\$ 134,306,001	\$ 201,930,141

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

* The format for reporting Fund Balances changed per GASB 54 for Fiscal Year Ended June 30, 2011.

Source: Washoe County School District Business Office

Table 1.3

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 *</u>
\$ 2,991,296	\$ 2,896,595	\$ 1,711,496	\$ 3,624,998	\$ 2,822,180	\$ -
28,909,898	34,864,420	46,515,636	53,180,043	61,710,700	-
-	-	-	-	-	1,108,844
-	-	-	-	-	70,548,331
<u>\$ 31,901,194</u>	<u>\$ 37,761,015</u>	<u>\$ 48,227,132</u>	<u>\$ 56,805,041</u>	<u>\$ 64,532,880</u>	<u>\$ 71,657,175</u>
\$ 67,813,194	\$ 66,760,281	\$ 121,979,693	\$ 103,186,619	\$ 90,860,701	\$ -
9,953,987	14,959,439	14,286,646	11,089,587	4,394,767	-
54,227,357	109,248,946	82,927,717	77,107,155	86,521,977	-
-	-	-	-	-	134,001,940
<u>\$ 131,994,538</u>	<u>\$ 190,968,666</u>	<u>\$ 219,194,056</u>	<u>\$ 191,383,361</u>	<u>\$ 181,777,445</u>	<u>\$ 134,001,940</u>
<u>\$ 163,895,732</u>	<u>\$ 228,729,681</u>	<u>\$ 267,421,188</u>	<u>\$ 248,188,402</u>	<u>\$ 246,310,325</u>	<u>\$ 205,659,115</u>

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Revenues				
Local sources	\$ 245,902,508	\$ 258,706,169	\$ 277,758,436	\$ 309,321,004
State sources	115,513,083	117,830,448	125,302,983	129,972,727
Federal sources	26,831,858	31,007,808	35,131,347	40,324,344
Other sources	1,418,410	1,258,824	2,010	37,345
Total revenues	389,665,859	408,803,249	438,194,776	479,655,420
Expenditures				
Current				
Regular programs	179,366,818	183,529,233	197,968,562	208,690,609
Special programs	29,938,441	31,741,223	34,842,293	37,844,397
Vocational programs	6,564,020	6,169,534	7,293,902	7,405,722
Other instructional programs	2,930,266	2,776,041	2,928,092	3,114,088
Adult education programs	1,090,042	1,420,058	1,369,039	1,327,449
Food service programs	12,576,917	13,507,772	14,009,635	14,838,211
Community services programs	701,908	762,200	813,387	793,625
Co-curricular programs	-	-	-	-
Undistributed expenditures				
Instruction	-	-	-	-
Student support	17,842,362	18,343,762	21,396,488	25,956,643
Instructional staff support	13,268,685	15,217,607	15,593,094	16,027,761
General administration	5,502,641	6,027,809	6,240,901	6,743,167
School administration	18,669,539	19,791,036	21,604,444	22,993,010
Central services	8,662,595	9,069,891	10,753,118	14,168,104
Operation and maintenance	35,762,338	33,181,675	34,592,121	37,737,291
Student transportation	12,142,202	12,635,127	12,717,685	19,047,410
Other support	167,506	332,299	189,113	132,307
Community service operations	-	-	-	-
Capital projects	5,195,672	3,430,599	2,249,578	799,093
Capital outlay				
Capital outlay	40,212,360	53,318,529	36,588,795	18,261,546
Debt service				
Principal	20,028,992	22,144,229	23,392,727	25,720,391
Interest	19,892,555	16,422,095	19,474,379	19,156,006
Bond issuance costs	-	898,612	693,292	547,149
Other	1,105,185	-	9,846	13,738
Total expenditures	431,621,044	450,719,331	464,720,491	481,317,717
Excess (deficiency) of revenues over expenditures	(41,955,185)	(41,916,082)	(26,525,715)	(1,662,297)
Other financing sources (uses)				
Capital leases	3,945,569	259,770	6,914,598	1,019,287
Refunded capital leases	9,710,001	-	-	-
Refunding bonds Issued	46,939,230	68,940,000	11,820,000	22,970,000
Payments for refunded capital leases	(5,959,017)	(2,881,410)	-	-
Bonds issued	-	36,000,000	55,000,000	66,000,000
Debt premiums	-	6,925,688	1,112,967	6,792,039
Payments to refunded bonds escrow agent	(46,707,069)	(74,464,866)	(12,011,244)	(25,147,135)
Transfers in	19,020,755	20,201,851	24,167,589	26,057,411
Transfers out	(20,549,591)	(21,955,384)	(27,904,837)	(28,405,165)
Total other financing sources (uses)	6,399,878	33,025,649	59,099,073	69,286,437
Net change in fund balances	\$ (35,555,307)	\$ (8,890,433)	\$ 32,573,358	\$ 67,624,140
Debt service as a percentage of non-capital expenditures	10.20%	9.70%	10.01%	9.69%

Source: Washoe County School District Business Office

Table 1.4

	2006	2007	2008	2009	2010	2011
\$	332,242,387	\$ 345,206,688	\$ 357,047,961	\$ 325,570,132	\$ 324,664,593	\$ 318,889,279
	130,050,648	163,589,108	186,229,991	210,879,096	215,449,306	203,695,579
	31,975,138	32,223,794	34,469,253	56,883,485	45,264,459	53,123,315
	37,224	32,032	281,635	245,070	28,533	50,630
	494,305,397	541,051,622	578,028,840	593,577,783	585,406,891	575,758,803
	219,930,930	239,765,677	251,866,060	257,809,827	218,542,060	203,716,213
	40,502,495	43,980,533	46,753,582	51,831,651	68,224,241	67,145,848
	8,006,895	6,925,974	7,103,556	7,501,464	8,418,594	8,320,821
	3,199,927	3,917,914	3,839,555	4,408,490	52,361,058	64,073,815
	1,080,063	1,268,709	1,168,060	1,098,957	1,651,604	1,990,893
	-	-	-	-	-	-
	642,275	854,566	940,823	938,856	884,001	766,830
	-	-	-	-	3,532,363	3,501,320
	-	-	-	-	303,553	346,751
	27,771,224	28,350,002	32,776,708	35,069,594	25,923,410	25,209,150
	18,305,324	21,286,332	24,379,737	24,911,810	12,169,686	12,277,373
	7,208,768	8,248,281	9,757,193	10,223,323	5,737,648	5,316,382
	24,818,064	26,307,853	30,212,368	31,600,900	31,584,124	30,116,636
	14,336,042	16,130,137	16,685,962	18,384,237	24,726,262	21,679,439
	41,985,686	45,666,518	47,596,337	50,598,979	48,859,813	46,267,691
	16,801,178	19,067,657	23,660,180	20,516,229	14,908,326	16,484,167
	16,851	217,113	238,840	315,279	-	-
	-	-	275,219	229,920	414,448	394,001
	2,793,185	6,964,292	3,525,626	10,358,602	11,666,683	6,480,102
	84,238,853	21,753,919	39,965,163	73,219,024	37,999,224	34,688,316
	26,553,319	29,302,637	32,277,384	32,747,389	43,609,116	47,411,206
	20,881,655	20,276,179	22,752,490	24,035,406	25,444,338	24,351,047
	1,710,989	511,796	351,480	629,331	455,566	540,294
	12,325	14,900	14,351	11,698	142,169	2,078,371
	560,796,048	540,810,989	596,140,674	656,440,966	637,558,287	623,156,666
	(66,490,651)	240,633	(18,111,834)	(62,863,183)	(52,151,396)	(47,397,863)
	1,005,000	1,705,000	3,398,000	-	870,000	2,192,000
	-	-	-	-	-	-
	29,820,000	66,585,000	-	-	13,700,000	41,515,000
	-	-	-	-	-	-
	30,000,000	65,000,000	55,000,000	45,000,000	50,995,000	5,815,000
	402,898	184,417	701,953	338,162	1,022,133	4,954,986
	(28,475,000)	(67,010,175)	-	-	(14,570,000)	(46,104,110)
	30,256,343	38,571,267	33,207,173	38,580,485	35,608,717	39,489,238
	(32,154,842)	(40,442,193)	(35,503,785)	(40,288,250)	(37,352,531)	(41,115,462)
	30,854,399	64,593,316	56,803,341	43,630,397	50,273,319	6,746,652
\$	(35,636,252)	64,833,949	38,691,507	(19,232,786)	(1,878,077)	(40,651,211)
	9.95%	9.55%	9.89%	9.74%	11.52%	12.19%

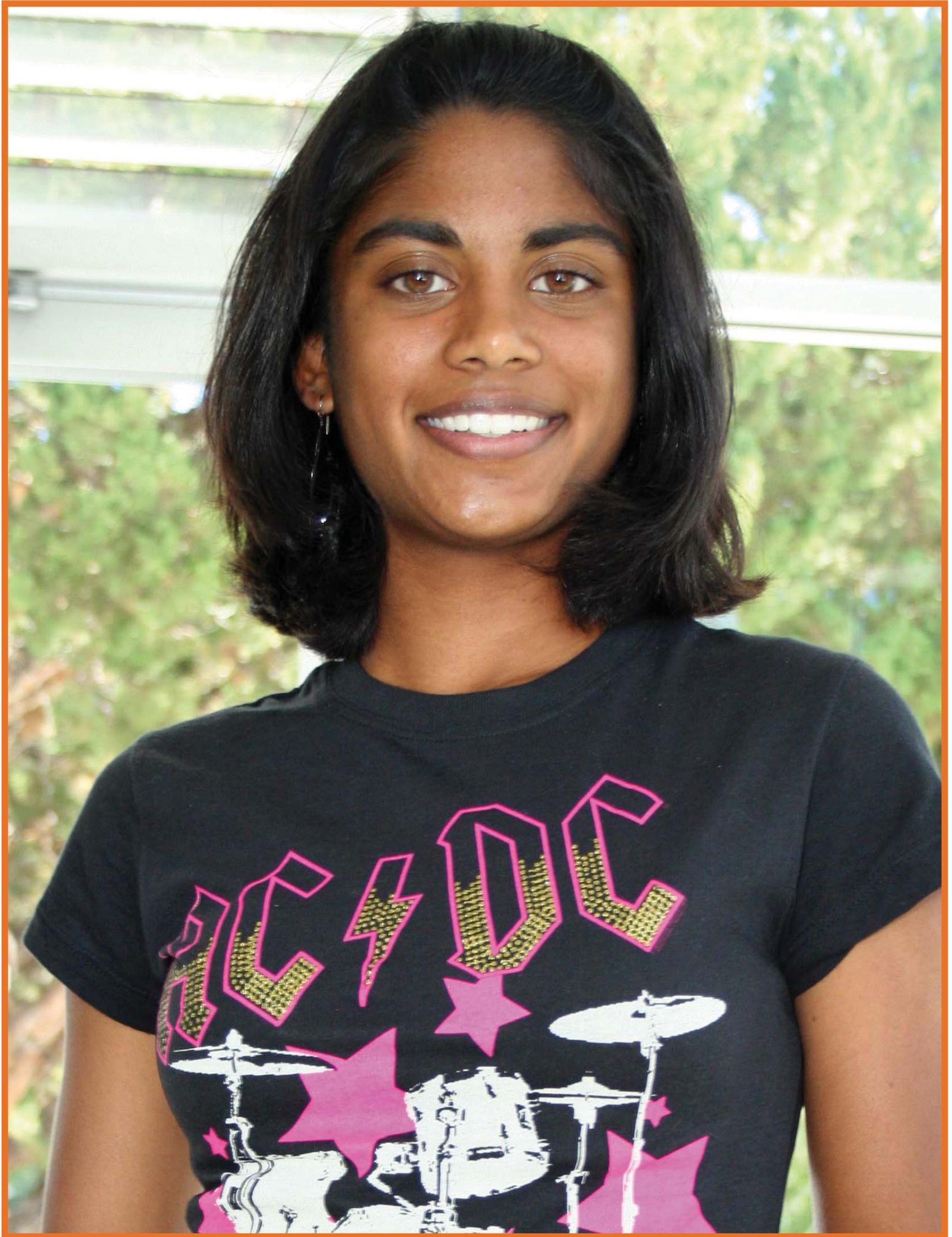
**Washoe County School District
Major Governmental Revenues By Source
Last Ten Fiscal Years
(modified accrual basis of accounting)**

Fiscal Year Ended June 30,	General Fund State Distributive School Fund	General Fund Ad Valorem Taxes	General Fund Franchise Tax	General Fund Government Services Tax	General Fund Local School Support Tax (Sales Tax)
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
2009	143,080,662	110,021,656	364,469	13,219,509	120,369,201
2010	156,389,169	109,168,786	332,477	12,163,806	127,099,100
2011	143,954,130	101,306,516	365,707	11,566,263	128,788,689

Source: Washoe County School District Business Office

Table 1.5

<u>General Fund Investment Income</u>	<u>General Fund ARRA State Fiscal Stabilization</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>
\$ 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
1,883,405	21,869,831	58,121,673	3,424,061	22,892,682
876,542	-	57,629,191	3,157,443	22,866,600
513,922	-	53,348,510	2,994,034	22,911,657



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

Table 2.1

Taxpayer	2011			2002		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Peppermill Casinos, Inc.	\$ 106,730	1	0.78%	\$ 56,925	4	0.60%
Prologis NA3 LLC	65,484	2	0.48%	-	-	-
Sparks Legend Development	45,028	3	0.33%	-	-	-
Golden Road Motor, Inc.	41,745	4	0.31%	-	-	-
Circus Circus & El Dorado Joint Venture	41,165	5	0.30%	83,769	2	0.89%
Credit Markets Real Estate Corporation	37,107	6	0.27%	-	-	-
International Game Technology	35,280	7	0.26%	-	-	-
Prologis NA3 NV V LLC	34,889	8	0.25%	-	-	-
Northwestern Mutal Life Insurance	26,151	9	0.19%	-	-	-
Montage Marketing Corporation	24,351	10	0.18%	-	-	-
Sierra Pacific Power Company	-	-	-	140,364	1	1.48%
Nevada Bell	-	-	-	58,223	3	0.61%
Sparks Nugget Inc.	-	-	-	47,784	5	0.50%
Dermody Industrial Park	-	-	-	46,119	6	0.49%
El Dorado Resorts, LLC	-	-	-	43,399	7	0.46%
FHR Corporation	-	-	-	43,291	8	0.46%
Circus Circus Casinos, Inc.	-	-	-	40,305	9	0.43%
Harrah's Club	-	-	-	38,780	10	0.41%
SUBTOTAL	457,930		3.35%	598,959		6.33%
All other taxpayers	13,200,921		96.65%	8,862,074		93.67%
TOTAL ASSESSED VALUATION	\$ 13,658,851		100.00%	\$ 9,461,033		100.00%

Source: Washoe County Comptroller's Office

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Washoe County				
Operating rate	0.8567	0.9217	0.9167	0.9231
Voter approved				
Child protective services	0.0400	0.0400	0.0400	0.0400
Regional animal services	-	-	0.0300	0.0300
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
Indigent health	0.0850	0.0800	0.0900	0.1000
Capital acquisition	0.0500	0.0500	0.0500	0.0500
Youth services	0.0048	0.0070	0.0084	0.0083
Detention center	0.0774	0.0774	0.0774	0.0774
SCCRT loss	-	-	0.0150	-
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	0.0652	0.0778	0.0778	0.0715
Total Washoe County direct rate	1.2705	1.3453	1.3817	1.3917
State of Nevada	0.1500	0.1500	0.1700	0.1700
Washoe County School District	1.1385	1.1385	1.1385	1.1385
Total, Washoe County unincorporated area	2.5590	2.6338	2.6902	2.7002
Cities				
City of Reno	0.9556	0.9456	0.9456	0.9456
City of Sparks	0.8653	0.9361	0.9161	0.9161
Fire Districts				
North Lake Tahoe Fire Protection District	0.5068	0.5101	0.5227	0.4746
Sierra Fire Protection District	0.4200	0.4200	0.4200	0.4200
Truckee Meadows Fire Protection District	0.4813	0.4813	0.4813	0.4713
General Improvement Districts				
Gerlach	-	-	-	-
Incline Village	0.0682	0.0695	0.0741	0.0730
Palomino Valley	0.3970	0.3965	0.4230	0.4353
South Truckee Meadows	0.1216	0.1125	0.1007	-
Other Special Districts				
Lemmon Valley Underground Water Basin	-	-	0.0022	0.0020
Sun Valley Water & Sanitation District	0.1084	0.1137	0.1243	0.1329
Truckee Meadows Underground Water	0.0005	0.0005	0.0004	0.0005

Source: Washoe County Comptroller's Office

Table 2.2

2006	2007	2008	2009	2010	2011
0.9231	0.9401	0.9592	0.9629	0.9612	0.9611
0.0400	0.0400	0.0400	0.0400	0.0400	0.0400
0.0300	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	0.0150	0.0150	0.0150	0.0150	0.0150
0.1000	0.0950	0.0800	0.0800	0.0800	0.0750
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.0083	0.0077	0.0077	0.0077	0.0077	0.0088
0.0774	0.0774	0.0774	0.0774	0.0774	0.0774
-	-	-	-	-	-
0.0192	0.0192	0.0192	0.0192	0.0192	0.0192
0.0272	0.0272	0.0272	0.0272	0.0272	0.0272
0.0715	0.0601	0.0560	0.0523	0.0540	0.0580
1.3917	1.3917	1.3917	1.3917	1.3917	1.3917
0.1700	0.1700	0.1700	0.1700	0.1700	0.1700
1.1385	1.1385	1.1385	1.1385	1.1385	1.1385
2.7002	2.7002	2.7002	2.7002	2.7002	2.7002
0.9456	0.9456	0.9456	0.9456	0.9456	0.9456
0.9161	0.9161	0.9161	0.9161	0.9161	0.9161
0.5118	0.5070	0.5142	0.5226	0.5275	0.5389
0.4200	0.4200	0.4200	0.5200	0.5200	0.5200
0.4713	0.4713	0.4713	0.4713	0.4713	0.4713
-	-	-	-	0.2550	0.2500
0.0702	0.0687	0.0711	0.0741	0.0755	0.0806
0.4168	0.4270	0.4270	0.4885	0.4885	0.4885
-	-	-	-	-	-
0.0019	0.0017	0.0012	-	-	-
0.1329	0.1329	0.1329	0.1329	0.1457	0.1736
0.0005	0.0004	0.0004	0.0005	0.0040	0.0005

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

Fiscal Year Ended June 30,	Real Property Assessed Property				Personal Property Assessed Value
	Residential	Commercial	Industrial	Other	
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
2009	12,389,860	3,598,911	1,096,143	2,430,308	738,274
2010	10,680,846	3,779,799	1,092,343	1,475,332	748,403
2011	9,426,219	3,489,578	1,022,668	1,584,556	636,184

Source: Washoe County Comptroller's Office

Table 2.3

Total				
Less: Exempt Property	Taxable Assessed Value	Estimated Actual Assessed Value	Assessed Value To Taxable Value	Total Direct Tax Rate
1,194,463	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%	1.3917
3,046,485	17,207,011	49,162,889	35.00%	1.3917
2,677,247	15,099,476	43,141,360	35.00%	1.3917
2,500,354	13,658,851	39,025,289	35.00%	1.3917

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

Table 2.4

Fiscal Year Ended June 30,	Net Secured Roll Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections As Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes As Percent of Current Levy
2002	291,603	288,340	98.88%	3,223	291,563	99.99%	40	0.01%
2003	320,081	316,661	98.93%	3,384	320,045	99.99%	36	0.01%
2004	348,064	345,198	99.18%	2,820	348,018	99.99%	46	0.01%
2005	372,702	370,001	99.27%	2,657	372,658	99.99%	44	0.01%
2006	404,224	401,305	99.28%	2,872	404,177	99.99%	47	0.01%
2007	446,362	442,446	99.12%	3,806	446,252	99.98%	110	0.02%
2008	480,945	472,860	98.32%	7,691	480,551	99.92%	394	0.08%
2009	514,531	504,268	98.01%	8,882	513,150	99.73%	1,381	0.27%
2010	504,823	495,281	98.11%	5,966	501,247	99.29%	3,576	0.71%
2011	458,717	451,994	98.53%	-	451,994	98.53%	-	0.00%

Source: Washoe County Comptroller's Office

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
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%
2009	5,707,791	-16.4%	2.25%
2010	5,176,982	-9.3%	2.60%
2011	5,282,935	2.0%	2.60%

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 (a)	Per Capita (b)	Capital Lease Obligations	Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)
2002	355,985,000	3.91%	983.82	21,150,750	377,135,750	2.84%	1,042.27
2003	352,425,000	3.72%	949.34	17,429,798	369,854,798	2.66%	996.29
2004	385,090,000	3.70%	1,009.74	23,131,681	408,221,681	2.63%	1,070.39
2005	427,205,000	3.88%	1,092.98	22,255,576	449,460,576	2.69%	1,149.92
2006	433,985,000	3.62%	1,089.77	21,272,256	455,257,256	2.60%	1,143.18
2007	474,945,000	3.46%	1,168.85	20,709,619	495,654,619	2.70%	1,219.82
2008	500,380,000	3.31%	1,213.87	21,395,235	521,775,235	2.69%	1,265.77
2009	515,520,000	3.00%	1,242.76	18,507,845	534,027,845	2.88%	1,287.37
2010	524,700,000	3.47%	1,245.11	16,713,729	541,413,729	3.11%	1,284.78
2011	482,900,000	3.54%	1,126.34	16,209,523	499,109,523	2.78%	1,164.14

Source: Washoe County School District Business Office

Source Information for this report

Washoe County School District

(a) See Schedule 2.3 for taxable property value

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

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

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
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%
2009	2,659,385,485	515,520,000	2,143,865,485	19.38%
2010	2,335,848,390	528,719,733	1,807,128,657	22.64%
2011	2,096,403,009	478,325,526	1,618,077,483	22.82%

Legal debt margin calculation for fiscal year ended June 30, 2011

Current assessed valuation for 2011/2012 tax year	\$ 13,658,850,921
Redevelopment agencies	317,169,140
Total assessed value	<u>13,976,020,061</u>
General obligation debt limit (15%)	2,096,403,009
Outstanding general obligation debt	478,325,526
Legal debt margin	<u><u>\$ 1,618,077,483</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, JNA Consulting

Washoe County School District
Washoe County, Nevada
General Obligation Direct and Overlapping Debt
As of June 30, 2011
(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>
Direct debt				
Washoe County School District	\$ 482,900	\$ -	100%	\$ 482,900
Overlapping				
Washoe County-Governmental Activity Bonds	134,329	-	100%	134,329
Washoe County-Special Assessment Bonds	2,652	2,652	100%	-
Reno/Sparks Convention Visitor's Authority	127,195	127,195	100%	-
City of Reno	51,440	-	100%	51,440
City of Reno-supported by specific revenues	338,385	338,385	100%	-
Reno-Special Assessment Bonds	20,617	20,617	100%	-
City of Sparks	5,610	-	100%	5,610
Sparks-Sewer/Utility Bonds	55,741	55,741	100%	-
Incline Village General Improvement District	18,646	18,646	100%	-
State of Nevada	<u>2,167,665</u>	<u>650,645</u>	14.74%	<u>223,609</u>
Total overlapping debt	<u>2,922,280</u>	<u>1,213,881</u>		<u>414,988</u>
Total direct and overlapping debt	<u>\$ 3,405,180</u>	<u>\$ 1,213,881</u>		<u>\$ 897,888</u>

Source: Washoe County Comptroller's Office

¹Special assessment bonds are not general obligations of Washoe County, or of the Cities of Reno and Sparks. If, however, the special assessments collected with all other available resources were insufficient to meet debt service requirements on these bonds, the respective bond ordinances require that the deficiency be made up with the government's general fund.

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

Fiscal Year Ended June 30,	Population	Per Capita Income	Median Age	School Enrollment*	Total Personal Income	Unemployment Rate
2002	361,841	37	35.6	57,583	13,273,476	4.9%
2003	371,231	37	35.8	58,903	13,900,375	4.6%
2004	381,377	41	35.1	60,408	15,532,986	4.2%
2005	390,863	42	36.1	62,097	16,700,497	4.0%
2006	398,236	43	36.5	62,372	17,510,758	4.0%
2007	406,335	44	34.5	63,025	18,378,021	4.5%
2008	412,219	46	36.5	63,628	19,392,856	6.8%
2009	414,820	45	36.4	63,287	18,550,337	11.6%
2010	421,407	47	37.5	62,455	17,421,365	13.6%
2011	428,735	49	36.4	62,323	17,944,975	12.9%

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

Table 4.1

Total Labor Force	Construction Activity Total Value	Number of New Family Units	Taxable Sales	Gross Income From Gaming	Total Passenger Air Traffic
203,149	294,356	1,324	5,292,179	1,049,152	4,485,369
205,007	305,249	1,217	5,481,583	1,032,988	4,514,225
209,715	345,640	1,009	6,023,437	1,011,658	4,918,829
210,650	368,356	1,113	6,687,447	1,016,864	5,097,170
218,144	307,686	851	7,268,593	1,072,937	5,149,700
220,337	225,085	557	7,202,641	1,069,608	5,014,382
221,785	202,519	240	6,823,701	996,614	4,841,257
224,089	85,407	103	5,707,791	867,198	3,979,015
221,954	55,952	36	5,176,982	788,509	3,777,701
212,480	67,721	55	5,282,935	751,467	3,795,421

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

Table 4.2

Employer	December, 2010			December, 2001		
	Employees	Rank	Percent of Total County Employment	Employees	Rank	Percent of Total County Employment
Washoe County School District	7500-7999	1	4.22%	6000-6499	1	3.23%
University of Nevada, Reno	4500-4999	2	2.58%	3000-3499	3	1.68%
Washoe County	2500-2999	3	1.50%	2500-2999	5	1.42%
Renown Medical Center	2000-2499	4	1.22%	2500-2999	6	1.42%
Peppermill Hotel Casino - Reno	2000-2499	5	1.22%	4000-4499	2	2.20%
International Game Technology	2000-2499	6	1.22%	2500-2999	7	1.42%
Silver Legacy Resort Casino	1500-1999	7	0.95%	2500-2999	8	1.42%
Atlantis Casino Resort	1500-1999	8	0.95%	-	-	-
Grand Sierra Resort & Casino	1500-1999	9	0.95%	-	-	-
St. Mary's Hospital	1500-1999	10	0.95%	-	-	-
Reno Hilton	-	-	-	2500-2999	4	1.42%
Sparks Nugget, Inc.	-	-	-	2000-2499	9	1.16%
Eldorado Hotel & Casino	-	-	-	2000-2499	10	1.16%
Total County covered employment	183,850			193,550		

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

SPEED
LIMIT
25



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

Fiscal Year Ended June 30,	Enrollment	Governmental Funds Operating Expenditures (b)	Cost per Pupil	Percentage Change	Primary Government Expenses(c)	Cost per Pupil
2002	57,583	431,621,044	7,496	-1.41%	383,012,581	6,651
2003	58,903	450,719,331	7,652	2.08%	389,196,315	6,607
2004	60,408	464,720,491	7,693	0.54%	416,910,616	6,902
2005	62,097	481,317,717	7,751	0.75%	444,912,093	7,165
2006	62,372	560,796,048	8,991	16.00%	461,271,112	7,395
2007	63,025	540,810,989	8,581	-4.56%	502,120,005	7,967
2008	63,628	596,140,674	9,369	9.19%	536,663,981	8,434
2009	63,287	656,440,966	10,372	10.71%	563,895,863	8,910
2010	62,445	637,558,287	10,210	-1.56%	567,459,700	9,087
2011	62,323	507,607,330	8,145	-20.23%	571,430,587	9,169

(a) Meals served restated in FY09 (and all prior years) to include breakfast and lunch meals.

(b) Based on expenses reported on governmental funds statement of revenue, expenditures and changes in fund balances net of capital outlays and debt service

(c) Based on expenses reported in the government-side statement of activities (governmental activities only).

Source: Washoe County School District Business Office

Table 5.1

Percentage Change	Districtwide Teaching Staff	Pupil-Teacher Ratio	Number of Students Receiving Free or Reduced Priced Meals	Percentage of Students Receiving Free or Reduced Priced Meals	Total Meals Served (a)
N/A	N/A	N/A	18,902	32.83%	4,997,831
-0.66%	3,477	16.9	21,625	36.71%	5,089,614
4.45%	3,487	17.3	17,338	28.70%	5,277,978
3.81%	3,600	17.3	24,403	39.30%	5,321,863
3.22%	3,653	17.1	21,467	34.42%	5,455,734
7.73%	3,806	16.6	23,218	36.84%	5,684,279
5.87%	3,864	16.5	21,244	33.39%	5,946,951
5.64%	3,765	16.8	22,049	34.84%	5,995,436
1.99%	3,580	17.4	27,346	43.79%	6,076,114
0.90%	3,360	18.5	26,573	42.64%	6,056,079

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

Table 5.2

Fiscal Year Ended June 30,	Minimum Salary	Maximum salary
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
2009	32,820	70,697
2010	32,656	70,344
2011	32,656	70,344

Source: Washoe County School District Human Resources



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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Function				
Instruction	3,805	3,885	3,842	3,968
Student support	249	237	255	300
Instructional staff support	252	246	226	205
General administration	45	44	40	44
School administration	339	331	346	367
Central services	165	158	158	181
Operation and maintenance	481	478	489	495
Student transportation	410	392	318	330
Other support	1	1	2	1
Nutrition services operations	330	252	252	231
Community services operations	14	14	15	13
Land & building acquisition, improvement	7	8	5	6
Total full time equivalent employees	6,098	6,046	5,948	6,141

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

2006	2007	2008	2009	2010	2011
4,070	4,161	4,149	4,260	3,936	3,557
305	303	327	423	498	455
224	240	263	279	313	295
46	47	57	60	63	81
383	390	403	371	370	366
197	185	192	198	198	196
494	534	562	532	522	492
321	338	371	337	317	312
-	1	2	-	-	-
233	253	249	211	231	229
12	16	14	17	19	21
13	17	15	17	17	17
<u>6,298</u>	<u>6,485</u>	<u>6,604</u>	<u>6,705</u>	<u>6,484</u>	<u>6,021</u>

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

	Fiscal Year Ended June 30,			
	2002	2003	2004	2005
Elementary Schools				
Sites	60	62	62	62
Square feet	2,509,069	2,619,151	2,656,829	2,661,149
Base capacity	28,441	28,441	29,761	30,080
Middle Schools				
Sites	11	11	11	12
Square feet	1,000,800	1,003,680	1,005,120	1,128,911
Base capacity	8,300	8,300	8,300	8,300
High Schools				
Sites	13	13	13	14
Square feet	2,251,855	2,266,868	2,506,623	2,508,063
Base capacity	11,656	15,236	15,236	16,244
Administrative				
Sites	9	9	9	9
Square feet	88,701	88,701	88,701	88,701
Transportation				
Sites	3	3	3	3
Square feet	60,645	60,645	60,645	60,645
Buses	288	288	299	254
Nutrition				
Sites	1	1	1	1
Square feet	24,246	24,246	24,246	24,246
Other (Bullis Curriculum & Instruction Center, Edison Curriculum & Instruction Center and Plant Facilities)				
Sites	3	3	3	3
Square feet	162,275	163,715	163,715	163,715

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

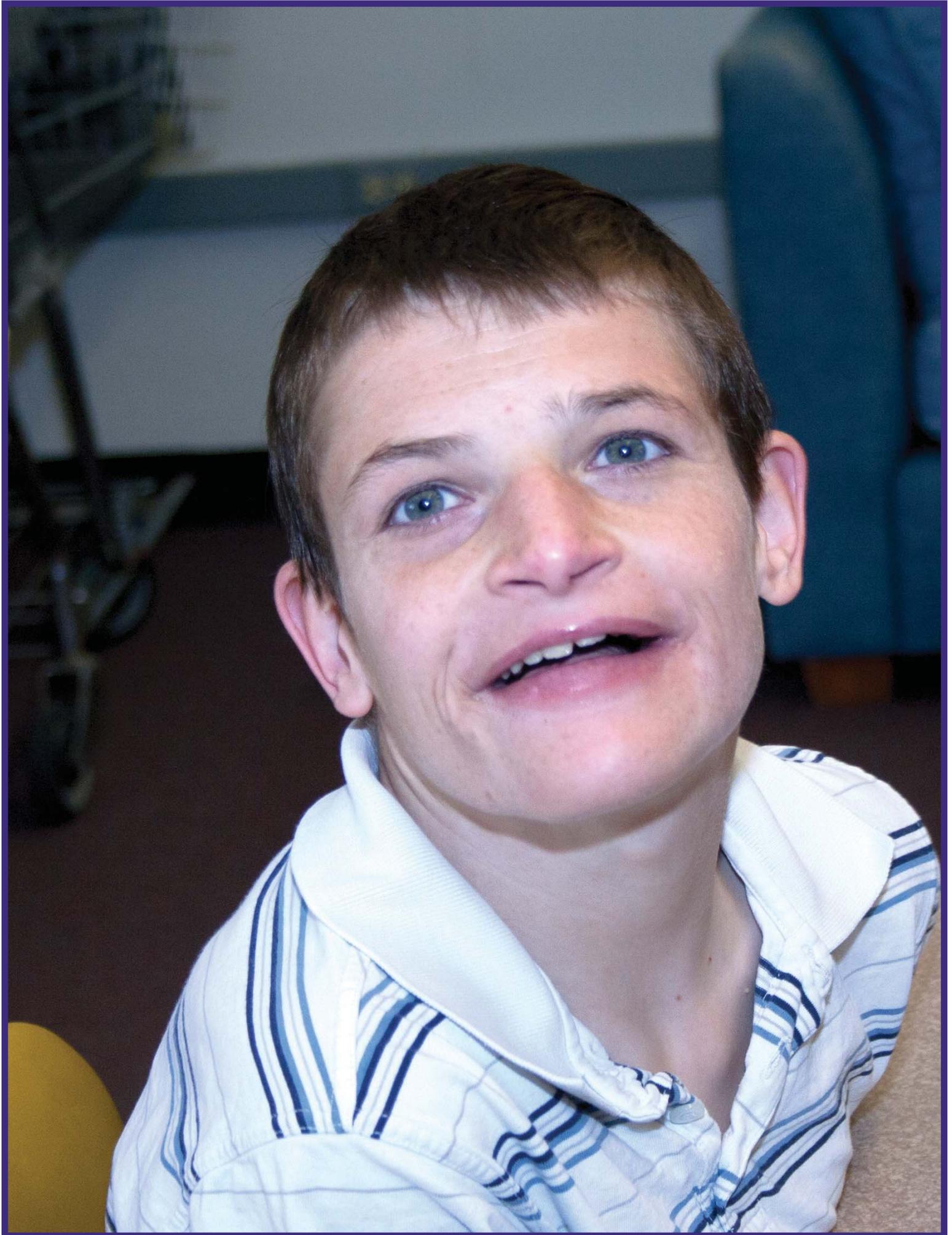
** Opportunity School & Academy of Arts, Careers & Technology, square footage tracking separated from Other in 2007-08

^ Includes Picollo which is a K-12 school

Source: Washoe County School District Plant Facilities

Table 5.4

2006	2007	2008	2009	2010	2011
62	64	65 *	64	64	64
2,664,029	2,822,459	2,813,816	2,845,877	2,854,743	2,854,461
30,080	31,286	31,286	32,105	32,105	31,179
12	13	13	13	14	14
1,128,911	1,266,428	1,258,676	1,259,306	1,453,875	1,445,669
9,233	10,279	10,279	11,544	12,954	12,544
14	14	16 **	15	15	15
2,518,197	2,574,892	2,754,294	2,565,478	2,635,603	2,635,603
16,244	16,244	16,244	20,016	20,016	20,175
9	9	8	8	8	8
88,701	88,701	91,981	90,572	97,095	106,816
3	3	3	3	3	3
60,645	60,645	60,645	48,020	48,020	48,020
279	293	300	300	301	321
1	1	1	1	1	1
24,246	28,746	28,746	26,997	26,997	26,997
3	3	3 **	3	3	3
163,715	163,715	130,045	132,854	127,451	127,451



Compliance and Controls



*Washoe County
School District*

Comprehensive
Annual
Financial Report

Compliance & Controls

- Information required pursuant to the Single Audit Act
- Auditor's comments/reports pursuant to Nevada Revised Statutes



**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 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, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 24, 2011. 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 opinions 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.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as finding 11-1 to be a significant deficiency in internal control over financial reporting. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Kafoury, Armstrong & Co.

Reno, Nevada
October 24, 2011



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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 could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011. 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 compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2011.

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 the requirements that could have a direct and material effect on a major Federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis.

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

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

Kafoury, Armstrong & Co.

Reno, Nevada
October 24, 2011

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF EDUCATION			
<i>DIRECT PROGRAMS:</i>			
Impact Aid Cluster			
Impact Aid PL 81-874	84.041	n/a	\$ 190,546
Total Impact Aid Cluster			<u>190,546</u>
Teacher Incentive Fund Cluster			
Teacher Incentive Fund (TIF)	84.374	S374A100051	267,823
Total Teacher Incentive Fund Cluster			<u>267,823</u>
Title IX, Indian Education	84.060	S060A091031	<u>282,097</u>
Fund for the Improvement of Education - Teaching American History #1	84.215	U215X070223	336,010
Fund for the Improvement of Education - Teaching American History #2	84.215	U215X050077	77,987
Fund for the Improvement of Education - Instructional Coaches	84.215	U215K100037	435,779
Fund for the Improvement of Education - Mentor Teachers	84.215	U215K100033	483,411
Fund for the Improvement of Education - Connect Ed	84.215	U215K080160	64,425
Fund for the Improvement of Education - Classroom on Wheels	84.215	U215K080149	102,657
Fund for the Improvement of Education - Dropout Prevention	84.215	U215K090074	427,381
			<u>1,927,650</u>
Fund for the Improvement of Education - Arts Educators	84.351	U351C090017	<u>299,473</u>
High School Graduation Initiative	84.360	S360A100024	<u>374,683</u>
Total Direct			<u>3,342,272</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Title I Cluster			
Title I Grants to Local Education Agencies			
Title I, Part A, Basic	84.010	11-633-16000	11,746,839
Title I, Part A, 1003 Differentiated Consequences	84.010	11-624-16000	64,369
Title I, Part A, 1003 Data Retreat	84.010	11-624-16001	148,015
Title I, Part A, 1003 Instructional Support	84.010	11-624-16001	43,349
			<u>12,002,572</u>
ARRA Title I, Part D, Delinquent	84.389	10-619-16000	1,819
ARRA Title I, Part A, Basic	84.389	10-622-16000	2,223,470
ARRA Title I, Part A, 1003 School Improvement	84.389	10-733-16000	139,050
			<u>2,364,339</u>
Total Title I Cluster			<u>14,366,911</u>
Special Education Cluster			
Special Education, Grants to States - IDEA Local Plan	84.027	11-639-16000	9,435,402
Special Education, Grants to States - District Initiative	84.027	11-641-16000	181,890
Special Education, Grants to States - Immersion Training	84.027	11-667-16000	18,400
Special Education, Grants to States - Mentor Teacher	84.027	11-667-16000	129,074
			<u>9,764,766</u>
Special Education, Preschool Grants - Early Childhood Education	84.173	11-665-16000	<u>206,804</u>
ARRA Special Education, Grants to States - IDEA Local Plan	84.391	10-620-16000	<u>2,312,770</u>
ARRA Special Education, Preschool Grants - Early Childhood Education	84.392	10-621-16000	112,781
Total Special Education Cluster			<u>12,397,121</u>
Education Technology State Grants Cluster			
Education Technology State Grants - Title II, Part D, Formula	84.318	11-766-16000	36,270
Education Technology State Grants - Title II, Part D, Competitive	84.318	11-765-16000	65,675
			<u>101,945</u>
ARRA Educational Technology State Grants - Title II, Part D, Formula	84.386	10-742-16000	220,453
Total Education Technology State Grants Cluster			<u>322,398</u>

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
Homeless Education Cluster			
Education for Homeless Children and Youth	84.196	11-688-16000	\$ 104,138
ARRA Education for Homeless Children and Youth	84.387	10-689-16000	23,769
Total Homeless Education Cluster			<u>127,907</u>
School Improvement Grants Cluster			
School Improvement Grants, Title I, Part G, School Improvement #1	84.377	10-623-16000	19,391
School Improvement Grants, Title I, Part G, School Improvement #2	84.377	11-623-16001	7,396
School Improvement Grants, Title I, Part G, SIG Travel / Conference	84.377	11-623-16000	3,619
			<u>30,406</u>
ARRA School Improvement Grants, Title I, Part G, District	84.388	11-743-16000	38,684
ARRA School Improvement Grants, Title I, Part G, Clayton	84.388	11-743-16301	383,222
ARRA School Improvement Grants, Title I, Part G, Dilworth	84.388	11-743-16306	492,965
ARRA School Improvement Grants, Title I, Part G, Duncan	84.388	11-743-16204	389,496
ARRA School Improvement Grants, Title I, Part G, Loder	84.388	11-743-16202	312,352
ARRA School Improvement Grants, Title I, Part G, O'Brien	84.388	11-743-16308	389,722
ARRA School Improvement Grants, Title I, Part G, Smithridge	84.388	11-743-16218	497,329
ARRA School Improvement Grants, Title I, Part G, Veterans	84.388	11-743-16220	397,803
			<u>2,901,573</u>
Total School Improvement Grants Cluster			<u>2,931,979</u>
Title I, Part C, Migrant Education	84.011	11-629-16000	2,586
Title I, Part D, Delinquent	84.013	11-630-16000	397,468
Career & Vocational Education - Carl D Perkins Basic	84.048	11-631-16000	757,938
Safe and Drug-Free Schools and Communities State Grants	84.186	11-720-16000	59,674
Title I, Part B, Even Start	84.213	11-651-16000	107,009
21st Century Community Learning Centers, District	84.287	11-770-16000	293,886
21st Century Community Learning Centers, Cannan ES	84.287	11-770-16000	112,347
21st Century Community Learning Centers, Desert Heights ES	84.287	11-770-16000	87,341
21st Century Community Learning Centers, Duncan ES	84.287	11-770-16000	108,709
21st Century Community Learning Centers, Lincoln Park ES	84.287	11-770-16000	116,662
21st Century Community Learning Centers, Loder ES	84.287	11-770-16000	81,604
21st Century Community Learning Centers, Mathews ES	84.287	11-770-16000	97,921
21st Century Community Learning Centers, Maxwell ES	84.287	11-770-16000	106,043
21st Century Community Learning Centers, Mitchell ES	84.287	11-770-16000	101,759
21st Century Community Learning Centers, Natchez ES	84.287	11-770-16000	77,679
21st Century Community Learning Centers, Donner Springs ES	84.287	11-770-16000	97,051
21st Century Community Learning Centers, Risley ES	84.287	11-770-16000	108,152
21st Century Community Learning Centers, Sierra Vista ES	84.287	11-770-16000	110,216
21st Century Community Learning Centers, Kate Smith ES	84.287	11-770-16000	90,231
21st Century Community Learning Centers, Smithridge ES	84.287	11-770-16000	89,107
21st Century Community Learning Centers, Stead ES	84.287	11-770-16000	88,786
21st Century Community Learning Centers, Sun Valley ES	84.287	11-770-16000	116,316
21st Century Community Learning Centers, Veterans ES	84.287	11-770-16000	90,241
21st Century Community Learning Centers, Warner ES	84.287	11-770-16000	96,393
21st Century Community Learning Centers, Clayton MS	84.287	11-770-16000	103,266
21st Century Community Learning Centers, Dilworth MS	84.287	11-770-16000	88,674
21st Century Community Learning Centers, Pine MS	84.287	11-770-16000	91,074
21st Century Community Learning Centers, Sparks MS	84.287	11-770-16000	88,850
21st Century Community Learning Centers, Traner MS	84.287	11-770-16000	102,216
			<u>2,544,524</u>
Title I, Part G, Advanced Placement - Fee Payment Program	84.330	11-640-16000	7,032
Gaining Early Awareness and Readiness for Undergraduate Programs - GEAR UP, Wooster HS & Hug HS	84.334	11-610-16000	136,917
Reading First State Grant	84.357	10-757-16000	11,888

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
Title III, English Language Acquisition Grants	84.365	11-658-16000	\$ 1,156,897
Title II, Part A Improving Teacher Quality State Grants	84.367	11-709-16000	2,231,684
ARRA Education Jobs Fund, EduJobs	84.410	11-753-16000	6,943,604
Total U.S. Department of Education funding passed through the State of Nevada Department of Education			44,503,537
Total U.S. Department of Education			47,845,809

U.S. DEPARTMENT OF AGRICULTURE:

DIRECT PROGRAMS:

Schools and Roads Cluster

Schools and Roads Grants to States - Forest Reserve	10.665	n/a	27,833
Total Schools and Roads Cluster			

Child Nutrition Cluster

*PASS THROUGH FROM THE STATE OF NEVADA,
DEPARTMENT OF GENERAL SERVICES:*

National School Lunch Program (Commodities) **	10.555	n/a	772,820
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*PASS THROUGH FROM THE STATE OF NEVADA,
DEPARTMENT OF EDUCATION:*

National School Lunch Program	10.555	n/a	9,418,789
			10,191,609

School Breakfast Program	10.553	n/a	2,849,060
Total Child Nutrition Cluster			13,040,669

Fresh Fruit and Vegetable Program	10.582	n/a	504,444
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Total U.S. Department of Agriculture			13,572,946
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** Amounts shown as expenditures represent the value of commodity foods used by the District.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

PASS THROUGH FROM THE NEVADA FFA FOUNDATION:

Learn & Serve America	94.004	n/a	46,779
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Total Corporation for National and Community Service			46,779
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U.S. DEPARTMENT OF ENERGY:

*PASS THROUGH FROM THE STATE OF NEVADA,
DEPARTMENT OF ENERGY*

State Energy Program, Solar Energy	81.041	n/a	738,680
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Total U.S. Department of Energy			738,680
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U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

*PASS THROUGH FROM THE STATE OF NEVADA,
DEPARTMENT OF HEALTH AND HUMAN SERVICES:*

Title IV-B, Promoting Safe and Stable Families - Family Support	93.556	SFY-11-13-046	46,487
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Title XX Social Services Block Grant - FRC	93.667	n/a	171,867
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WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
Governor's Council on Developmental Disabilities			
Developmental Disabilities Basic Support & Advocacy, Summer Camp	93.630	1110XF3154	\$ 17,834
Developmental Disabilities Basic Support & Advocacy, Medicaid Infrastructure	93.768	10MIG04XF	15,494
Total U.S. Department of Health & Human Services funding passed through the State of Nevada Department of Health & Human Services			<u>251,682</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Support School Programs to Prevent Spreading HIV & Other Health Programs	93.938	11-791-16000	<u>12,450</u>
Head Start Cluster			
<i>PASS THROUGH FROM THE UNIVERSITY OF NEVADA, RENO</i>			
ARRA Early Head Start Expansion	93.709	UNR-11-56	<u>320,000</u>
Total Head Start Cluster			<u>320,000</u>
Total U.S. Department of Health and Human Services			<u>584,132</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:			
<i>PASS THROUGH FROM CITY OF RENO:</i>			
CDBG - Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grants			
WCHSC - Community Strengthening	14.218	n/a	<u>24,126</u>
Total CDBG - Entitlement Grants Cluster			<u>24,126</u>
Total U.S. Department of Housing and Urban Development			<u>24,126</u>
U.S. DEPARTMENT OF THE INTERIOR:			
<i>PASS THROUGH FROM STATE OF NEVADA FISH AND WILDLIFE:</i>			
Fish & Wildlife Management Assistance, Pine MS	15.608	84320-A-J508	<u>3,725</u>
<i>PASS THROUGH FROM THE NATIONAL FISH AND WILDLIFE FOUNDATION:</i>			
Fish & Wildlife Mgmt Assist. Schoolyard Habitat/Outdoor Classroom Pine MS	15.608	2008-0121-000	<u>2,452</u>
Total U.S. Department of the Interior			<u>6,177</u>
U.S. DEPARTMENT OF JUSTICE:			
<i>DIRECT PROGRAM:</i>			
Public Safety Partnership and Community Policing Grants			
COPS Secure Schools	16.710	2009CKWX0725	<u>316,035</u>
Total Direct			<u>316,035</u>
<i>PASS THROUGH FROM THE CITY OF RENO:</i>			
Edward Byrne Memorial Competitive Grant Program, Smart Policing	16.751	n/a	<u>8,965</u>
Total U.S. Department of Justice			<u>325,000</u>

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF LIBRARIES AND ARCHIVES:			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF CULTURAL AFFAIRS:</i>			
Grants to States LSTA Winnemucca ES	45.310	2010-22	\$ 6,957
Total U.S. Department of Libraries and Archives			<u>6,957</u>
U.S. DEPARTMENT OF TRANSPORTATION:			
Highway Planning and Construction Cluster <i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF TRANSPORTATION:</i>			
Highway Planning and Construction Safe Routes to School	20.205	P278-09-802	<u>33,309</u>
<i>PASS THROUGH FROM WASHOE COUNTY, DEPARTMENT OF PUBLIC WORKS:</i>			
Highway Planning and Construction Safe Routes to School	20.205	n/a	<u>93,937</u>
Total Highway Planning and Construction Cluster			<u>127,246</u>
Highway Safety Cluster <i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF PUBLIC SAFETY:</i>			
State and Community Highway Safety NV DPS Joining Forces	20.600	29-406PT-44	<u>9,132</u>
Total Highway Safety Cluster			<u>9,132</u>
Total U.S. Department of Transportation			<u>136,378</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 63,286,984</u>

See accompanying notes.

WASHOE COUNTY SCHOOL DISTRICT
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2011

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, 2011. 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	\$ 218,379
Special Revenue Funds	49,523,491
Enterprise Fund – Nutrition Services	<u>13,545,114</u>
	<u>\$63,286,984</u>

NOTE 4 – Subrecipients:

Of the expenditures presented in the Schedule of Expenditures of Federal Awards, Washoe County School District provided awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
ARRA Title II, Part D, Education Technology	84.386	\$23,048

WASHOE COUNTY SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2011

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, 2011.
- A significant deficiency was 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 audit disclosed no instances of noncompliance which were material to the financial statements of Washoe County School District.
- No significant deficiencies in the internal control over major Federal award programs were disclosed during the audit as reported in the Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133.
- Kafoury, Armstrong & Co. issued an unqualified opinion on compliance for major Federal programs of Washoe County School District.
- There were no audit findings relative to the major Federal award programs for the Washoe County School District required to be reported under section .510(a) of OMB Circular A-133.
- Washoe County School District had four major programs for the year ended June 30, 2011, as follows:

CFDA Number	Program Name
	Child Nutrition Cluster:
10.553	School Breakfast Program
10.555	National School Lunch Program
	School Improvement Grants Cluster:
84.377	School Improvement Grants
84.388	ARRA – School Improvement Grants, Recovery Act
84.410	ARRA – Education Jobs Fund
	Head Start Cluster:
93.709	ARRA-Early Head Start

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2011, was \$1,898,609
- Washoe County School District qualified as a low risk auditee for the year ended June 30, 2011 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, 2011

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

Finding 11-1

Significant Deficiency:

Criteria and Condition: General Accepted Accounting Principles require that commodities inventories be recorded at fair value at the date of donation. Fair value is determined by applying a rate factor provided by the United States Department of Agriculture (USDA) to the cost of each commodity.

During our testing of Nutrition Services' inventory, we noted that the District had applied the USDA rate factor to incorrect cost values when determining the fair value of the ending commodities inventory at June 30, 2011. Because the ending inventory value is one factor in determining inventory consumption (expense), the use of the incorrect value resulted in the expense and offsetting commodities revenue being misstated.

Effect: District inventories were overstated, expenses were understated and revenues were understated.

Cause: Adequate control procedures were not in place in the Nutrition Services Department to accurately and timely detect errors in the calculation of ending commodities inventory and the related adjustments to commodities revenue and expense.

Recommendation: We recommend that the Nutrition Services Department of the District enhance procedures to accurately and timely detect errors in the calculation of ending commodities inventory and the related adjustments to commodities revenue and expense.

Management's Response: In August of 2010, the Board of Trustees approved the new food procurement process for the 2010 – 2011 school year. At that point, we changed the entire menu from a pre-processed lower quality to one that was prepared on site at the central kitchen and the secondary kitchens. This meant a higher quality and more nutritious product, but also entailed significant changes to the current inventory. Prior to August 2010, there were approximately 460 inventory line items to check. After the installation of the new menu, that number jumped to nearly 1,160. At that time we identified that the existing inventory system should be updated as it was old and very labor intensive in addressing this much larger inventory. After determining that the District's warehouse inventory system was not designed for nutrition services much larger

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

inventory needs, we made contact with three school districts that had similar central production processes, Montgomery County, MD, Rochester, N.Y. and Houston, TX. Montgomery County was using WEBSMARTT from School Link Technology, Rochester and Houston were utilizing Cybersoft. We were also aware that Nutrikids had capabilities that might work and contacted them since the District was already using Nutrikids for nutritional analysis.

Upon reviewing the capabilities of all three, only School Link and Cybersoft had the detailed inventory management, menu planning and central production capabilities necessary for the combined operations of Washoe County School District. After completing this review process, we determined that we should use WEBSMARTT. In June of 2011, we submitted the necessary paperwork to start the Board of Trustee review and approval of the technology enhancement. In August 2011, we received Board of Trustee approval for the necessary software and we have immediately started implementation. Currently, we have fully implemented the production records portion of the technology and we are working on the training and functionality of the inventory management process. We expect to have full training and implementation by the end of the school year. This process will automate the inventory, receiving, production and shipping processes so that we have a perpetual inventory at all 102 sites on an hour by hour basis.

In the interim, we have added a three step cross check system to insure that data entry errors are either not made or are immediately corrected in our inventory process, including commodities. The initial step is that the accounts payable technician will check all line item pricing. Then, the Department manager will double check all pricing that the accounts payable technician has entered. Finally, the Department Director or Assistant Director will triple check line item pricing. This system will insure that mistakes will be caught prior to the closing of the monthly inventories and year-end reporting.

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Findings and Questioned Costs for Major Federal Award Programs:

There were no such findings for the year ended June 30, 2011.

WASHOE COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

Prior Year Findings and Questioned Costs for Federal Awards:

Finding 10-3:

U.S. Department of Agriculture; passed through from the Nevada Department of Education:

Program: Child Nutrition Discretionary Grants, CFDA 10.579

Finding Summary: The OMB Circular A-133 Compliance Supplement states that non-federal entities must follow procedures to minimize the time elapsing between the transfer of funds from the pass-through entity and the disbursement of those funds in order to ensure that funds are drawn only for immediate cash needs.

While reviewing the accounting treatment of costs for the Nutrition Equipment Program, we noted that the District requested and received funds totaling \$325,634 in September 2009, while the related expenditures were not incurred until October and November 2009. Thus, funds were requested (and received) in advance of immediate cash needs.

Auditor's Recommendation: We recommended the District seek secondary approval that cash advances are allowable if funds are drawn in a manner that is inconsistent with the Districts normal cash draw procedures.

Finding Status: This audit finding does not warrant further action as no additional funds were drawn related to Child Nutrition Discretionary Grants, CFDA 10.579.



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 fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2011 (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, 2011,
- 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 24, 2011

**WASHOE COUNTY SCHOOL DISTRICT
AUDITOR'S COMMENTS
JUNE 30, 2011**

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, 2010.

PRIOR YEAR RECOMMENDATIONS

Progress was made on the findings 10-1 and 10-2 included in the prior year report; therefore, prior year findings are not repeated. As reported in the Summary Schedule of Prior Year Findings and Questioned Costs, finding 10-3 did not warrant further action.

CURRENT YEAR RECOMMENDATIONS

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

