



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



Comprehensive Annual Financial Report

Washoe County School District | Reno, NV



Fiscal year ended June 30, 2012

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

Fiscal Year Ended June 30, 2012



*Washoe County
School District*

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Estela Gutierrez
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WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

	<u>PAGE NO.</u>
I. INTRODUCTORY SECTION	
Letter of Transmittal	i-vii
List of Principal Officials	viii
Organizational Chart	ix
Certificate of Excellence in Financial Reporting	x
II. FINANCIAL SECTION	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-17
<u>Basic Financial Statements:</u>	
Government-wide Financial Statements:	
Statement of Net Assets	18
Statement of Activities	19
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	20-22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	23
Statement of Revenues, Expenditures and Changes in Fund Balance	24-26
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	27
Proprietary Funds:	
Statement of Net Assets	28
Statement of Revenues, Expenses and Changes in Net Assets	29
Statement of Cash Flows	30
Fiduciary Funds:	
Statement of Fiduciary Net Assets	31
Statement of Changes in Fiduciary Net Assets	32
Notes to Financial Statements	33-63

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

Required Supplementary Information:

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund (Budgetary Basis)	64
Major Special Revenue Fund:	
Special Education	65
Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis)	66
Schedule of Funding Progress and Schedule of Employer Contributions	67
Notes to Required Supplementary Information	68-69

Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Funds:

Combining Balance Sheet	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	71

Governmental Funds:

Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis) - Balance Sheet	72
Comparative Balance Sheet – General Fund (Budgetary Basis)	73
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund (Budgetary Basis)	74-79
Special Revenue Funds:	
Major Special Revenue Fund:	
Special Education	80-81

Special Revenue Funds:

Nonmajor Special Revenue Funds:

Combining Balance Sheet	82-86
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	87-91
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Title I	92-93
Federal – Other Agency Grants	94
Direct Federal Grants	95-96
Federal Special Education	97
Vocational Education	98
Special Grants	99

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

Family Resource Centers	100
Adult Education	101
Class Size Reduction	102
Tuition Based Full Day Kindergarten	103
Early Childhood	104-105
PERS and Financial Incentives	106
Special State Appropriations	107
Reading Improvement	108
Twenty-First Century	109-110
Title II, Part A, Teacher Training	111
Title III, English Language Acquisition	112
Regional Professional Development Program	113
Education Alliance	114
Private Foundations	115
Full Day Kindergarten	116
American Reinvestment and Recovery Act (ARRA) – Title I	117-118
American Reinvestment and Recovery Act (ARRA) – Special Education	119
American Reinvestment and Recovery Act (ARRA) – Other	120
Federal Edu-Jobs	121
Categorical Grants	122
Gifts and Donations	123-124
Wellness	125
Internally Reported (Budgetary Basis) Funds Reported as Part of the General Fund for External Reporting Purposes:	
Combining Balance Sheet	126
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	127
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Medicaid	128
Community Education	129
Pre-Funded Retiree Health Benefits	130
Debt Service Fund:	
Major Debt Service Fund:	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	131

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

Capital Projects Funds:

Major Capital Projects Funds:

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
2012 Bond Rollover Fund	132
2010 Washoe County Recovery Zone Economic Development Bond	133
2009B Washoe County Recovery Zone Economic Development Bond	134
2009B City of Reno Recovery Zone Economic Development Bond	135
2011B Bond Rollover Fund	136
2011 Bond Rollover Fund	137
2010 Qualified School Construction Bonds (QSCB)	138
2009 Bond Rollover Fund	139
2008 Bond Rollover Fund	140
2007 Bond Rollover Fund	141-142
2006 Bond Rollover Fund	143

Nonmajor Capital Projects Funds:

Combining Balance Sheet	144
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	145
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Government Services Tax Fund	146
Building and Sites Fund	147

Proprietary Funds:

Nutrition Services Enterprise Fund:

Statement of Net Assets	148
Schedule of Revenues, Expenses and Changes in Net Assets – Budget and Actual	149
Schedule of Cash Flows	150

Internal Service Funds:

Combining Statement of Net Assets	151
Combining Statement of Revenues, Expenses and Changes in Net Assets	152
Combining Statement of Cash Flows	153
Insurance Fund - Property and Casualty:	
Schedule of Revenues, Expenses and Changes in Net Assets - Budget and Actual	154
Schedule of Cash Flows	155

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

Insurance Fund - Health Insurance:	
Schedule of Revenues, Expenses and Changes in Net Assets -	
Budget and Actual	156
Schedule of Cash Flows	157
Insurance Fund - Workers' Compensation:	
Schedule of Revenues, Expenses and Changes in Net Assets -	
Budget and Actual	158
Schedule of Cash Flows	159
Fiduciary Funds:	
Other Postemployment Benefits (OPEB) Trust Fund:	
Statement of Plan Net Assets	160
Schedule of Changes in Plan Net Assets	161
Agency Funds:	
Combining Statement of Changes in Assets and Liabilities	162
Student Activity Funds	
Schedule of Cash Receipts and Disbursements	163-164
Capital Assets Used in the Operation of Governmental Funds:	
Schedule by Source	165
Schedule by Function and Activity	166
Schedule of Changes by Function and Activity	167
III. STATISTICAL SECTION - Unaudited	
Financial Trends:	
1.1 Net Assets by Component, Last Ten Fiscal Years	168-169
1.2 Changes in Net Assets, Last Ten Fiscal Years	170-173
1.3 Fund Balances of Governmental Funds, Last Ten Fiscal Years	174-175
1.4 Changes in Fund Balances of Governmental Funds, Last Ten Fiscal Years	176-177
1.5 Major Governmental Revenues by Source, Last Ten Fiscal Years	178-179
Revenue Capacity:	
2.1 Principal Property Taxpayers, Current Year and Nine Years Ago	180
2.2 Property Tax Rates Direct and Overlapping Governments,	
Last Ten Fiscal Years	181-182
2.3 Assessed and Estimated Actual Value of Taxable Property,	
Last Ten Fiscal Years	183-184
2.4 Property Tax Levies and Collections, Last Ten Fiscal Years	185
2.5 Taxable Sales	186

WASHOE COUNTY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2012

TABLE OF CONTENTS

Debt Capacity:

3.1 Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	187-188
3.2 Legal Debt Margin Information, Last Ten Fiscal Years	189
3.3 General Obligation Direct and Overlapping Debt, As of June 30, 2012	190

Demographic and Economic Information:

4.1 Demographic and Economic Statistics, Last Ten Fiscal Years	191-192
4.2 Principal Employers, Current Year and Nine Years Ago	193

Operating Information:

5.1 Operating Statistics, Last Ten Fiscal Years	194-195
5.2 Teacher Salary Schedules, Last Ten Fiscal Years	196
5.3 Full Time Equivalent Employees by Function, Last Ten Fiscal Years	197-198
5.4 Capital Asset Information, Last Ten Fiscal Years	199-200

IV. COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	201-202
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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	203-204
--	---------

Schedule of Expenditures of Federal Awards	205-209
Notes to the Schedule of Expenditures of Federal Awards	210
Schedule of Findings and Questioned Costs	211-215
Summary Schedule of Prior Year Findings and Questioned Costs	216

Auditor's Comments:

Statute Compliance	217
Progress on Prior Year Statute Compliance	217
Prior Year Recommendations	217
Current Year Recommendations	217

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: Ken Grein, President * John Mayer, Vice President * Estela Gutierrez, Clerk
Dan Carne * Barbara Clark * Scott Kelley * Barbara McLaury * Pedro Martinez, Superintendent

October 23, 2012

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, 2012, 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, 2012. 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 2011-12, 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 8,202 employees (certified, classified, administrative and substitutes) and served 62,217 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 72.8 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 2011-12 fiscal period is 428,761, which reflects an 15.5% increase over the 2002-03 population of 371,231. From 2010-11 to 2011-12, the County population is forecasted to increase by 7,168 or 1.7%. The annual labor force of the County is estimated at 222,532 at the end of June 2012, and the unemployment rate was established at a fiscal year average of 12.3% compared to 13.2% last year. This can be compared to the United States unemployment rate of 8.6% for the same period.

Other indicators of the economy in the County are reflected in taxable sales that increased 4.5% compared to a 2% increase in the prior year. Air traffic in Reno is down (6.2%), as is gross income from gaming (1.8%). Additionally, sales of local existing homes increased 977 or 17.6% while new family units were at 83 compared to 55 in the prior year. In summary, Washoe County's economy is showing signs of a slow recovery with some cases of declining growth when compared to similar statistics in recent business cycles. The recovery of the economy in Nevada trails the results 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. As part of this process, the District is looking at budgets over multiple years. Additionally, the District is also measuring key performance indicators with the Council of Great City Schools (an organization of the nation's largest urban school districts) to evaluate how we perform in relation to other school districts around the country.

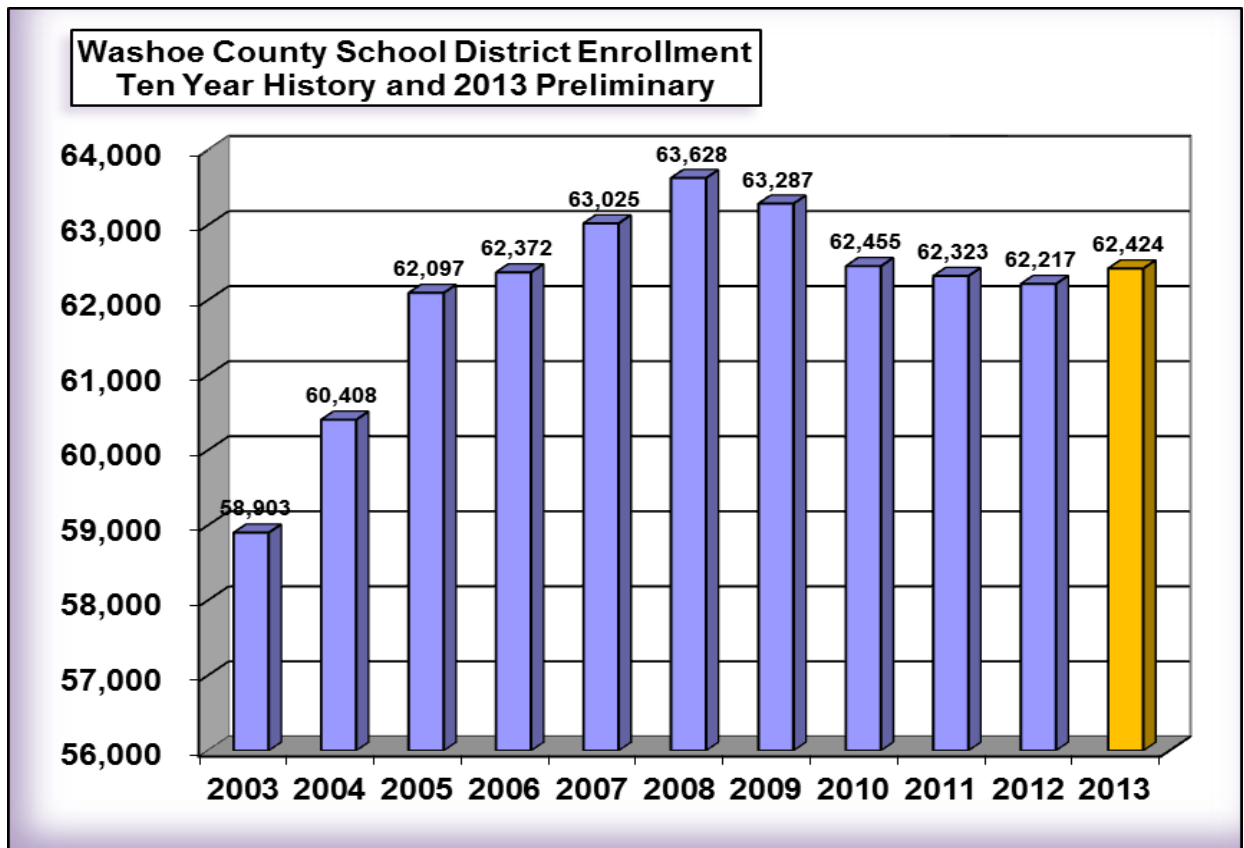
The District's Capital Projects department utilizes a number of tools to work closely with the Board to identify and prioritize capital improvements and their associated planning, design, management and accounting needs. These tools include the "Envision WCSD 2015" strategic plan, the seven year enrollment 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 funded their annual OPEB costs for fiscal years 2008 through 2012. This District stays current in its adoption of all other GASB statements as they occur.

MAJOR INITIATIVES

Enrollment Trending

For the first year after four consecutive years of decline, the district's total enrollment has increased. The preliminary count showed 62,424 students enrolled in Washoe County's public schools for the 2012-13 school year. In 2011-2012, district audited enrollment was 62,217 students. Compared to last year, enrollment has increased by 207 students or .33%. 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, including the annual *Door to Door for Student Achievement* campaign, the opening of five grant-funded re-engagement centers, and additional intervention programs and credit recovery opportunities.

Following two years of significant increases, the graduation rate leveled out in 2012 at 69 percent, which remains 6 percentage points higher than in 2010. While the data showed areas that are still in need of improvement, results from the Class of 2012 showed that graduation rates for many of the District's student sub-populations increased. Additionally, the number of students who graduated with honors and advanced diplomas increased compared to 2011, showing that more students are walking across the graduation state at a higher level of achievement that sets them on a course toward college and highly-skilled careers.

Proficiency Rates

Washoe County School District students continued to show marked improvement in achievement in 2012 with the third consecutive year of gains in student proficiency rates. The percentage of students who tested proficient in math, reading, and science increased between 2011 and 2012, according to the results of the standardized state tests administered in the spring. Additionally, WCSD students in grades 3-5 posted their highest ever scores in 2012 in reading and math.

Accountability Policy

With its ongoing focus to improve student academic performance, the Washoe County School District Board of Trustees approved the District's accountability policy in July of 2011. The policy guides decisions for rewarding schools and Central Service departments that exceed their goals and provides for improvement steps and possible interventions for the schools or departments that do not meet their targets. The approval of the Board policy set in motion work on the District's accountability framework that took place during the 2011-2012 school year. The new framework is scheduled to be announced during the 2012-2013 school year.

Academic Programs

College and career readiness rates of its graduates are another major benchmark of success for Washoe County School District. The District believes that improving proficiency and graduation rates is not enough; WCSD is committed to ensuring every child graduates from high school with the skills and knowledge to be successful and competitive in college and highly-skilled careers. During the 2011-2012 school year, the District expanded several academic programs and initiated new ones to provide additional and more rigorous learning opportunities for its students.

In its quest to prepare students for college and the careers and industries of the future, the Washoe County School District launched its Signature Academy program in the fall of 2011. This initiative provides students with more academic choices that give them a jumpstart on the knowledge they will need to be successful in the workforce of the 21st Century. These programs provide a rigorous and relevant curriculum that focus on some of the fastest growing career fields in the country and state of Nevada, such as technology, medicine and the health sciences, sustainable resources, and media communications. With a goal of having at least one Signature Academy at each WCSD comprehensive high school by 2015, the District opened two programs in the fall of 2011. Several more opened in the fall of 2012.

For the younger age group, WCSD expanded tuition-based full-day kindergarten, giving more students an opportunity to get into the early childhood program. The changes included a standardized fee to make the program more affordable and accessible for parents and students. A limited number of scholarships also were created to provide access for families in need.

Additionally, WCSD implemented a new structure of 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 also were made at the elementary level, allowing more students to receive GATE programming at the school in which they are zoned.

A New Era of Safe Schools

With a strong understanding that a child's social and emotional well-being is important to his or her success in the classroom, the District launched an awareness campaign that initiated a community-wide discussion about bullying and the serious impact it has on students. In several public events, the District released data from its latest school climate survey that provided information about issues like bullying, school safety, and respect. WCSD also announced its new anti-bullying initiatives being rolled out at schools across the District and the ways students were playing an active role in the campaign to fight cyber bullying.

Parent Engagement

2011-2012 marked the inaugural year of WCSD Parent University, a new initiative designed to better connect the District with its most valuable partners – parents. The goal of the Parent

University is to strengthen the District's relationship with parents and give them additional tools to support their children. By partnering with dozens of community organizations, the WCSD Parent University offered more than 220 free classes to parents and other adults in a child's life. Parents are a child's most valuable supporter and advocate, so building strong relationships with parents is a major emphasis for WCSD.

Teacher Incentive Fund Grant

Goal 2 of the District's strategic plan focuses on recruiting and supporting highly effective personnel. Under this goal, the District set an objective to revise and use new evaluation tools and systems and to develop a professional growth system for all employees. Using funding from a federal grant, WCSD made tremendous progress during the 2011-2012 school year toward developing a new evaluation system for teachers. The multi-year \$9 million award through the U.S. Department of Education, called the Teacher Incentive Fund (TIF), allowed the District to pilot a teacher evaluation system at the original nine TIF schools (eight additional schools were able to pilot the evaluation system), to implement a pay-for-performance system (which will be paid out in November 2012 for the nine TIF schools), and provide career lattice opportunities for mentors and master teachers. A highlight of the TIF program is the partnerships with the Washoe Education Association, Washoe School Principals Association, and the Washoe Education Support Professionals Association. Committees around the initiatives in the grant included representatives from these associations. The purpose of the TIF grant is to strengthen the education profession by rewarding excellence, attracting teachers and principals to high-need and hard to staff areas, and providing all teachers and principals with the feedback and support they need to succeed. In September of 2012, the District was awarded a second TIF grant to expand the programs in nine other schools with a focus around STEM education.

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 2012-2013 budget included \$40.2 million in reductions and cost-savings measures and the shortfall for 2013-14 could be \$50 million. These cuts are in addition to the \$123 million the District had already cut in the five years prior.

The District's final 2012-2013 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, spending down fund balance, tax and enrollment adjustments, foregoing central service budgets and planned expansions of programs, early separation incentives and reducing reserved teacher allocations.

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 via a web page. 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. 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 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 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

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, 2011. This is the eleventh 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,



Pedro Martinez
Superintendent



James Masias
Chief Financial Officer

Washoe County School District Reno, Nevada



District Officials as of October 23, 2012

Board of Trustees

Ken Grein
President

John R. Mayer
Vice President

Estela Gutierrez
Clerk

Dan Carne
Member

Barbara Clark
Member

Scott Kelley
Member

Barbara L. McLaury
Member

Administrative Officials

Pedro Martinez
Superintendent

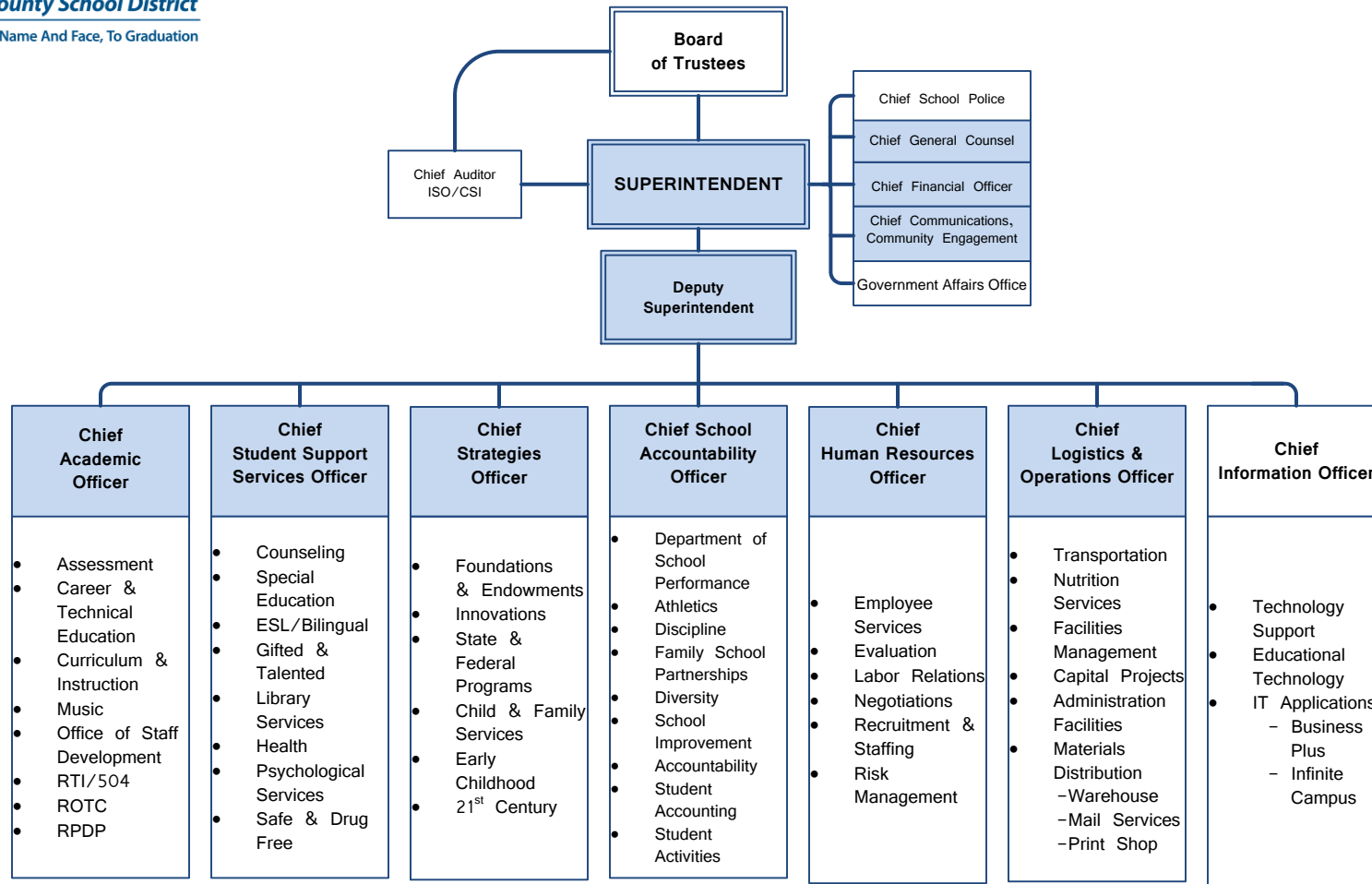
Traci Davis
Deputy Superintendent

James Masias
Chief Financial Officer



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

Washoe County School District FY 2012 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, 2011

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.



Christopher P. Morrill

President

Jeffrey R. Emswiler

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, 2012, 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, 2012, and the respective changes in financial position, and, where applicable, cash flows 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 23, 2012, 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 statements, the schedule of funding progress, and the schedule of employer contributions, on pages 3 through 17 and 64 through 69 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 management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the

information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information, reconciliation of budget basis statements to GAAP basis statements and related notes have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole

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 schedules, schedule of expenditures of federal awards and Schedules of Capital Assets Used in the Operation of Governmental Funds 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, 2011, which are not presented with the accompanying financial statements. In our report dated October 24, 2011, 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 2011 nonmajor combining and individual fund financial statements and schedules 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, 2011, 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.

Kafoury, Armstrong & Co.

Reno, Nevada
October 23, 2012

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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 \$4.9 million to \$384 million.
- ❑ Unrestricted net assets decreased by \$(1.6) million to \$58.5 million.
- ❑ The District's total revenues decreased by \$(6.3) million to \$591.2 million. The most significant revenues are local school support taxes (sales tax) at \$139.5 million, property taxes (Ad Valorem) at \$143.2 million and state aid at \$141.1 million.
- ❑ The District's total expenses decreased by \$(4) million to \$586.4 million. The most significant expenses were in regular instruction at \$200.2 million, special education instruction at \$68.3 million, operation and maintenance at \$44 million and other instruction (primarily grants) at \$63 million.
- ❑ Net capital assets increased to \$659.8 million. Major additions include \$22.5 million for school renewals, \$7.5 million for photovoltaic energy conservation projects, \$4.4 million for machinery and equipment and \$1.1 million for technology upgrades. Depreciation expense totaling \$23.8 million is included in the government-wide statements.
- ❑ The District's general obligation bonds payable increased by \$22.9 million or 4.7%. This is the result of the issuance of \$166.1 million in bond debt, \$(26.5) million of debt payments and net refunded or defeased debt of \$(116.7) 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, 2012**

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 43 individual governmental funds of which the general, special education, debt service, 2012 bond rollover, 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 funds 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 29 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 on the OPEB Trust Fund can be found in Note 9 on pages 55-60 of this report.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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 64 and 65 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	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	\$ 389,411,879	\$ 365,651,515	\$ 4,711,385	\$ 4,245,294	\$ 394,123,264	\$ 369,896,809
Net capital assets	659,018,072	646,771,402	758,582	551,185	659,776,654	647,322,587
Total assets	1,048,429,951	1,012,422,917	5,469,967	4,796,479	1,053,899,918	1,017,219,396
Liabilities						
Current liabilities	134,779,060	127,759,544	1,854,956	857,926	136,634,016	128,617,470
Long-term liabilities	533,273,480	509,461,342	-	-	533,273,480	509,461,342
Total liabilities	668,052,540	637,220,886	1,854,956	857,926	669,907,496	638,078,812
Net Assets						
Invested in capital assets, net of related debt	260,357,416	210,091,401	758,582	551,185	261,115,998	210,642,586
Restricted	64,376,524	108,417,840	-	-	64,376,524	108,417,840
Unrestricted	55,643,471	56,692,790	2,856,429	3,387,368	58,499,900	60,080,158
Total net assets	\$ 380,377,411	\$ 375,202,031	\$ 3,615,011	\$ 3,938,553	\$ 383,992,422	\$ 379,140,584

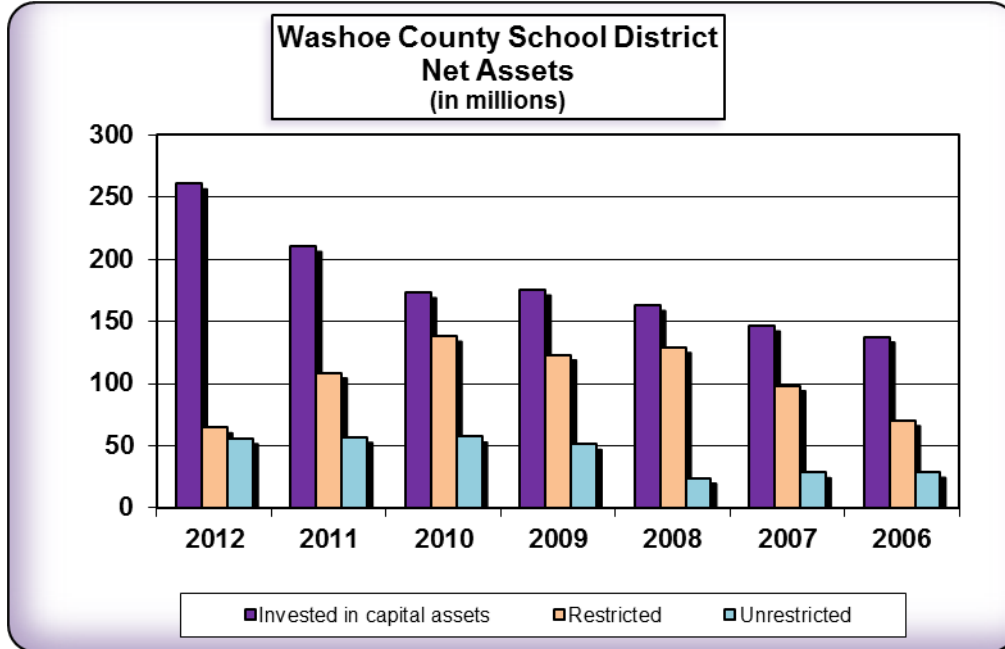
For more detailed information see the government-wide statement of net assets and the notes to the financial statements.

Net Assets: The District's assets exceeded liabilities by \$384 million at June 30, 2012. The largest portion of net assets, 68%, reflects its investment in capital assets (e.g., land, buildings, equipment and construction in progress) less any outstanding related debt used to acquire those assets. The District uses these capital assets to provide services to citizens; therefore, they are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since capital assets cannot be used to liquidate these liabilities.

An additional portion of the District's assets, 16.8%, represents resources that are subject to external restrictions (statutory, bond covenants, or granting agency) on how they may be used.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

At June 30, 2012, the District had unrestricted net assets of \$58.5 million. A graphical history of net assets follows:



Governmental activities. Governmental activities increased the District's net assets by \$5.2 million. These increases were the result of the excess of revenues over expenses. Key elements of the increases are noted on the following table.

WASHOE COUNTY SCHOOL DISTRICT CHANGE IN NET ASSETS

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues:						
Charges for services	\$ 1,311,986	\$ 1,843,639	\$ 4,915,788	\$ 4,933,054	\$ 6,227,774	\$ 6,776,693
Operating grants and contributions	110,574,297	115,193,329	15,751,352	13,616,037	126,325,649	128,809,366
General revenues:						
Property taxes	143,197,553	153,694,307	-	-	143,197,553	153,694,307
Local school support taxes	139,461,236	128,788,689	-	-	139,461,236	128,788,689
Government services taxes	14,029,845	14,560,297	-	-	14,029,845	14,560,297
Franchise taxes	311,566	365,707	-	-	311,566	365,707
Unrestricted investment earnings	11,712,091	6,630,982	-	-	11,712,091	6,630,982
State aid not restricted to specific purposes	141,063,550	143,954,130	-	-	141,063,550	143,954,130
Other	8,907,529	13,948,550	-	-	8,907,529	13,948,550
Total revenues	\$ 570,569,653	\$ 578,979,630	\$ 20,667,140	\$ 18,549,091	\$ 591,236,793	\$ 597,528,721

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

WASHOE COUNTY SCHOOL DISTRICT CHANGE IN NET ASSETS (continued)

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Expenses						
Instruction:						
Regular instruction	\$ 200,264,098	\$ 200,910,500	\$ -	\$ -	\$ 200,264,098	\$ 200,910,500
Special instruction	68,295,149	66,119,459	-	-	68,295,149	66,119,459
Vocational instruction	7,806,131	8,192,784	-	-	7,806,131	8,192,784
Other instruction	63,005,870	62,794,001	-	-	63,005,870	62,794,001
Adult education instruction	1,681,826	1,951,707	-	-	1,681,826	1,951,707
Community services instruction	683,470	757,579	-	-	683,470	757,579
Co-curricular instruction	3,326,243	3,447,205	-	-	3,326,243	3,447,205
Support services:						
Instruction	369,003	339,215	-	-	369,003	339,215
Student support	25,514,214	24,832,719	-	-	25,514,214	24,832,719
Instructional staff support	12,527,939	12,117,988	-	-	12,527,939	12,117,988
General administration	8,059,481	5,267,326	-	-	8,059,481	5,267,326
School administration	30,191,975	29,682,847	-	-	30,191,975	29,682,847
Central services	22,785,807	20,817,611	-	-	22,785,807	20,817,611
Operation and maintenance	44,000,876	45,840,239	-	-	44,000,876	45,840,239
Student transportation	15,986,162	15,173,027	-	-	15,986,162	15,173,027
Other support	5,469,586	2,079,234	-	-	5,469,586	2,079,234
Community services operations	367,507	388,674	-	-	367,507	388,674
Nutrition services	-	-	20,990,682	18,937,409	20,990,682	18,937,409
Facilities	27,017,690	30,214,091	-	-	27,017,690	30,214,091
Interest on long-term debt	24,979,128	24,139,763	-	-	24,979,128	24,139,763
Issuance costs on debt	1,551,900	1,364,618	-	-	1,551,900	1,364,618
Unallocated refund of Incline Village property taxes	-	15,000,000	-	-	-	15,000,000
Unallocated refund Reno Redevelopment Agency taxes	1,510,218	-	-	-	1,510,218	-
Total expenses	<u>565,394,273</u>	<u>571,430,587</u>	<u>20,990,682</u>	<u>18,937,409</u>	<u>586,384,955</u>	<u>590,367,996</u>
Increase in net assets	\$ <u>5,175,380</u>	\$ <u>7,549,043</u>	\$ <u>(323,542)</u>	\$ <u>(388,318)</u>	\$ <u>4,851,838</u>	\$ <u>7,160,725</u>

Governmental activities

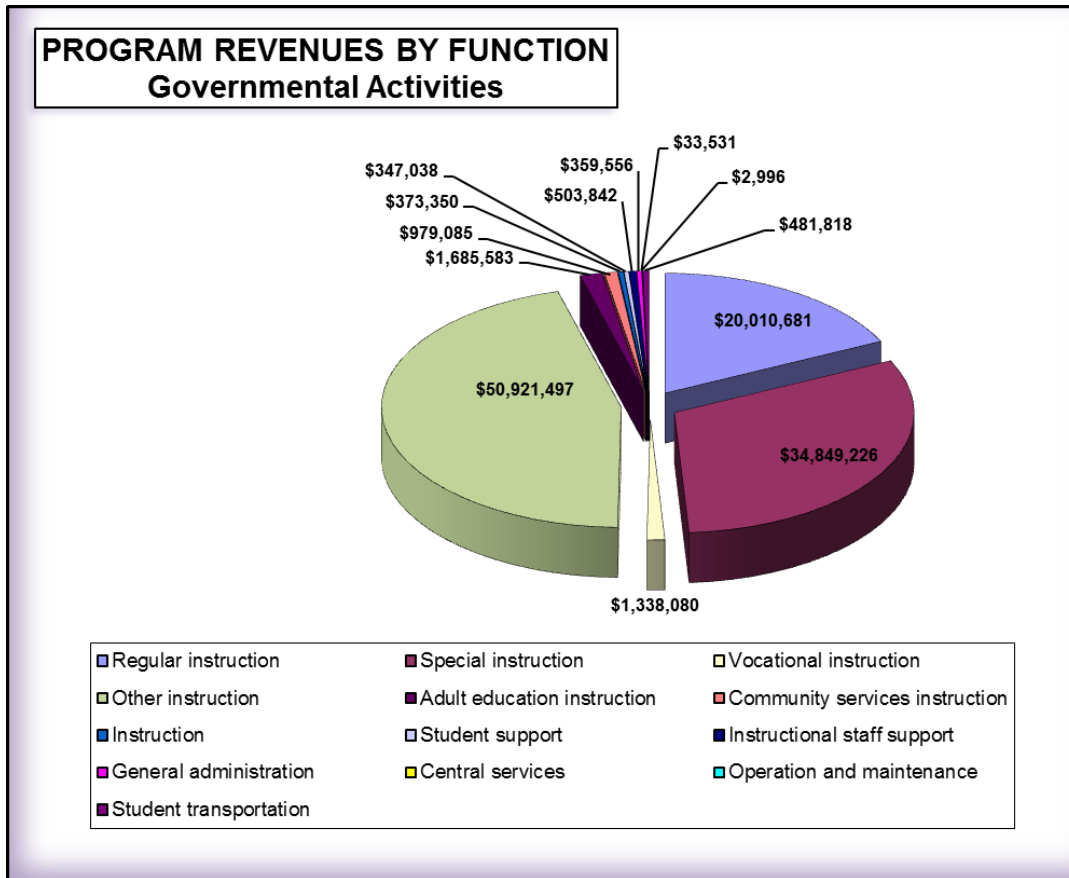
Total Revenues: Total revenues decreased from prior year revenues by (1.5%). General revenues, mainly comprised of taxes, state aid and investment earnings, represented 80.4% of total revenue. Program revenues are revenues directly related to service activities of a function and include charges for services, grants and contributions, and related investment earnings, when restricted for use in programs.

Program Revenues: Program revenues represent 19.6% of the total revenues collected to pay costs of providing program services. Charges for services decreased (28.8%) and operating grants and contributions decreased (4.0%).

General Revenues: General revenues decreased (.7%) from the prior fiscal year. The District experienced increases in local school support taxes and unrestricted investment earnings with decreases in all other categories.

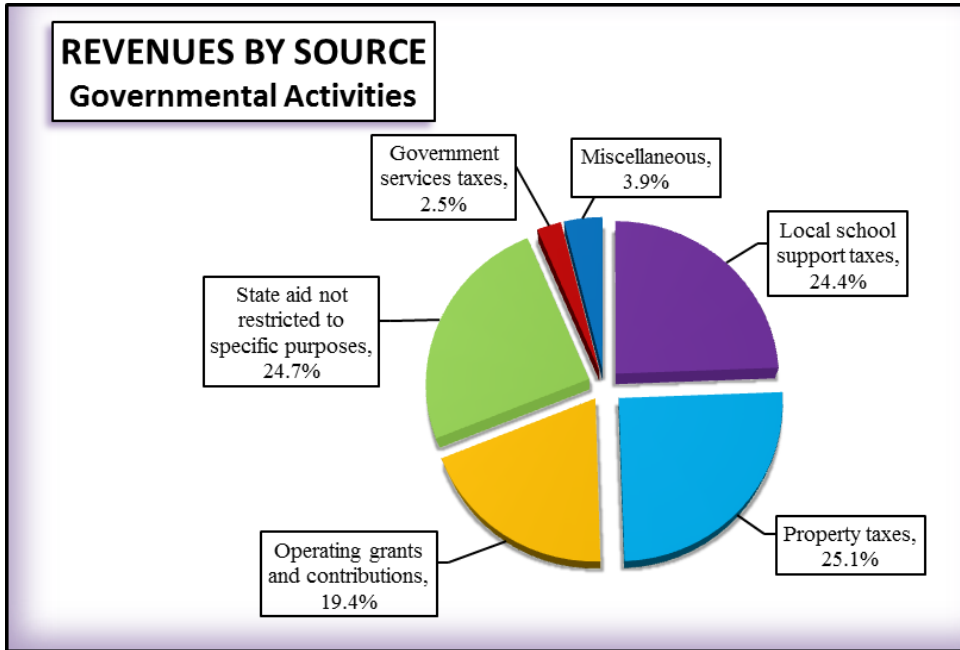
The following two graphs demonstrate the governmental activities revenue by function and by source.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

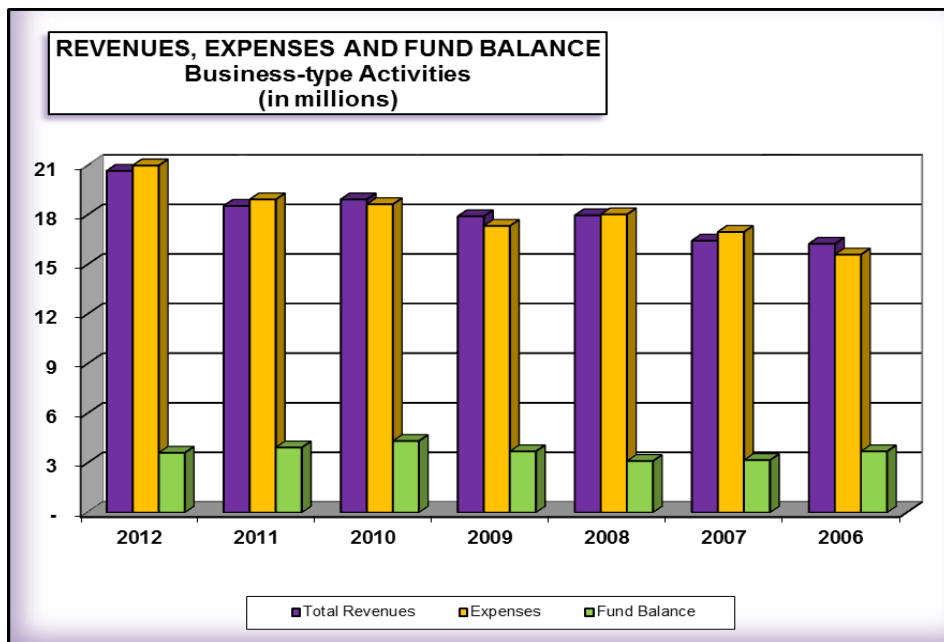


- ❑ The largest and main revenue sources for the District are property taxes (Ad Valorem), local school support taxes, government service taxes and state aid, which comprise 76.7% of total revenues.
- ❑ Ad Valorem taxes decreased (6.8%) from the prior year due to lower property tax collections and decreases in assessed valuations.
- ❑ Local school support taxes increased 8.3% primarily due to increases in sales tax collections in Nevada as a result of some economic improvement.
- ❑ Government services taxes decreased (3.6%) due to lower motor vehicle tax collections.
- ❑ State revenue, as provided in the Nevada Plan (State aid guaranteed funding), decreased (2.0%). 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.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**



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 \$(323,542). 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 23.8% and federal subsidies accounting for 76.2%. The majority of expenses in the business-type activities are for food purchases and salary expenses to maintain the District's nutrition services program. The decreased net assets resulted from higher operating expenses, primarily higher salaries and benefits, than provided for in the contract with Aramark, the start-up costs of adding five provision II schools, re-engagement meals, a fire closure and two delayed start days.



**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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.

The District's governmental funds reported combined ending fund balances of \$211.4 million, an increase of \$5.8 million from the prior year. Of this total, \$1.1 million or .5% is *nonspendable fund balance* (inventories and prepaids), \$151.9 million or 71.9% constitutes *restricted fund balance* (constrained, typically by creditors, grantors, contributors, laws or legislation, to being used for a specific purpose) and \$58.4 million or 27.6% 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, 2012. A detailed discussion of the fund balance reporting is provided in Note 7 on pages 52-54 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 (BUDGETARY BASIS) AND SPECIAL EDUCATION FUNDS
EXPENDITURES BY TYPE**

	<u>2012</u>	<u>2011</u>	
Salaries	\$ 274,225,886	\$ 274,061,940	
Benefits	105,424,139	104,885,783	
Purchased services	16,753,943	15,745,864	
Supplies	23,808,144	22,706,068	
Property	3,347,151	2,911,848	
Other	<u>10,249,781</u>	<u>318,312</u>	
Totals	<u>\$ 433,809,044</u>	<u>\$ 420,629,815</u>	

- ❑ Salaries comprise 63.2% of total expenditures. School districts by their nature are labor intensive.
- ❑ Employee benefits average 38.4% of salaries and 24.3% 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 12.5% of total expenditures. Details regarding variances on a fund level are available in separate reports.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

At the end of the current fiscal year, nonspendable fund balance in the General Fund was \$1.1 million and assigned fund balance was \$58.4 million compared to \$1.1 million nonspendable and \$70.5 million of assigned fund balance in the previous year. The total fund balance was \$59.5 million compared to \$71.6 million in the prior year. 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 15.6% of total fund expenditures. It is also important to note that the General Fund has no unassigned fund balance at June 30, 2012, which is a function of the current economic times and the structural deficit (expenditures/transfers out exceed revenues) the District is currently operating with.

Listed below are the key factors in fund balance changes during the fiscal year.

- On a budgetary basis, total revenues of \$394.5 million decreased from the prior year revenue by \$(3) million or (.8%), primarily due to decreases in property tax (7.0%), state aid (2%), government services tax (3.6%) and earnings on investments (39.9%). Partially offsetting these decreases are increases in school support taxes 8.3%, along with some increases in other minor categories.
- Total expenditures of \$380.5 million increased from the prior year by \$12.2 million or 3.3%. The \$12.2 million increase is primarily due to refunding of prior years' Incline Village property tax plus interest penalty that resulted from litigation for incorrect property tax applications by the Washoe County Assessor. Salaries and benefits decreased \$(.28) million or (.1%) primarily as a result of negotiated salary decreases by four of five bargaining groups to address budget cuts.
- Operating (non-salary) categories increased by \$12.5 million or 31% from the prior year. This increase is again primarily the result of the Incline Village refunds discussed in the preceding paragraph.
- The excess of revenues over expenditures was \$14 million. Transfers in from other funds were \$6.4 million for Class Size Reduction. Transfers to other funds were \$35 million. Significant transfers include \$30.5 million to the Special Education Fund, \$3.2 million to the Debt Service Fund and \$1.3 million to the Health Insurance Fund.
- As part of implementing GASB 54, it was determined that the Medicaid and Community Education funds, previously reported in Special Revenue funds, will now be included in the General Fund financial statements for GAAP basis reporting. These two funds collectively had \$1.3 million of revenues and \$1.2 million of expenses with an ending fund balance of \$1.7 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 \$53.3 million, an increase from the prior year of \$1 million or 1.9%. All fund resources were from State aid of \$22.8 million and transfers from the General Fund of \$30.5 million.

The Debt Service Fund has a total fund balance of \$18.3 million, all of which is restricted for the payment of debt service. The fund balance decreased by \$(36) million primarily as a result of accelerated debt payments, the Incline Village property tax refunds and declining property taxes offset by new debt issues.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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 2012 Bond Rollover Fund issuance in November 2011 for \$45 million will be used primarily for revitalizations and various capital renewal projects. During FY 11/12 expenditures of \$1.4 million included \$450,000 for Signature Academies, \$340,000 for various capital renewal projects and \$610,000 for bond issuance costs. The \$46.4 million ending fund balance on June 30, 2012 consists of unspent bond proceeds, bond premiums received, and investment income.

The 2011 Bond Rollover Fund issuance in October 2010 for \$5.4 million is being used primarily for infrastructure improvements at four high schools. During FY 11/12 approximately \$190,000 was expended for high school infrastructure costs. The ending fund balance on June 30, 2012 of \$5.2 million consists of unspent bond proceeds and investment income.

The 2011B Bond Rollover Fund issuance in July 2011 for \$35 million will be used primarily for technology upgrades, revitalizations and various capital renewal projects. During FY 11/12 expenditures of approximately \$5 million included \$4.2 million for revitalizations, \$410,000 for capital renewal and \$320,000 for bond issuance costs. The ending fund balance on June 30, 2012 of \$32.1 million consists of unspent bond proceeds, bond premiums received, and investment income.

The 2010 Washoe County Recovery Zone Economic Development Bond (RZEDB) issuance in April 2010 for \$10.5 million is being used for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County. During FY 11/12 expenditures included \$2.6 million for infrastructure upgrades (63% expended) and \$443,000 for capital renewal projects (55% expended). The \$3.9 million ending fund balance on June 30, 2012 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 11/12 expenditures included \$1.32 million for school revitalization (62% expended), \$900,000 for infrastructure upgrades (73% expended), and \$1.32 million for capital renewal projects (56% expended). The ending fund balance on June 30, 2012 of \$5.7 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 \$21.9 million is being used primarily for revitalization/infrastructure improvements and capital renewal projects for schools located within Reno city limits. During FY 11/12 approximately \$1.4 million was expended for elementary school revitalizations (91% expended) and \$3.6 million was expended for capital renewal projects (65% expended) and technology infrastructure (96% expended). The \$4.9 million ending fund balance on June 30, 2012 consists of unspent bond proceeds and investment income.

The 2010 Qualified School Construction Bonds (QSCB) issued in May 2010 for \$3.55 million was used primarily for revitalization/infrastructure improvements at two elementary schools. During FY 11/12 approximately \$121,000 was expended for revitalization activities at those schools. This fund is fully expended as of June 30, 2012.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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 fire alarm upgrades and re-paving. During FY 11/12 \$3.36 million was expended for elementary school revitalization (79% expended), and \$2.7 million was expended for IT infrastructure upgrades (81% expended), re-roofing, re-paving and fire alarm upgrades (95% expended) and administrative costs (65% expended). The ending fund balance on June 30, 2012 is \$9.4 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 11/12 \$258,000 was expended for various capital renewal projects including roofing and electrical center upgrades (98% expended), \$725,000 was expended for school revitalization (46.7% expended), and \$515,000 was expended for planning (84% expended) and technology upgrades (62% expended). Central services costs totaling \$181,500 were also recorded in this fund for FY 11/12 (95% expended). The ending fund balance on June 30, 2012 of \$6.6 million consists of unspent bond proceeds and investment income.

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 11/12 \$3.44 million was spent for school revitalization related projects (81% expended), and \$1.53 million was spent for student housing (97% expended), technology (55% expended) and capital renewal projects (62% expended). The June 30, 2012 ending fund balance of \$9.6 million 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 11/12 \$393,000 was spent for school revitalization (97% expended), \$16,000 for technology related projects (96% expended) and \$13,700 for student housing (100% expended) and bond costs (100% expended). The ending fund balance on June 30, 2012 of \$720,643 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 \$48 million. The Health Insurance Fund has a Net Asset balance of \$37.2 million compared to \$36.2 million in the prior year; the Property and Casualty Fund has a balance of \$6.9 million compared to a balance in the prior year of \$7.1 million; and the Workers' Compensation Fund finished the year with a balance of \$3.9 million compared to \$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 \$3.6 million compared to \$3.9 million in the prior year. The factors concerning the finances in this fund were addressed in the discussion of the District's business-type activities.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

GENERAL FUND BUDGETARY HIGHLIGHTS

Prior to the beginning of the fiscal year, the District adopts its original budget on or before June 8. Because of a legislative year, the District is allowed to adopt an amended budget within 30 days of the legislative adjournment. The District is also required to amend the budget by January 1 of the fiscal year to reflect the official enrollment count. During the year, the Chief Financial Officer is authorized to transfer appropriations between accounts and funds, subject to the subsequent approval by the Board of Trustees. The District may also augment the budget by a majority vote of the Board if anticipated resources actually become available during the year that exceeds those estimated.

The amended final budget for the District was approved on June 30, 2011 and addressed a \$74 million dollar budget shortfall. The shortfall was due to a combination of many factors resulting in decreased revenues and opening fund balances of \$28 million as compared to the prior year final budget while expenditures and ending fund balances were \$46 million more.

Revenues decreased \$35 million as the downturn in the economy resulted in a reduction of local property taxes as well as sources for the State to continue to fund education at previous levels. These revenue decreases were offset by a \$7 million increase in opening fund balances. Expenditures increases included: costs of restoring prior year furloughs, health insurance premiums and textbook budgets of \$8.3 million; inclusion of negotiated salary rollups of \$6.4 million; rate increases for retirement, OPEB and unemployment of \$3.6 million; other operating increases of \$4.2 million; and an ending fund balance increase of \$23.8 million.

After 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 increases for grades 1-2 resulting in a savings of \$6.6 million and the continuation of textbook expenditure reductions of \$2 million. \$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 saved \$6.3 million, central and school support services reductions were \$5.5 million, early separation incentive programs saved \$1.4 million and reallocation of costs to other funding sources was \$2 million. The balance of \$10.6 million was to be made up with negotiated salary and benefit reductions.

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.

The District augmented the budget on December 20, 2011 by \$30 million in additional opening fund balance (\$25 million) and revenue (\$2.3 million for the receipt of bond proceeds for the purchase of buses and \$2.8 million in additional DSA revenues).

The augmentation also reflected increased applications of \$9.5 million related to opening fund balances for encumbrances and department carryover, an increase of \$9.9 million for General Administration Expenditures to accommodate Incline Village tax refunds and interest (of which \$6 million represented a transfer, or use, from the contingency account), \$2.3 million for the bus purchase from the bond issuance proceeds, and a \$14.5 million increase in the assigned fund balance for specific purposes, including future assignments for outstanding and unresolved Incline Village tax refund lawsuits, replacement funds for losses of federal stimulus funds and declines in property tax revenues.

The District approved a final revision of the budget on June 26, 2012 to reflect various budget transfers. A transfer from the contingency account was made to address the impact of an arbitrator's ruling related to bargaining for employee concessions of \$6 million. Another transfer

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

was made foregoing \$4 million of current year central services funds to place in the ending fund balance to address the Fiscal Year 2012-13 budget shortfall. The remaining transfers provided funds for gasoline price increases and processing of other routine items.

GENERAL FUND BUDGET ADJUSTMENTS

	<u>2012 BUDGET</u>		
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>DIFFERENCE</u>
REVENUES			
Local sources	\$ 235,358,102	\$ 235,358,102	\$ -
State sources	152,341,543	155,189,286	2,847,743
Federal sources	716,000	716,000	-
Other sources	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total revenues	388,465,645	391,313,388	2,847,743
OTHER FINANCING SOURCES			
Bonds issued	-	2,295,578	2,295,578
Transfers in	6,639,312	6,402,194	(237,118)
FUND BALANCE, July 1	<u>47,769,076</u>	<u>70,063,491</u>	<u>22,294,415</u>
TOTAL SOURCES	<u>\$ 442,874,033</u>	<u>\$ 470,074,651</u>	<u>\$ 27,200,618</u>
EXPENDITURES			
Current			
Regular programs	\$ 191,142,666	\$ 195,321,508	\$ 4,178,842
Special programs	3,446,445	3,837,117	390,672
Vocational programs	6,995,128	6,576,349	(418,779)
Other instructional programs	13,416,785	13,800,514	383,729
Co-curricular programs	4,222,688	4,341,660	118,972
Undistributed expenditures			
Student support	25,456,577	25,648,012	191,435
Instructional staff support	14,754,201	14,657,844	(96,357)
General administration	7,127,843	16,990,168	9,862,325
School administration	30,181,714	31,280,614	1,098,900
Central services	18,948,201	20,680,093	1,731,892
Operation and maintenance	46,405,731	45,735,817	(669,914)
Student transportation	<u>14,965,774</u>	<u>17,646,535</u>	<u>2,680,761</u>
Total expenditures	<u>377,063,753</u>	<u>396,516,231</u>	<u>19,452,478</u>
OTHER FINANCING USES			
Contingency	11,655,280	-	(11,655,280)
Transfers out	<u>35,905,545</u>	<u>36,768,380</u>	<u>862,835</u>
Total other financing uses	<u>47,560,825</u>	<u>36,768,380</u>	<u>(10,792,445)</u>
FUND BALANCE, June 30	<u>18,249,455</u>	<u>36,790,040</u>	<u>18,540,585</u>
TOTAL APPLICATIONS	<u>\$ 442,874,033</u>	<u>\$ 470,074,651</u>	<u>\$ 27,200,618</u>

Actual expenditures were 96% of the final budget and all functions are within the appropriate budgetary authority.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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, 2012 amounts to \$660 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	\$ 22.5 million	Machinery/Equipment	\$ 4.4 million
Photovoltaic energy projects	7.5 million	Technology	1.1 million

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

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

Governmental Activities

	<u>2012</u>	<u>2011</u>
Land	\$ 38,017,804	\$ 38,017,804
Construction in progress	22,220,882	23,913,664
Buildings	557,893,195	547,483,457
Improvements other than buildings	21,048,733	17,660,247
Machinery and equipment	19,837,458	19,696,230
Total	<u>\$ 659,018,072</u>	<u>\$ 646,771,402</u>

Business-type Activities

Machinery and equipment	<u>\$ 758,582</u>	<u>\$ 551,185</u>
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WASHOE COUNTY SCHOOL DISTRICT OUTSTANDING DEBT

	<u>2012</u>	<u>2011</u>
General Obligation Bonds	\$ 506,175,000	\$ 483,300,000
Certificates of Participation & Notes Payable	2,592,716	8,940,526
Qualified Zone Academy Bonds	7,268,997	7,268,997
Total	<u>\$ 516,036,713</u>	<u>\$ 499,509,523</u>

The District's outstanding debt increased by \$16.5 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.

State statute (NRS 387.400) limits the amount of general obligation debt a school district may issue to 15% of its total assessed valuation. The current limitation for the Washoe County School District is \$1.94 billion, which is significantly in excess of the District's outstanding general obligation debt. Additional information on the District's long-term debt can be found in Note 6 on pages 49-52 of this report.

**WASHOE COUNTY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

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

The District faced a \$40 million budget shortfall for fiscal year 2013 as revenues and opening fund balances were \$19 million less than the prior year and expenditures were \$21 million more. After extensive discussions with Board members, staff, community and six Town Hall meetings, the District finalized the recommendations to balance the budget as follows:

Use of Contingency Reserves	\$7,311,622
Health Insurance Savings	6,300,000
Use Class Size Waiver for Grades 1-3	6,562,249
Defer New Textbooks for Another Year	2,000,000
Tax, Enrollment & Revenue Adjustments	4,803,949
Prior Year Savings & Reductions	4,000,000
Early Separation Incentive Plan & Retiree Subsidy Savings	1,162,248
Unresolved Incline Property Tax Lawsuit Reserve	2,000,000
Forego Planned Expansion of FDK, Early Childhood & Other Programs	5,374,418
Teacher Allocations Related to Enrollment Change	305,000
Reduce Teacher Allocation Reserves	366,000
	<hr/> <u>\$40,185,486</u> <hr/>

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 James Masias, Chief Financial Officer, P.O. Box 30425, Reno, NV 89520-3425. By January 1, 2013 this report will also be available on the web site at www.washoe.k12.nv.us.



DILWORTH
STEM ACADEMY

DILWORTH
STEM ACADEMY

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, 2012**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Current assets			
Cash and investments	\$ 299,835,902	\$ 444,853	\$ 300,280,755
Receivables			
Property taxes	5,950,600	-	5,950,600
Interest	117,138	-	117,138
Grants	9,164,122	-	9,164,122
Miscellaneous	2,384,934	2,688,428	5,073,362
Due from other governments	25,606,338	-	25,606,338
Prepays	70,351	675	71,026
Inventories	1,074,806	1,577,429	2,652,235
Deferred charges	16,209,108	-	16,209,108
Total current assets	<u>360,413,299</u>	<u>4,711,385</u>	<u>365,124,684</u>
Noncurrent assets			
Restricted cash	4,850,359	-	4,850,359
Other postemployment benefits asset	24,148,221	-	24,148,221
Capital assets			
Land and construction in progress	60,238,686	-	60,238,686
Other capital assets, net of depreciation	598,779,386	758,582	599,537,968
Total noncurrent assets	<u>688,016,652</u>	<u>758,582</u>	<u>688,775,234</u>
Total assets	<u>1,048,429,951</u>	<u>5,469,967</u>	<u>1,053,899,918</u>
LIABILITIES			
Current liabilities			
Accounts payable	3,808,814	959,529	4,768,343
Accrued liabilities	48,985,256	582,225	49,567,481
Construction contracts payable	6,500,247	-	6,500,247
Interest payable	2,997,216	-	2,997,216
Due to other governments	11,726,578	-	11,726,578
Unearned revenue	2,510,431	313,202	2,823,633
Refund of Reno Redevelopment Agency taxes	1,160,332	-	1,160,332
Refund of Reno Redevelopment Agency interest	349,886	-	349,886
Current portion of long-term obligations	56,740,300	-	56,740,300
Total current liabilities	<u>134,779,060</u>	<u>1,854,956</u>	<u>136,634,016</u>
Noncurrent liabilities			
General obligation bonds payable	536,634,812	-	536,634,812
Other long-term debt payable	9,861,713	-	9,861,713
Accrued compensated absences	29,109,488	-	29,109,488
Accrued early separation incentive stipends	152,978	-	152,978
Accrued self-insurance pending claims	12,721,672	-	12,721,672
Other postemployment benefits liability	1,533,117	-	1,533,117
Less: current portion of long-term obligations	(56,740,300)	-	(56,740,300)
Total noncurrent liabilities	<u>533,273,480</u>	<u>-</u>	<u>533,273,480</u>
Total liabilities	<u>668,052,540</u>	<u>1,854,956</u>	<u>669,907,496</u>
NET ASSETS			
Invested in capital assets, net of related debt	260,357,416	758,582	261,115,998
Restricted for			
Debt service	2,086,231	-	2,086,231
Capital projects	14,310,141	-	14,310,141
Self-insurance activities	47,980,152	-	47,980,152
Unrestricted (result of other postemployment benefits)	22,615,104	-	22,615,104
Unrestricted	33,028,367	2,856,429	35,884,796
Total net assets	<u>\$ 380,377,411</u>	<u>\$ 3,615,011</u>	<u>\$ 383,992,422</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, 2012**

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	\$ 200,264,098	\$ -	\$ 20,010,681	\$ (180,253,417)	\$ -	\$ (180,253,417)
Special instruction	68,295,149	-	34,849,226	(33,445,923)	-	(33,445,923)
Vocational instruction	7,806,131	-	1,338,080	(6,468,051)	-	(6,468,051)
Other instruction	63,005,870	1,019,344	49,902,153	(12,084,373)	-	(12,084,373)
Adult education instruction	1,681,826	-	1,685,583	3,757	-	3,757
Community services instruction	683,470	292,642	686,443	295,615	-	295,615
Co-curricular instruction	3,326,243	-	-	(3,326,243)	-	(3,326,243)
Total instruction	<u>345,062,787</u>	<u>1,311,986</u>	<u>108,472,166</u>	<u>(235,278,635)</u>	<u>-</u>	<u>(235,278,635)</u>
Support services						
Instruction	369,003	-	373,350	4,347	-	4,347
Student support	25,514,214	-	347,038	(25,167,176)	-	(25,167,176)
Instructional staff support	12,527,939	-	503,842	(12,024,097)	-	(12,024,097)
General administration	8,059,481	-	359,556	(7,699,925)	-	(7,699,925)
School administration	30,191,975	-	-	(30,191,975)	-	(30,191,975)
Central services	22,785,807	-	33,531	(22,752,276)	-	(22,752,276)
Operation and maintenance	44,000,876	-	2,996	(43,997,880)	-	(43,997,880)
Student transportation	15,986,162	-	481,818	(15,504,344)	-	(15,504,344)
Other support	5,469,586	-	-	(5,469,586)	-	(5,469,586)
Community service operations	367,507	-	-	(367,507)	-	(367,507)
Facilities	27,017,690	-	-	(27,017,690)	-	(27,017,690)
Interest on long-term debt	24,979,128	-	-	(24,979,128)	-	(24,979,128)
Amortization of issuance costs on debt	1,551,900	-	-	(1,551,900)	-	(1,551,900)
Total support services	<u>218,821,268</u>	<u>-</u>	<u>2,102,131</u>	<u>(216,719,137)</u>	<u>-</u>	<u>(216,719,137)</u>
Unallocated refund Reno						
Redevelopment Agency taxes and interest	1,510,218	-	-	(1,510,218)	-	(1,510,218)
Total governmental activities	<u>565,394,273</u>	<u>1,311,986</u>	<u>110,574,297</u>	<u>(453,507,990)</u>	<u>-</u>	<u>(453,507,990)</u>
Business-type activities						
Nutrition services	20,990,682	4,915,788	15,751,352	-	(323,542)	(323,542)
Total school district	<u>\$ 586,384,955</u>	<u>\$ 6,227,774</u>	<u>\$ 126,325,649</u>	<u>(453,507,990)</u>	<u>(323,542)</u>	<u>(453,831,532)</u>
General revenues						
Property taxes, levied for general purposes				93,905,652	-	93,905,652
Property taxes, levied for debt service				49,291,901	-	49,291,901
Local school support taxes				139,461,236	-	139,461,236
Government service taxes for general purposes				11,144,014	-	11,144,014
Government service taxes for capital purposes				2,885,831	-	2,885,831
Franchise taxes				311,566	-	311,566
Unrestricted investment earnings				11,712,091	-	11,712,091
Gain on the sale of assets				498,295	-	498,295
State aid not restricted to specific purposes				141,063,550	-	141,063,550
State aid special appropriations				444,427	-	444,427
Other local sources				7,748,009	-	7,748,009
Federal aid not restricted to specific purposes				216,798	-	216,798
Total general revenues				<u>458,683,370</u>	<u>-</u>	<u>458,683,370</u>
Change in net assets				5,175,380	(323,542)	4,851,838
NET ASSETS - July 1				<u>375,202,031</u>	<u>3,938,553</u>	<u>379,140,584</u>
NET ASSETS - June 30				<u>\$ 380,377,411</u>	<u>\$ 3,615,011</u>	<u>\$ 383,992,422</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012**

	GENERAL FUND	SPECIAL EDUCATION FUND	DEBT SERVICE FUND	2012 BOND ROLLOVER FUND
ASSETS				
Cash and investments	\$ 72,630,257	\$ 5,833,226	\$ 15,574,514	\$ 46,961,228
Receivables				
Property taxes	4,769,518	-	1,181,082	-
Interest	9,894	-	95,256	-
Grants	-	-	-	-
Miscellaneous	1,581,336	7,402	-	-
Due from other funds	5,985,371	-	-	-
Due from other governments	25,342,546	-	-	-
Prepays	54,702	-	-	-
Inventories	1,074,806	-	-	-
Cash and investments - restricted	-	-	4,850,359	-
	<u>\$ 111,448,430</u>	<u>\$ 5,840,628</u>	<u>\$ 21,701,211</u>	<u>\$ 46,961,228</u>
LIABILITIES				
Accounts payable	\$ 2,433,293	\$ 23,458	\$ -	\$ 28,323
Accrued liabilities	36,978,677	5,817,170	110,125	2,904
Construction contracts payable	-	-	-	575,603
Due to other funds	-	-	-	-
Due to other governments	9,616,864	-	2,065,178	-
Deferred revenues	2,961,984	-	1,181,082	-
	<u>51,990,818</u>	<u>5,840,628</u>	<u>3,356,385</u>	<u>606,830</u>
FUND BALANCE				
Nonspendable	1,074,806	-	-	-
Restricted	-	-	18,344,826	46,354,398
Assigned	58,382,806	-	-	-
	<u>59,457,612</u>	<u>-</u>	<u>18,344,826</u>	<u>46,354,398</u>
Total fund balance	<u>\$ 59,457,612</u>	<u>\$ -</u>	<u>\$ 18,344,826</u>	<u>\$ 46,354,398</u>
Total liabilities and fund balance	<u>\$ 111,448,430</u>	<u>\$ 5,840,628</u>	<u>\$ 21,701,211</u>	<u>\$ 46,961,228</u>

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

<u>2010 WASHOE COUNTY RZEDB FUND</u>	<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>2009 BOND ROLLOVER FUND</u>
\$ 4,120,410	\$ 5,874,924	\$ 4,929,268	\$ 34,883,010	\$ 5,191,931	\$ 11,397,713
-	-	-	-	-	-
-	20	-	-	699	1
-	-	-	-	-	6
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,120,410</u>	<u>5,874,944</u>	<u>4,929,268</u>	<u>34,883,010</u>	<u>5,192,630</u>	<u>11,397,720</u>
\$ -	\$ 1,902	\$ 7,056	\$ 150,784	\$ 697	\$ 5,349
377	200	8,842	24,125	-	117,283
199,604	188,154	28,965	2,604,411	33,302	1,833,942
-	-	-	-	-	-
-	-	-	-	-	-
<u>199,981</u>	<u>190,256</u>	<u>44,863</u>	<u>2,779,320</u>	<u>33,999</u>	<u>1,956,574</u>
-	-	-	-	-	-
3,920,429	5,684,688	4,884,405	32,103,690	5,158,631	9,441,146
-	-	-	-	-	-
<u>3,920,429</u>	<u>5,684,688</u>	<u>4,884,405</u>	<u>32,103,690</u>	<u>5,158,631</u>	<u>9,441,146</u>
<u>\$ 4,120,410</u>	<u>\$ 5,874,944</u>	<u>\$ 4,929,268</u>	<u>\$ 34,883,010</u>	<u>\$ 5,192,630</u>	<u>\$ 11,397,720</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012**

	<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	\$ 6,793,605	\$ 10,226,059	\$ 722,673	\$ 14,158,835	\$ 239,297,653
Receivables					
Property taxes	-	-	-	-	5,950,600
Interest	921	1,410	102	1,324	109,627
Grants	-	-	-	9,164,122	9,164,122
Miscellaneous	4	1	-	49,399	1,638,148
Due from other funds	-	-	-	-	5,985,371
Due from other governments	-	-	-	255,372	25,597,918
Prepays	-	-	-	15,649	70,351
Inventories	-	-	-	-	1,074,806
Cash and investments - restricted	-	-	-	-	4,850,359
	<u>6,794,530</u>	<u>10,227,470</u>	<u>722,775</u>	<u>23,644,701</u>	<u>293,738,955</u>
Total assets	<u>\$ 6,794,530</u>	<u>\$ 10,227,470</u>	<u>\$ 722,775</u>	<u>\$ 23,644,701</u>	<u>\$ 293,738,955</u>
LIABILITIES					
Accounts payable	\$ 34,961	\$ 15,470	\$ -	\$ 1,066,803	\$ 3,768,096
Accrued liabilities	16,483	9,955	-	5,321,113	48,407,254
Construction contracts payable	182,151	613,795	2,132	238,188	6,500,247
Due to other funds	-	-	-	5,985,371	5,985,371
Due to other governments	-	-	-	44,536	11,726,578
Deferred revenues	-	-	-	1,789,652	5,932,718
	<u>233,595</u>	<u>639,220</u>	<u>2,132</u>	<u>14,445,663</u>	<u>82,320,264</u>
Total liabilities	<u>233,595</u>	<u>639,220</u>	<u>2,132</u>	<u>14,445,663</u>	<u>82,320,264</u>
FUND BALANCES					
Nonspendable	-	-	-	-	1,074,806
Restricted	6,560,935	9,588,250	720,643	9,199,038	151,961,079
Assigned	-	-	-	-	58,382,806
	<u>6,560,935</u>	<u>9,588,250</u>	<u>720,643</u>	<u>9,199,038</u>	<u>211,418,691</u>
Total fund balance	<u>6,560,935</u>	<u>9,588,250</u>	<u>720,643</u>	<u>9,199,038</u>	<u>211,418,691</u>
Total liabilities and fund balance	<u>\$ 6,794,530</u>	<u>\$ 10,227,470</u>	<u>\$ 722,775</u>	<u>\$ 23,644,701</u>	<u>\$ 293,738,955</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, 2012**

Total Fund Balances for Governmental Funds \$ 211,418,691

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Land and construction in progress	\$ 60,238,686	
Capital assets subject to depreciation	866,959,899	
Less accumulated depreciation	<u>(268,208,511)</u>	
		658,990,074

Other assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Deferred debt charges	16,943,803	
Debt issuance costs	9,006,663	
Less accumulated amortization	<u>(9,741,358)</u>	
		16,209,108

Refund of Reno Redevelopment Agency taxes will not be paid with current financial resources and therefore is not reported in the governmental funds.

Tax refund payable	(1,160,332)	
Interest	<u>(349,886)</u>	
		(1,510,218)

State portion of Incline Village property taxes is not a current resource and therefore is not reported in the governmental funds. 8,420

Other postemployment benefits net asset is not a financial resource and therefore is not reported in the governmental funds. 22,615,104

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental bonds payable	(506,175,000)	
Bond premium	(40,688,975)	
Less accumulated amortization	10,229,163	
Other long-term debt payable	(9,861,713)	
Compensated absences	(29,109,488)	
Early separation incentive stipends	<u>(152,978)</u>	
		(575,758,991)

Interest payable		(2,997,216)
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Deferred revenue represents amounts that were not available to fund current expenditures and therefore is not reported in the governmental funds. 3,422,287

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. 47,980,152

Total Net Assets of Governmental Activities \$ 380,377,411

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, 2012**

	<u>GENERAL FUND</u>	<u>SPECIAL EDUCATION FUND</u>	<u>DEBT SERVICE FUND</u>	<u>2012 BOND ROLLOVER FUND</u>	<u>2010 WASHOE COUNTY RZEDB FUND</u>
REVENUES					
Local sources	\$ 252,060,546	\$ -	\$ 52,383,923	\$ 211,766	\$ 8,306
State sources	141,507,977	22,826,832	-	-	-
Federal sources	2,153,050	-	-	-	-
Other sources	36,801	-	-	-	-
Total revenues	<u>395,758,374</u>	<u>22,826,832</u>	<u>52,383,923</u>	<u>211,766</u>	<u>8,306</u>
EXPENDITURES					
Current					
Regular programs	188,529,450	-	-	-	-
Special programs	4,592,925	53,295,801	-	-	-
Vocational programs	6,516,975	-	-	-	-
Other instructional programs	13,604,223	-	-	-	-
Adult education programs	-	-	-	-	-
Community services programs	-	-	-	-	-
Co-curricular programs	3,348,603	-	-	-	-
Undistributed expenditures					
Instruction	-	-	-	-	-
Student support	25,349,876	-	-	-	-
Instructional staff support	12,278,124	-	-	-	-
General administration	15,454,572	-	5,138,408	-	-
School administration	30,448,382	-	-	-	-
Central services	20,022,072	-	-	-	-
Operation and maintenance	44,235,696	-	-	-	-
Student transportation	16,950,972	-	-	-	-
Community service operations	368,501	-	-	-	-
Capital outlay	-	-	-	785,271	3,043,500
Debt service					
Principal	-	-	110,007,810	-	-
Interest	-	-	23,965,066	-	-
Bond issuance costs	-	-	697,410	610,297	-
Other	-	-	5,468,723	-	-
Total expenditures	<u>381,700,371</u>	<u>53,295,801</u>	<u>145,277,417</u>	<u>1,395,568</u>	<u>3,043,500</u>
Excess (deficiency) of revenues over expenditures	<u>14,058,003</u>	<u>(30,468,969)</u>	<u>(92,893,494)</u>	<u>(1,183,802)</u>	<u>(3,035,194)</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	2,320,000	-	-	45,000,000	-
Refunding bonds issued	-	-	84,170,000	-	-
Bond premiums	-	-	11,400,916	2,538,200	-
Payments to refunded bonds escrow agent	-	-	(41,826,272)	-	-
Transfers in	6,402,194	30,468,969	3,191,660	-	-
Transfers out	(34,979,760)	-	-	-	-
Total other financing sources (uses)	<u>(26,257,566)</u>	<u>30,468,969</u>	<u>56,936,304</u>	<u>47,538,200</u>	<u>-</u>
Net change in fund balance	(12,199,563)	-	(35,957,190)	46,354,398	(3,035,194)
FUND BALANCE, July 1	<u>71,657,175</u>	<u>-</u>	<u>54,302,016</u>	<u>-</u>	<u>6,955,623</u>
FUND BALANCE, June 30	<u>\$ 59,457,612</u>	<u>\$ -</u>	<u>\$ 18,344,826</u>	<u>\$ 46,354,398</u>	<u>\$ 3,920,429</u>

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

2009B WASHOE COUNTY RZEDB FUND	2009B CITY OF RENO RZEDB FUND	2011B BOND ROLLOVER FUND	2011 BOND ROLLOVER FUND	2010 QSCB FUND	2009 BOND ROLLOVER FUND	2008 BOND ROLLOVER FUND
\$ 11,367	\$ 10,133	\$ 148,837	\$ 6,524	\$ 118	\$ 55,328	\$ 9,298
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,367	10,133	148,837	6,524	118	55,328	9,298
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,808,221	506,550
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,539,025	5,071,998	4,639,420	190,496	120,718	4,255,097	1,171,659
-	-	-	-	-	-	-
-	-	323,406	-	-	-	-
-	-	-	-	-	-	-
3,539,025	5,071,998	4,962,826	190,496	120,718	6,063,318	1,678,209
(3,527,658)	(5,061,865)	(4,813,989)	(183,972)	(120,600)	(6,007,990)	(1,668,911)
-	-	34,600,000	-	-	-	-
-	-	-	-	-	-	-
-	-	2,040,385	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	36,640,385	-	-	-	-
(3,527,658)	(5,061,865)	31,826,396	(183,972)	(120,600)	(6,007,990)	(1,668,911)
9,212,346	9,946,270	277,294	5,342,603	120,600	15,449,136	8,229,846
\$ 5,684,688	\$ 4,884,405	\$ 32,103,690	\$ 5,158,631	\$ -	\$ 9,441,146	\$ 6,560,935

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012**

	2007 BOND ROLLOVER FUND	2006 BOND ROLLOVER FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Local sources	\$ 451,805	\$ 1,313	\$ 14,391,870	\$ 319,751,134
State sources	-	-	33,950,356	198,285,165
Federal sources	-	-	48,952,431	51,105,481
Other sources	-	-	-	36,801
Total revenues	<u>451,805</u>	<u>1,313</u>	<u>97,294,657</u>	<u>569,178,581</u>
EXPENDITURES				
Current				
Regular programs	-	-	13,488,928	202,018,378
Special programs	-	-	11,027,901	68,916,627
Vocational programs	-	-	1,338,080	7,855,055
Other instructional programs	-	-	49,902,153	63,506,376
Adult education programs	-	-	1,685,583	1,685,583
Community services programs	-	-	686,443	686,443
Co-curricular programs	-	-	-	3,348,603
Undistributed expenditures				
Instruction	-	-	373,350	373,350
Student support	-	-	334,546	25,684,422
Instructional staff support	-	-	503,842	12,781,966
General administration	-	-	312,886	20,905,866
School administration	-	-	-	30,448,382
Central services	744,812	2,614	33,531	23,117,800
Operation and maintenance	-	-	15,488	44,251,184
Student transportation	-	-	-	16,950,972
Community service operations	-	-	-	368,501
Capital outlay	4,223,219	420,076	10,910,404	38,370,883
Debt service				
Principal	-	-	-	110,007,810
Interest	-	-	-	23,965,066
Bond issuance costs	-	-	-	1,631,113
Other	-	-	-	5,468,723
Total expenditures	<u>4,968,031</u>	<u>422,690</u>	<u>90,613,135</u>	<u>702,343,103</u>
Excess (deficiency) of revenues over expenditures	<u>(4,516,226)</u>	<u>(421,377)</u>	<u>6,681,522</u>	<u>(133,164,522)</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	81,920,000
Refunding bonds issued	-	-	-	84,170,000
Bond premiums	-	-	-	15,979,501
Payments to refunded bonds escrow agent	-	-	-	(41,826,272)
Transfers in	-	-	-	40,062,823
Transfers out	-	-	(6,402,194)	(41,381,954)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,402,194)</u>	<u>138,924,098</u>
Net change in fund balance	(4,516,226)	(421,377)	279,328	5,759,576
FUND BALANCE, July 1	<u>14,104,476</u>	<u>1,142,020</u>	<u>8,919,710</u>	<u>205,659,115</u>
FUND BALANCE, June 30	<u>\$ 9,588,250</u>	<u>\$ 720,643</u>	<u>\$ 9,199,038</u>	<u>\$ 211,418,691</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, 2012

Net Change in Fund Balances - Governmental Funds	\$	5,759,576
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	\$ 35,944,514	
Less current year depreciation	<u>(23,673,518)</u>	12,270,996
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.		
		110,007,810
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.		
		(1,014,062)
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.		
		(493,636)
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.		
		(21,816)
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	(81,920,000)	
Refunding bonds issued	(84,170,000)	
Payment of refunded bonds	39,554,999	
Deferred debt charges on refunding bonds	<u>2,271,273</u>	(124,263,728)
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	1,631,113	
Current year amortization of debt issuance costs and charges	<u>(1,551,900)</u>	79,213
Current year bond premiums	(15,979,501)	
Current year amortization of bond premiums	<u>1,884,708</u>	(14,094,793)
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. Conversely, some expenses reported in the Statement of Activities last year are reported as expenditures in the governmental funds this year.		
Change in long-term early separation incentive stipends	184,628	
Change in long-term compensated absences	(589,894)	
Change in other postemployment benefits net asset	5,954,235	
Payment of Incline Village property taxes principal	12,900,000	
Payment of Incline Village property taxes interest	2,100,000	
State portion of Incline Village property taxes	(2,824,913)	
Refund of Reno Redevelopment Agency taxes	(1,160,332)	
Refund of Reno Redevelopment Agency interest	<u>(349,886)</u>	16,213,838
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>731,982</u>
Change in Net Assets of Governmental Activities	\$	<u>5,175,380</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, 2012**

	BUSINESS-TYPE ACTIVITIES NUTRITION SERVICES ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
ASSETS		
Current assets		
Cash and investments	\$ 444,853	\$ 60,538,249
Accounts receivable	2,688,428	746,786
Interest receivable	-	7,511
Inventories	1,577,429	-
Prepays	675	-
Total current assets	4,711,385	61,292,546
Capital assets		
Machinery and equipment	2,230,860	39,843
Less: Allowance for depreciation	(1,472,278)	(11,845)
Total capital assets	758,582	27,998
Total assets	5,469,967	61,320,544
LIABILITIES		
Current liabilities		
Accounts payable	959,529	40,718
Accrued liabilities	582,225	578,002
Pending claims	-	8,148,690
Unearned revenue	313,202	-
Total current liabilities	1,854,956	8,767,410
Noncurrent liabilities		
Pending claims	-	4,572,982
Total liabilities	1,854,956	13,340,392
NET ASSETS		
Invested in capital assets	758,582	27,998
Unrestricted	2,856,429	47,952,154
Total net assets	\$ 3,615,011	\$ 47,980,152

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, 2012**

	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	\$ 3,192,917	\$ 55,998,960
Cash paid for salaries and benefits	(8,871,291)	(350,868)
Cash payments for employee benefits	-	(51,140,533)
Cash payments for claims and services	-	(6,285,414)
Cash paid for food and supplies	(8,743,069)	-
Cash payments for purchased services	(1,151,837)	-
Cash payments for other	(454,746)	-
Net cash (used) by operating activities	<u>(16,028,026)</u>	<u>(1,777,855)</u>
Cash flows from capital and related financing activities		
Purchase of equipment	<u>(315,926)</u>	-
Cash flows from noncapital financing activities		
Federal reimbursements	14,360,422	-
State matching funds	77,691	-
Transfer from General Fund	-	1,319,131
Net cash provided by noncapital financing activities	<u>14,438,113</u>	<u>1,319,131</u>
Cash flows from investing activities		
Interest received on investments	<u>-</u>	<u>67,661</u>
Net (decrease) in cash and cash equivalents	(1,905,839)	(391,063)
Cash and investments, beginning of year	<u>2,350,692</u>	<u>60,929,312</u>
Cash and investments, end of year	<u>\$ 444,853</u>	<u>\$ 60,538,249</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS		
Operating (loss)	<u>\$ (16,074,894)</u>	<u>\$ (654,810)</u>
Adjustments to reconcile operating (loss) to net cash (used) by operations		
Depreciation	108,529	2,510
Commodity revenue	1,313,239	-
Changes in assets and liabilities		
Accounts receivable	(1,855,919)	(105,032)
Inventories	(515,951)	-
Prepays	(60)	-
Accounts payable	564,625	(86,997)
Accrued liabilities	299,357	543,538
Pending claims	-	(1,477,064)
Unearned revenue	133,048	-
Total adjustments	<u>46,868</u>	<u>(1,123,045)</u>
Net cash (used) by operations	<u>\$ (16,028,026)</u>	<u>\$ (1,777,855)</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, 2012**

	<u>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</u>	<u>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</u>	<u>AGENCY FUNDS</u>
ASSETS			
Cash and investments			
Cash	\$ 1,152,270	\$ 25,585	\$ 7,980,769
RBIF participation units	-	38,029,957	-
Accounts receivable	-	-	124,752
Total assets	<u>1,152,270</u>	<u>38,055,542</u>	<u>8,105,521</u>
LIABILITIES			
Accrued liabilities	24,400	-	128,412
Due to student groups	-	-	7,977,109
Total liabilities	<u>24,400</u>	<u>-</u>	<u>8,105,521</u>
NET ASSETS			
Assets held in trust	<u>\$ 1,127,870</u>	<u>\$ 38,055,542</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, 2012**

	<u>PRIVATE- PURPOSE SCHOLARSHIP TRUST FUND</u>	<u>OTHER POST- EMPLOYMENT BENEFITS TRUST FUND</u>
ADDITIONS		
Contributions by employer	\$ -	\$ 11,671,265
Earnings on investments	1,278	861,687
Adjustment to fair market value	-	(35,880)
Donations	154,836	-
	<hr/>	<hr/>
Total additions	156,114	12,497,072
	<hr/>	<hr/>
DEDUCTIONS		
Benefits	-	4,648,187
Other	111,027	-
	<hr/>	<hr/>
Total deductions	111,027	4,648,187
	<hr/>	<hr/>
Change in net assets	45,087	7,848,885
NET ASSETS - July 1	<hr/> 1,082,783	<hr/> 30,206,657
NET ASSETS - June 30	\$ <u><u>1,127,870</u></u>	\$ <u><u>38,055,542</u></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, 2012**

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, 2012**

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, 2012**

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 and other debt of governmental activities.
- **2012 Bond Rollover Fund** – The 2012 Bond Rollover Capital Projects 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.
- **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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

- **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.
- **2011B Bond Rollover Fund** – The 2011B Bond Rollover Capital Projects 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 Capital Projects 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Additionally the District reports the following fund types:

Internal Service Funds:

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

Property and 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 (OPEB) 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Fiduciary Funds:

The accounting records for the Private Purpose Scholarship Trust Fund and the Other Postemployment Benefits Trust Fund are maintained on the economic resources measurement focus and accrual basis of accounting. Contributions are recognized in the Other Postemployment Benefits Trust Fund in the period in which the contributions are due and the District has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. The accounting records for the agency funds do not have a measurement focus and are maintained on the accrual basis of accounting.

Property Taxes:

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

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

Taxes may be paid in four installments payable on the third Monday in August and the first Mondays in October, January, and March to the Treasurer of Washoe County in which the District is located. Penalties are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a two-year waiting period, if taxes remain unpaid, a 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 2010-11 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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

commencing the following July 1. The tentative budget includes proposed expenditures and the means of financing them.

- (2) Prior to the third Wednesday in May, a minimum of seven days notice of public hearing on the final budget is published in a local newspaper. Public hearings are conducted prior to the adoption of the budget to obtain taxpayer comments.
- (3) On or before June 8, the budget is legally adopted by a majority vote of the Board of Trustees.
- (4) On or before January 1, the Board of Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the complete count of students.
- (5) NRS provides that the Board of Trustees may augment the budget at any time by a majority vote of the Board 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 and Agency Funds, which do not require budgets.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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

Cash and Investments:

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

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

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

- United States bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Securities of the United States Treasury, United States Postal Service, or the Federal National Mortgage Association maturing within ten (10) years from the date of purchase.
- Negotiable certificates of deposit from commercial banks and insured savings and loan associations, and credit unions.
- Certain securities issued by local governments of the State of Nevada.
- Certain bankers' acceptances, commercial paper issued by a corporation organized and operating in the United States, and money market mutual funds.
- 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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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.

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, 2012, but not yet paid.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 include students receiving services related to gifted and talented programs.

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.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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. 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 it has 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.

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 year 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 disclosure of transactions for fiscal year 2011. Such information can only be obtained by referring to the audited financial statements 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, 2012 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."

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

As of June 30, 2012, the District had the following amounts reported as cash and investments:

Government-Wide Balances:	
Pooled Cash	\$ 64,280,957
Investments	<u>240,850,157</u>
	<u>305,131,114</u>
Fiduciary Funds Balances:	
Pooled Cash	1,155,930
Cash held by Student Activity Agency Fund	3,833,043
Cash held by OPEB Trust Fund	25,585
Investments	<u>42,174,023</u>
	<u>47,188,581</u>
Total Pooled Cash and Investments	<u>\$ 352,319,695</u>

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

As of June 30, 2012, 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	\$ 594,646	\$ 594,646	\$ -	\$ -	\$ -
State of Nevada Local Government Investment Pool	149,930,934	149,930,934 *	-	-	-
State of Nevada Local Government Investment Pool-Workers Comp	2,115,132	2,115,132 *	-	-	-
Washoe County Investment Pool	15,032,763	654,848	10,012,988	3,288,886	1,076,041
U.S. Treasuries	7,155,935	-	7,155,935	-	-
U.S. Agencies	41,626,745	14,881,627	26,745,118	-	-
Asset-Backed Corporate Securities	3,092,820	57,229	2,554,284	-	481,307
Corporate Securities	4,652,899	262,756	4,390,143	-	-
Corporate Debt	16,648,283	11,482,599	5,165,684	-	-
Total Investments	<u>\$ 240,850,157</u>	<u>\$ 179,979,771</u>	<u>\$ 56,024,152</u>	<u>\$ 3,288,886</u>	<u>\$ 1,557,348</u>

Fiduciary Fund Balances:

	Fair Value
Investments:	
Retirement Benefits Investment Fund	\$ 38,029,957 **
State of Nevada Local Government Investment Pool	<u>4,144,066 *</u>
Total Investments	<u>\$ 42,174,023</u>

* Average weighted maturity of 114 days.

** Average weighted maturity is unavailable.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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, 2012 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund - major fund	Other Governmental Funds	\$ 5,985,371
Total		<u>\$ 5,985,371</u>

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

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

Transfers between funds during the year ended June 30, 2012, are as follows:

	<u>Transfers In:</u>				<u>Total</u>
	<u>General Fund</u>	<u>Special Education Fund</u>	<u>Debt Service Fund</u>	<u>Internal Service Fund</u>	
Transfers Out:					
General Fund	\$ -	\$ 30,468,969	\$ 3,191,660	\$ 1,319,131	\$ 34,979,760
Other Governmental Funds	6,402,194	-	-	-	6,402,194
Total	<u>\$ 6,402,194</u>	<u>\$ 30,468,969</u>	<u>\$ 3,191,660</u>	<u>\$ 1,319,131</u>	<u>\$ 41,381,954</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 other governmental funds 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
JUNE 30, 2012**

NOTE 5 – Capital Assets:

Capital asset activity for the year ended June 30, 2012 was as follows:

	July 1, 2011 Balance	Increases	Decreases	June 30, 2012 Balance
Governmental Activities				
Capital assets, not being depreciated				
Land	\$ 38,017,804	\$ -	\$ -	\$ 38,017,804
Construction in progress	23,913,664	31,898,236	(33,591,018)	22,220,882
Total capital assets not being depreciated	<u>61,931,468</u>	<u>31,898,236</u>	<u>(33,591,018)</u>	<u>60,238,686</u>
Other capital assets				
Buildings	751,109,468	28,115,601	-	779,225,069
Improvements other than buildings	21,412,780	4,471,911	-	25,884,691
Machinery and equipment	57,499,673	5,049,784	(659,475)	61,889,982
Total capital assets being depreciated	<u>830,021,921</u>	<u>37,637,296</u>	<u>(659,475)</u>	<u>866,999,742</u>
Total capital assets	<u>891,953,389</u>	<u>69,535,532</u>	<u>(34,250,493)</u>	<u>927,238,428</u>
Less accumulated depreciation for:				
Buildings	(203,626,011)	(17,705,863)	-	(221,331,874)
Improvements other than buildings	(3,752,533)	(1,083,425)	-	(4,835,958)
Machinery and equipment	(37,803,443)	(4,886,740)	637,659	(42,052,524)
Total accumulated depreciation	<u>(245,181,987)</u>	<u>(23,676,028)</u>	<u>637,659</u>	<u>(268,220,356)</u>
Governmental activities capital assets, net	<u>\$ 646,771,402</u>	<u>\$ 45,859,504</u>	<u>\$ (33,612,834)</u>	<u>\$ 659,018,072</u>
Business-Type Activities				
Machinery and equipment	\$ 1,921,736	\$ 315,926	\$ (6,801)	\$ 2,230,861
Less accumulated depreciation	<u>(1,370,551)</u>	<u>(108,529)</u>	<u>6,801</u>	<u>(1,472,279)</u>
Business-Type Activities capital assets, net	<u>\$ 551,185</u>	<u>\$ 207,397</u>	<u>\$ -</u>	<u>\$ 758,582</u>

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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

Governmental activities:	
Instruction	\$ 167,361
Student support	52,472
Instructional staff support	52,963
General administration	11,281
School administration	3,381
Central support	343,855
Operation/maintenance	442,676
Student transportation	2,207,120
Other support	863
Community services operations	1,597
Facilities	20,392,459
	<hr/>
Total governmental activities depreciation expense	\$ 23,676,028
	<hr/> <hr/>
Business-type activities:	
Nutrition services operations	\$ 108,529
	<hr/>
Total business-type activities depreciation expense	\$ 108,529
	<hr/> <hr/>

NOTE 6 – General Long-Term Obligations:

Bonds Issued:

On July 6, 2011, the District issued \$43,450,000 in General Obligation School Improvement and Refunding Bonds, Series 2011A. The net proceeds of \$46,188,662 were used for the refunding of \$9,000,000 of bonds and the funding of school revitalization/infrastructure improvements and capital renewal projects. The refunding was undertaken to reduce total debt service payments by \$696,256 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$605,863. On June 30, 2011, the District received an advance deposit of \$400,000 on the issuance of these bonds.

Advance Defeasance:

On September 29, 2011, the District paid \$33,655,174 from the debt service fund for the defeasance of \$28,200,000 of bonds. The defeasance was undertaken to reduce total debt service payments by \$35,022,000.

Bonds Issued:

On November 17, 2011, Washoe County School District issued \$45,000,000 in General Obligation (Limited Tax) School Improvement Bonds, Series 2011B. The net proceeds of \$47,538,200 will be used primarily for revitalization/infrastructure improvements and capital renewal projects at schools located within Washoe County.

Refunding:

On March 20, 2012, Washoe County School District issued \$71,855,000 in General Obligation Refunding Bonds, Series 2012A. The net proceeds of \$82,265,018 along with \$1,637,169 contributed from the debt service fund were used for the refunding of \$12,130,000 of bonds and the advance defeasance of \$67,390,000 of bonds. The refunding was undertaken to reduce total debt service payments by \$4,506,094 and

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$6,580,351.

Bonds Issued:

On March 20, 2012, Washoe County School District issued \$6,185,000 in Medium-Term Bonds, Series 2012B. The net proceeds of \$6,477,621 along with \$70,038 contributed from the debt service fund were used for the advance defeasance of \$4,008,000 of notes payable and the purchase of buses. The advance refunding was undertaken to reduce total debt service payments by \$250,604 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$243,132.

General long-term debt consists of the following at June 30, 2012:

<u>General Obligation Bonds</u>					
<u>Series</u>	<u>Date Issued</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount Issued</u>	<u>Balance June 30, 2012</u>
2001A	5/1/2001	6/1/2020	4.25-5.25%	\$ 73,865,000	\$ 18,375,000
2002B	8/1/2002	6/1/2020	3.00-5.50%	68,940,000	11,260,000
2003A	3/1/2003	6/1/2023	2.00-4.625%	27,770,000	205,000
2004B	9/1/2004	6/1/2015	5.000%	22,970,000	12,265,000
2005A	3/24/2005	6/1/2025	4.00-5.00%	66,000,000	24,550,000
2006	4/5/2006	6/1/2026	4.00-5.50%	30,000,000	28,030,000
2007C	5/1/2007	6/1/2027	3.25-5.25%	65,000,000	50,005,000
2008	3/20/2008	6/1/2028	4.00-5.00%	55,000,000	45,820,000
2009	2/18/2009	6/1/2029	2.00-5.00%	45,000,000	40,550,000
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	10,700,000
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
2011A	7/6/2011	6/1/2031	3.00-5.00%	43,450,000	43,450,000
2011B	11/17/2011	6/1/2031	3.00-5.00%	45,000,000	45,000,000
2012A	3/20/2012	6/1/2026	3.00-5.00%	71,855,000	71,855,000
2012B	3/20/2012	5/1/2018	2.00-3.00%	6,185,000	6,185,000
Total					<u><u>\$ 506,175,000</u></u> *

<u>Certificates of Participation</u>					
<u>Series</u>	<u>Date Issued</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount Issued</u>	<u>Balance June 30, 2012</u>
N/A	6/18/2002	5/1/2018	3.00-4.75%	\$ 11,260,000	<u><u>\$ 480,000</u></u>

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Series	Date Issued	Notes Payable			Balance June 30, 2012
		Date of Maturity	Interest Rate (%)	Amount Issued	
Capital Funding	1/15/2010	1/15/2014	3.983%	\$ 870,000	\$ 452,147
Bank of America	3/8/2011	3/8/2015	2.040%	2,192,000	1,660,569
					<u>\$ 2,112,716</u>

Series	Date Issued	Qualified Zone Academy Bonds			Balance June 30, 2012
		Date of Maturity	Interest Rate (%)	Amount Issued	
N/A	4/13/2001	4/13/2015	5.000%	\$ 3,100,000	\$ 3,100,000
N/A	5/22/2002	5/30/2014	1.720%	2,386,899	2,386,899
N/A	3/31/2004	3/31/2016	2.090%	1,782,098	1,782,098
					<u>\$ 7,268,997</u>

Summary of general obligation debt service requirements to maturity:

Year(s) Ending June 30,	Principal	Interest	Total Requirements
2013	\$ 25,378,943	\$ 24,202,799	\$ 49,581,742
2014	28,685,877	22,425,188	51,111,065
2015	30,684,795	21,162,676	51,847,471
2016	29,842,098	20,018,243	49,860,341
2017	29,050,000	18,819,602	47,869,602
2018-2022	169,455,000	73,536,683	242,991,683
2023-2027	162,230,000	31,213,140	193,443,140
2028-2031	40,710,000	4,519,375	45,229,375
Total	<u>\$ 516,036,713 *</u>	<u>\$ 215,897,706</u>	<u>\$ 731,934,419</u>

*Principal amounts shown exclude bond premiums.

Defeasance of Debt:

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, 2012, \$123,645,000 of bonds outstanding are considered defeased.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Changes in General Long-Term Obligations:

	<u>Balance July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2012</u>	<u>Due Within One Year</u>
General obligation bonds	\$ 483,300,000	\$ 166,090,000	\$ 143,215,000	\$ 506,175,000	\$ 24,135,000
Deferred amounts for issuance of premium	16,365,019	15,979,501	1,884,708	30,459,812	2,529,742
Arbitrage payable	576,635	-	576,635	-	-
Certificates of participation	4,515,000	-	4,035,000	480,000	480,000
Notes payable	4,425,526	-	2,312,810	2,112,716	763,943
Qualified zone academy bond	7,268,997	-	-	7,268,997	-
Pending claims	14,198,736	48,818,962	50,296,026	12,721,672	8,148,690
Compensated absences	28,519,594	589,894	-	29,109,488	20,606,522
Early separation incentive pay	337,606	-	184,628	152,978	76,403
Total	<u>\$ 559,507,113</u>	<u>\$ 231,478,357</u>	<u>\$ 202,504,807</u>	<u>\$ 588,480,663</u>	<u>\$ 56,740,300</u>

The liabilities for compensated absences and early separation incentive pay are typically liquidated through the General Fund.

The District was, in accordance with Nevada Revised Statute 387.400, within the legal debt limit at June 30, 2012.

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.

Unrestricted net assets represent available financial resources of the District.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Fund Financial Statements:

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, 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. A similar action is required to remove or modify committed fund balance.

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.

It is the desire of the District to maintain adequate General Fund balance to maintain liquidity for unanticipated needs. The Board of Trustees has adopted a policy to establish a contingency account with a minimum fund balance of .25% of total appropriations (including transfers out) that shall not exceed 4% of the total appropriations (excluding transfers out).

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.

A minimum unassigned ending fund balance policy has been adopted by the Board of Trustees for the General Fund. A minimum unassigned ending fund balance of not less than 2% of total expenditures (including transfers out), less capital shall be included in the budget each fiscal year.

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
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

As of June 30, 2012, fund balances are composed of the following.

	General Fund	Major Debt Service Fund	Major Capital Projects Funds	Other Funds	Total
Fund balances					
Nonspendable					
Inventory	\$ 1,074,806	\$ -	\$ -	\$ -	\$ 1,074,806
Restricted for					
Non-expendable	-	4,850,359	-	495,557	5,345,916
Student housing	-	-	4,515,364	-	4,515,364
Technology/infrastructure	-	-	8,170,134	-	8,170,134
Advanced planning	-	-	182,182	-	182,182
Site acquisition	-	-	3,542	-	3,542
School revitalization	-	-	46,292,735	-	46,292,735
Capital renewal	-	-	27,419,133	-	27,419,133
Administration of capital projects	-	-	3,518,827	-	3,518,827
Other capital projects	-	-	226,893	7,288,561	7,515,454
Debt service	-	13,494,467	-	-	13,494,467
Wellness	-	-	-	718,187	718,187
Other purposes	-	-	2,867,416	696,733	3,564,149
Ongoing capital projects	-	-	31,220,989	-	31,220,989
Total restricted	-	18,344,826	124,417,215	9,199,038	151,961,079
Assigned for					
Encumbrances	358,913	-	-	-	358,913
Subsequent year's expenditures	8,492,543	-	-	-	8,492,543
Carryover of general supply appropriations	2,988,403	-	-	-	2,988,403
Budget uncertainties	26,618,213	-	-	-	26,618,213
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	823,185	-	-	-	823,185
Outstanding and unresolved Incline Village property tax lawsuit	9,500,000	-	-	-	9,500,000
Reno Redevelopment District refund	878,975	-	-	-	878,975
Community Education fund	110,110	-	-	-	110,110
Medicaid fund	1,583,581	-	-	-	1,583,581
Total assigned	58,382,806	-	-	-	58,382,806
Total fund balances	<u>\$ 59,457,612</u>	<u>\$ 18,344,826</u>	<u>\$ 124,417,215</u>	<u>\$ 9,199,038</u>	<u>\$ 211,418,691</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. That report may be obtained by writing to the Public Employees Retirement System of the State of Nevada, 693 West Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

Funding Policy. Benefits for plan members are funded under one of two methods. Under the employer pay contribution plan, the District is required to contribute all amounts due under the plan. The rate for those contributions was 23.75% for regular members and 39.75% for police on all covered payroll.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 12.25%.

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>	
2011-12	23.75%	39.75%	12.25%	\$66,744,307
2010-11	21.50%	37.00%	11.25%	\$61,707,988
2009-10	21.50%	37.00%	11.25%	\$62,898,537

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 makes available various levels of life insurance to eligible retired employees at a 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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 biannual legislative session.

The WCSDRHP explicitly subsidizes medical insurance premiums, pursuant to the contracts negotiated with various employee associations, 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 premium 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 \$1.3 million for fiscal year 2011-2012. 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 \$9,128 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 insurance at retirement regardless of the number of years of service with the District, as long as the retiree pays the premium. All future eligible retirees (not available to spouses of retirees) can obtain the following Basic Life and AD&D coverage:

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

This coverage 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 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, 2012, 1,355 retirees were utilizing this benefit. The subsidy paid directly to PEPB by the District for this coverage for the year ended June 30, 2012 was \$4,648,187. Amounts contributed by retirees are paid directly to the State of Nevada and, as such, are not available.

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 2011-12, the District paid net medical claims of \$3,818,582 out of the self-insured Health Insurance Fund for WCSDRHP retirees (approximately 53 percent of total costs) and an additional \$3,367,981 was paid to prefund benefits. Plan member retirees receiving benefits contributed \$3,361,584 or approximately 47 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 2011-12, the District contributed \$4,648,187 to NPEBP for current premiums and an additional \$3,655,097 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. For actuarial valuation purposes, 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 2011-12, the District's actuarial contribution was \$1,135,500 for current premiums for retirees (approximately 87 percent of total actuarial costs). Because retirees pay the 100% of the pay-as-you-go premiums for their insurance coverage and the District has no future obligations to retirees or others with respect to this Plan, the District has elected, beginning in fiscal year 2011-12, to not contribute any further money to this Plan. Plan member retirees receiving life insurance coverage contributed \$162,391 or approximately 13 percent of the total actuarial costs for retirees, through their required contribution to the Health Insurance Fund.

The number of participants as of July 1, 2011, the actuarial valuation date, follows.

	Active	WCSD Retiree Life Insurance Plan	WCSDRHP	NPEBP Medical Plan
Active employees	6,236			
Retirees enrolled in District Plans		2,063	880	
Retirees enrolled in NPEBP				1,355

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 the last three fiscal years were as follows:

	Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
WCSDRHP	6/30/12	\$5,433,990	\$7,186,563	132.25%	\$(5,202,097)
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)
NPEBP	6/30/12	\$3,637,319	\$8,303,284	228.28%	\$(18,946,124)
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)
WCSD Retiree Life Insurance Plan	6/30/12	\$1,599,804	\$1,135,500	70.98%	\$1,533,117
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
Combined Totals	6/30/12	\$10,671,113	\$16,625,347		
Combined Totals	6/30/11	\$12,347,000	\$16,790,438		
Combined Totals	6/30/10	\$11,200,000	\$15,490,964		

The net OPEB obligation (asset) as of June 30, 2012, was calculated as follows:

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan	Totals
Annual required contribution	\$5,510,622	\$3,925,189	\$1,576,060	\$11,011,871
Interest on the beginning net OPEB obligation	(275,962)	(1,142,413)	85,505	(1,332,870)
ARC Adjustment	199,330	854,543	(61,761)	992,112
Annual OPEB cost	\$5,433,990	\$3,637,319	\$1,599,804	\$10,671,113
Contributions made	\$7,186,563	\$8,303,284	\$1,135,500	\$16,625,347
Increase (decrease) in net OPEB obligation	\$(1,752,573)	\$(4,665,965)	\$464,304	\$(5,954,234)
Net OPEB obligation (asset), beginning of year	(3,449,524)	(14,280,159)	1,068,813	(16,660,870)
Net OPEB obligation (asset), end of year	\$(5,202,097)	\$(18,946,124)	\$1,533,117	\$(22,615,104)

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

Funded Status and Funding Progress:

The funded status of the plans as of the most recent actuarial valuation (July 1, 2011) was as follows:

	WCSDRHP	NPEBP	WCSD Retiree Life Insurance Plan	Totals
Accrued actuarial liability (a)	\$69,211,702	\$75,111,914	\$19,793,878	\$164,117,494
Actuarial value of plan assets (b)	\$11,192,122	\$15,521,985	\$3,492,551	\$30,206,658
Unfunded actuarial accrued liability (a) - (b)	\$58,019,580	\$59,589,929	\$16,301,327	\$133,910,836
Funded ratio (b) / (a)	16.17%	20.67%	17.64%	18.41%
Covered payroll (c)	\$312 million	N/A	\$312 million	
Unfunded actuarial accrued liability as a percentage of covered payroll ((a) - (b)) / (c)	18.60%	N/A	5.22%	

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, 2012**

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	7/1/11	7/1/11	7/1/11
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	28 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	3.5%	3.5%	N/A
Healthcare cost trend*			N/A
Pre-65 retirees	9.0%	9.0%	
Post-65 retirees	8.0%	8.0%	
*Decreasing 1.0% each year until ultimate trend rate of 5.0% is reached			
CPI Trend	3% each year	3% each year	

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, 2012**

At June 30, 2012, the amount of this liability was \$12,721,672. This liability is determined by actuaries using all available information. Changes in the reported liability since July 1, 2010 are as follows:

	Property & Casualty	Health Insurance	Workers' Compensation	Total
Claims liability, July 1, 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	2,567,000	6,805,736	4,826,000	14,198,736
Current year claims and changes in estimates	896,787	46,258,664	1,663,511	48,818,962
Claims payments	<u>(1,234,787)</u>	<u>(47,381,728)</u>	<u>(1,679,511)</u>	<u>(50,296,026)</u>
Claims liability, June 30, 2012	<u>\$ 2,229,000</u>	<u>\$ 5,682,672</u>	<u>\$ 4,810,000</u>	<u>\$ 12,721,672</u>
Due within one year	<u>\$ 968,458</u>	<u>\$ 5,682,672</u>	<u>\$ 1,497,560</u>	<u>\$ 8,148,690</u>

At June 30, 2012, the Internal Service Funds held \$60,538,249 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, 2012**

The District maintains an account with a market value of \$2,115,132 as of June 30, 2012 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, 2012, 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	\$ 151,957	December 2012
Backflow Projects	12,392	December 2012
Best Management Practice Projects	12,428	June 2013
Campus Security	812,524	June 2013
CCTV Projects	12,000	December 2012
Depoali Middle School Projects	844	December 2012
Drainage Projects	348,263	March 2013
Fire Alarm Upgrades	443,931	December 2012
Flooring Upgrades	293,541	March 2013
Heating/Cooling System Projects	2,115,073	March 2013
Information System Projects	658,114	June 2013
Infrastructure Improvements	8,971,141	June 2013
Lock Projects	219,480	March 2013
Photovoltaic Installations	2,766	December 2012
Portable Classrooms	190,069	December 2012
Repaving Projects	695,282	December 2012
Reroofing Projects	456,953	December 2012
Revitalization Projects	10,522,872	June 2013
Signature Academy Improvements	1,049,541	December 2012
	<u>\$ 26,969,169</u>	

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

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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:

The District receives a portion of the property tax revenues collected in Washoe County. On August 28, 2012, the District approved a joint settlement agreement between the District, Washoe County, the Reno Redevelopment Authority, the City of Reno, and the State of Nevada that resolved different interpretations and other issues related to allocations of taxes in the Reno Tax Increment District for the benefit of the Reno Redevelopment Authority. The District agreed to pay the Reno Redevelopment Authority \$1,510,218 through deductions from future ad valorem payments from Washoe County. As a result, the full amount of this settlement has been accrued in the governmental activities on the government-wide financial statements.

In October 2012, the District issued \$45,000,000 in General Obligation School Improvement Bonds, Series 2012C. The term of the Series 2012C bonds is 20 years with interest rates ranging from 2.0% to 4.0%. Principal and interest payments begin in April 2013.



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SOUL TEAM

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) – 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, 2012**

	<u>BUDGET</u>			VARIANCE TO FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Local sources	\$ 235,358,102	\$ 235,358,102	\$ 251,767,904	\$ 16,409,802
State sources	152,341,543	155,189,286	141,507,977	(13,681,309)
Federal sources	716,000	716,000	1,158,557	442,557
Other sources	50,000	50,000	36,801	(13,199)
	<u>388,465,645</u>	<u>391,313,388</u>	<u>394,471,239</u>	<u>3,157,851</u>
EXPENDITURES				
Current				
Regular programs	191,142,666	195,321,508	188,529,450	6,792,058
Special programs	3,446,445	3,837,117	3,819,511	17,606
Vocational programs	6,995,128	6,576,349	6,516,975	59,374
Other instructional programs	13,416,785	13,800,514	13,559,010	241,504
Co-curricular programs	4,222,688	4,341,660	3,348,603	993,057
Undistributed expenditures				
Student support	25,456,577	25,648,012	25,349,876	298,136
Instructional staff support	14,754,201	14,657,844	12,278,124	2,379,720
General administration	7,127,843	16,990,168	15,454,572	1,535,596
School administration	30,181,714	31,280,614	30,448,382	832,232
Central services	18,948,201	20,680,093	20,022,072	658,021
Operation and maintenance	46,405,731	45,735,817	44,235,696	1,500,121
Student transportation	14,965,774	17,646,535	16,950,972	695,563
	<u>377,063,753</u>	<u>396,516,231</u>	<u>380,513,243</u>	<u>16,002,988</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,401,892</u>	<u>(5,202,843)</u>	<u>13,957,996</u>	<u>19,160,839</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	2,295,578	2,320,000	24,422
Contingency	(11,655,280)	-	-	-
Transfers in	6,639,312	6,402,194	6,402,194	-
Transfers out	(35,905,545)	(36,768,380)	(34,979,760)	1,788,620
	<u>(40,921,513)</u>	<u>(28,070,608)</u>	<u>(26,257,566)</u>	<u>1,813,042</u>
Total other financing sources (uses)	<u>(40,921,513)</u>	<u>(28,070,608)</u>	<u>(26,257,566)</u>	<u>1,813,042</u>
Net change in fund balance	(29,519,621)	(33,273,451)	(12,299,570)	20,973,881
FUND BALANCE, July 1	<u>47,769,076</u>	<u>70,063,491</u>	<u>70,063,491</u>	<u>-</u>
FUND BALANCE, June 30	<u>\$ 18,249,455</u>	<u>\$ 36,790,040</u>	<u>\$ 57,763,921</u>	<u>\$ 20,973,881</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, 2012**

	<u>BUDGET</u>			<u>VARIANCE TO FINAL BUDGET</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
State sources	\$ 22,826,832	\$ 22,826,832	\$ 22,826,832	\$ -
EXPENDITURES				
Current				
Special programs	53,685,190	55,025,422	53,295,801	1,729,621
Excess (deficiency) of revenues over expenditures	(30,858,358)	(32,198,590)	(30,468,969)	1,729,621
OTHER FINANCING SOURCES				
Transfers in	30,840,407	32,198,590	30,468,969	(1,729,621)
Net change in fund balance	(17,951)	-	-	-
FUND BALANCE, July 1	17,951	-	-	-
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 (GAAP BASIS)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>GENERAL FUND (BUDGETARY BASIS)</u>	<u>INTERNALLY REPORTED FUNDS</u>	<u>GENERAL FUND TOTAL (GAAP BASIS)</u>
REVENUES			
Local sources	\$ 251,767,904	\$ 292,642	\$ 252,060,546
State sources	141,507,977	-	141,507,977
Federal sources	1,158,557	994,493	2,153,050
Other sources	36,801	-	36,801
	<u>394,471,239</u>	<u>1,287,135</u>	<u>395,758,374</u>
EXPENDITURES			
Current			
Regular programs	188,529,450	-	188,529,450
Special programs	3,819,511	773,414	4,592,925
Vocational programs	6,516,975	-	6,516,975
Other instructional programs	13,559,010	45,213	13,604,223
Co-curricular programs	3,348,603	-	3,348,603
Undistributed expenditures			
Student support	25,349,876	-	25,349,876
Instructional staff support	12,278,124	-	12,278,124
General administration	15,454,572	-	15,454,572
School administration	30,448,382	-	30,448,382
Central services	20,022,072	-	20,022,072
Operation and maintenance	44,235,696	-	44,235,696
Student transportation	16,950,972	-	16,950,972
Community service operations	-	368,501	368,501
	<u>380,513,243</u>	<u>1,187,128</u>	<u>381,700,371</u>
Excess (deficiency) of revenues over expenditures	<u>13,957,996</u>	<u>100,007</u>	<u>14,058,003</u>
OTHER FINANCING SOURCES (USES)			
Bonds issued	2,320,000	-	2,320,000
Transfers in	6,402,194	-	6,402,194
Transfers out	(34,979,760)	-	(34,979,760)
	<u>(26,257,566)</u>	<u>-</u>	<u>(26,257,566)</u>
Total other financing sources (uses)	<u>(26,257,566)</u>	<u>-</u>	<u>(26,257,566)</u>
Net change in fund balance	(12,299,570)	100,007	(12,199,563)
FUND BALANCE, July 1	<u>70,063,491</u>	<u>1,593,684</u>	<u>71,657,175</u>
FUND BALANCE, June 30	<u>\$ 57,763,921</u>	<u>\$ 1,693,691</u>	<u>\$ 59,457,612</u>

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

**WASHOE COUNTY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012**

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							
	7/1/2011	\$11,192,122	\$ 69,211,702	\$ 58,019,580	16.2 %	\$312,000,000	18.6 %
	7/1/2010	11,192,000	55,188,000	43,996,000	20.3 %	315,000,000	14.0 %
	7/1/2009	3,941,182	45,891,000	41,949,818	8.6 %	315,000,000	13.3 %
NPEBP							
	7/1/2011	\$15,521,985	\$ 75,111,914	\$ 59,589,929	20.7 %	N/A	
	7/1/2010	7,753,000	104,929,000	97,176,000	7.4 %	N/A	
	7/1/2009	7,752,497	91,431,000	83,678,503	8.5 %	N/A	
WCSD Retiree Life Insurance Plan							
	7/1/2011	\$ 3,492,551	\$ 19,793,878	\$ 16,301,327	17.6 %	\$312,000,000	5.2 %
	7/1/2010	1,341,000	20,251,000	18,910,000	6.6 %	315,000,000	6.0 %
	7/1/2009	1,340,959	20,062,000	18,721,041	6.7 %	315,000,000	5.9 %

Schedule of Employer Contributions

	Year Ended June 30,	Annual Required	Percentage Contributed
WCSDRHP			
	2012	\$ 5,510,622	130.4 %
	2011	4,983,000	116.6 %
	2010	4,545,000	109.2 %
NPEBP			
	2012	\$ 3,925,189	211.5 %
	2011	5,843,000	159.3 %
	2010	4,939,000	181.8 %
WCSD Retiree Life Insurance Plan			
	2012	\$ 1,576,060	72.0 %
	2011	1,821,000	91.7 %
	2010	1,917,000	80.8 %

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

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012**

NOTE 1 – Reconciliation of the General Fund (Budgetary Basis) to the General Fund (GAAP Basis):

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 the Private Purpose Scholarship Trust Fund and 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 two 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 and Community Education Fund) are combined with the General Fund for external financial reporting purposes.

NOTE 2 – Schedule of Funding Progress:

The District is required to obtain an independent actuarial valuation for its three Other Post-Employment Benefit plans. As part of preparing the valuation, various assumptions, including health care cost trend rates and participation rates, are reviewed and updated based on historical data and future projections. Changes in the assumptions can impact the amount of the Actuarial Accrued Liability (AAL), the Unfunded AAL (UAAL), and the Funded Ratio.

The total AAL at July 1, 2010 was \$180.4 million. The total AAL as of July 1, 2011 is \$164.1 million, or a decrease of \$16.3 million. Several factors contributed to both increases and decreases in the liability.

The largest decrease in the liability is due to the change in benefits for Medicare PEBP retirees. The prior valuation had assumed PEBP costs, in total, would rise approximately 8%; however, the total invoice from 2011 to 2012 shows a decrease of approximately 23%. The impact of this decrease was approximately \$30 million.

Another contributing factor to the decrease in the liability is the lowering of the pre-65 and post-65 health care cost trend rates. The prior valuation assumed a starting trend rate of 10.5% for both; however, the District's claim experience for pre-65 retirees reflects a lower trend rate. For Medicare eligible retirees, recent trend surveys suggest that post-65 trends are closer to 8%. This change, along with trending administrative rates at a flat 5% and a faster grading of the trend rates, has decreased the liability by approximately \$9.3 million.

A revision in the participation rates is another factor that contributed to the decrease in the liability. In the prior valuation, a flat 95% participation assumption was used for all retirees. This assumption was based on future retirees being eligible for subsidies; however, since subsidies are offered only to a closed group, this assumption for the WCSDRHP has been revised. The 95% participation assumption is applied only to future retirees that are eligible for subsidies. District data shows that 40% of future retirees that are not eligible for

**WASHOE COUNTY SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012**

subsidies participate in the health plan. This reduction decreased the liability by approximately \$17.3 million.

Other assumption changes served to offset the above decreases. The retirement, termination, and mortality assumptions have been revised to reflect more updated assumptions. Combined, these changes resulted in an increase of approximately \$7 million. Other factors which increased the liability include an increase in the claims experience, and retiree contributions to the Washoe Plan remaining flat. The prior valuation had assumed retiree contributions would increase with medical trends. Since that did not occur, the liability increased. The combined effect of these components was approximately \$26 million.

The remaining increase in the AAL is principally due to increased passage of time and benefit accrual.

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, 2012**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
ASSETS			
Cash and investments	\$ 6,707,495	\$ 7,451,340	\$ 14,158,835
Receivables			
Interest	317	1,007	1,324
Grants	9,164,122	-	9,164,122
Miscellaneous	49,343	56	49,399
Due from other governments	-	255,372	255,372
Prepays	<u>15,649</u>	<u>-</u>	<u>15,649</u>
Total assets	<u>\$ 15,936,926</u>	<u>\$ 7,707,775</u>	<u>\$ 23,644,701</u>
LIABILITIES			
Accounts payable	\$ 937,539	\$ 129,264	\$ 1,066,803
Accrued liabilities	5,234,223	86,890	5,321,113
Construction contracts payable	35,128	203,060	238,188
Due to other funds	5,985,371	-	5,985,371
Due to other governments	44,536	-	44,536
Deferred revenues	<u>1,789,652</u>	<u>-</u>	<u>1,789,652</u>
Total liabilities	<u>14,026,449</u>	<u>419,214</u>	<u>14,445,663</u>
FUND BALANCE			
Restricted	<u>1,910,477</u>	<u>7,288,561</u>	<u>9,199,038</u>
Total liabilities and fund balance	<u>\$ 15,936,926</u>	<u>\$ 7,707,775</u>	<u>\$ 23,644,701</u>

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>SPECIAL REVENUE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL</u>
REVENUES			
Local sources	\$ 3,368,367	\$ 11,023,503	\$ 14,391,870
State sources	33,950,356	-	33,950,356
Federal sources	48,952,431	-	48,952,431
	<u>86,271,154</u>	<u>11,023,503</u>	<u>97,294,657</u>
Total revenues			
EXPENDITURES			
Current			
Regular programs	13,488,928	-	13,488,928
Special programs	11,027,901	-	11,027,901
Vocational programs	1,338,080	-	1,338,080
Other instructional programs	49,902,153	-	49,902,153
Adult education programs	1,685,583	-	1,685,583
Community services programs	686,443	-	686,443
Undistributed expenditures			
Instruction	373,350	-	373,350
Student support	334,546	-	334,546
Instructional staff support	503,842	-	503,842
General administration	312,886	-	312,886
Central services	33,531	-	33,531
Operation and maintenance	15,488	-	15,488
Capital outlay	-	10,910,404	10,910,404
	<u>79,702,731</u>	<u>10,910,404</u>	<u>90,613,135</u>
Total expenditures			
Excess of revenues over expenditures	<u>6,568,423</u>	<u>113,099</u>	<u>6,681,522</u>
OTHER FINANCING (USES)			
Transfers out	(6,402,194)	-	(6,402,194)
Net change in fund balance	166,229	113,099	279,328
FUND BALANCE, July 1	<u>1,744,248</u>	<u>7,175,462</u>	<u>8,919,710</u>
FUND BALANCE, June 30	<u>\$ 1,910,477</u>	<u>\$ 7,288,561</u>	<u>\$ 9,199,038</u>

General

Fund

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

**WASHOE COUNTY SCHOOL DISTRICT
RECONCILIATION OF THE GENERAL FUND (BUDGETARY BASIS) TO THE
GENERAL FUND (GAAP BASIS)
BALANCE SHEET
JUNE 30, 2012**

	<u>GENERAL FUND (BUDGETARY BASIS)</u>	<u>INTERNALLY REPORTED FUNDS</u>	<u>GENERAL FUND TOTAL (GAAP BASIS)</u>
ASSETS			
Cash and investments	\$ 70,961,210	\$ 1,669,047	\$ 72,630,257
Receivables			
Property taxes	4,769,518	-	4,769,518
Interest	9,894	-	9,894
Miscellaneous	1,481,601	99,735	1,581,336
Due from other funds	5,985,371	-	5,985,371
Due from other governments	25,342,546	-	25,342,546
Prepays	-	54,702	54,702
Inventories	1,074,806	-	1,074,806
	<u>109,624,946</u>	<u>1,823,484</u>	<u>111,448,430</u>
Total assets	\$ <u>109,624,946</u>	\$ <u>1,823,484</u>	\$ <u>111,448,430</u>
LIABILITIES			
Accounts payable	\$ 2,319,887	\$ 113,406	\$ 2,433,293
Accrued liabilities	36,962,290	16,387	36,978,677
Due to other governments	9,616,864	-	9,616,864
Deferred revenues	2,961,984	-	2,961,984
	<u>51,861,025</u>	<u>129,793</u>	<u>51,990,818</u>
Total liabilities	<u>51,861,025</u>	<u>129,793</u>	<u>51,990,818</u>
FUND BALANCE			
Nonspendable	1,074,806	-	1,074,806
Assigned	56,689,115	1,693,691	58,382,806
	<u>57,763,921</u>	<u>1,693,691</u>	<u>59,457,612</u>
Total fund balance	<u>57,763,921</u>	<u>1,693,691</u>	<u>59,457,612</u>
Total liabilities and fund balance	\$ <u>109,624,946</u>	\$ <u>1,823,484</u>	\$ <u>111,448,430</u>

**WASHOE COUNTY SCHOOL DISTRICT
COMPARATIVE BALANCE SHEET
GENERAL FUND (BUDGETARY BASIS)
JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2011)**

	<u>2012</u>	<u>2011</u>
ASSETS		
Cash and investments	\$ 70,961,210	\$ 64,664,077
Receivables		
Property taxes	4,769,518	5,137,619
Interest	9,894	8,900
Miscellaneous	1,481,601	1,818,043
Due from other funds	5,985,371	3,995,943
Due from other governments	25,342,546	35,470,044
Inventories	<u>1,074,806</u>	<u>1,108,844</u>
 Total assets	 <u>\$ 109,624,946</u>	 <u>\$ 112,203,470</u>
 LIABILITIES		
Accounts payable	\$ 2,319,887	\$ 2,690,534
Accrued liabilities	36,962,290	35,396,319
Due to other governments	9,616,864	417,908
Deferred revenues	<u>2,961,984</u>	<u>3,635,218</u>
 Total liabilities	 <u>51,861,025</u>	 <u>42,139,979</u>
 FUND BALANCE		
Nonspendable	1,074,806	1,108,844
Assigned	<u>56,689,115</u>	<u>68,954,647</u>
 Total fund balance	 <u>57,763,921</u>	 <u>70,063,491</u>
 Total liabilities and fund balance	 <u>\$ 109,624,946</u>	 <u>\$ 112,203,470</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 235,358,102	\$ 235,358,102	\$ 251,767,904	\$ 16,409,802	\$ 252,368,787
State sources	152,341,543	155,189,286	141,507,977	(13,681,309)	144,481,420
Federal sources	716,000	716,000	1,158,557	442,557	638,097
Other sources	50,000	50,000	36,801	(13,199)	50,630
Total revenues	<u>388,465,645</u>	<u>391,313,388</u>	<u>394,471,239</u>	<u>3,157,851</u>	<u>397,538,934</u>
EXPENDITURES					
Current					
Regular programs	191,142,666	195,321,508	188,529,450	6,792,058	189,167,013
Special programs	3,446,445	3,837,117	3,819,511	17,606	1,913,637
Vocational programs	6,995,128	6,576,349	6,516,975	59,374	6,993,595
Other instructional programs	13,416,785	13,800,514	13,559,010	241,504	13,366,855
Co-curricular programs	4,222,688	4,341,660	3,348,603	993,057	3,501,320
Undistributed expenditures					
Student support	25,456,577	25,648,012	25,349,876	298,136	24,807,906
Instructional staff support	14,754,201	14,657,844	12,278,124	2,379,720	12,200,391
General administration	7,127,843	16,990,168	15,454,572	1,535,596	4,987,502
School administration	30,181,714	31,280,614	30,448,382	832,232	30,116,636
Central services	18,948,201	20,680,093	20,022,072	658,021	18,529,431
Operation and maintenance	46,405,731	45,735,817	44,235,696	1,500,121	46,251,310
Student transportation	14,965,774	17,646,535	16,950,972	695,563	16,484,167
Total expenditures	<u>377,063,753</u>	<u>396,516,231</u>	<u>380,513,243</u>	<u>16,002,988</u>	<u>368,319,763</u>
Excess of revenues over expenditures	<u>11,401,892</u>	<u>(5,202,843)</u>	<u>13,957,996</u>	<u>19,160,839</u>	<u>29,219,171</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	2,295,578	2,320,000	24,422	2,192,000
Contingency	(11,655,280)	-	-	-	-
Transfers in	6,639,312	6,402,194	6,402,194	-	8,735,074
Transfers out	(35,905,545)	(36,768,380)	(34,979,760)	1,788,620	(34,615,635)
Total other financing sources (uses)	<u>(40,921,513)</u>	<u>(28,070,608)</u>	<u>(26,257,566)</u>	<u>1,813,042</u>	<u>(23,688,561)</u>
Net change in fund balance	(29,519,621)	(33,273,451)	(12,299,570)	20,973,881	5,530,610
FUND BALANCE, July 1	<u>47,769,076</u>	<u>70,063,491</u>	<u>70,063,491</u>	<u>-</u>	<u>64,532,881</u>
FUND BALANCE, June 30	<u>\$ 18,249,455</u>	<u>\$ 36,790,040</u>	<u>\$ 57,763,921</u>	<u>\$ 20,973,881</u>	<u>\$ 70,063,491</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Ad valorem taxes	\$ 91,691,535	\$ 91,691,535	\$ 94,218,811	\$ 2,527,276	\$ 101,306,516
School support taxes	126,056,988	126,056,988	139,461,236	13,404,248	128,788,689
Franchise taxes	300,000	300,000	311,566	11,566	365,707
Government services tax	10,971,579	10,971,579	11,144,014	172,435	11,566,263
Revenue in lieu of taxes	230,000	230,000	213,980	(16,020)	206,917
Tuition - regular day school	395,000	395,000	680,521	285,521	669,438
Tuition - summer school	300,000	300,000	338,823	38,823	740,935
Earnings on investments	650,000	650,000	309,057	(340,943)	513,922
Refunds	10,000	10,000	15,261	5,261	33,426
Indirect costs	1,900,000	1,900,000	1,906,927	6,927	1,958,468
Transportation	325,000	325,000	481,818	156,818	419,795
Reimbursements	1,545,000	1,545,000	1,593,853	48,853	1,582,860
Grant administration	300,000	300,000	351,432	51,432	373,478
Other	683,000	683,000	740,605	57,605	3,842,373
Total local sources	<u>235,358,102</u>	<u>235,358,102</u>	<u>251,767,904</u>	<u>16,409,802</u>	<u>252,368,787</u>
State sources					
Distributive school fund	152,341,543	155,189,286	141,063,550	(14,125,736)	143,954,130
Special appropriations	-	-	444,427	444,427	527,290
Total state sources	<u>152,341,543</u>	<u>155,189,286</u>	<u>141,507,977</u>	<u>(13,681,309)</u>	<u>144,481,420</u>
Federal sources					
Forest reserve	6,000	6,000	30,214	24,214	27,833
Revenue in lieu of taxes, P.L. 81-874	190,000	190,000	186,584	(3,416)	190,546
E-Rate refund	520,000	520,000	941,759	421,759	419,718
Total federal sources	<u>716,000</u>	<u>716,000</u>	<u>1,158,557</u>	<u>442,557</u>	<u>638,097</u>
Other sources	<u>50,000</u>	<u>50,000</u>	<u>36,801</u>	<u>(13,199)</u>	<u>50,630</u>
Total revenues	<u>388,465,645</u>	<u>391,313,388</u>	<u>394,471,239</u>	<u>3,157,851</u>	<u>397,538,934</u>
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	128,019,557	133,396,121	130,242,851	3,153,270	131,870,545
Benefits	51,551,345	50,526,180	49,436,381	1,089,799	49,724,643
Purchased services	1,229,549	1,354,318	1,112,758	241,560	1,175,938
Supplies	10,222,596	9,924,410	7,698,613	2,225,797	6,374,358
Property	81,440	84,281	16,663	67,618	972
Other	38,179	36,198	22,184	14,014	20,557
Total regular programs	<u>191,142,666</u>	<u>195,321,508</u>	<u>188,529,450</u>	<u>6,792,058</u>	<u>189,167,013</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Special programs					
Instruction					
Salaries	\$ 2,503,455	\$ 2,238,010	\$ 2,236,902	\$ 1,108	\$ 1,164,333
Benefits	597,054	904,626	899,516	5,110	483,640
Purchased services	-	13,600	5,976	7,624	-
Supplies	-	295,530	297,340	(1,810)	-
Other	-	-	960	(960)	-
Total instruction	<u>3,100,509</u>	<u>3,451,766</u>	<u>3,440,694</u>	<u>11,072</u>	<u>1,647,973</u>
Instructional staff support					
Salaries	123,574	253,605	247,689	5,916	144,151
Benefits	50,038	90,274	90,994	(720)	47,106
Purchased services	34,830	28	13,114	(13,086)	16,450
Supplies	137,494	41,444	25,691	15,753	57,364
Other	-	-	1,329	(1,329)	593
Total instructional staff support	<u>345,936</u>	<u>385,351</u>	<u>378,817</u>	<u>6,534</u>	<u>265,664</u>
Total special programs	<u>3,446,445</u>	<u>3,837,117</u>	<u>3,819,511</u>	<u>17,606</u>	<u>1,913,637</u>
Vocational programs					
Instruction					
Salaries	4,702,078	4,382,412	4,374,646	7,766	4,734,184
Benefits	1,916,375	1,783,817	1,766,176	17,641	1,881,482
Purchased services	57,000	56,985	47,791	9,194	48,283
Supplies	120,904	146,340	120,992	25,348	133,409
Property	1,000	1,000	5,080	(4,080)	-
Other	700	700	1,368	(668)	1,464
Total instruction	<u>6,798,057</u>	<u>6,371,254</u>	<u>6,316,053</u>	<u>55,201</u>	<u>6,798,822</u>
Instructional staff support					
Salaries	139,562	151,294	149,415	1,879	141,967
Benefits	52,525	48,192	49,993	(1,801)	49,072
Purchased services	2,700	3,325	1,445	1,880	1,499
Supplies	2,284	2,284	69	2,215	2,235
Total instructional staff support	<u>197,071</u>	<u>205,095</u>	<u>200,922</u>	<u>4,173</u>	<u>194,773</u>
Total vocational programs	<u>6,995,128</u>	<u>6,576,349</u>	<u>6,516,975</u>	<u>59,374</u>	<u>6,993,595</u>
Other instructional programs					
Instruction					
Salaries	8,829,521	9,047,564	8,985,913	61,651	8,948,945
Benefits	3,593,952	3,599,572	3,529,264	70,308	3,435,229
Purchased services	13,500	13,500	972	12,528	2,066
Supplies	17,256	32,295	10,067	22,228	17,974
Total instruction	<u>12,454,229</u>	<u>12,692,931</u>	<u>12,526,216</u>	<u>166,715</u>	<u>12,404,214</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Instructional staff support					
Salaries	\$ 500,320	\$ 580,719	\$ 570,958	\$ 9,761	\$ 477,236
Benefits	173,526	193,430	194,579	(1,149)	177,661
Purchased services	190,148	190,031	140,126	49,905	166,858
Supplies	98,562	143,403	127,131	16,272	140,886
Total instructional staff support	962,556	1,107,583	1,032,794	74,789	962,641
Total other instructional programs	13,416,785	13,800,514	13,559,010	241,504	13,366,855
Co-curricular programs					
Instruction					
Salaries	2,688,442	2,658,560	1,985,160	673,400	2,048,043
Benefits	123,054	136,890	90,996	45,894	93,110
Purchased services	-	-	-	-	24
Total instruction	2,811,496	2,795,450	2,076,156	719,294	2,141,177
Student support					
Salaries	127,980	133,625	131,894	1,731	129,035
Benefits	45,967	38,531	40,661	(2,130)	42,809
Purchased services	1,500	1,500	-	1,500	-
Supplies	569	569	-	569	-
Total student support	176,016	174,225	172,555	1,670	171,844
Instructional staff support					
Benefits	-	1,000	-	1,000	419
Purchased services	418,000	427,721	369,524	58,197	382,450
Supplies	4,433	4,433	2,300	2,133	2,585
Other	23,544	23,544	65,905	(42,361)	80,087
Total instructional staff support	445,977	456,698	437,729	18,969	465,541
Student transportation					
Salaries	442,842	352,842	336,323	16,519	343,288
Benefits	134,883	224,883	215,793	9,090	216,894
Purchased services	211,474	199,123	109,974	89,149	162,430
Supplies	-	138,439	73	138,366	146
Total student transportation	789,199	915,287	662,163	253,124	722,758
Total co-curricular programs	4,222,688	4,341,660	3,348,603	993,057	3,501,320
Total current programs	219,223,712	223,877,148	215,773,549	8,103,599	214,942,420

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed expenditures					
Student support					
Salaries	\$ 17,880,552	\$ 18,176,775	\$ 18,050,525	\$ 126,250	\$ 17,732,045
Benefits	7,254,448	7,126,138	7,051,422	74,716	6,835,115
Purchased services	181,237	215,357	183,197	32,160	168,559
Supplies	139,615	129,017	55,374	73,643	71,910
Other	725	725	9,358	(8,633)	277
Total student support	<u>25,456,577</u>	<u>25,648,012</u>	<u>25,349,876</u>	<u>298,136</u>	<u>24,807,906</u>
Instructional staff support					
Salaries	7,995,215	8,011,295	7,332,067	679,228	7,556,785
Benefits	3,368,019	2,800,485	2,759,632	40,853	2,744,453
Purchased services	1,756,309	1,787,404	1,625,905	161,499	1,329,297
Supplies	1,610,359	2,031,501	539,949	1,491,552	553,190
Property	17,999	17,999	10,660	7,339	-
Other	6,300	9,160	9,911	(751)	16,666
Total instructional staff support	<u>14,754,201</u>	<u>14,657,844</u>	<u>12,278,124</u>	<u>2,379,720</u>	<u>12,200,391</u>
General administration					
Salaries	3,042,350	3,028,516	3,172,716	(144,200)	2,887,462
Benefits	3,310,278	3,248,552	1,766,319	1,482,233	1,672,877
Purchased services	295,482	510,305	400,503	109,802	280,628
Supplies	456,483	244,381	105,600	138,781	94,602
Property	6,000	-	2,845	(2,845)	-
Other	17,250	9,958,414	10,006,589	(48,175)	51,933
Total general administration	<u>7,127,843</u>	<u>16,990,168</u>	<u>15,454,572</u>	<u>1,535,596</u>	<u>4,987,502</u>
School administration					
Salaries	21,466,208	23,138,421	22,829,522	308,899	22,225,614
Benefits	8,134,607	7,775,547	7,505,579	269,968	7,767,624
Purchased services	348,358	134,884	43,778	91,106	47,795
Supplies	218,416	218,497	63,853	154,644	65,811
Property	3,000	3,000	-	3,000	-
Other	11,125	10,265	5,650	4,615	9,792
Total school administration	<u>30,181,714</u>	<u>31,280,614</u>	<u>30,448,382</u>	<u>832,232</u>	<u>30,116,636</u>
Central services					
Salaries	8,871,237	9,471,113	9,555,921	(84,808)	9,396,046
Benefits	3,325,287	3,371,012	3,430,342	(59,330)	3,313,915
Purchased services	5,993,488	6,615,646	6,612,870	2,776	5,528,935
Supplies	641,138	1,087,567	296,548	791,019	222,880
Property	96,781	114,485	61,574	52,911	5,452
Other	20,270	20,270	64,817	(44,547)	62,203
Total central services	<u>18,948,201</u>	<u>20,680,093</u>	<u>20,022,072</u>	<u>658,021</u>	<u>18,529,431</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Operation and maintenance					
Salaries	\$ 19,443,626	\$ 20,110,602	\$ 19,682,835	\$ 427,767	\$ 20,497,887
Benefits	8,765,609	8,404,760	8,256,342	148,418	8,452,979
Purchased services	7,079,735	7,038,200	5,262,398	1,775,802	5,554,857
Supplies	10,992,360	9,797,194	10,741,695	(944,501)	11,670,849
Property	2,043	262,703	244,430	18,273	12,334
Other	122,358	122,358	47,996	74,362	62,404
Total operation and maintenance	<u>46,405,731</u>	<u>45,735,817</u>	<u>44,235,696</u>	<u>1,500,121</u>	<u>46,251,310</u>
Student transportation					
Salaries	7,298,491	7,812,929	7,520,037	292,892	7,580,304
Benefits	3,837,385	3,314,751	3,306,948	7,803	3,264,771
Purchased services	314,898	390,198	666,604	(276,406)	717,371
Supplies	2,824,821	3,142,900	2,438,970	703,930	2,017,794
Property	689,929	2,985,507	3,005,899	(20,392)	2,893,090
Other	250	250	12,514	(12,264)	10,837
Total student transportation	<u>14,965,774</u>	<u>17,646,535</u>	<u>16,950,972</u>	<u>695,563</u>	<u>16,484,167</u>
Total undistributed expenditures	<u>157,840,041</u>	<u>172,639,083</u>	<u>164,739,694</u>	<u>7,899,389</u>	<u>153,377,343</u>
Total expenditures	<u>377,063,753</u>	<u>396,516,231</u>	<u>380,513,243</u>	<u>16,002,988</u>	<u>368,319,763</u>
Excess (deficiencies) of revenues over expenditures	<u>11,401,892</u>	<u>(5,202,843)</u>	<u>13,957,996</u>	<u>19,160,839</u>	<u>29,219,171</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	2,295,578	2,320,000	24,422	2,192,000
Contingency	(11,655,280)	-	-	-	-
Transfers in	6,639,312	6,402,194	6,402,194	-	8,735,074
Transfers out	(35,905,545)	(36,768,380)	(34,979,760)	1,788,620	(34,615,635)
Total other financing sources (uses)	<u>(40,921,513)</u>	<u>(28,070,608)</u>	<u>(26,257,566)</u>	<u>1,813,042</u>	<u>(23,688,561)</u>
Net change in fund balance	(29,519,621)	(33,273,451)	(12,299,570)	20,973,881	5,530,610
FUND BALANCE, July 1	<u>47,769,076</u>	<u>70,063,491</u>	<u>70,063,491</u>	<u>-</u>	<u>64,532,881</u>
FUND BALANCE, June 30	<u>\$ 18,249,455</u>	<u>\$ 36,790,040</u>	<u>\$ 57,763,921</u>	<u>\$ 20,973,881</u>	<u>\$ 70,063,491</u>

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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Distributive school account	\$ 22,826,832	\$ 22,826,832	\$ 22,826,832	\$ -	\$ 22,911,657
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	24,089,086	24,851,644	23,907,918	943,726	23,593,728
Benefits	10,263,676	9,976,240	9,911,114	65,126	9,705,583
Purchased services	2,305	32,805	30,000	2,805	30,968
Supplies	6,000	4,497	6,609	(2,112)	5,574
Total instruction	34,361,067	34,865,186	33,855,641	1,009,545	33,335,853
Student support					
Salaries	7,170,446	7,625,744	7,337,372	288,372	7,034,049
Benefits	2,737,548	2,686,008	2,663,891	22,117	2,574,390
Supplies	5,225	5,225	5,210	15	4,975
Other	-	-	-	-	250
Total student support	9,913,219	10,316,977	10,006,473	310,504	9,613,664
Instructional staff support					
Salaries	1,210,595	1,339,647	1,280,055	59,592	1,252,406
Benefits	475,847	438,017	447,462	(9,445)	442,713
Purchased services	107,370	107,370	95,507	11,863	102,630
Supplies	30,483	30,483	30,339	144	36,809
Other	1,500	1,500	1,200	300	1,249
Total instructional staff support	1,825,795	1,917,017	1,854,563	62,454	1,835,807
General administration					
Salaries	241,307	229,816	218,985	10,831	228,786
Benefits	79,705	73,168	73,919	(751)	68,264
Total general administration	321,012	302,984	292,904	10,080	297,050
School administration					
Salaries	260,263	308,480	300,567	7,913	261,722
Benefits	39,713	95,146	90,156	4,990	85,536
Purchased services	-	-	-	-	135
Total school administration	299,976	403,626	390,723	12,903	347,393

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Central services					
Salaries	\$ 51,026	\$ 78,326	\$ 71,632	\$ 6,694	\$ 41,995
Benefits	20,609	27,803	27,288	515	15,922
Purchased services	800	7,425	1,218	6,207	1,487
Supplies	10,865	10,865	10,114	751	9,827
Total central services	<u>83,300</u>	<u>124,419</u>	<u>110,252</u>	<u>14,167</u>	<u>69,231</u>
Operation and maintenance					
Salaries	39,424	45,028	41,141	3,887	41,219
Benefits	19,908	18,725	17,910	815	18,118
Total operation and maintenance	<u>59,332</u>	<u>63,753</u>	<u>59,051</u>	<u>4,702</u>	<u>59,337</u>
Student transportation					
Salaries	3,765,352	3,859,719	3,662,842	196,877	3,730,165
Benefits	2,230,097	1,843,701	1,801,462	42,239	1,771,458
Purchased services	320,000	27,000	30,283	(3,283)	27,204
Supplies	506,040	1,301,040	1,231,607	69,433	1,222,890
Total student transportation	<u>6,821,489</u>	<u>7,031,460</u>	<u>6,726,194</u>	<u>305,266</u>	<u>6,751,717</u>
Total expenditures	<u>53,685,190</u>	<u>55,025,422</u>	<u>53,295,801</u>	<u>1,729,621</u>	<u>52,310,052</u>
(Deficiency) of revenues over expenditures	<u>(30,858,358)</u>	<u>(32,198,590)</u>	<u>(30,468,969)</u>	<u>1,729,621</u>	<u>(29,398,395)</u>
OTHER FINANCING SOURCES					
Transfers in	<u>30,840,407</u>	<u>32,198,590</u>	<u>30,468,969</u>	<u>(1,729,621)</u>	<u>29,398,395</u>
Net change in fund balance	(17,951)	-	-	-	-
FUND BALANCE, July 1	<u>17,951</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
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012
(Page 1 of 3)**

	<u>TITLE I</u>	<u>FEDERAL - OTHER AGENCY GRANTS</u>	<u>DIRECT FEDERAL GRANTS</u>	<u>FEDERAL SPECIAL EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>
ASSETS					
Cash and investments	\$ -	\$ -	\$ -	\$ 5,744	\$ -
Receivables					
Interest	-	-	-	-	-
Grants	2,261,666	106,666	888,409	1,246,502	243,049
Miscellaneous	8,365	-	317	308	-
Prepays	-	-	-	-	-
	-	-	-	-	-
Total assets	\$ 2,270,031	\$ 106,666	\$ 888,726	\$ 1,252,554	\$ 243,049
LIABILITIES					
Accounts payable	\$ 311,535	\$ -	\$ 182,057	\$ 23,223	\$ 693
Accrued liabilities	468,391	18,145	306,263	285,243	20,025
Construction contracts payable	-	-	31,728	-	-
Due to other funds	1,490,105	88,521	368,678	944,088	221,458
Due to other governments	-	-	-	-	-
Deferred revenues	-	-	-	-	873
	-	-	-	-	873
Total liabilities	2,270,031	106,666	888,726	1,252,554	243,049
FUND BALANCE					
Restricted	-	-	-	-	-
Total liabilities and fund balance	\$ 2,270,031	\$ 106,666	\$ 888,726	\$ 1,252,554	\$ 243,049

<u>SPECIAL GRANTS</u>	<u>FAMILY RESOURCE CENTERS</u>	<u>ADULT EDUCATION</u>	<u>CLASS SIZE REDUCTION</u>	<u>TUITION BASED FULL DAY KINDERGARTEN</u>	<u>EARLY CHILDHOOD</u>	<u>PERS AND FINANCIAL INCENTIVES</u>
\$ -	\$ 10,703	\$ 478,225	\$ 1,610,875	\$ 232,502	\$ 21,336	\$ -
-	-	-	-	-	-	-
876,847	201,256	-	-	-	51,099	-
7	-	-	-	-	-	5,894
<u>12,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 889,780</u>	<u>\$ 211,959</u>	<u>\$ 478,225</u>	<u>\$ 1,610,875</u>	<u>\$ 232,502</u>	<u>\$ 72,435</u>	<u>\$ 5,894</u>
\$ 56,933	\$ 32,571	\$ 7,255	\$ -	\$ -	\$ -	\$ -
135,964	33,074	116,254	1,610,875	-	72,435	-
-	-	-	-	-	-	-
446,853	44,617	-	-	20,143	-	1,805
44,536	-	-	-	-	-	-
<u>205,494</u>	<u>101,697</u>	<u>354,716</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,089</u>
<u>889,780</u>	<u>211,959</u>	<u>478,225</u>	<u>1,610,875</u>	<u>20,143</u>	<u>72,435</u>	<u>5,894</u>
-	-	-	-	212,359	-	-
<u>\$ 889,780</u>	<u>\$ 211,959</u>	<u>\$ 478,225</u>	<u>\$ 1,610,875</u>	<u>\$ 232,502</u>	<u>\$ 72,435</u>	<u>\$ 5,894</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012
(Page 2 of 3)**

		<u>SPECIAL STATE APPROPRIATIONS</u>		<u>TWENTY-FIRST CENTURY</u>		<u>TITLE II PART A TEACHER TRAINING</u>		<u>TITLE III ENGLISH LANGUAGE ACQUISITION</u>		<u>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</u>
ASSETS										
Cash and investments	\$	27,341	\$	59,871	\$	-	\$	39,353	\$	690,368
Receivables										
Interest		-		-		-		-		-
Grants		-		282,353		421,753		140,349		-
Miscellaneous		-		763		80		122		-
Prepays		-		-		-		-		1,486
		<u> </u>		<u> </u>		<u> </u>		<u> </u>		<u> </u>
Total assets	\$	<u>27,341</u>	\$	<u>342,987</u>	\$	<u>421,833</u>	\$	<u>179,824</u>	\$	<u>691,854</u>
LIABILITIES										
Accounts payable	\$	-	\$	61,111	\$	47,651	\$	22,080	\$	80,996
Accrued liabilities		1,347		28,738		110,256		23,600		237,212
Construction contracts payable		-		-		-		-		-
Due to other funds		-		7,130		263,926		134,144		-
Due to other governments		-		-		-		-		-
Deferred revenues		25,994		246,008		-		-		373,646
		<u> </u>		<u> </u>		<u> </u>		<u> </u>		<u> </u>
Total liabilities		<u>27,341</u>		<u>342,987</u>		<u>421,833</u>		<u>179,824</u>		<u>691,854</u>
FUND BALANCE										
Restricted		<u> </u>		<u> </u>		<u> </u>		<u> </u>		<u> </u>
Total liabilities and fund balance	\$	<u>27,341</u>	\$	<u>342,987</u>	\$	<u>421,833</u>	\$	<u>179,824</u>	\$	<u>691,854</u>

<u>EDUCATION ALLIANCE</u>	<u>PRIVATE FOUNDATIONS</u>	<u>FULL DAY KINDERGARTEN</u>	<u>ARRA TITLE I</u>	<u>ARRA SPECIAL EDUCATION</u>	<u>ARRA OTHER</u>
\$ 97,083	\$ 309,826	\$ 583,686	\$ 296,040	\$ 204,520	\$ 220,904
-	-	-	-	-	-
57,786	62,159	-	420,542	-	-
8	69	4,950	-	28	-
-	-	-	1,237	-	-
<u>\$ 154,877</u>	<u>\$ 372,054</u>	<u>\$ 588,636</u>	<u>\$ 717,819</u>	<u>\$ 204,548</u>	<u>\$ 220,904</u>
\$ 26,948	\$ 31,551	\$ -	\$ 33,263	\$ -	\$ -
7,419	17,007	588,636	159,290	-	-
-	-	-	-	-	3,400
-	-	-	525,266	204,548	217,504
-	-	-	-	-	-
120,510	323,496	-	-	-	-
<u>154,877</u>	<u>372,054</u>	<u>588,636</u>	<u>717,819</u>	<u>204,548</u>	<u>220,904</u>
-	-	-	-	-	-
<u>\$ 154,877</u>	<u>\$ 372,054</u>	<u>\$ 588,636</u>	<u>\$ 717,819</u>	<u>\$ 204,548</u>	<u>\$ 220,904</u>

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012
(Page 3 of 3)**

	<u>FEDERAL EDU-JOBS</u>	<u>CATEGORICAL GRANTS</u>	<u>GIFTS AND DONATIONS</u>	<u>WELLNESS</u>	<u>TOTAL</u>
ASSETS					
Cash and investments	\$ -	\$ 88,039	\$ 1,008,943	\$ 722,136	\$ 6,707,495
Receivables					
Interest	-	-	224	93	317
Grants	1,903,686	-	-	-	9,164,122
Miscellaneous	-	25,332	3,100	-	49,343
Prepays	-	-	-	-	15,649
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,649</u>
Total assets	<u>\$ 1,903,686</u>	<u>\$ 113,371</u>	<u>\$ 1,012,267</u>	<u>\$ 722,229</u>	<u>\$ 15,936,926</u>
LIABILITIES					
Accounts payable	\$ 10,070	\$ -	\$ 9,574	\$ 28	\$ 937,539
Accrued liabilities	887,031	80,242	22,762	4,014	5,234,223
Construction contracts payable	-	-	-	-	35,128
Due to other funds	1,006,585	-	-	-	5,985,371
Due to other governments	-	-	-	-	44,536
Deferred revenues	-	33,129	-	-	1,789,652
	<u>-</u>	<u>33,129</u>	<u>-</u>	<u>-</u>	<u>1,789,652</u>
Total liabilities	<u>1,903,686</u>	<u>113,371</u>	<u>32,336</u>	<u>4,042</u>	<u>14,026,449</u>
FUND BALANCE					
Restricted	<u>-</u>	<u>-</u>	<u>979,931</u>	<u>718,187</u>	<u>1,910,477</u>
Total liabilities and fund balance	<u>\$ 1,903,686</u>	<u>\$ 113,371</u>	<u>\$ 1,012,267</u>	<u>\$ 722,229</u>	<u>\$ 15,936,926</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, 2012
(Page 1 of 3)**

	<u>TITLE I</u>	<u>FEDERAL - OTHER AGENCY GRANTS</u>	<u>DIRECT FEDERAL GRANTS</u>	<u>FEDERAL SPECIAL EDUCATION</u>	<u>VOCATIONAL EDUCATION</u>
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	525,116
Federal sources	14,144,464	270,041	4,786,570	10,554,891	812,964
	<u>14,144,464</u>	<u>270,041</u>	<u>4,786,570</u>	<u>10,554,891</u>	<u>1,338,080</u>
Total revenues	<u>14,144,464</u>	<u>270,041</u>	<u>4,786,570</u>	<u>10,554,891</u>	<u>1,338,080</u>
EXPENDITURES					
Current					
Regular programs	-	-	-	-	-
Special programs	-	-	-	10,554,891	-
Vocational programs	-	-	-	-	1,338,080
Other instructional programs	14,144,464	270,041	4,786,570	-	-
Adult education programs	-	-	-	-	-
Community services programs	-	-	-	-	-
Undistributed expenditures					
Instruction	-	-	-	-	-
Student support	-	-	-	-	-
Instructional staff support	-	-	-	-	-
General administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation and maintenance	-	-	-	-	-
	<u>14,144,464</u>	<u>270,041</u>	<u>4,786,570</u>	<u>10,554,891</u>	<u>1,338,080</u>
Total expenditures	<u>14,144,464</u>	<u>270,041</u>	<u>4,786,570</u>	<u>10,554,891</u>	<u>1,338,080</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING (USES)					
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>

<u>SPECIAL GRANTS</u>	<u>FAMILY RESOURCE CENTERS</u>	<u>ADULT EDUCATION</u>	<u>CLASS SIZE REDUCTION</u>	<u>TUITION BASED FULL DAY KINDERGARTEN</u>	<u>EARLY CHILDHOOD</u>	<u>PERS AND FINANCIAL INCENTIVES</u>
\$ 31,575	\$ 25,261	\$ -	\$ -	\$ 996,776	\$ -	\$ -
41,983	330,474	1,685,583	18,628,122	-	790,876	5,290,585
3,050,971	326,741	-	-	6,585	323,929	-
<u>3,124,529</u>	<u>682,476</u>	<u>1,685,583</u>	<u>18,628,122</u>	<u>1,003,361</u>	<u>1,114,805</u>	<u>5,290,585</u>
-	-	-	12,225,928	784,417	-	-
-	-	-	-	-	323,929	-
-	-	-	-	-	-	-
3,124,529	-	-	-	6,585	790,876	5,290,585
-	-	1,685,583	-	-	-	-
-	682,476	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,124,529</u>	<u>682,476</u>	<u>1,685,583</u>	<u>12,225,928</u>	<u>791,002</u>	<u>1,114,805</u>	<u>5,290,585</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,402,194</u>	<u>212,359</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,402,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>212,359</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,359</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, 2012
(Page 2 of 3)**

	<u>SPECIAL STATE APPROPRIATIONS</u>	<u>TWENTY-FIRST CENTURY</u>	<u>TITLE II PART A TEACHER TRAINING</u>	<u>TITLE III ENGLISH LANGUAGE ACQUISITION</u>	<u>REGIONAL PROFESSIONAL DEVELOPMENT PROGRAM</u>
REVENUES					
Local sources	\$ -	\$ 373,350	\$ -	\$ -	\$ -
State sources	427,391	-	-	-	1,860,210
Federal sources	-	2,604,403	2,018,262	1,272,133	-
	<u>427,391</u>	<u>2,977,753</u>	<u>2,018,262</u>	<u>1,272,133</u>	<u>1,860,210</u>
Total revenues	<u>427,391</u>	<u>2,977,753</u>	<u>2,018,262</u>	<u>1,272,133</u>	<u>1,860,210</u>
EXPENDITURES					
Current					
Regular programs	-	-	-	-	-
Special programs	-	-	-	-	-
Vocational programs	-	-	-	-	-
Other instructional programs	-	2,604,403	2,018,262	1,272,133	1,860,210
Adult education programs	-	-	-	-	-
Community services programs	-	-	-	-	-
Undistributed expenditures					
Instruction	-	373,350	-	-	-
Student support	-	-	-	-	-
Instructional staff support	422,034	-	-	-	-
General administration	-	-	-	-	-
Central services	5,357	-	-	-	-
Operation and maintenance	-	-	-	-	-
	<u>427,391</u>	<u>2,977,753</u>	<u>2,018,262</u>	<u>1,272,133</u>	<u>1,860,210</u>
Total expenditures	<u>427,391</u>	<u>2,977,753</u>	<u>2,018,262</u>	<u>1,272,133</u>	<u>1,860,210</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING (USES)					
Transfers out	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>

<u>EDUCATION ALLIANCE</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>
\$ 228,995	\$ 625,917	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	4,370,016	-	-	-	-
255,986	-	-	3,197,901	141,460	31,298	5,153,832
<u>484,981</u>	<u>625,917</u>	<u>4,370,016</u>	<u>3,197,901</u>	<u>141,460</u>	<u>31,298</u>	<u>5,153,832</u>
-	4,676	-	-	-	-	-
-	-	-	-	141,460	-	-
-	-	-	-	-	-	-
359,207	621,241	4,370,016	3,197,901	-	31,298	5,153,832
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
125,774	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>484,981</u>	<u>625,917</u>	<u>4,370,016</u>	<u>3,197,901</u>	<u>141,460</u>	<u>31,298</u>	<u>5,153,832</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</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, 2012
(Page 3 of 3)**

	<u>CATEGORICAL GRANTS</u>	<u>GIFTS AND DONATIONS</u>	<u>WELLNESS</u>	<u>TOTAL</u>
REVENUES				
Local sources	\$ 363,396	\$ 363,541	\$ 359,556	\$ 3,368,367
State sources	-	-	-	33,950,356
Federal sources	-	-	-	48,952,431
	<u>363,396</u>	<u>363,541</u>	<u>359,556</u>	<u>86,271,154</u>
Total revenues	<u>363,396</u>	<u>363,541</u>	<u>359,556</u>	<u>86,271,154</u>
EXPENDITURES				
Current				
Regular programs	350,904	123,003	-	13,488,928
Special programs	-	7,621	-	11,027,901
Vocational programs	-	-	-	1,338,080
Other instructional programs	-	-	-	49,902,153
Adult education programs	-	-	-	1,685,583
Community services programs	-	3,967	-	686,443
Undistributed expenditures				
Instruction	-	-	-	373,350
Student support	-	208,772	-	334,546
Instructional staff support	-	81,808	-	503,842
General administration	-	-	312,886	312,886
Central services	-	28,174	-	33,531
Operation and maintenance	12,492	2,996	-	15,488
	<u>363,396</u>	<u>456,341</u>	<u>312,886</u>	<u>79,702,731</u>
Total expenditures	<u>363,396</u>	<u>456,341</u>	<u>312,886</u>	<u>79,702,731</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(92,800)</u>	<u>46,670</u>	<u>6,568,423</u>
OTHER FINANCING (USES)				
Transfers out	-	-	-	(6,402,194)
Net change in fund balance	-	(92,800)	46,670	166,229
FUND BALANCE, July 1	<u>-</u>	<u>1,072,731</u>	<u>671,517</u>	<u>1,744,248</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 979,931</u>	<u>\$ 718,187</u>	<u>\$ 1,910,477</u>

**WASHOE COUNTY SCHOOL DISTRICT
TITLE I - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 15,164,725	\$ 15,980,448	\$ 14,144,464	\$ (1,835,984)	\$ 12,540,040
EXPENDITURES					
Current					
Other Instructional programs					
Instruction					
Salaries	2,454,440	3,158,201	2,857,930	300,271	2,265,734
Benefits	965,748	1,280,671	915,098	365,573	727,767
Purchased services	2,490,108	2,641,792	2,421,580	220,212	2,109,014
Supplies	1,232,756	1,443,595	1,413,495	30,100	1,190,028
Other	35,016	80,229	80,229	-	29,438
Total instruction	7,178,068	8,604,488	7,688,332	916,156	6,321,981
Student support					
Salaries	493,605	305,783	276,734	29,049	332,897
Benefits	188,596	112,360	90,821	21,539	111,734
Purchased services	287,494	169,821	153,087	16,734	268,014
Supplies	34,600	61,741	44,585	17,156	23,922
Other	-	11,766	6,488	5,278	-
Total student support	1,004,295	661,471	571,715	89,756	736,567
Instructional staff support					
Salaries	1,836,249	2,048,401	1,871,394	177,007	1,237,419
Benefits	575,911	605,508	523,261	82,247	326,174
Purchased services	771,570	430,332	357,568	72,764	483,904
Supplies	242,119	258,449	212,396	46,053	225,836
Other	7,475	21,082	15,174	5,908	4,123
Total instructional staff support	3,433,324	3,363,772	2,979,793	383,979	2,277,456
General administration					
Salaries	865,495	964,914	894,835	70,079	851,185
Benefits	460,548	488,229	359,996	128,233	364,655
Purchased services	70,701	89,113	60,287	28,826	47,385
Supplies	27,017	12,695	7,425	5,270	16,249
Other	42,205	54,513	52,814	1,699	39,601
Total general administration	1,465,966	1,609,464	1,375,357	234,107	1,319,075
School administration					
Salaries	451,658	203,332	154,760	48,572	438,066
Benefits	173,053	80,084	51,418	28,666	152,312
Total school administration	624,711	283,416	206,178	77,238	590,378

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Central services					
Salaries	\$ 362,951	\$ 339,249	\$ 322,745	\$ 16,504	\$ 344,420
Benefits	102,740	107,667	75,576	32,091	81,244
Purchased services	131,212	127,615	109,826	17,789	102,899
Supplies	31,396	34,805	25,831	8,974	26,165
Other	505,306	504,551	462,379	42,172	417,857
Total central services	<u>1,133,605</u>	<u>1,113,887</u>	<u>996,357</u>	<u>117,530</u>	<u>972,585</u>
Student transportation					
Purchased services	<u>324,756</u>	<u>343,950</u>	<u>326,732</u>	<u>17,218</u>	<u>321,998</u>
Total expenditures	<u>15,164,725</u>	<u>15,980,448</u>	<u>14,144,464</u>	<u>1,835,984</u>	<u>12,540,040</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
FEDERAL - OTHER AGENCY GRANTS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	2012 BUDGET		2012	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Federal sources	\$ -	\$ 270,041	\$ 270,041	\$ -
EXPENDITURES				
Current				
Other instructional programs				
Instruction				
Salaries	-	175,464	175,464	-
Benefits	-	85,732	85,732	-
Total instruction	-	261,196	261,196	-
Instructional staff support				
Purchased services	-	3,375	3,375	-
Central services				
Other	-	5,470	5,470	-
Total expenditures	-	270,041	270,041	-
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 5,394,702	\$ 8,826,724	\$ 4,786,570	\$ (4,040,154)	\$ 1,877,732
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	30,420	528,014	391,748	136,266	1,470
Benefits	670	139,283	97,883	41,400	21
Purchased services	-	36,740	9,357	27,383	-
Supplies	-	493,510	397,394	96,116	1,995
Property	-	6,377	6,377	-	-
Other	-	52	52	-	-
Total instruction	31,090	1,203,976	902,811	301,165	3,486
Student support					
Salaries	332,930	667,083	510,999	156,084	29,981
Benefits	121,105	225,925	116,485	109,440	13,522
Purchased services	782,700	564,989	311,680	253,309	11,933
Supplies	106,473	98,899	60,323	38,576	59,964
Property	6,137	-	-	-	14,707
Other	-	1,000	449	551	-
Total student support	1,349,345	1,557,896	999,936	557,960	130,107
Instructional staff support					
Salaries	1,963,543	2,084,560	1,016,487	1,068,073	676,427
Benefits	748,818	522,623	384,005	138,618	244,593
Purchased services	42,174	78,822	44,081	34,741	19,682
Supplies	29,927	24,477	12,962	11,515	55,731
Total instructional staff support	2,784,462	2,710,482	1,457,535	1,252,947	996,433
School administration					
Salaries	-	65,000	1,870	63,130	-
Benefits	-	26,511	444	26,067	-
Total school administration	-	91,511	2,314	89,197	-
Central services					
Salaries	342,500	1,425,973	346,944	1,079,029	110,769
Benefits	141,742	180,330	125,676	54,654	38,797
Purchased services	244,665	218,524	192,301	26,223	82,185
Supplies	109,400	212,322	45,273	167,049	65,864
Other	168,295	227,029	134,309	92,720	52,212
Total central services	1,006,602	2,264,178	844,503	1,419,675	349,827
Operation and maintenance					
Purchased services	-	474,995	241,848	233,147	201,520
Supplies	-	163,389	224,122	(60,733)	36,799
Property	-	-	-	-	77,716
Total operation and maintenance	-	638,384	465,970	172,414	316,035

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Student transportation					
Salaries	\$ -	\$ 35,000	\$ -	\$ 35,000	\$ -
Benefits	-	15,000	-	15,000	-
Purchased services	-	51,075	8,931	42,144	-
Total student transportation	-	101,075	8,931	92,144	-
Community service operations					
Salaries	150,000	177,430	76,510	100,920	62,799
Benefits	73,203	81,792	28,060	53,732	19,045
Total community service operations	223,203	259,222	104,570	154,652	81,844
Total expenditures	5,394,702	8,826,724	4,786,570	4,040,154	1,877,732
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
FEDERAL SPECIAL EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 10,036,433	\$ 11,105,057	\$ 10,554,891	\$ (550,166)	\$ 9,635,692
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	4,729,613	5,651,621	5,363,070	288,551	4,452,762
Benefits	1,782,092	2,051,320	1,995,907	55,413	1,726,659
Purchased services	15,950	4,700	1,953	2,747	3,149
Supplies	143,875	114,974	84,715	30,259	205,165
Property	10,000	-	-	-	-
Other	42,000	97,000	61,192	35,808	28,285
Total instruction	<u>6,723,530</u>	<u>7,919,615</u>	<u>7,506,837</u>	<u>412,778</u>	<u>6,416,020</u>
Student support					
Salaries	916,907	855,593	831,215	24,378	886,076
Benefits	340,921	361,139	350,508	10,631	351,403
Purchased services	324,208	249,908	227,190	22,718	265,241
Supplies	84,595	50,200	33,702	16,498	75,969
Property	20,000	1,000	-	1,000	-
Other	659,000	659,560	657,693	1,867	656,129
Total student support	<u>2,345,631</u>	<u>2,177,400</u>	<u>2,100,308</u>	<u>77,092</u>	<u>2,234,818</u>
Instructional staff support					
Salaries	253,754	145,744	142,167	3,577	245,692
Benefits	87,545	54,233	52,883	1,350	86,976
Purchased services	56,882	216,606	188,657	27,949	91,810
Supplies	21,500	24,734	20,723	4,011	31,576
Property	10,000	5,450	-	5,450	-
Other	600	1,475	1,475	-	600
Total instructional staff support	<u>430,281</u>	<u>448,242</u>	<u>405,905</u>	<u>42,337</u>	<u>456,654</u>
Central services					
Salaries	178,915	180,172	180,083	89	183,169
Benefits	32,099	28,978	28,223	755	32,113
Other	325,977	349,290	332,184	17,106	312,918
Total central services	<u>536,991</u>	<u>558,440</u>	<u>540,490</u>	<u>17,950</u>	<u>528,200</u>
Student transportation					
Purchased services	-	1,360	1,351	9	-
Total expenditures	<u>10,036,433</u>	<u>11,105,057</u>	<u>10,554,891</u>	<u>550,166</u>	<u>9,635,692</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
 VOCATIONAL EDUCATION - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 308,579	\$ 525,989	\$ 525,116	\$ (873)	\$ 607,142
Federal sources	516,813	816,338	812,964	(3,374)	757,938
Total revenues	825,392	1,342,327	1,338,080	(4,247)	1,365,080
EXPENDITURES					
Current					
Vocational programs					
Instruction					
Purchased services	19,508	16,016	39,119	(23,103)	39,903
Supplies	364,114	880,796	857,978	22,818	706,320
Property	57,983	104,290	104,289	1	92,992
Other	13,198	23,103	21,989	1,114	21,287
Total instruction	454,803	1,024,205	1,023,375	830	860,502
Instructional staff support					
Salaries	138,697	106,867	105,081	1,786	195,447
Benefits	34,356	14,016	13,414	602	51,192
Purchased services	105,208	128,159	128,095	64	132,129
Supplies	601	-	-	-	770
Other	549	-	-	-	195
Total instructional staff support	279,411	249,042	246,590	2,452	379,733
Central services					
Other	26,165	40,808	39,918	890	42,862
Student transportation					
Purchased services	40,678	28,272	28,197	75	44,129
Total vocational programs	801,057	1,342,327	1,338,080	4,247	1,327,226
Capital outlay					
Site improvement					
Purchased services	-	-	-	-	37,854
Building improvement					
Purchased services	24,335	-	-	-	-
Total capital outlay	24,335	-	-	-	37,854
Total expenditures	825,392	1,342,327	1,338,080	4,247	1,365,080
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ -	\$ 42,246	\$ 31,575	\$ (10,671)	\$ 14,796
State sources	224,254	44,225	41,983	(2,242)	365,737
Federal sources	4,018,108	4,269,672	3,050,971	(1,218,701)	3,057,086
Total revenues	4,242,362	4,356,143	3,124,529	(1,231,614)	3,437,619
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	101,361	49,680	49,680	-	77,381
Benefits	9,860	1,088	1,054	34	5,313
Purchased services	430,457	66,054	65,389	665	423,503
Supplies	37,274	47,565	45,398	2,167	28,103
Other	1,713	1,000	818	182	649
Total instruction	580,665	165,387	162,339	3,048	534,949
Student support					
Salaries	699,920	610,992	573,258	37,734	664,286
Benefits	275,104	234,856	202,774	32,082	213,291
Purchased services	279,417	350,052	319,290	30,762	280,117
Supplies	222,399	320,476	164,804	155,672	146,830
Other	23,627	29,083	24,720	4,363	18,925
Total student support	1,500,467	1,545,459	1,284,846	260,613	1,323,449
Instructional staff support					
Salaries	780,838	790,250	397,965	392,285	540,635
Benefits	179,622	175,488	79,278	96,210	117,070
Purchased services	337,312	394,396	214,768	179,628	215,370
Supplies	371,497	431,707	337,744	93,963	329,678
Property	-	-	-	-	11,717
Other	3,307	1,278	450	828	819
Total instructional staff support	1,672,576	1,793,119	1,030,205	762,914	1,215,289
Central services					
Salaries	26,127	22,037	22,037	-	26,718
Purchased services	61,524	-	-	-	62,145
Other	110,920	111,475	78,476	32,999	87,816
Total central services	198,571	133,512	100,513	32,999	176,679
Operation and maintenance					
Salaries	93,273	64,509	57,259	7,250	56,027
Benefits	38,481	56,052	32,462	23,590	31,733
Purchased services	14,470	665	639	26	7,962
Supplies	86,288	25,548	25,453	95	40,656
Total operation and maintenance	232,512	146,774	115,813	30,961	136,378
Student transportation					
Salaries	-	31,165	22,746	8,419	-
Benefits	-	11,081	8,830	2,251	-
Purchased services	57,571	190,444	137,242	53,202	50,875
Supplies	-	339,202	261,995	77,207	-
Total student transportation	57,571	571,892	430,813	141,079	50,875
Total expenditures	4,242,362	4,356,143	3,124,529	1,231,614	3,437,619
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 98,000	\$ 126,958	\$ 25,261	\$ (101,697)	\$ 47,453
State sources	247,701	347,665	330,474	(17,191)	462,910
Federal sources	174,925	358,331	326,741	(31,590)	251,445
Total revenues	<u>520,626</u>	<u>832,954</u>	<u>682,476</u>	<u>(150,478)</u>	<u>761,808</u>
EXPENDITURES					
Current					
Community services programs					
Central services					
Salaries	4,249	6,424	6,424	-	7,325
Other	16,401	23,498	21,846	1,652	25,031
Total central services	<u>20,650</u>	<u>29,922</u>	<u>28,270</u>	<u>1,652</u>	<u>32,356</u>
Community service operations					
Salaries	277,772	427,076	384,164	42,912	447,086
Benefits	137,491	174,536	142,047	32,489	171,649
Purchased services	36,097	86,851	68,064	18,787	58,840
Supplies	43,840	79,569	43,809	35,760	35,538
Other	4,776	35,000	16,122	18,878	16,339
Total community service operations	<u>499,976</u>	<u>803,032</u>	<u>654,206</u>	<u>148,826</u>	<u>729,452</u>
Total expenditures	<u>520,626</u>	<u>832,954</u>	<u>682,476</u>	<u>150,478</u>	<u>761,808</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
ADULT EDUCATION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 2,060,729	\$ 2,060,729	\$ 1,685,583	\$ (375,146)	\$ 1,990,893
EXPENDITURES					
Current					
Adult education programs					
Instruction					
Salaries	682,569	747,569	658,489	89,080	649,979
Benefits	160,285	120,285	114,522	5,763	112,818
Purchased services	99,900	79,900	133,537	(53,637)	12,846
Supplies	264,300	234,300	89,820	144,480	439,830
Property	-	-	-	-	6,399
Other	200,000	65,000	-	65,000	-
Total instruction	1,407,054	1,247,054	996,368	250,686	1,221,872
Student support					
Salaries	102,000	172,000	142,468	29,532	142,337
Benefits	36,400	51,400	50,230	1,170	48,805
Total student support	138,400	223,400	192,698	30,702	191,142
School administration					
Salaries	255,975	335,975	306,949	29,026	314,220
Benefits	93,500	113,500	97,249	16,251	112,513
Other	87,735	87,735	57,630	30,105	70,252
Total school administration	437,210	537,210	461,828	75,382	496,985
Operation and maintenance					
Salaries	55,750	35,750	23,858	11,892	56,854
Benefits	22,315	17,315	10,831	6,484	24,040
Total operation and maintenance	78,065	53,065	34,689	18,376	80,894
Total expenditures	2,060,729	2,060,729	1,685,583	375,146	1,990,893
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
CLASS SIZE REDUCTION - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 18,717,383	\$ 18,628,122	\$ 18,628,122	\$ -	\$ 19,946,876
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	8,582,637	8,708,989	8,695,224	13,765	9,679,662
Benefits	3,495,434	3,516,939	3,530,704	(13,765)	3,767,387
Total expenditures	12,078,071	12,225,928	12,225,928	-	13,447,049
Excess of revenues over expenditures	6,639,312	6,402,194	6,402,194	-	6,499,827
OTHER FINANCING SOURCES (USES)					
Transfers out	(6,639,312)	(6,402,194)	(6,402,194)	-	(6,499,827)
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHOE COUNTY SCHOOL DISTRICT
TUITION BASED FULL DAY KINDERGARTEN - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ -	\$ 840,125	\$ 996,776	\$ 156,651	\$ -
Federal sources	-	6,585	6,585	-	59,674
Total revenues	-	846,710	1,003,361	156,651	59,674
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	592,000	581,222	10,778	-
Benefits	-	217,000	198,467	18,533	-
Purchased services	-	1,000	20	980	-
Supplies	-	30,125	4,708	25,417	-
Total regular programs	-	840,125	784,417	55,708	-
Other instructional programs					
Student support					
Salaries	-	373	373	-	18,406
Benefits	-	402	402	-	7,719
Purchased services	-	1,048	1,048	-	19,470
Supplies	-	4,762	4,762	-	12,909
Total student support	-	6,585	6,585	-	58,504
Central services					
Other	-	-	-	-	1,170
Total other instructional programs	-	6,585	6,585	-	59,674
Total expenditures	-	846,710	791,002	55,708	59,674
Net change in fund balance	-	-	212,359	212,359	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 212,359	\$ 212,359	\$ -

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 390,000	\$ 790,876	\$ 790,876	\$ -	\$ 781,226
Federal sources	243,812	407,496	323,929	(83,567)	206,804
Total revenues	633,812	1,198,372	1,114,805	(83,567)	988,030
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	150,770	180,419	149,744	30,675	136,945
Benefits	37,716	48,200	36,980	11,220	32,459
Purchased services	6,000	3,000	-	3,000	5,664
Supplies	5,830	31,000	24,396	6,604	6,926
Total instruction	200,316	262,619	211,120	51,499	181,994
Student support					
Salaries	-	70,000	62,269	7,731	10,223
Benefits	-	28,000	23,151	4,849	3,687
Supplies	-	24,000	12,428	11,572	-
Total student support	-	122,000	97,848	24,152	13,910
Instructional staff support					
Salaries	-	5,582	1,189	4,393	-
Benefits	-	700	94	606	-
Purchased services	-	418	358	60	-
Total instructional staff support	-	6,700	1,641	5,059	-
Central services					
Salaries	2,242	2,245	2,245	-	3,579
Other	8,631	13,932	11,075	2,857	7,321
Total central services	10,873	16,177	13,320	2,857	10,900
Total special programs	211,189	407,496	323,929	83,567	206,804
Other instructional programs					
Instruction					
Salaries	204,231	444,385	437,468	6,917	427,446
Benefits	95,250	170,541	177,458	(6,917)	173,187
Purchased services	270	500	500	-	545
Supplies	657	-	-	-	1,203
Total instruction	300,408	615,426	615,426	-	602,381
Student support					
Salaries	24,047	-	-	-	-
Benefits	8,576	-	-	-	-
Total student support	32,623	-	-	-	-

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Instructional staff support					
Purchased services	\$ 855	\$ -	\$ -	\$ -	\$ 1,710
Central services					
Salaries	3,753	7,605	7,605	-	7,505
Purchased services	45,910	91,140	91,140	-	91,819
Other	39,074	76,705	76,705	-	77,811
Total central services	88,737	175,450	175,450	-	177,135
Total other instructional programs	422,623	790,876	790,876	-	781,226
Total expenditures	633,812	1,198,372	1,114,805	83,567	988,030
Net change in fund balance	-	-	-	-	-
FUND BALANCE, July 1	-	-	-	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

WASHOE COUNTY SCHOOL DISTRICT
PERS AND FINANCIAL INCENTIVES - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 6,009,512	\$ 5,294,675	\$ 5,290,585	\$ (4,090)	\$ 5,608,294
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	3,952,176	3,355,384	3,351,294	4,090	3,480,354
Benefits	2,057,336	1,939,291	1,939,291	-	2,127,940
Total expenditures	6,009,512	5,294,675	5,290,585	4,090	5,608,294
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, 2012**

	2012 BUDGET		2012	
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
State sources	\$ -	\$ 453,385	\$ 427,391	\$ (25,994)
EXPENDITURES				
Current				
Other instructional programs				
Instructional staff support				
Salaries	-	13,600	6,816	6,784
Benefits	-	362	301	61
Purchased services	-	77,367	76,167	1,200
Supplies	-	174,179	156,500	17,679
Property	-	182,250	182,250	-
Total instructional staff support	-	447,758	422,034	25,724
Central services				
Salaries	-	380	380	-
Other	-	5,247	4,977	270
Total central services	-	5,627	5,357	270
Total expenditures	-	453,385	427,391	25,994
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ -	\$ 1,995,188	\$ -	\$ (1,995,188)	\$ 11,888
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	-	267,240	-	267,240	1,288
Benefits	-	55,440	-	55,440	102
Supplies	-	315,680	-	315,680	-
Total instruction	-	638,360	-	638,360	1,390
Student support					
Purchased services	-	-	-	-	500
Instructional staff support					
Salaries	-	622,180	-	622,180	-
Benefits	-	232,539	-	232,539	-
Purchased services	-	170,345	-	170,345	9,596
Supplies	-	97,422	-	97,422	-
Total instructional staff support	-	1,122,486	-	1,122,486	9,596
Central services					
Salaries	-	65,000	-	65,000	-
Benefits	-	27,567	-	27,567	-
Purchased services	-	71,850	-	71,850	-
Other	-	68,215	-	68,215	402
Total central services	-	232,632	-	232,632	402
Transportation					
Purchased services	-	1,710	-	1,710	-
Total expenditures	-	1,995,188	-	1,995,188	11,888
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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 350,000	\$ 619,358	\$ 373,350	\$ (246,008)	\$ 346,751
Federal sources	2,505,839	2,939,118	2,604,403	(334,715)	2,544,524
Total revenues	2,855,839	3,558,476	2,977,753	(580,723)	2,891,275
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	1,245,856	1,621,212	1,528,317	92,895	1,398,698
Benefits	385,249	407,287	301,919	105,368	290,417
Purchased services	247,301	219,910	194,486	25,424	239,606
Supplies	119,246	114,718	88,026	26,692	132,349
Other	-	908	900	8	-
Total instruction	1,997,652	2,364,035	2,113,648	250,387	2,061,070
Instructional staff support					
Salaries	2,514	1,700	1,287	413	1,105
Benefits	519	146	101	45	87
Purchased services	40,699	25,792	11,989	13,803	26,406
Supplies	8,795	-	-	-	6,598
Total instructional staff support	52,527	27,638	13,377	14,261	34,196
Central services					
Salaries	190,714	221,872	203,417	18,455	197,825
Benefits	78,753	74,892	64,599	10,293	60,414
Purchased services	7,047	17,077	9,346	7,731	7,015
Supplies	34,256	76,963	61,711	15,252	39,331
Other	88,966	95,887	84,783	11,104	89,145
Total central services	399,736	486,691	423,856	62,835	393,730
Student transportation					
Purchased services	5,829	7,123	4,000	3,123	5,200
Food services operations					
Purchased services	50,095	53,631	49,522	4,109	50,328
Total other instructional programs	2,505,839	2,939,118	2,604,403	334,715	2,544,524

(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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Undistributed expenditures					
Instruction					
Salaries	\$ 158,622	\$ 362,389	\$ 277,604	\$ 84,785	\$ 275,260
Benefits	38,659	75,429	57,201	18,228	53,730
Purchased services	54,246	38,385	9,831	28,554	9,959
Supplies	98,347	142,028	27,814	114,214	7,802
Other	126	1,127	900	227	-
Total undistributed expenditures	<u>350,000</u>	<u>619,358</u>	<u>373,350</u>	<u>246,008</u>	<u>346,751</u>
Total expenditures	<u>2,855,839</u>	<u>3,558,476</u>	<u>2,977,753</u>	<u>580,723</u>	<u>2,891,275</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
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 2,615,651	\$ 2,296,866	\$ 2,018,262	\$ (278,604)	\$ 2,231,684
EXPENDITURES					
Current					
Other instructional programs					
Instructional staff support					
Salaries	1,087,341	1,048,315	943,473	104,842	1,040,221
Benefits	387,736	364,594	323,663	40,931	358,109
Purchased services	609,341	587,382	504,691	82,691	365,728
Supplies	141,143	75,637	48,442	27,195	102,810
Other	5,280	10,904	4,828	6,076	3,599
Total instructional staff support	2,230,841	2,086,832	1,825,097	261,735	1,870,467
General administration					
Salaries	109,318	-	-	-	114,216
Benefits	36,174	-	-	-	35,818
Purchased services	634	-	-	-	660
Total general administration	146,126	-	-	-	150,694
Central services					
Salaries	101,148	92,924	92,003	921	98,130
Benefits	39,180	32,582	30,807	1,775	32,213
Purchased services	5,568	6,000	3,147	2,853	5,800
Supplies	192	-	-	-	-
Other	92,596	78,528	67,208	11,320	74,380
Total central services	238,684	210,034	193,165	16,869	210,523
Total expenditures	2,615,651	2,296,866	2,018,262	278,604	2,231,684
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 1,426,231	\$ 1,556,344	\$ 1,272,133	\$ (284,211)	\$ 1,156,897
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	618,549	707,692	619,536	88,156	628,337
Benefits	439,280	444,205	323,451	120,754	327,776
Purchased services	64,890	87,500	81,184	6,316	53,101
Supplies	203,972	122,561	97,094	25,467	97,250
Total instruction	1,326,691	1,361,958	1,121,265	240,693	1,106,464
Instructional staff support					
Purchased services	67,455	146,028	113,922	32,106	24,342
Supplies	-	12,000	6,009	5,991	-
Total instructional staff support	67,455	158,028	119,931	38,097	24,342
Central services					
Other	27,965	30,365	24,944	5,421	22,096
Student transportation					
Purchased services	-	5,993	5,993	-	3,995
Total other instructional programs	1,422,111	1,556,344	1,272,133	284,211	1,156,897
Capital outlay					
Building improvement					
Purchased services	4,120	-	-	-	-
Total expenditures	1,426,231	1,556,344	1,272,133	284,211	1,156,897
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 1,822,831	\$ 2,233,856	\$ 1,860,210	\$ (373,646)	\$ 1,932,864
EXPENDITURES					
Current					
Other instructional programs					
Instructional staff support					
Salaries	869,154	1,083,926	999,023	84,903	1,004,655
Benefits	283,874	467,755	349,444	118,311	348,650
Purchased services	436,391	436,615	340,179	96,436	298,622
Supplies	152,342	145,227	92,896	52,331	196,862
Other	1,495	2,600	1,678	922	284
Total instructional staff support	1,743,256	2,136,123	1,783,220	352,903	1,849,073
Central services					
Salaries	15,045	21,360	21,360	-	21,493
Other	64,530	76,373	55,630	20,743	62,298
Total central services	79,575	97,733	76,990	20,743	83,791
Total expenditures	1,822,831	2,233,856	1,860,210	373,646	1,932,864
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 330,000	\$ 349,005	\$ 228,995	\$ (120,010)	\$ 301,689
Federal sources	245,819	258,460	255,986	(2,474)	389,360
Total revenues	<u>575,819</u>	<u>607,465</u>	<u>484,981</u>	<u>(122,484)</u>	<u>691,049</u>
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	25,302	1,161	720	441	43,479
Benefits	-	13	13	-	827
Purchased services	542	-	-	-	-
Total instruction	<u>25,844</u>	<u>1,174</u>	<u>733</u>	<u>441</u>	<u>44,306</u>
Instructional staff support					
Purchased services	3,670	-	-	-	2,000
Supplies	-	10,137	10,137	-	-
Total instructional staff support	<u>3,670</u>	<u>10,137</u>	<u>10,137</u>	<u>-</u>	<u>2,000</u>
General administration					
Salaries	163,685	110,563	107,462	3,101	180,010
Benefits	68,403	36,769	36,675	94	64,604
Purchased services	105,945	178,259	171,517	6,742	135,208
Supplies	16,653	27,198	26,369	829	15,023
Other	1,138	209	209	-	3,507
Total general administration	<u>355,824</u>	<u>352,998</u>	<u>342,232</u>	<u>10,766</u>	<u>398,352</u>
Central services					
Other	12,974	6,105	6,105	-	12,368
Student transportation					
Purchased services	280	-	-	-	-
Total other instructional programs	<u>398,592</u>	<u>370,414</u>	<u>359,207</u>	<u>11,207</u>	<u>457,026</u>
Undistributed expenditures					
Student support					
Salaries	1,417	-	-	-	-
Purchased services	139,681	34,082	83,122	(49,040)	91,204
Supplies	1,969	202,969	8,758	194,211	78,910
Other	34,160	-	33,894	(33,894)	63,909
Total student support	<u>177,227</u>	<u>237,051</u>	<u>125,774</u>	<u>111,277</u>	<u>234,023</u>
Total expenditures	<u>575,819</u>	<u>607,465</u>	<u>484,981</u>	<u>122,484</u>	<u>691,049</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 500,195	\$ 949,712	\$ 625,917	\$ (323,795)	\$ 570,390
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	3,710	3,710	-	-
Benefits	-	119	119	-	-
Supplies	-	1,171	847	324	-
Total regular programs	-	5,000	4,676	324	-
Other instructional programs					
Instruction					
Salaries	159,342	211,732	137,137	74,595	139,997
Benefits	9,354	1,939	52,028	(50,089)	23,954
Purchased services	4,973	25,687	10,383	15,304	7,761
Supplies	66,680	70,671	66,030	4,641	74,777
Other	-	4,845	4,655	190	1,025
Total instruction	240,349	314,874	270,233	44,641	247,514
Student support					
Salaries	2,934	30,404	26,147	4,257	2,415
Benefits	66	6,123	5,824	299	31
Purchased services	525	96,825	6,826	89,999	16,347
Supplies	76,343	99,743	85,162	14,581	80,194
Other	-	6,280	6,280	-	176
Total student support	79,868	239,375	130,239	109,136	99,163
Instructional staff support					
Salaries	28,134	32,705	32,705	-	41,380
Benefits	14,442	6,539	6,539	-	10,440
Purchased services	11,784	6,000	2,756	3,244	14,730
Supplies	109,579	341,446	174,996	166,450	140,508
Total instructional staff support	163,939	386,690	216,996	169,694	207,058
Central services					
Purchased services	9,639	-	-	-	12,049
Operation and maintenance					
Purchased services	-	25	25	-	-
Supplies	-	1,975	1,975	-	-
Total operation and maintenance	-	2,000	2,000	-	-
Student transportation					
Purchased services	6,400	1,773	1,773	-	4,606
Total other instructional programs	500,195	944,712	621,241	323,471	570,390
Total expenditures	500,195	949,712	625,917	323,795	570,390
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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
State sources	\$ 3,915,576	\$ 4,370,016	\$ 4,370,016	\$ -	\$ 4,606,560
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	2,735,358	2,940,311	2,940,311	-	3,236,425
Benefits	1,180,218	1,429,705	1,429,705	-	1,370,135
Total expenditures	3,915,576	4,370,016	4,370,016	-	4,606,560
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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 3,443,378	\$ 3,606,489	\$ 3,197,901	\$ (408,588)	\$ 5,125,044
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	976,190	756,260	637,117	119,143	1,080,461
Benefits	323,533	280,769	200,624	80,145	340,807
Purchased services	-	-	-	-	7,190
Supplies	515,982	531,150	505,719	25,431	717,419
Property	-	6,034	6,034	-	-
Other	-	-	-	-	6,222
Total instruction	1,815,705	1,574,213	1,349,494	224,719	2,152,099
Student support					
Salaries	50,945	-	-	-	55,370
Benefits	20,950	-	-	-	19,344
Purchased services	5,000	-	-	-	2,203
Supplies	8,000	-	-	-	4,885
Total student support	84,895	-	-	-	81,802
Instructional staff support					
Salaries	854,566	1,113,658	1,016,422	97,236	1,636,198
Benefits	320,316	430,473	390,663	39,810	595,391
Purchased services	78,531	202,766	190,066	12,700	82,077
Supplies	4,175	8,689	7,452	1,237	32,070
Other	200	-	-	-	5,219
Total instructional staff support	1,257,788	1,755,586	1,604,603	150,983	2,350,955
General administration					
Salaries	65,444	26,950	26,023	927	150,286
Benefits	26,346	12,264	11,140	1,124	44,499
Purchased services	-	-	-	-	13,174
Supplies	-	-	-	-	23,631
Other	-	-	-	-	15,800
Total general administration	91,790	39,214	37,163	2,051	247,390
School administration					
Salaries	30,000	40,000	37,457	2,543	48,718
Benefits	12,389	18,939	13,181	5,758	17,937
Total school administration	42,389	58,939	50,638	8,301	66,655
Central services					
Salaries	27,521	30,649	30,649	-	33,378
Other	123,290	119,738	105,329	14,409	180,310
Total central services	150,811	150,387	135,978	14,409	213,688

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Student transportation					
Purchased services	\$ -	\$ 28,150	\$ 20,025	\$ 8,125	\$ 12,455
Total expenditures	<u>3,443,378</u>	<u>3,606,489</u>	<u>3,197,901</u>	<u>408,588</u>	<u>5,125,044</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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 25,900	\$ 141,460	\$ 141,460	\$ -	\$ 2,425,551
EXPENDITURES					
Current					
Special programs					
Instruction					
Salaries	18,500	1,727	1,727	-	946,473
Benefits	4,450	425	425	-	270,552
Purchased services	-	-	-	-	985
Supplies	2,050	82,990	82,990	-	241,284
Total instruction	25,000	85,142	85,142	-	1,459,294
Student support					
Salaries	-	5,661	5,661	-	150,072
Benefits	-	2,105	2,105	-	54,518
Purchased services	-	7,952	7,952	-	90,187
Supplies	-	20,265	20,265	-	43,539
Property	-	-	-	-	22,674
Other	-	-	-	-	168,778
Total student support	-	35,983	35,983	-	529,768
Instructional staff support					
Salaries	-	-	-	-	100,550
Benefits	-	-	-	-	29,466
Purchased services	-	10,500	10,500	-	179,685
Supplies	-	-	-	-	50,997
Other	-	5,000	5,000	-	5,000
Total instructional staff support	-	15,500	15,500	-	365,698
Central services					
Other	900	4,835	4,835	-	70,791
Total expenditures	25,900	141,460	141,460	-	2,425,551
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, 2012
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 22,900	\$ 31,298	\$ 31,298	\$ -	\$ 1,560,574
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	-	-	-	-	206,304
Benefits	-	-	-	-	91,607
Supplies	-	17,661	17,661	-	19,071
Total instruction	-	17,661	17,661	-	316,982
Student support					
Salaries	-	-	-	-	75,627
Benefits	-	-	-	-	27,008
Purchased services	-	-	-	-	5,785
Supplies	-	-	-	-	31,985
Other	-	-	-	-	1,436
Total student support	-	-	-	-	141,841
Instructional staff support					
Salaries	7,000	6,300	6,300	-	150,579
Benefits	100	92	92	-	23,581
Purchased services	-	6,827	6,827	-	128,005
Supplies	15,000	-	-	-	16,953
Total instructional staff support	22,100	13,219	13,219	-	319,118
Central services					
Salaries	-	-	-	-	870
Other	800	418	418	-	43,018
Total central services	800	418	418	-	43,888
Student transportation					
Purchased services	-	-	-	-	65
Total other instructional programs	22,900	31,298	31,298	-	821,894
Capital outlay					
Architecture and engineering					
Purchased services	-	-	-	-	15,500
Building improvement					
Purchased services	-	-	-	-	723,180
Total capital outlay	-	-	-	-	738,680
Total expenditures	22,900	31,298	31,298	-	1,560,574
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 5,230,386	\$ 5,593,500	\$ 5,153,832	\$ (439,668)	\$ 6,943,604
EXPENDITURES					
Current					
Other instructional programs					
Instruction					
Salaries	3,696,970	2,861,257	2,703,953	157,304	4,574,656
Benefits	1,404,849	1,341,000	1,101,337	239,663	1,886,121
Other	128,567	151,243	151,243	-	277,305
Total instruction	5,230,386	4,353,500	3,956,533	396,967	6,738,082
Student support					
Salaries	-	50,000	43,927	6,073	34,180
Benefits	-	20,000	18,501	1,499	15,271
Total student support	-	70,000	62,428	7,572	49,451
Instructional staff support					
Salaries	-	900,000	894,167	5,833	38,382
Benefits	-	250,000	230,137	19,863	15,749
Total instructional staff support	-	1,150,000	1,124,304	25,696	54,131
General administration					
Salaries	-	10,000	8,415	1,585	67,633
Benefits	-	10,000	2,152	7,848	-
Other	-	-	-	-	34,307
Total general administration	-	20,000	10,567	9,433	101,940
Total expenditures	5,230,386	5,593,500	5,153,832	439,668	6,943,604
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 870,000	\$ 559,875	\$ 363,396	\$ (196,479)	\$ 979,281
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	870,000	219,875	286,504	(66,629)	740,676
Benefits	-	325,000	64,400	260,600	222,189
Supplies	-	-	-	-	1,579
Total regular programs	870,000	544,875	350,904	193,971	964,444
Undistributed expenditures					
Instructional staff support					
Salaries	-	-	-	-	2,324
Benefits	-	-	-	-	505
Total instructional staff support	-	-	-	-	2,829
Operation and maintenance					
Salaries	-	10,000	7,802	2,198	7,541
Benefits	-	5,000	4,690	310	4,467
Total operation and maintenance	-	15,000	12,492	2,508	12,008
Total undistributed expenditures	-	15,000	12,492	2,508	14,837
Total expenditures	870,000	559,875	363,396	196,479	979,281
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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ 420,000	\$ 933,987	\$ 363,541	\$ (570,446)	\$ 424,806
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	1,033,962	12,086	16,086	(4,000)	31,196
Benefits	-	79	1,202	(1,123)	5,064
Purchased services	-	195,875	48,189	147,686	34,008
Supplies	-	104,552	53,562	50,990	33,580
Other	-	1,602	3,964	(2,362)	3,859
Total instruction	1,033,962	314,194	123,003	191,191	107,707
Student support					
Supplies	-	750	-	750	-
Total regular programs	1,033,962	314,944	123,003	191,941	107,707
Special programs					
Instruction					
Salaries	-	-	1,987	(1,987)	5,109
Benefits	-	-	138	(138)	195
Purchased services	-	-	32	(32)	2,890
Supplies	-	20,489	3,200	17,289	12,571
Other	-	-	2,264	(2,264)	-
Total instruction	-	20,489	7,621	12,868	20,765
Instructional staff support					
Supplies	-	218	-	218	-
Total special programs	-	20,707	7,621	13,086	20,765
Community services programs					
Community service operations					
Purchased services	-	-	2,726	(2,726)	289
Supplies	-	25,986	1,241	24,745	4,583
Other	-	-	-	-	150
Total community services programs	-	25,986	3,967	22,019	5,022

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
Undistributed expenditures					
Student support					
Salaries	\$ -	\$ 13,200	\$ 43,986	\$ (30,786)	\$ 9,243
Benefits	-	-	17,084	(17,084)	2,878
Purchased services	-	229,165	51,099	178,066	55,612
Supplies	-	140,492	64,387	76,105	56,916
Property	-	-	-	-	10,420
Other	-	-	32,216	(32,216)	32,152
Total student support	-	382,857	208,772	174,085	167,221
Instructional staff support					
Salaries	-	34,471	67,927	(33,456)	71,713
Benefits	-	35,311	1,855	33,456	1,664
Purchased services	-	-	-	-	285
Supplies	-	36,918	12,026	24,892	491
Total instructional staff support	-	106,700	81,808	24,892	74,153
Central services					
Salaries	-	-	8,027	(8,027)	83
Benefits	-	-	4,366	(4,366)	8
Purchased services	-	-	10,870	(10,870)	12,548
Supplies	-	64,525	4,398	60,127	4,256
Other	-	-	513	(513)	190
Total central services	-	64,525	28,174	36,351	17,085
Operation and maintenance					
Purchased services	-	-	179	(179)	1,912
Supplies	-	18,268	2,572	15,696	2,461
Other	-	-	245	(245)	-
Total operation and maintenance	-	18,268	2,996	15,272	4,373
Total undistributed expenditures	-	572,350	321,750	250,600	262,832
Total expenditures	1,033,962	933,987	456,341	477,646	396,326
Net change in fund balance	(613,962)	-	(92,800)	(92,800)	28,480
FUND BALANCE, July 1	613,962	613,962	1,072,731	458,769	1,044,251
FUND BALANCE, June 30	\$ -	\$ 613,962	\$ 979,931	\$ 365,969	\$ 1,072,731

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 321,000	\$ 321,000	\$ 359,556	\$ 38,556	\$ 388,991
EXPENDITURES					
Undistributed expenditures					
General administration					
Salaries	105,000	105,000	86,901	18,099	102,992
Benefits	37,000	37,000	32,953	4,047	37,792
Purchased services	260,000	260,000	149,836	110,164	132,517
Supplies	45,000	45,000	42,910	2,090	54,600
Property	500	500	-	500	-
Other	1,000	1,000	286	714	979
Total expenditures	<u>448,500</u>	<u>448,500</u>	<u>312,886</u>	<u>135,614</u>	<u>328,880</u>
Net change in fund balance	(127,500)	(127,500)	46,670	174,170	60,111
FUND BALANCE, July 1	<u>534,906</u>	<u>534,906</u>	<u>671,517</u>	<u>136,611</u>	<u>611,406</u>
FUND BALANCE, June 30	<u>\$ 407,406</u>	<u>\$ 407,406</u>	<u>\$ 718,187</u>	<u>\$ 310,781</u>	<u>\$ 671,517</u>

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, 2012**

	<u>MEDICAID</u>		<u>COMMUNITY EDUCATION</u>		<u>TOTAL</u>
ASSETS					
Cash and investments	\$ 1,666,396	\$	2,651	\$	1,669,047
Receivables					
Miscellaneous	37,675		62,060		99,735
Prepays	<u>4,702</u>		<u>50,000</u>		<u>54,702</u>
Total assets	<u>\$ 1,708,773</u>	\$	<u>114,711</u>	\$	<u>1,823,484</u>
LIABILITIES					
Accounts payable	\$ 113,318	\$	88	\$	113,406
Accrued liabilities	<u>11,874</u>		<u>4,513</u>		<u>16,387</u>
Total liabilities	<u>125,192</u>		<u>4,601</u>		<u>129,793</u>
FUND BALANCE					
Unassigned	<u>1,583,581</u>		<u>110,110</u>		<u>1,693,691</u>
Total liabilities and fund balance	<u>\$ 1,708,773</u>	\$	<u>114,711</u>	\$	<u>1,823,484</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, 2012**

	<u>MEDICAID</u>	<u>COMMUNITY EDUCATION</u>	<u>TOTAL</u>
REVENUES			
Local sources	\$ -	\$ 292,642	\$ 292,642
Federal sources	994,493	-	994,493
	<u>994,493</u>	<u>292,642</u>	<u>1,287,135</u>
Total revenues	<u>994,493</u>	<u>292,642</u>	<u>1,287,135</u>
EXPENDITURES			
Current			
Special programs	773,414	-	773,414
Other instructional programs	45,213	-	45,213
Undistributed expenditures			
Community service operations	-	368,501	368,501
	<u>818,627</u>	<u>368,501</u>	<u>1,187,128</u>
Total expenditures	<u>818,627</u>	<u>368,501</u>	<u>1,187,128</u>
Net change in fund balance	175,866	(75,859)	100,007
FUND BALANCE, July 1	<u>1,407,715</u>	<u>185,969</u>	<u>1,593,684</u>
FUND BALANCE, June 30	<u>\$ 1,583,581</u>	<u>\$ 110,110</u>	<u>\$ 1,693,691</u>

**WASHOE COUNTY SCHOOL DISTRICT
MEDICAID (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Federal sources	\$ 750,000	\$ 2,440,139	\$ 994,493	\$ (1,445,646)	\$ 1,709,681
EXPENDITURES					
Current					
Regular programs					
Instruction					
Salaries	-	-	-	-	28,600
Benefits	-	-	-	-	1,400
Total regular programs	-	-	-	-	30,000
Special programs					
Student support					
Salaries	-	1,500,139	-	1,500,139	3,500
Purchased services	334,015	360,000	352,033	7,967	288,451
Total student support	334,015	1,860,139	352,033	1,508,106	291,951
Instructional staff support					
Salaries	35,000	2,000	1,993	7	-
Benefits	5,000	1,000	35	965	-
Purchased services	146,000	100,000	62,940	37,060	52,528
Supplies	45,000	1,000	739	261	4,914
Other	-	1,000	271	729	396
Total instructional staff support	231,000	105,000	65,978	39,022	57,838
School administration					
Salaries	76,030	150,000	141,689	8,311	76,029
Benefits	26,694	50,000	46,732	3,268	26,609
Total school administration	102,724	200,000	188,421	11,579	102,638
Central services					
Salaries	56,884	100,000	57,694	42,306	56,789
Benefits	15,935	25,000	16,158	8,842	15,963
Purchased services	57,000	100,000	93,130	6,870	108,168
Total central services	129,819	225,000	166,982	58,018	180,920
Total special programs	797,558	2,390,139	773,414	1,616,725	633,347
Other instructional programs					
Instructional staff support					
Purchased services	-	50,000	45,213	4,787	-
Total expenditures	797,558	2,440,139	818,627	1,621,512	663,347
Net change in fund balance	(47,558)	-	175,866	175,866	1,046,334
FUND BALANCE, July 1	47,558	-	1,407,715	1,407,715	361,381
FUND BALANCE, June 30	\$ -	\$ -	\$ 1,583,581	\$ 1,583,581	\$ 1,407,715

**WASHOE COUNTY SCHOOL DISTRICT
COMMUNITY EDUCATION (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
REVENUES					
Local sources	\$ 368,856	\$ 416,856	\$ 292,642	\$ (124,214)	\$ 433,266
EXPENDITURES					
Current					
Community services programs					
School administration					
Salaries	269,417	-	-	-	-
Benefits	46,460	-	-	-	-
Total community services programs	315,877	-	-	-	-
Undistributed expenditures					
Community service operations					
Salaries	-	351,417	287,120	64,297	279,568
Benefits	-	51,460	43,439	8,021	50,996
Purchased services	107,870	57,870	29,370	28,500	58,619
Supplies	6,545	12,545	8,572	3,973	4,728
Other	90	5,090	-	5,090	90
Total undistributed expenditures	114,505	478,382	368,501	109,881	394,001
Total expenditures	430,382	478,382	368,501	109,881	394,001
Net change in fund balance	(61,526)	(61,526)	(75,859)	(14,333)	39,265
FUND BALANCE, July 1	61,526	61,526	185,969	124,443	146,704
FUND BALANCE, June 30	\$ -	\$ -	\$ 110,110	\$ 110,110	\$ 185,969

WASHOE COUNTY SCHOOL DISTRICT
PRE-FUNDED RETIREE HEALTH BENEFITS (BUDGETARY BASIS)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ 4,222
OTHER FINANCING (USES)					
Transfers out	-	-	-	-	(2,235,247)
Net change in fund balance	-	-	-	-	(2,231,025)
FUND BALANCE, July 1	-	-	-	-	2,231,025
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ -



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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Ad valorem taxes	\$ 48,528,670	\$ 48,528,670	\$ 49,472,378	\$ 943,708	\$ 53,348,510
Earnings on investments	2,832,370	2,832,370	2,532,465	(299,905)	3,191,066
Net increase in fair value of investments	-	-	379,080	379,080	(176,867)
Total revenues	<u>51,361,040</u>	<u>51,361,040</u>	<u>52,383,923</u>	<u>1,022,883</u>	<u>56,362,709</u>
EXPENDITURES					
Undistributed expenditures					
General administration					
Refund of Incline Village property taxes	-	5,138,408	4,389,923	748,485	-
Interest on refund of Incline Village property taxes	-	-	748,485	(748,485)	-
Total general administration	<u>-</u>	<u>5,138,408</u>	<u>5,138,408</u>	<u>-</u>	<u>-</u>
Debt service					
Principal	30,684,810	28,834,810	110,007,810	(81,173,000)	47,411,206
Interest	23,777,375	25,843,981	23,965,066	1,878,915	24,351,047
Bond issuance costs	-	771,644	697,410	74,234	338,027
Other	100,000	100,000	5,468,723	(5,368,723)	2,078,371
Total debt service	<u>54,562,185</u>	<u>55,550,435</u>	<u>140,139,009</u>	<u>(84,588,574)</u>	<u>74,178,651</u>
Total expenditures	<u>54,562,185</u>	<u>60,688,843</u>	<u>145,277,417</u>	<u>(84,588,574)</u>	<u>74,178,651</u>
Excess of revenues over expenditures	<u>(3,201,145)</u>	<u>(9,327,803)</u>	<u>(92,893,494)</u>	<u>(83,565,691)</u>	<u>(17,815,942)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds of refunding bonds	-	85,877,207	84,170,000	(1,707,207)	41,515,000
Premium on bonds sold	-	11,400,917	11,400,916	(1)	4,954,986
Payment to refunded bonds escrow agent	-	(128,454,447)	(41,826,272)	86,628,175	(46,104,110)
Transfers in	3,191,660	3,191,660	3,191,660	-	3,591,016
Total other financing sources (uses)	<u>3,191,660</u>	<u>(27,984,663)</u>	<u>56,936,304</u>	<u>84,920,967</u>	<u>3,956,892</u>
Net change in fund balance	(9,485)	(37,312,466)	(35,957,190)	1,355,276	(13,859,050)
FUND BALANCE, July 1	<u>53,657,360</u>	<u>54,302,016</u>	<u>54,302,016</u>	<u>-</u>	<u>68,161,066</u>
FUND BALANCE, June 30	<u>\$ 53,647,875</u>	<u>\$ 16,989,550</u>	<u>\$ 18,344,826</u>	<u>\$ 1,355,276</u>	<u>\$ 54,302,016</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
2012 ROLLOVER BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>2012 BUDGET</u>		<u>2012</u>	
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Local sources				
Earnings on investments	\$ -	\$ -	\$ 211,766	\$ 211,766
EXPENDITURES				
Capital outlay, facilities acquisition and construction				
Architecture and engineering services				
Purchased services	-	2,500,000	118,723	2,381,277
Other	-	-	18,248	(18,248)
Total architecture and engineering services	-	2,500,000	136,971	2,363,029
Site improvement				
Purchased services	-	7,500,000	-	7,500,000
Building improvements				
Salaries	-	-	13,695	(13,695)
Benefits	-	-	4,109	(4,109)
Purchased services	-	31,777,294	590,976	31,186,318
Supplies	-	2,500,000	27,981	2,472,019
Other	-	-	11,539	(11,539)
Total building improvements	-	34,277,294	648,300	33,628,994
Total capital outlay, facilities acquisition and construction	-	44,277,294	785,271	43,492,023
Debt service				
Bond issuance costs	-	1,000,000	610,297	389,703
Total expenditures	-	45,277,294	1,395,568	43,881,726
Excess (deficiency) of revenues over expenditures	-	(45,277,294)	(1,183,802)	44,093,492
OTHER FINANCING SOURCES				
Bonds issued	-	45,000,000	45,000,000	-
Bond premium	-	-	2,538,200	2,538,200
Total other financing sources	-	45,000,000	47,538,200	2,538,200
Net change in fund balance	-	(277,294)	46,354,398	46,631,692
FUND BALANCE, July 1	-	277,294	-	277,294
FUND BALANCE, June 30	\$ -	\$ -	\$ 46,354,398	\$ 46,354,398

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 8,306	\$ 8,306	\$ 21,204
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	252,686	600,000	122,903	477,097	321,524
Other	-	-	20,526	(20,526)	21,577
Total architecture and engineering services	252,686	600,000	143,429	456,571	343,101
Site improvement					
Purchased services	-	555,623	4,545	551,078	208
Building improvements					
Salaries	-	300,000	56,303	243,697	25,735
Benefits	-	100,000	16,891	83,109	7,720
Purchased services	1,998,395	3,900,000	2,776,976	1,123,024	2,085,154
Supplies	2,693	750,000	33,206	716,794	330,072
Property	-	750,000	12,053	737,947	182,855
Other	-	-	97	(97)	55,378
Total building improvements	2,001,088	5,800,000	2,895,526	2,904,474	2,686,914
Total expenditures	2,253,774	6,955,623	3,043,500	3,912,123	3,030,223
Net change in fund balance	(2,253,774)	(6,955,623)	(3,035,194)	3,920,429	(3,009,019)
FUND BALANCE, July 1	<u>2,253,774</u>	<u>6,955,623</u>	<u>6,955,623</u>	<u>-</u>	<u>9,964,642</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,920,429</u>	<u>\$ 3,920,429</u>	<u>\$ 6,955,623</u>

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 11,367	\$ 11,367	\$ 68,285
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	111,707	350,000	160,161	189,839	258,440
Supplies	-	-	-	-	24,546
Total architecture and engineering services	<u>111,707</u>	<u>350,000</u>	<u>160,161</u>	<u>189,839</u>	<u>282,986</u>
Site improvement					
Purchased services	953,487	2,212,346	481,492	1,730,854	611,560
Other	-	-	-	-	8,763
Total site improvement	<u>953,487</u>	<u>2,212,346</u>	<u>481,492</u>	<u>1,730,854</u>	<u>620,323</u>
Building improvements					
Salaries	-	-	93,409	(93,409)	35,119
Benefits	-	-	28,022	(28,022)	10,536
Purchased services	2,034,023	5,900,000	2,698,380	3,201,620	4,102,954
Supplies	277	500,000	51,131	448,869	190,430
Property	-	250,000	5,963	244,037	272,958
Other	-	-	20,467	(20,467)	12,649
Total building improvements	<u>2,034,300</u>	<u>6,650,000</u>	<u>2,897,372</u>	<u>3,752,628</u>	<u>4,624,646</u>
Total expenditures	<u>3,099,494</u>	<u>9,212,346</u>	<u>3,539,025</u>	<u>5,673,321</u>	<u>5,527,955</u>
Net change in fund balance	(3,099,494)	(9,212,346)	(3,527,658)	5,684,688	(5,459,670)
FUND BALANCE, July 1	<u>3,099,494</u>	<u>9,212,346</u>	<u>9,212,346</u>	-	<u>14,672,016</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,684,688</u>	<u>\$ 5,684,688</u>	<u>\$ 9,212,346</u>

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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 10,133	\$ 10,133	\$ 71,156
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	124,806	500,000	163,340	336,660	167,900
Other	-	-	8,634	(8,634)	31,833
Total architecture and engineering services	<u>124,806</u>	<u>500,000</u>	<u>171,974</u>	<u>328,026</u>	<u>199,733</u>
Site improvement					
Purchased services	<u>452,526</u>	<u>4,500,000</u>	<u>2,407,129</u>	<u>2,092,871</u>	<u>848,260</u>
Building improvements					
Salaries	-	-	37,479	(37,479)	18,682
Benefits	-	-	11,244	(11,244)	5,605
Purchased services	1,595,134	4,000,000	2,402,550	1,597,450	7,220,026
Supplies	-	946,270	13,391	932,879	465,000
Property	-	-	-	-	796,828
Other	-	-	28,231	(28,231)	27,384
Total building improvements	<u>1,595,134</u>	<u>4,946,270</u>	<u>2,492,895</u>	<u>2,453,375</u>	<u>8,533,525</u>
Total expenditures	<u>2,172,466</u>	<u>9,946,270</u>	<u>5,071,998</u>	<u>4,874,272</u>	<u>9,581,518</u>
Net change in fund balance	(2,172,466)	(9,946,270)	(5,061,865)	4,884,405	(9,510,362)
FUND BALANCE, July 1	<u>2,172,466</u>	<u>9,946,270</u>	<u>9,946,270</u>	<u>-</u>	<u>19,456,632</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,884,405</u>	<u>\$ 4,884,405</u>	<u>\$ 9,946,270</u>

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 148,837	\$ 148,837	\$ 13
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	-	12,017	(12,017)	-
Benefits	-	-	3,605	(3,605)	-
Purchased services	-	3,500,000	1,516,650	1,983,350	-
Other	-	-	100,086	(100,086)	-
Total architecture and engineering services	-	3,500,000	1,632,358	1,867,642	-
Site improvement					
Purchased services	-	750,000	64,630	685,370	-
Supplies	-	150,000	-	150,000	-
Total site improvement	-	900,000	64,630	835,370	-
Building improvements					
Salaries	-	-	15,775	(15,775)	-
Benefits	-	-	4,732	(4,732)	-
Purchased services	-	28,250,000	2,577,476	25,672,524	-
Supplies	-	3,000,000	289,235	2,710,765	-
Property	-	540,385	-	540,385	-
Other	-	-	55,214	(55,214)	-
Total building improvements	-	31,790,385	2,942,432	28,847,953	-
Total capital outlay, facilities acquisition and construction	-	36,190,385	4,639,420	31,550,965	-
Debt service					
Bond issuance costs	-	450,000	323,406	126,594	122,719
Total expenditures	-	36,640,385	4,962,826	31,677,559	122,719
Excess (deficiency) of revenues over expenditures	-	(36,640,385)	(4,813,989)	31,826,396	(122,706)
OTHER FINANCING SOURCES					
Bonds issued	-	34,600,000	34,600,000	-	400,000
Bond premium	-	2,040,385	2,040,385	-	-
Total other financing sources	-	36,640,385	36,640,385	-	400,000
Net change in fund balance	-	-	31,826,396	31,826,396	277,294
FUND BALANCE, July 1	-	-	277,294	(277,294)	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 32,103,690	\$ 32,103,690	\$ 277,294

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 6,524	\$ 6,524	\$ 7,151
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	171,250	375,000	173,071	201,929	-
Other	-	-	13,227	(13,227)	-
Total architecture and engineering services	171,250	375,000	186,298	188,702	-
Building improvements					
Purchased services	-	4,425,000	4,198	4,420,802	-
Supplies	-	500,000	-	500,000	-
Property	-	42,603	-	42,603	-
Total building improvements	-	4,967,603	4,198	4,963,405	-
Total capital outlay, facilities acquisition and construction	171,250	5,342,603	190,496	5,152,107	-
Debt service					
Bond issuance costs	-	-	-	-	79,548
Total expenditures	171,250	5,342,603	190,496	5,152,107	79,548
Excess (deficiency) of revenues over expenditures	(171,250)	(5,342,603)	(183,972)	5,158,631	(72,397)
OTHER FINANCING SOURCES					
Bonds issued	-	-	-	-	5,415,000
Net change in fund balance	(171,250)	(5,342,603)	(183,972)	5,158,631	5,342,603
FUND BALANCE, July 1	171,250	5,342,603	5,342,603	-	-
FUND BALANCE, June 30	\$ -	\$ -	\$ 5,158,631	\$ 5,158,631	\$ 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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</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	\$ -	\$ 10,000	\$ 118	\$ (9,882)	\$ 2,698
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Other	-	-	-	-	35,945
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	-	-	-	-	57,646
Building improvements					
Salaries	-	-	115	(115)	149
Benefits	-	-	35	(35)	45
Purchased services	-	-	6,674	(6,674)	2,488,937
Supplies	3,484	130,600	113,894	16,706	157,379
Other	-	-	-	-	271
Total building improvements	3,484	130,600	120,718	9,882	2,646,781
Total capital outlay, facilities acquisition and construction	3,484	130,600	120,718	9,882	2,704,427
Total expenditures	3,484	130,600	120,718	9,882	2,740,372
Net change in fund balance	(3,484)	(120,600)	(120,600)	-	(2,737,674)
FUND BALANCE, July 1	3,484	120,600	120,600	-	2,858,274
FUND BALANCE, June 30	\$ -	\$ -	\$ -	\$ -	\$ 120,600

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 55,328	\$ 55,328	\$ 36,342
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	1,500,000	1,151,511	348,489	418,006
Benefits	-	499,136	403,939	95,197	159,708
Purchased services	358,417	650,000	203,632	446,368	206,511
Supplies	-	-	16,239	(16,239)	18,116
Property	-	50,000	32,900	17,100	7,178
Total undistributed expenditures	358,417	2,699,136	1,808,221	890,915	809,519
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	-	5,069	(5,069)	-
Benefits	-	-	1,427	(1,427)	-
Purchased services	4,200	2,500,000	132,613	2,367,387	123,105
Other	-	-	-	-	16
Total architecture and engineering services	4,200	2,500,000	139,109	2,360,891	123,121
Site improvement					
Purchased services	-	1,250,000	302,784	947,216	201,379
Other	-	-	-	-	16
Total site improvement	-	1,250,000	302,784	947,216	201,395
Building improvements					
Salaries	-	500,000	188,950	311,050	436,928
Benefits	-	150,000	67,043	82,957	102,300
Purchased services	497,553	6,850,000	3,154,003	3,695,997	2,241,967
Supplies	464,344	500,000	389,382	110,618	2,370,876
Property	-	1,000,000	13,736	986,264	6,314
Other	-	-	90	(90)	10,667
Total building improvements	961,897	9,000,000	3,813,204	5,186,796	5,169,052
Total capital outlay, facilities acquisition and construction	966,097	12,750,000	4,255,097	8,494,903	5,493,568
Total expenditures	1,324,514	15,449,136	6,063,318	9,385,818	6,303,087
Net change in fund balance	(1,324,514)	(15,449,136)	(6,007,990)	9,441,146	(6,266,745)
FUND BALANCE, July 1	1,324,514	15,449,136	15,449,136	-	21,715,881
FUND BALANCE, June 30	\$ -	\$ -	\$ 9,441,146	\$ 9,441,146	\$ 15,449,136

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 9,298	\$ 9,298	\$ 40,781
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	350,000	344,307	5,693	445,075
Benefits	-	125,000	117,885	7,115	108,747
Purchased services	20,398	150,000	38,370	111,630	16,802
Supplies	5,397	50,000	5,988	44,012	-
Total undistributed expenditures	25,795	675,000	506,550	168,450	570,624
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	-	25,126	(25,126)	32,897
Benefits	-	-	7,529	(7,529)	8,282
Purchased services	145,030	875,000	520,544	354,456	116,944
Other	-	25,000	24,486	514	7,813
Total architecture and engineering services	145,030	900,000	577,685	322,315	165,936
Building acquisition and construction					
Purchased services	-	-	-	-	32,820
Supplies	-	-	-	-	136,100
Property	-	-	-	-	828
Total building acquisition and construction	-	-	-	-	169,748
Site improvement					
Purchased services	-	100,000	11,226	88,774	2,197
Building improvements					
Salaries	-	50,000	21,714	28,286	106,235
Benefits	-	10,000	6,516	3,484	37,863
Purchased services	80,556	6,494,846	420,541	6,074,305	542,757
Supplies	9,750	-	85,070	(85,070)	46,864
Property	30,447	-	47,607	(47,607)	50,865
Other	-	-	1,300	(1,300)	6,078
Total building improvements	120,753	6,554,846	582,748	5,972,098	790,662
Total capital outlay, facilities acquisition and construction	265,783	7,554,846	1,171,659	6,383,187	1,128,543
Total expenditures	291,578	8,229,846	1,678,209	6,551,637	1,699,167
Net change in fund balance	(291,578)	(8,229,846)	(1,668,911)	6,560,935	(1,658,386)
FUND BALANCE, July 1	291,578	8,229,846	8,229,846	-	9,888,232
FUND BALANCE, June 30	\$ -	\$ -	\$ 6,560,935	\$ 6,560,935	\$ 8,229,846

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ -	\$ 451,805	\$ 451,805	\$ 35,224
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	150,000	16,052	133,948	246,324
Benefits	-	50,000	14,736	35,264	75,896
Purchased services	525,466	850,000	311,069	538,931	700,321
Supplies	83,767	350,000	183,700	166,300	592,050
Property	51,604	300,000	213,605	86,395	47,620
Other	-	-	5,650	(5,650)	2,535
Total undistributed expenditures	660,837	1,700,000	744,812	955,188	1,664,746
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	-	-	19,687	(19,687)	148,870
Benefits	-	-	5,906	(5,906)	52,179
Purchased services	736,531	2,000,000	434,504	1,565,496	1,754,780
Other	-	25,000	10,097	14,903	94,415
Total architecture and engineering services	736,531	2,025,000	470,194	1,554,806	2,050,244
Building acquisition and construction					
Salaries	-	-	-	-	6,631
Benefits	-	-	-	-	2,167
Purchased services	-	-	-	-	589
Supplies	-	25,000	575	24,425	1,943
Total building acquisition and construction	-	25,000	575	24,425	11,330
Site improvement					
Purchased services	29,417	1,000,000	31,779	968,221	72,544
Building improvements					
Salaries	-	-	56,965	(56,965)	333,607
Benefits	-	-	17,673	(17,673)	116,694
Purchased services	1,603,047	9,229,476	3,541,509	5,687,967	749,028
Supplies	880	100,000	88,341	11,659	95,855
Property	-	25,000	15,956	9,044	66,436
Other	-	-	227	(227)	4,314
Total building improvements	1,603,927	9,354,476	3,720,671	5,633,805	1,365,934

(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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
Total capital outlay, facilities acquisition and construction	\$ 2,369,875	\$ 12,404,476	\$ 4,223,219	\$ 8,181,257	\$ 3,500,052
Total expenditures	3,030,712	14,104,476	4,968,031	9,136,445	5,164,798
Net change in fund balance	(3,030,712)	(14,104,476)	(4,516,226)	9,588,250	(5,129,574)
FUND BALANCE, July 1	<u>3,030,712</u>	<u>14,104,476</u>	<u>14,104,476</u>	<u>-</u>	<u>19,234,050</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,588,250</u>	<u>\$ 9,588,250</u>	<u>\$ 14,104,476</u>

**WASHOE COUNTY SCHOOL DISTRICT
2006 BOND ROLLOVER FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Earnings on investments	\$ -	\$ 25,000	\$ 1,313	\$ (23,687)	\$ 176,626
EXPENDITURES					
Current					
Undistributed expenditures					
Central services					
Salaries	-	-	-	-	38,338
Benefits	-	-	-	-	11,501
Purchased services	-	5,000	114	4,886	2,152
Supplies	-	-	-	-	98
Other	-	-	2,500	(2,500)	-
Total undistributed expenditures	-	5,000	2,614	2,386	52,089
Capital outlay, facilities acquisition and construction					
Land acquisition					
Purchased services	14,173	50,000	100	49,900	827
Architecture and engineering services					
Salaries	-	-	-	-	3,416
Benefits	-	-	-	-	1,229
Purchased services	58,519	80,000	25,363	54,637	89,049
Other	-	-	2,810	(2,810)	-
Total architecture and engineering services	58,519	80,000	28,173	51,827	93,694
Building improvements					
Salaries	-	-	26,546	(26,546)	24,014
Benefits	-	-	7,964	(7,964)	8,399
Purchased services	24,095	997,020	338,977	658,043	515,103
Supplies	29,182	35,000	2,113	32,887	389,357
Property	226	-	-	-	307,263
Other	-	-	16,203	(16,203)	16
Total building improvements	53,503	1,032,020	391,803	640,217	1,244,152
Total capital outlay, facilities acquisition and construction	126,195	1,162,020	420,076	741,944	1,338,673
Total expenditures	126,195	1,167,020	422,690	744,330	1,390,762
Net change in fund balance	(126,195)	(1,142,020)	(421,377)	720,643	(1,214,136)
FUND BALANCE, July 1	126,195	1,142,020	1,142,020	-	2,356,156
FUND BALANCE, June 30	\$ -	\$ -	\$ 720,643	\$ 720,643	\$ 1,142,020

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012**

	GOVERNMENT SERVICES TAX FUND	BUILDING AND SITES FUND	TOTAL
ASSETS			
Cash and investments	\$ 5,320,334	\$ 2,131,006	\$ 7,451,340
Receivables			
Interest	715	292	1,007
Miscellaneous	56	-	56
Due from other governments	255,372	-	255,372
Total assets	\$ 5,576,477	\$ 2,131,298	\$ 7,707,775
LIABILITIES			
Accounts payable	\$ 87,268	\$ 41,996	\$ 129,264
Accrued liabilities	86,890	-	86,890
Construction contracts payable	192,340	10,720	203,060
Total liabilities	366,498	52,716	419,214
FUND BALANCE			
Restricted	5,209,979	2,078,582	7,288,561
Total liabilities and fund balance	\$ 5,576,477	\$ 2,131,298	\$ 7,707,775

**WASHOE COUNTY SCHOOL DISTRICT
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>GOVERNMENT SERVICES TAX FUND</u>	<u>BUILDING AND SITES FUND</u>	<u>TOTAL</u>
REVENUES			
Local sources	\$ <u>8,519,960</u>	\$ <u>2,503,543</u>	\$ <u>11,023,503</u>
EXPENDITURES			
Capital outlay	<u>8,132,871</u>	<u>2,777,533</u>	<u>10,910,404</u>
Excess (deficiency) of revenues over expenditures	<u>387,089</u>	<u>(273,990)</u>	<u>113,099</u>
FUND BALANCE, July 1	<u>4,822,890</u>	<u>2,352,572</u>	<u>7,175,462</u>
FUND BALANCE, June 30	\$ <u><u>5,209,979</u></u>	\$ <u><u>2,078,582</u></u>	\$ <u><u>7,288,561</u></u>

**WASHOE COUNTY SCHOOL DISTRICT
GOVERNMENT SERVICES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Government services tax	\$ 3,000,000	\$ 3,000,000	\$ 2,885,831	\$ (114,169)	\$ 2,994,034
Earnings on investments	3,000	3,000	5,936	2,936	8,207
Other	-	5,000,000	5,628,193	628,193	815,255
Total revenues	<u>3,003,000</u>	<u>8,003,000</u>	<u>8,519,960</u>	<u>516,960</u>	<u>3,817,496</u>
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Salaries	950,000	920,000	759,918	160,082	732,039
Benefits	265,000	330,000	268,640	61,360	245,614
Purchased services	349,140	300,000	226,665	73,335	246,796
Supplies	-	-	2,136	(2,136)	-
Other	-	-	10,187	(10,187)	1,822
Total architecture and engineering services	<u>1,564,140</u>	<u>1,550,000</u>	<u>1,267,546</u>	<u>282,454</u>	<u>1,226,271</u>
Site improvement					
Purchased services	269,744	6,250,000	5,855,692	394,308	247,042
Supplies	-	150,000	-	150,000	11,541
Total site improvement	<u>269,744</u>	<u>6,400,000</u>	<u>5,855,692</u>	<u>544,308</u>	<u>258,583</u>
Building improvements					
Salaries	-	50,000	18,996	31,004	30,623
Benefits	-	15,000	5,661	9,339	9,029
Purchased services	1,503,284	1,784,890	823,373	961,517	1,530,902
Supplies	5,183	25,000	149,491	(124,491)	50,154
Property	-	50,000	9,796	40,204	25,215
Other	8,530	10,000	2,316	7,684	2,909
Total building improvements	<u>1,516,997</u>	<u>1,934,890</u>	<u>1,009,633</u>	<u>925,257</u>	<u>1,648,832</u>
Total expenditures	<u>3,350,881</u>	<u>9,884,890</u>	<u>8,132,871</u>	<u>1,752,019</u>	<u>3,133,686</u>
Excess (deficiency) of revenue over expenditures	<u>(347,881)</u>	<u>(1,881,890)</u>	<u>387,089</u>	<u>2,268,979</u>	<u>683,810</u>
OTHER FINANCING SOURCES					
Transfers in	<u>59,000</u>	<u>59,000</u>	<u>-</u>	<u>(59,000)</u>	<u>-</u>
Net change in fund balance	<u>(288,881)</u>	<u>(1,822,890)</u>	<u>387,089</u>	<u>2,209,979</u>	<u>683,810</u>
FUND BALANCE, July 1	<u>288,881</u>	<u>4,822,890</u>	<u>4,822,890</u>	<u>-</u>	<u>4,139,080</u>
FUND BALANCE, June 30	<u>\$ -</u>	<u>\$ 3,000,000</u>	<u>\$ 5,209,979</u>	<u>\$ 2,209,979</u>	<u>\$ 4,822,890</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012 BUDGET		2012		2011
	ORIGINAL	FINAL	ACTUAL	VARIANCE TO FINAL BUDGET	ACTUAL
REVENUES					
Local sources					
Rental income	\$ 30,000	\$ 30,000	\$ 99,484	\$ 69,484	\$ 91,971
Earnings on investments	-	-	2,894	2,894	6,648
Other	-	2,000,000	1,939,671	(60,329)	1,809,049
Sale of property	400,000	400,000	461,494	61,494	461,494
Total revenues	430,000	2,430,000	2,503,543	73,543	2,369,162
EXPENDITURES					
Capital outlay, facilities acquisition and construction					
Architecture and engineering services					
Purchased services	35,523	100,000	69,427	30,573	28,016
Other	-	-	2,580	(2,580)	183
Total architecture and engineering services	35,523	100,000	72,007	27,993	28,199
Site improvement					
Purchased services	35,000	2,035,000	1,970,371	64,629	595
Supplies	10,000	10,000	-	10,000	-
Other	5,000	5,000	-	5,000	-
Total site improvement	50,000	2,050,000	1,970,371	79,629	595
Building improvements					
Salaries	30,000	30,000	41,310	(11,310)	10,447
Benefits	10,000	10,000	12,393	(2,393)	3,444
Purchased services	733,132	2,382,572	600,794	1,781,778	4,261,375
Supplies	215,989	200,000	77,066	122,934	495,951
Property	-	-	-	-	150,370
Other	10,000	10,000	3,592	6,408	2,858
Total building improvements	999,121	2,632,572	735,155	1,897,417	4,924,445
Total expenditures	1,084,644	4,782,572	2,777,533	2,005,039	4,953,239
Net change in fund balance	(654,644)	(2,352,572)	(273,990)	2,078,582	(2,584,077)
FUND BALANCE, July 1	654,644	2,352,572	2,352,572	-	4,936,649
FUND BALANCE, June 30	\$ -	\$ -	\$ 2,078,582	\$ 2,078,582	\$ 2,352,572

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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2011)**

ASSETS	<u>2012</u>	<u>2011</u>
Current assets		
Cash and investments	\$ 444,853	\$ 2,350,692
Receivables	2,688,428	832,509
Inventories	1,577,429	1,061,478
Prepays	<u>675</u>	<u>615</u>
Total current assets	<u>4,711,385</u>	<u>4,245,294</u>
Capital assets		
Machinery and equipment	2,230,860	1,921,736
Less: Allowance for depreciation	<u>(1,472,278)</u>	<u>(1,370,551)</u>
Total capital assets	<u>758,582</u>	<u>551,185</u>
Total assets	<u>5,469,967</u>	<u>4,796,479</u>
 LIABILITIES		
Current liabilities		
Accounts payable	959,529	394,904
Accrued liabilities	582,225	282,868
Unearned revenue	<u>313,202</u>	<u>180,154</u>
Total liabilities	<u>1,854,956</u>	<u>857,926</u>
 NET ASSETS		
Invested in capital assets	758,582	551,185
Unrestricted	<u>2,856,429</u>	<u>3,387,368</u>
Total net assets	<u>\$ 3,615,011</u>	<u>\$ 3,938,553</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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 5,019,947	\$ 5,022,773	\$ 4,915,788	\$ (106,985)	\$ 4,933,054
OPERATING EXPENSES					
Food and supplies	8,873,684	10,738,787	10,404,279	334,508	8,435,537
Salaries and benefits	8,333,710	9,089,279	8,871,291	217,988	8,740,427
Purchased services	1,214,686	1,217,704	1,151,837	65,867	1,220,220
Depreciation	117,408	101,212	108,529	(7,317)	91,455
Other	449,774	451,565	454,746	(3,181)	449,770
Total operating expenses	<u>18,989,262</u>	<u>21,598,547</u>	<u>20,990,682</u>	<u>607,865</u>	<u>18,937,409</u>
Operating (loss)	<u>(13,969,315)</u>	<u>(16,575,774)</u>	<u>(16,074,894)</u>	<u>500,880</u>	<u>(14,004,355)</u>
NONOPERATING REVENUES					
Federal subsidies	13,150,634	15,227,602	14,360,422	(867,180)	12,772,293
Commodity revenue	1,000,000	1,313,239	1,313,239	-	772,820
State matching funds	75,000	75,000	77,691	2,691	77,872
Loss on disposal of asset	-	-	-	-	(6,948)
Total nonoperating revenues	<u>14,225,634</u>	<u>16,615,841</u>	<u>15,751,352</u>	<u>(864,489)</u>	<u>13,616,037</u>
Change in net assets	256,319	40,067	(323,542)	(363,609)	(388,318)
NET ASSETS - July 1	<u>4,709,632</u>	<u>3,938,553</u>	<u>3,938,553</u>	<u>-</u>	<u>4,326,871</u>
NET ASSETS - June 30	<u>\$ 4,965,951</u>	<u>\$ 3,978,620</u>	<u>\$ 3,615,011</u>	<u>\$ (363,609)</u>	<u>\$ 3,938,553</u>

**WASHOE COUNTY SCHOOL DISTRICT
NUTRITION SERVICES ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012	2011
INCREASE (DECREASE) IN CASH AND INVESTMENTS		
Cash flows from operating activities		
Cash received for services	\$ 3,192,917	\$ 4,896,640
Cash paid for salaries and benefits	(8,871,291)	(8,711,381)
Cash paid for food and supplies	(8,743,069)	(8,139,056)
Cash payments for purchased services	(1,151,837)	(1,220,220)
Cash payments for other	(454,746)	(449,770)
	<u>(16,028,026)</u>	<u>(13,623,787)</u>
Net cash (used) by operating activities		
Cash flows from capital and related financing activities		
Purchase of equipment	(315,926)	(15,864)
	<u>(315,926)</u>	<u>(15,864)</u>
Cash flows from noncapital financing activities		
Federal reimbursements	14,360,422	12,772,293
State matching funds	77,691	77,872
	<u>14,438,113</u>	<u>12,850,165</u>
Net cash provided by noncapital financing activities		
Net increase (decrease) in cash and cash equivalents	(1,905,839)	(789,486)
Cash and investments, July 1	<u>2,350,692</u>	<u>3,140,178</u>
Cash and investments, June 30	<u>\$ 444,853</u>	<u>\$ 2,350,692</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATIONS		
Operating (loss)	\$ (16,074,894)	\$ (14,004,355)
Adjustments to reconcile operating (loss) to net cash (used) by operations		
Depreciation	108,529	91,455
Commodity revenue	1,313,239	772,820
Changes in assets and liabilities		
Accounts receivable	(1,855,919)	(31,995)
Inventories	(515,951)	(545,207)
Prepays	(60)	50
Accounts payable	564,625	120,157
Accrued liabilities	299,357	(22,293)
Unearned revenue	133,048	(4,419)
	<u>46,868</u>	<u>380,568</u>
Total adjustments		
Net cash (used) by operations	<u>\$ (16,028,026)</u>	<u>\$ (13,623,787)</u>



Internal Service Funds

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

Insurance Fund – Property and Casualty:

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

Insurance Fund – Health Insurance:

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

Insurance Fund – Workers' Compensation:

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

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012**

	INSURANCE FUND (PROPERTY CASUALTY)	INSURANCE FUND (HEALTH INSURANCE)	INSURANCE FUND (WORKERS' COMPENSATION)	TOTAL
ASSETS				
Current assets				
Cash and investments	\$ 9,237,394	\$ 42,558,074	\$ 8,742,781	\$ 60,538,249
Accounts receivable	-	746,786	-	746,786
Interest receivable	1,296	5,083	1,132	7,511
Total current assets	<u>9,238,690</u>	<u>43,309,943</u>	<u>8,743,913</u>	<u>61,292,546</u>
Capital assets				
Machinery and equipment	39,843	-	-	39,843
Less: Allowance for depreciation	<u>(11,845)</u>	<u>-</u>	<u>-</u>	<u>(11,845)</u>
Total capital assets	<u>27,998</u>	<u>-</u>	<u>-</u>	<u>27,998</u>
Total assets	<u>9,266,688</u>	<u>43,309,943</u>	<u>8,743,913</u>	<u>61,320,544</u>
LIABILITIES				
Current liabilities				
Accounts payable	22,548	8,398	9,772	40,718
Accrued liabilities	114,183	457,286	6,533	578,002
Pending claims	<u>968,458</u>	<u>5,682,672</u>	<u>1,497,560</u>	<u>8,148,690</u>
Total current liabilities	<u>1,105,189</u>	<u>6,148,356</u>	<u>1,513,865</u>	<u>8,767,410</u>
Noncurrent liabilities				
Pending claims	<u>1,260,542</u>	<u>-</u>	<u>3,312,440</u>	<u>4,572,982</u>
Total liabilities	<u>2,365,731</u>	<u>6,148,356</u>	<u>4,826,305</u>	<u>13,340,392</u>
NET ASSETS				
Invested in capital assets	27,998	-	-	27,998
Unrestricted	<u>6,872,959</u>	<u>37,161,587</u>	<u>3,917,608</u>	<u>47,952,154</u>
Total net assets	<u>\$ 6,900,957</u>	<u>\$ 37,161,587</u>	<u>\$ 3,917,608</u>	<u>\$ 47,980,152</u>

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	INSURANCE FUND (PROPERTY CASUALTY)	INSURANCE FUND (HEALTH INSURANCE)	INSURANCE FUND (WORKERS' COMPENSATION)	TOTAL
OPERATING REVENUES				
Charges for services	\$ 2,725,942	\$ 51,100,997	\$ 2,277,053	\$ 56,103,992
OPERATING EXPENSES				
Salaries and benefits	-	350,868	-	350,868
Employee benefits	-	51,140,533	-	51,140,533
Claims and services	2,933,820	1,833	2,329,238	5,264,891
Depreciation	2,510	-	-	2,510
Total operating expenses	2,936,330	51,493,234	2,329,238	56,758,802
Operating (loss)	(210,388)	(392,237)	(52,185)	(654,810)
NONOPERATING REVENUES				
Earnings on investments	11,407	45,988	10,266	67,661
(Loss) before transfers	(198,981)	(346,249)	(41,919)	(587,149)
TRANSFERS IN				
General Fund	-	1,319,131	-	1,319,131
Change in net assets	(198,981)	972,882	(41,919)	731,982
NET ASSETS - July 1	7,099,938	36,188,705	3,959,527	47,248,170
NET ASSETS - June 30	\$ 6,900,957	\$ 37,161,587	\$ 3,917,608	\$ 47,980,152

**WASHOE COUNTY SCHOOL DISTRICT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

	INSURANCE FUND (PROPERTY CASUALTY)	INSURANCE FUND (HEALTH INSURANCE)	INSURANCE FUND (WORKERS' COMPENSATION)	TOTAL
INCREASE (DECREASE) IN CASH AND INVESTMENTS				
Cash flows from operating activities				
Cash received for services	\$ 2,725,735	\$ 50,996,338	\$ 2,276,887	\$ 55,998,960
Cash paid for salaries and benefits	-	(350,868)	-	(350,868)
Cash payments for employee benefits	-	(51,140,533)	-	(51,140,533)
Cash payments for claims and services	(3,246,021)	(704,252)	(2,335,141)	(6,285,414)
Net cash (used) by operating activities	(520,286)	(1,199,315)	(58,254)	(1,777,855)
Cash flows from noncapital financing activities				
Transfer from General Fund	-	1,319,131	-	1,319,131
Cash flows from investing activities				
Interest received on investments	11,407	45,988	10,266	67,661
Net increase (decrease) in cash and cash equivalents	(508,879)	165,804	(47,988)	(391,063)
Cash and investments, July 1	9,746,273	42,392,270	8,790,769	60,929,312
Cash and investments, June 30	\$ 9,237,394	\$ 42,558,074	\$ 8,742,781	\$ 60,538,249
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATIONS				
Operating (loss)	\$ (210,388)	\$ (392,237)	\$ (52,185)	\$ (654,810)
Adjustments to reconcile operating (loss) to net cash used by operations				
Depreciation	2,510	-	-	2,510
Changes in assets and liabilities				
Accounts receivable	(207)	(104,659)	(166)	(105,032)
Accounts payable	(67,911)	(24,175)	5,089	(86,997)
Accrued liabilities	93,710	444,820	5,008	543,538
Pending claims	(338,000)	(1,123,064)	(16,000)	(1,477,064)
Total adjustments	(309,898)	(807,078)	(6,069)	(1,123,045)
Net cash (used) by operations	\$ (520,286)	\$ (1,199,315)	\$ (58,254)	\$ (1,777,855)

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 2,551,809	\$ 2,551,809	\$ 2,725,942	\$ 174,133	\$ 3,114,551
Refunds	150,000	150,000	-	(150,000)	654,360
Operating revenues	<u>2,701,809</u>	<u>2,701,809</u>	<u>2,725,942</u>	<u>24,133</u>	<u>3,768,911</u>
OPERATING EXPENSES					
General government					
Claims and services	3,262,766	3,262,766	2,933,820	328,946	3,361,822
Depreciation	-	-	2,510	(2,510)	2,511
Total operating expenses	<u>3,262,766</u>	<u>3,262,766</u>	<u>2,936,330</u>	<u>326,436</u>	<u>3,364,333</u>
Operating income (loss)	<u>(560,957)</u>	<u>(560,957)</u>	<u>(210,388)</u>	<u>350,569</u>	<u>404,578</u>
NONOPERATING REVENUES					
Earnings on investments	<u>19,000</u>	<u>19,000</u>	<u>11,407</u>	<u>(7,593)</u>	<u>18,136</u>
Change in net assets	<u>(541,957)</u>	<u>(541,957)</u>	<u>(198,981)</u>	<u>342,976</u>	<u>422,714</u>
NET ASSETS - July 1	<u>541,957</u>	<u>541,957</u>	<u>7,099,938</u>	<u>6,557,981</u>	<u>6,677,224</u>
NET ASSETS - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,900,957</u>	<u>\$ 6,900,957</u>	<u>\$ 7,099,938</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - PROPERTY AND CASUALTY
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012	2011
INCREASE (DECREASE) IN CASH AND INVESTMENTS		
Cash flows from operating activities		
Cash received for services	\$ 2,725,735	\$ 3,769,394
Cash payments for claims and services	(3,246,021)	(2,499,209)
Net cash provided (used) by operating activities	(520,286)	1,270,185
Cash flows from capital and related financing activities		
Purchase of equipment	-	(29,048)
Cash flows from investing activities		
Interest received on investments	11,407	18,136
Net increase (decrease) in cash and cash equivalents	(508,879)	1,259,273
Cash and investments, July 1	9,746,273	8,487,000
Cash and investments, June 30	\$ 9,237,394	\$ 9,746,273
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATIONS		
Operating income (loss)	\$ (210,388)	\$ 404,578
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations		
Depreciation	2,510	2,511
Changes in assets and liabilities		
Accounts receivable	(207)	483
Accounts payable	(67,911)	(13,072)
Accrued liabilities	93,710	6,685
Pending claims	(338,000)	869,000
Total adjustments	(309,898)	865,607
Net cash provided (used) by operations	\$ (520,286)	\$ 1,270,185

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 49,613,748	\$ 49,613,748	\$ 51,100,997	\$ 1,487,249	\$ 55,337,956
OPERATING EXPENSES					
General government					
Salaries and benefits	338,133	338,133	350,868	(12,735)	197,259
Employee benefits	56,002,512	56,002,512	51,140,533	4,861,979	49,322,897
Services and supplies	-	-	1,833	(1,833)	1,512
Total operating expenses	56,340,645	56,340,645	51,493,234	4,847,411	49,521,668
Operating income (loss)	(6,726,897)	(6,726,897)	(392,237)	6,334,660	5,816,288
NONOPERATING REVENUES					
Earnings on investments	60,540	60,540	45,988	(14,552)	65,599
Income (loss) before transfers	(6,666,357)	(6,666,357)	(346,249)	6,320,108	5,881,887
TRANSFERS IN					
General Fund	1,814,478	1,814,478	1,319,131	(495,347)	1,626,224
Change in net assets	(4,851,879)	(4,851,879)	972,882	5,824,761	7,508,111
NET ASSETS - July 1	<u>4,851,879</u>	<u>4,851,879</u>	<u>36,188,705</u>	<u>31,336,826</u>	<u>28,680,594</u>
NET ASSETS - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,161,587</u>	<u>\$ 37,161,587</u>	<u>\$ 36,188,705</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - HEALTH INSURANCE
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

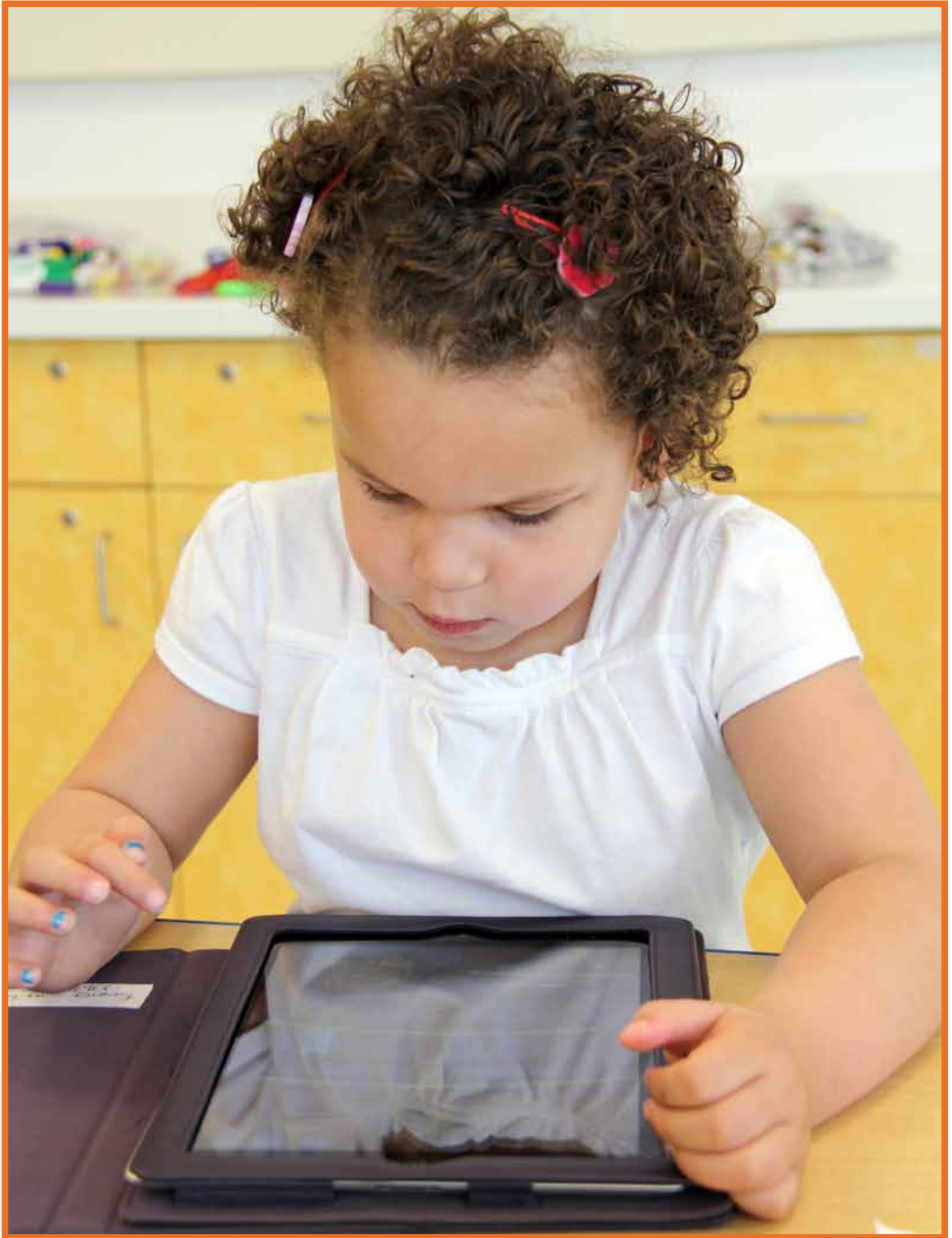
	2012	2011
INCREASE (DECREASE) IN CASH AND INVESTMENTS		
Cash flows from operating activities		
Cash received for services	\$ 50,996,338	\$ 55,379,318
Cash paid for salaries	(350,868)	(197,259)
Cash payments for employee benefits	(51,140,533)	(49,322,897)
Cash payments for services and supplies	(704,252)	(232,355)
Net cash provided (used) by operating activities	(1,199,315)	5,626,807
Cash flows from noncapital financing activities		
Transfer from General Fund	1,319,131	1,626,224
Cash flows from investing activities		
Interest received on investments	45,988	65,599
Net increase in cash and cash equivalents	165,804	7,318,630
Cash and investments, July 1	42,392,270	35,073,640
Cash and investments, June 30	\$ 42,558,074	\$ 42,392,270
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS		
Operating income (loss)	\$ (392,237)	\$ 5,816,288
Adjustments to reconcile operating income (loss) to net cash provided (used) by operations		
Changes in assets and liabilities		
Accounts receivable	(104,659)	41,362
Accounts payable	(24,175)	31,850
Accrued liabilities	444,820	6,692
Pending claims	(1,123,064)	(269,385)
Total adjustments	(807,078)	(189,481)
Net cash provided (used) by operations	\$ (1,199,315)	\$ 5,626,807

**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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
OPERATING REVENUES					
Charges for services	\$ 2,805,529	\$ 2,805,529	\$ 2,277,053	\$ (528,476)	\$ 1,409,538
OPERATING EXPENSES					
General government					
Claims and services	3,519,227	3,519,227	2,329,238	1,189,989	2,885,816
Operating (loss)	(713,698)	(713,698)	(52,185)	661,513	(1,476,278)
NONOPERATING REVENUES					
Earnings on investments	20,511	20,511	10,266	(10,245)	18,479
Change in net assets	(693,187)	(693,187)	(41,919)	651,268	(1,457,799)
NET ASSETS - July 1	<u>693,187</u>	<u>693,187</u>	<u>3,959,527</u>	<u>3,266,340</u>	<u>5,417,326</u>
NET ASSETS - June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,917,608</u>	<u>\$ 3,917,608</u>	<u>\$ 3,959,527</u>

**WASHOE COUNTY SCHOOL DISTRICT
INSURANCE FUND - WORKERS' COMPENSATION
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	2012	2011
INCREASE (DECREASE) IN CASH AND INVESTMENTS		
Cash flows from operating activities		
Cash received for services	\$ 2,276,887	\$ 1,410,377
Payments for claims and services	(2,335,141)	(2,586,098)
Net cash (used) by operating activities	(58,254)	(1,175,721)
Cash flows from investing activities		
Interest received on investments	10,266	18,479
Net (decrease) in cash and cash equivalents	(47,988)	(1,157,242)
Cash and investments, July 1	8,790,769	9,948,011
Cash and investments, June 30	\$ 8,742,781	\$ 8,790,769
RECONCILIATION OF OPERATING (LOSS) TO NET CASH (USED) BY OPERATIONS		
Operating (loss)	\$ (52,185)	\$ (1,476,278)
Adjustments to reconcile operating (loss) to net cash (used) by operations		
Changes in assets and liabilities		
Accounts receivable	(166)	839
Accounts payable	5,089	(20,466)
Accrued liabilities	5,008	184
Pending claims	(16,000)	320,000
Total adjustments	(6,069)	300,557
Net cash (used) by operations	\$ (58,254)	\$ (1,175,721)



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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2011)

	2012	2011
ASSETS		
Cash and investments		
Cash	\$ 25,585	\$ 25,337
RBIF participation units	38,029,957	30,181,320
 NET ASSETS HELD IN TRUST FOR OPEB	 \$ 38,055,542	 \$ 30,206,657

**WASHOE COUNTY SCHOOL DISTRICT
OTHER POSTEMPLOYMENT BENEFITS (OPEB) TRUST FUND
SCHEDULE OF CHANGES IN PLAN NET ASSETS - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2011)**

	<u>2012 BUDGET</u>		<u>2012</u>		<u>2011</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>	<u>ACTUAL</u>
ADDITIONS					
Contributions by employer	\$ 13,161,000	\$ 13,161,000	\$ 11,671,265	\$ (1,489,735)	\$ 11,766,000
Earnings on investments	1,014,279	1,014,279	861,687	(152,592)	614,234
Adjustment to fair market value	-	-	(35,880)	(35,880)	3,583,735
Total additions	<u>14,175,279</u>	<u>14,175,279</u>	<u>12,497,072</u>	<u>(1,678,207)</u>	<u>15,963,969</u>
DISBURSEMENTS					
Plan benefits	<u>14,175,279</u>	<u>14,175,279</u>	<u>4,648,187</u>	<u>9,527,092</u>	<u>6,042,889</u>
Change in net assets	-	-	7,848,885	7,848,885	9,921,080
NET ASSETS - July 1	<u>20,285,577</u>	<u>20,285,577</u>	<u>30,206,657</u>	<u>9,921,080</u>	<u>20,285,577</u>
NET ASSETS - June 30	<u>\$ 20,285,577</u>	<u>\$ 20,285,577</u>	<u>\$ 38,055,542</u>	<u>\$ 17,769,965</u>	<u>\$ 30,206,657</u>

**WASHOE COUNTY SCHOOL DISTRICT
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>JULY 1, 2011</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>JUNE 30, 2012</u>
Student Activities				
ASSETS				
Cash and investments	\$ 8,107,266	\$ 15,847,064	\$ 15,977,221	\$ 7,977,109
LIABILITIES				
Due to student groups	\$ 8,107,266	\$ 15,847,064	\$ 15,977,221	\$ 7,977,109
80/5 Salary Plan				
ASSETS				
Cash and investments	\$ 74,394	\$ -	\$ 70,734	\$ 3,660
LIABILITIES				
Accrued liabilities	\$ 74,394	\$ -	\$ 70,734	\$ 3,660
Nevada Interscholastic Athletic Association				
ASSETS				
Cash and investments	\$ -	\$ 518,024	\$ 518,024	\$ -
Accounts receivable	59,575	124,752	59,575	124,752
Total assets	\$ 59,575	\$ 642,776	\$ 577,599	\$ 124,752
LIABILITIES				
Accrued liabilities	\$ 59,575	\$ 124,752	\$ 59,575	\$ 124,752
Totals - All Agency Funds				
ASSETS				
Cash and investments	\$ 8,181,660	\$ 16,365,088	\$ 16,565,979	\$ 7,980,769
Accounts receivable	59,575	124,752	59,575	124,752
Total assets	\$ 8,241,235	\$ 16,489,840	\$ 16,625,554	\$ 8,105,521
LIABILITIES				
Accrued liabilities	\$ 133,969	\$ 124,752	\$ 130,309	\$ 128,412
Due to student groups	8,107,266	15,847,064	15,977,221	7,977,109
Total liabilities	\$ 8,241,235	\$ 15,971,816	\$ 16,107,530	\$ 8,105,521

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

SCHOOLS	BALANCE JULY 1, 2011	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2012
ELEMENTARY SCHOOLS				
Allen	\$ 22,434	\$ 61,616	\$ 61,668	\$ 22,382
Anderson	22,603	74,955	75,119	22,439
Beasley	76,842	165,646	183,881	58,607
Beck	22,418	75,886	67,973	30,331
Bennett	23,027	48,873	32,307	39,593
Booth	30,200	30,640	47,929	12,911
Brown	36,743	90,299	87,075	39,967
Cannan	13,334	65,618	68,802	10,150
Caughlin Ranch	51,294	136,143	161,697	25,740
Corbett	27,098	28,724	32,222	23,600
Desert Heights	18,309	35,589	39,922	13,976
Diedrichsen	34,603	17,778	23,467	28,914
Dodson	14,984	29,915	31,210	13,689
Donner Springs	8,203	42,368	38,331	12,240
Double Diamond	45,311	112,165	114,139	43,337
Drake	13,315	19,924	19,846	13,393
Duncan	17,201	46,377	52,455	11,123
Dunn	27,186	91,709	90,038	28,857
Elmcrest	8,525	15,518	7,772	16,271
Gomes	51,668	134,994	150,864	35,798
Gomm	25,690	130,397	132,096	23,991
Greenbrae	17,790	36,605	39,790	14,605
Hall	28,745	136,929	132,767	32,907
Hidden Valley	12,047	93,428	95,532	9,943
Huffaker	45,517	141,630	143,477	43,670
Hunsberger	62,125	284,079	301,476	44,728
Hunter Lake	25,907	30,100	30,112	25,895
Incline	17,468	92,255	90,872	18,851
Juniper	34,606	69,893	66,520	37,979
Lemmon Valley	9,110	82,652	72,369	19,393
Lenz	30,119	62,517	63,267	29,369
Lincoln Park	18,821	25,435	29,437	14,819
Loder	2,598	39,954	35,329	7,223
Mathews	17,363	17,658	13,772	21,249
Maxwell	20,379	37,721	35,872	22,228
Melton	31,328	154,352	155,078	30,602
Mitchell	9,650	37,514	41,394	5,770
Moss	36,890	80,215	94,149	22,956
Mount Rose	9,114	43,228	42,121	10,221
Natchez	22,529	10,658	11,512	21,675
Palmer	38,501	66,778	62,157	43,122
Peavine	18,543	39,245	34,262	23,526
Picollo	61,425	36,749	45,304	52,870
Pleasant Valley	29,554	103,435	101,563	31,426
Risley	9,791	32,105	29,596	12,300
Sepulveda	63,640	222,474	221,654	64,460
Sierra Vista	6,275	40,774	42,538	4,511
Silver Lake	42,783	66,852	80,357	29,278
Smith, Alice	64,877	82,013	73,401	73,489
Smith, Kate	7,547	20,519	14,052	14,014
Smithridge	24,478	36,041	42,584	17,935
Spanish Springs	71,252	166,296	173,333	64,215
Stead	33,531	67,330	71,409	29,452
Sun Valley	18,485	41,703	42,892	17,296
Taylor	86,451	169,806	191,038	65,219
Towles	16,194	42,946	42,465	16,675

(CONTINUED)

**WASHOE COUNTY SCHOOL DISTRICT
STUDENT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

SCHOOLS	BALANCE JULY 1, 2011	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2012
ELEMENTARY SCHOOLS (CONTINUED)				
Van Gorder	\$ 13,733	\$ 117,942	\$ 115,848	\$ 15,827
Verdi	14,807	35,498	39,366	10,939
Veterans	12,433	31,183	22,704	20,912
Warner	17,330	41,948	38,282	20,996
Westergard	60,511	131,312	157,954	33,869
Whitehead	22,068	38,036	33,452	26,652
Winnemucca	48,315	163,853	195,850	16,318
Total elementary schools	<u>1,825,618</u>	<u>4,726,795</u>	<u>4,885,720</u>	<u>1,666,693</u>
MIDDLE SCHOOLS				
Billinghurst	89,330	281,278	268,428	102,180
Clayton	81,831	104,850	125,495	61,186
Cold Springs	59,189	154,525	157,479	56,235
Depoali	104,709	297,784	274,679	127,814
Dilworth	24,583	64,814	61,422	27,975
Incline	92,859	61,691	46,945	107,605
Mendive	52,151	280,788	259,361	73,578
O'Brien	52,215	73,167	72,381	53,001
Pine	73,326	198,614	201,498	70,442
Shaw	66,122	131,793	125,222	72,693
Sparks	49,626	126,457	130,096	45,987
Swope	64,810	176,218	159,816	81,212
Traner	26,445	36,018	38,588	23,875
Vaughn	9,285	37,594	37,563	9,316
Total middle schools	<u>846,481</u>	<u>2,025,591</u>	<u>1,958,973</u>	<u>913,099</u>
HIGH SCHOOLS				
Academy of Arts, Careers & Tech	86,768	145,029	123,654	108,143
Damonte Ranch	604,644	947,431	984,787	567,288
Galena	600,403	1,063,852	1,058,684	605,571
Gerlach (1)	31,251	5,889	5,364	31,776
Hug	224,635	316,556	288,029	253,162
Incline	132,916	304,154	303,426	133,644
McQueen	618,900	815,958	842,310	592,548
North Valleys	430,420	607,544	562,595	475,369
Reed	429,030	952,995	1,030,873	351,152
Reno	798,642	1,234,951	1,215,371	818,222
Spanish Springs	520,910	1,199,579	1,138,172	582,317
Sparks	380,705	468,735	555,908	293,532
TMCC	44,608	50,256	57,054	37,810
Washoe	186,645	46,923	24,259	209,309
Wooster	327,183	859,576	872,092	314,667
Total high schools	<u>5,417,660</u>	<u>9,019,428</u>	<u>9,062,578</u>	<u>5,374,510</u>
OTHER				
Administration Building	2,769	4,335	3,677	3,427
Gifted and Talented	10,868	65,859	58,860	17,867
Transportation Employee Fund	3,870	5,056	7,413	1,513
Total other funds	<u>17,507</u>	<u>75,250</u>	<u>69,950</u>	<u>22,807</u>
TOTALS	<u>\$ 8,107,266</u>	<u>\$ 15,847,064</u>	<u>\$ 15,977,221</u>	<u>\$ 7,977,109</u>

(1) Includes E.M. Johnson Elementary



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, 2012
(WITH COMPARATIVE ACTUAL AMOUNTS FOR JUNE 30, 2011)**

	2012	2011
Governmental funds capital assets:		
Land	\$ 38,017,804	\$ 38,017,804
Buildings	779,225,069	751,109,468
Improvements other than buildings	25,884,691	21,412,780
Machinery and equipment	61,850,139	57,459,830
Construction in progress	22,220,882	23,913,664
Total governmental funds capital assets	\$ 927,198,585	\$ 891,913,546
Investments in governmental funds capital assets by source:		
General fund	\$ 163,726,245	\$ 158,280,266
Special revenue funds	7,672,862	7,174,059
Capital projects funds	754,579,798	725,222,038
Donations	1,219,680	1,237,183
Total governmental funds capital assets	\$ 927,198,585	\$ 891,913,546

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, 2012**

<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	\$ 7,385,779	\$ -	\$ 7,888,336
Student support	-	-	-	1,007,339	-	1,007,339
Instructional staff support	-	-	-	847,969	-	847,969
General administration	-	-	-	275,269	-	275,269
School administration	-	-	-	43,779	-	43,779
Central services	-	48,979	120,376	4,659,588	1,585,840	6,414,783
Operations and maintenance	-	9,976,628	-	2,550,307	212,879	12,739,814
Student transportation	-	-	-	29,290,929	-	29,290,929
Other support	-	-	-	42,407	-	42,407
Community services operations	-	-	-	12,779	-	12,779
Facilities	<u>37,886,165</u>	<u>768,945,897</u>	<u>25,646,962</u>	<u>15,733,994</u>	<u>20,422,163</u>	<u>868,635,181</u>
Total governmental funds capital assets	<u>\$ 38,017,804</u>	<u>\$ 779,225,069</u>	<u>\$ 25,884,691</u>	<u>\$ 61,850,139</u>	<u>\$ 22,220,882</u>	<u>\$ 927,198,585</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, 2012**

FUNCTION AND ACTIVITY	GOVERNMENTAL FUNDS CAPITAL ASSETS JULY 1, 2011	ADDITIONS	DEDUCTIONS	GOVERNMENTAL FUNDS CAPITAL ASSETS JUNE 30, 2012
General government:				
Instruction	\$ 7,890,103	\$ 146,979	\$ 148,746	\$ 7,888,336
Student support	1,052,983	-	45,644	1,007,339
Instructional staff support	721,825	190,064	63,920	847,969
General administration	280,563	-	5,294	275,269
School administration	43,779	-	-	43,779
Central services	6,138,419	437,274	160,910	6,414,783
Operations and maintenance	12,357,611	403,221	21,018	12,739,814
Student transportation	26,382,913	3,018,040	110,024	29,290,929
Other support	42,407	-	-	42,407
Community services operations	12,779	-	-	12,779
Facilities	<u>836,990,164</u>	<u>31,748,936</u>	<u>103,919</u>	<u>868,635,181</u>
Total governmental funds capital assets	<u>\$ 891,913,546</u>	<u>\$ 35,944,514</u>	<u>\$ 659,475</u>	<u>\$ 927,198,585</u>

167

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,			
	2003	2004	2005	2006
Governmental activities				
Invested in capital assets, net of related debt	\$ 103,275,042	\$ 116,714,931	\$ 127,695,444	\$ 136,809,928
Restricted	48,612,148	42,954,923	51,789,892	60,204,389
Unrestricted	(8,263,575)	6,064,672	21,650,755	35,443,408
Total governmental activities net assets	\$ 143,623,615	\$ 165,734,526	\$ 201,136,091	\$ 232,457,725
Business-type activities				
Invested in capital assets	\$ -	\$ -	\$ -	\$ 542,397
Unrestricted	-	-	-	3,156,740
Total business-type activities net assets	\$ -	\$ -	\$ -	\$ 3,699,137
Primary government				
Invested in capital assets, net of related debt	\$ 103,275,042	\$ 116,714,931	\$ 127,695,444	\$ 137,352,325
Restricted	48,612,148	42,954,923	51,789,892	60,204,389
Unrestricted	(8,263,575)	6,064,672	21,650,755	38,600,148
Total primary government net assets	\$ 143,623,615	\$ 165,734,526	\$ 201,136,091	\$ 236,156,862

Source: Washoe County School District Business Office

Table 1.1

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$	146,148,691	\$ 162,631,890	\$ 174,502,710	\$ 172,508,687	\$ 210,091,401	\$ 260,357,416
	98,216,742	114,710,349	130,837,182	138,439,390	108,417,840	64,376,524
	<u>28,324,447</u>	<u>38,226,905</u>	<u>43,165,344</u>	<u>56,704,911</u>	<u>56,692,790</u>	<u>55,643,471</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>	<u>380,377,411</u>
\$	503,245	\$ 404,802	\$ 396,799	\$ 633,724	\$ 551,185	\$ 758,582
	<u>2,667,745</u>	<u>2,713,850</u>	<u>3,304,626</u>	<u>3,693,147</u>	<u>3,387,368</u>	<u>2,856,429</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>	<u>3,615,011</u>
\$	146,651,936	\$ 163,036,692	\$ 174,899,509	\$ 173,142,411	\$ 210,642,586	\$ 261,115,998
	98,216,742	128,996,995	130,837,182	138,439,390	108,417,840	64,376,524
	<u>30,992,192</u>	<u>26,654,109</u>	<u>46,469,970</u>	<u>60,398,058</u>	<u>60,080,158</u>	<u>58,499,900</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>	<u>383,992,422</u>

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

	Fiscal Year Ended June 30,			
	2003	2004	2005	2006
Expenses				
Governmental activities				
Instruction				
Regular instruction	\$ 184,993,866	\$ 194,831,967	\$ 206,911,454	\$ 219,283,856
Special instruction	32,001,726	34,870,606	37,356,574	40,361,274
Vocational instruction	6,227,423	7,299,838	7,310,262	7,978,977
Other instruction	5,009,228	5,263,695	5,299,761	4,908,141
Adult education instruction	-	-	-	-
Community services instruction	-	-	-	-
Co-curricular instruction	-	-	-	-
Total instruction	<u>228,232,243</u>	<u>242,266,106</u>	<u>256,878,051</u>	<u>272,532,248</u>
Support services				
Instruction	-	-	-	-
Student support	18,448,225	21,195,379	25,372,276	27,775,369
Instructional staff support	15,336,683	15,536,807	15,787,724	18,234,230
General administration	6,077,638	6,261,080	6,632,435	7,195,661
School administration	19,965,103	21,622,401	22,674,418	24,734,884
Central services	9,105,838	10,653,433	13,448,660	14,374,653
Operation and maintenance	33,658,260	34,840,160	36,854,305	42,085,877
Student transportation	13,343,831	13,507,932	15,126,041	16,311,285
Other support	336,498	199,114	144,341	29,117
Nutrition services	13,373,888	13,853,617	14,621,816	-
Community service operations	-	-	-	-
Facilities	13,737,063	17,294,160	17,700,847	16,272,050
Interest on long-term debt	17,121,442	19,132,944	18,955,978	20,921,135
Amortization of issuance costs on debt	459,603	547,483	715,201	804,603
Total support services	<u>160,964,072</u>	<u>174,644,510</u>	<u>188,034,042</u>	<u>188,738,864</u>
Unallocated refund of Incline Village property taxes	-	-	-	-
Unallocated refund Reno Redevelopment Agency taxes	-	-	-	-
Total governmental activities	<u>389,196,315</u>	<u>416,910,616</u>	<u>444,912,093</u>	<u>461,271,112</u>
Business-type activities				
Nutrition services	-	-	-	15,603,133
Total school district	<u>\$ 389,196,315</u>	<u>\$ 416,910,616</u>	<u>\$ 444,912,093</u>	<u>\$ 476,874,245</u>

Table 1.2

	2007	2008	2009	2010	2011	2012
\$	237,531,977	\$ 249,002,229	\$ 255,214,934	\$ 215,922,516	\$ 200,910,500	\$ 200,264,098
	43,558,232	46,242,040	51,095,105	67,093,235	66,119,459	68,295,149
	6,859,471	7,025,834	7,408,013	8,289,052	8,192,784	7,806,131
	5,983,182	5,883,354	6,478,515	50,408,402	62,794,001	63,005,870
	-	-	-	1,600,284	1,951,707	1,681,826
	-	-	-	856,533	757,579	683,470
	-	-	-	3,422,601	3,447,205	3,326,243
	<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>	<u>345,062,787</u>
	-	-	-	293,830	339,215	369,003
	28,176,004	32,412,506	34,798,496	25,696,965	24,832,719	25,514,214
	21,037,319	24,081,071	24,778,616	12,090,308	12,117,988	12,527,939
	8,181,454	9,670,750	10,209,601	5,652,249	5,267,326	8,059,481
	26,058,599	29,873,872	31,301,763	31,075,074	29,682,847	30,191,975
	15,077,494	16,161,147	18,357,475	23,144,740	20,817,610	22,785,807
	45,212,457	47,252,870	50,175,497	48,294,122	45,840,239	44,000,876
	17,172,992	21,834,104	21,974,038	15,454,876	15,173,028	15,986,162
	231,449	238,197	313,763	11,137	2,079,234	5,469,586
	-	-	-	-	-	-
	-	271,759	231,969	402,769	388,674	367,507
	25,817,244	22,954,240	26,315,951	31,261,928	30,214,091	27,017,690
	20,107,992	22,641,916	24,090,170	25,395,984	24,139,763	24,979,128
	<u>1,114,139</u>	<u>1,118,092</u>	<u>1,151,957</u>	<u>1,093,095</u>	<u>1,364,618</u>	<u>1,551,900</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>	<u>218,821,268</u>
	-	-	-	-	15,000,000	-
	-	-	-	-	-	1,510,218
	<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>565,394,273</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>20,990,682</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>	<u><u>586,384,955</u></u>

(CONTINUED)

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

	Fiscal Year Ended June 30,			
	2003	2004	2005	2006
Program revenues				
Governmental activities				
Charges for services				
Regular instruction	\$ 231,908	\$ 158,452	\$ 172,569	\$ 263,077
Other instruction	1,104,753	985,198	1,175,060	976,922
Instructional staff support	240,161	236,461	238,541	425,096
General administration	-	-	-	-
School administration	145,547	153,168	149,688	140,864
Nutrition services	6,154,667	6,287,680	6,578,912	-
Community services instruction	-	-	-	-
Operating grants and contributions	71,314,386	75,489,897	86,721,909	86,523,775
Total governmental activities program revenues	<u>79,191,422</u>	<u>83,310,856</u>	<u>95,036,679</u>	<u>88,329,734</u>
Business-type activities				
Charges for services	-	-	-	6,945,811
Operating grants and contributions	-	-	-	9,313,397
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,259,208</u>
Total primary government revenues	<u>\$ 79,191,422</u>	<u>\$ 83,310,856</u>	<u>\$ 95,036,679</u>	<u>\$ 104,588,942</u>
Net (expense)/revenue				
Governmental activities	\$ (310,004,893)	\$ (333,599,760)	\$ (349,875,414)	\$ (372,941,378)
Business-type activities	-	-	-	656,075
Total primary government net expense	<u>\$ (310,004,893)</u>	<u>\$ (333,599,760)</u>	<u>\$ (349,875,414)</u>	<u>\$ (372,285,303)</u>
General revenues and other changes in net assets				
Governmental activities				
Taxes				
Property taxes	\$ 109,768,083	\$ 117,819,676	\$ 126,044,207	\$ 136,445,205
Local school support taxes	116,959,363	128,565,040	145,056,434	161,027,372
Government service taxes	14,230,955	15,817,100	17,260,710	18,277,143
Other local sources	4,406,690	4,476,050	5,297,089	6,610,442
Unrestricted investment earnings	4,912,745	1,672,999	5,789,233	7,304,748
State aid not restricted to specific purposes	78,721,232	87,154,547	85,542,351	77,280,007
State aid special appropriations	-	-	-	-
ARRA - State fiscal stabilization	-	-	-	-
Franchise taxes	233,187	205,259	286,955	361,157
State portion of Incline Village property taxes	-	-	-	-
Total governmental activities	<u>329,232,255</u>	<u>355,710,671</u>	<u>385,276,979</u>	<u>407,306,074</u>
Business-type activities				
Transfers	-	-	-	-
Total primary government revenues	<u>\$ 329,232,255</u>	<u>\$ 355,710,671</u>	<u>\$ 385,276,979</u>	<u>\$ 407,306,074</u>
Change in net assets				
Governmental activities	\$ 19,227,362	\$ 22,110,911	\$ 35,401,565	\$ 34,364,696
Business-type activities	-	-	-	656,075
Total primary government	<u>\$ 19,227,362</u>	<u>\$ 22,110,911</u>	<u>\$ 35,401,565</u>	<u>\$ 35,020,771</u>

Source: Washoe County School District Business Office

Table 1.2

	2007	2008	2009	2010	2011	2012
\$	290,232	\$ -	\$ -	\$ -	\$ -	\$ -
	1,193,347	1,283,690	1,038,137	544,918	1,410,373	1,019,344
	580,332	520,432	390,408	-	-	-
	-	-	-	389,397	-	-
	152,068	162,735	162,438	-	-	-
	-	-	-	-	-	-
	-	215,864	205,767	335,279	433,266	292,642
	105,380,311	98,800,969	105,300,822	107,415,696	115,193,329	110,574,297
	107,596,290	100,983,690	107,097,572	108,685,290	117,036,968	111,886,283
	6,870,401	6,738,145	5,968,280	5,381,119	4,933,054	4,915,788
	9,575,174	10,988,512	11,949,457	13,562,465	13,616,037	15,751,352
	16,445,575	17,726,657	17,917,737	18,943,584	18,549,091	20,667,140
\$	<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>	<u>132,553,423</u>
\$	(394,523,715)	(435,680,291)	(456,798,291)	(458,774,410)	(454,393,619)	(453,507,990)
	(528,147)	(302,338)	582,773	299,811	(388,318)	(323,542)
\$	<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>	<u>(453,831,532)</u>
\$	150,413,632	\$ 161,108,715	\$ 170,321,918	\$ 167,348,704	\$ 153,694,307	\$ 143,197,553
	156,893,557	153,328,703	120,369,201	127,099,100	128,788,689	139,461,236
	18,677,186	18,297,902	16,643,570	15,321,249	14,560,297	14,029,845
	6,040,636	6,502,756	7,608,186	6,476,613	10,587,927	8,463,102
	10,277,185	13,687,934	9,476,546	4,954,850	6,630,982	11,712,091
	92,147,678	125,171,400	143,080,662	156,389,169	143,954,130	141,063,550
	-	-	-	-	527,290	444,427
	-	-	21,869,831	-	-	-
	305,996	462,145	364,469	332,477	365,707	311,566
	-	-	-	-	2,833,333	-
	434,755,870	478,559,555	489,734,383	477,922,162	461,942,662	458,683,370
	-	250,000	-	325,635	-	-
\$	<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>	<u>458,683,370</u>
\$	40,232,155	\$ 42,879,264	\$ 32,936,092	\$ 19,147,752	\$ 7,549,043	\$ 5,175,380
	(528,147)	(52,338)	582,773	625,446	(388,318)	(323,542)
\$	<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>	<u>4,851,838</u>

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

	Fiscal Year Ended June 30,			
	2003	2004	2005	2006
General fund				
Reserved	\$ 2,332,785	\$ 6,310,332	\$ 1,955,639	\$ 2,991,296
Unreserved	8,223,279	12,600,229	22,681,321	28,909,898
Nonspendable	-	-	-	-
Assigned	-	-	-	-
Total general fund	\$ 10,556,064	\$ 18,910,561	\$ 24,636,960	\$ 31,901,194
All other governmental funds				
Reserved	\$ 54,937,381	\$ 46,972,103	\$ 76,987,832	\$ 67,813,194
Unreserved reported in				
Special revenue funds	1,714,981	4,475,704	7,022,230	9,953,987
Capital projects funds	34,344,217	63,947,633	93,283,119	54,227,357
Restricted	-	-	-	-
Total all other governmental funds	\$ 90,996,579	\$ 115,395,440	\$ 177,293,181	\$ 131,994,538
Total governmental funds	\$ 101,552,643	\$ 134,306,001	\$ 201,930,141	\$ 163,895,732

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>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011 *</u>	<u>2012</u>
\$ 2,896,595	\$ 1,711,496	\$ 3,624,998	\$ 2,822,180	\$ -	\$ -
34,864,420	46,515,636	53,180,043	61,710,700	-	-
-	-	-	-	1,108,844	1,074,806
-	-	-	-	70,548,331	58,382,806
<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>	<u>\$ 59,457,612</u>
\$ 66,760,281	\$ 121,979,693	\$ 103,186,619	\$ 90,860,701	\$ -	\$ -
14,959,439	14,286,646	11,089,587	4,394,767	-	-
109,248,946	82,927,717	77,107,155	86,521,977	-	-
-	-	-	-	134,001,940	151,961,079
<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>\$ 151,961,079</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>	<u>\$ 211,418,691</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,			
	2003	2004	2005	2006
Revenues				
Local sources	\$ 258,706,169	\$ 277,758,436	\$ 309,321,004	\$ 332,242,387
State sources	117,830,448	125,302,983	129,972,727	130,050,648
Federal sources	31,007,808	35,131,347	40,324,344	31,975,138
Other sources	1,258,824	2,010	37,345	37,224
Total revenues	408,803,249	438,194,776	479,655,420	494,305,397
Expenditures				
Current				
Regular programs	183,529,233	197,968,562	208,690,609	219,930,930
Special programs	31,741,223	34,842,293	37,844,397	40,502,495
Vocational programs	6,169,534	7,293,902	7,405,722	8,006,895
Other instructional programs	2,776,041	2,928,092	3,114,088	3,199,927
Adult education programs	1,420,058	1,369,039	1,327,449	1,080,063
Food service programs	13,507,772	14,009,635	14,838,211	-
Community services programs	762,200	813,387	793,625	642,275
Co-curricular programs	-	-	-	-
Undistributed expenditures				
Instruction	-	-	-	-
Student support	18,343,762	21,396,488	25,956,643	27,771,224
Instructional staff support	15,217,607	15,593,094	16,027,761	18,305,324
General administration	6,027,809	6,240,901	6,743,167	7,208,768
School administration	19,791,036	21,604,444	22,993,010	24,818,064
Central services	9,069,891	10,753,118	14,168,104	14,336,042
Operation and maintenance	33,181,675	34,592,121	37,737,291	41,985,686
Student transportation	12,635,127	12,717,685	19,047,410	16,801,178
Other support	332,299	189,113	132,307	16,851
Community service operations	-	-	-	-
Capital projects	3,430,599	2,249,578	799,093	2,793,185
Capital outlay	53,318,529	36,588,795	18,261,546	84,238,853
Debt service				
Principal	22,144,229	23,392,727	25,720,391	26,553,319
Interest	16,422,095	19,474,379	19,156,006	20,881,655
Bond issuance costs	898,612	693,292	547,149	1,710,989
Other	-	9,846	13,738	12,325
Total expenditures	450,719,331	464,720,491	481,317,717	560,796,048
Excess (deficiency) of revenues over expenditures	(41,916,082)	(26,525,715)	(1,662,297)	(66,490,651)
Other financing sources (uses)				
Certificates of participation and notes payable	259,770	6,914,598	1,019,287	1,005,000
Refunding bonds Issued	68,940,000	11,820,000	22,970,000	29,820,000
Payments for refunded capital leases	(2,881,410)	-	-	-
Bonds issued	36,000,000	55,000,000	66,000,000	30,000,000
Debt premiums	6,925,688	1,112,967	6,792,039	402,898
Payments to refunded bonds escrow agent	(74,464,866)	(12,011,244)	(25,147,135)	(28,475,000)
Transfers in	20,201,851	24,167,589	26,057,411	30,256,343
Transfers out	(21,955,384)	(27,904,837)	(28,405,165)	(32,154,842)
Total other financing sources (uses)	33,025,649	59,099,073	69,286,437	30,854,399
Net change in fund balances	\$ (8,890,433)	\$ 32,573,358	\$ 67,624,140	\$ (35,636,252)
Debt service as a percentage of non-capital expenditures	9.70%	10.01%	9.69%	9.95%

Source: Washoe County School District Business Office

Table 1.4

	2007	2008	2009	2010	2011	2012
\$	345,206,688	\$ 357,047,961	\$ 325,570,132	\$ 324,664,593	\$ 318,889,279	\$ 319,751,134
	163,589,108	186,229,991	210,879,096	215,449,306	203,695,579	198,285,165
	32,223,794	34,469,253	56,883,485	45,264,459	53,123,315	51,105,481
	32,032	281,635	245,070	28,533	50,630	36,801
	541,051,622	578,028,840	593,577,783	585,406,891	575,758,803	569,178,581
	239,765,677	251,866,060	257,809,827	218,542,060	203,716,213	202,018,378
	43,980,533	46,753,582	51,831,651	68,224,241	67,145,848	68,916,627
	6,925,974	7,103,556	7,501,464	8,418,594	8,320,821	7,855,055
	3,917,914	3,839,555	4,408,490	52,361,058	64,073,815	63,506,376
	1,268,709	1,168,060	1,098,957	1,651,604	1,990,893	1,685,583
	-	-	-	-	-	-
	854,566	940,823	938,856	884,001	766,830	686,443
	-	-	-	3,532,363	3,501,320	3,348,603
	-	-	-	303,553	346,751	373,350
	28,350,002	32,776,708	35,069,594	25,923,410	25,209,150	25,684,422
	21,286,332	24,379,737	24,911,810	12,169,686	12,277,373	12,781,966
	8,248,281	9,757,193	10,223,323	5,737,648	5,316,382	20,905,866
	26,307,853	30,212,368	31,600,900	31,584,124	30,116,636	30,448,382
	16,130,137	16,685,962	18,384,237	24,726,262	21,679,439	23,117,800
	45,666,518	47,596,337	50,598,979	48,859,813	46,267,691	44,251,184
	19,067,657	23,660,180	20,516,229	14,908,326	16,484,167	16,950,972
	217,113	238,840	315,279	-	-	-
	-	275,219	229,920	414,448	394,001	368,501
	6,964,292	3,525,626	10,358,602	11,666,683	6,480,102	2,426,370
	21,753,919	39,965,163	73,219,024	37,999,224	34,688,316	35,944,513
	29,302,637	32,277,384	32,747,389	43,609,116	47,411,206	110,007,810
	20,276,179	22,752,490	24,035,406	25,444,338	24,351,047	23,965,066
	511,796	351,480	629,331	455,566	540,294	1,631,113
	14,900	14,351	11,698	142,169	2,078,371	5,468,723
	540,810,989	596,140,674	656,440,966	637,558,287	623,156,666	702,343,103
	240,633	(18,111,834)	(62,863,183)	(52,151,396)	(47,397,863)	(133,164,522)
	1,705,000	3,398,000	-	870,000	2,192,000	-
	66,585,000	-	-	13,700,000	41,515,000	84,170,000
	-	-	-	-	-	-
	65,000,000	55,000,000	45,000,000	50,995,000	5,815,000	81,920,000
	184,417	701,953	338,162	1,022,133	4,954,986	15,979,501
	(67,010,175)	-	-	(14,570,000)	(46,104,110)	(41,826,272)
	38,571,267	33,207,173	38,580,485	35,608,717	39,489,238	40,062,823
	(40,442,193)	(35,503,785)	(40,288,250)	(37,352,531)	(41,115,462)	(41,381,954)
	64,593,316	56,803,341	43,630,397	50,273,319	6,746,652	138,924,098
\$	64,833,949	38,691,507	(19,232,786)	(1,878,077)	(40,651,211)	5,759,576
	9.55%	9.89%	9.74%	11.52%	12.19%	20.10%

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)
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
2012	141,063,550	94,218,811	311,566	11,144,014	139,461,236

Source: Washoe County School District Business Office

Table 1.5

General Fund Investment Income	General Fund ARRA State Fiscal Stabilization	Debt Service Fund Ad Valorem Taxes	Capital Projects Fund Government Services Tax	Special Revenue Fund State Distributive School Fund
\$ 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
309,057	-	49,472,378	2,885,831	22,826,832



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

Table 2.1

Taxpayer	2012			2003		
	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Peppermill Casinos, Inc.	\$ 98,304	1	0.78%	\$ -	-	-
Prologis NA3 LLC	64,053	2	0.51%	-	-	-
Golden Road Motor, Inc.	43,655	3	0.34%	33,680	7	0.32%
Sparks Legend Development	43,501	4	0.34%	-	-	-
Circus Circus & El Dorado Joint Venture	37,127	5	0.29%	81,925	1	0.79%
Prologis NA3 NV V LLC	34,523	6	0.27%	-	-	-
International Game Technology	29,653	7	0.23%	30,636	10	0.29%
Northwestern Mutual Life Insurance	25,992	8	0.21%	-	-	-
Gage Village Commercial Development, LLC.	23,379	9	0.19%	-	-	-
Charles River Laboratories, Inc.	22,941	10	0.18%	-	-	-
Dermody Industrial Group	-	-	-	45,037	2	0.43%
DP Industrial, LLC.	-	-	-	39,642	3	0.38%
Eldorado Resorts, LLC.	-	-	-	38,665	4	0.37%
Harrah's Club	-	-	-	35,031	5	0.34%
Washoe Medical Center	-	-	-	34,996	6	0.34%
Sparks Nugget, Inc.	-	-	-	33,416	8	0.32%
Circus Circus Casinos, Inc.	-	-	-	33,141	9	0.32%
SUBTOTAL	423,128		3.34%	406,169		3.90%
All other taxpayers	12,252,246		96.66%	10,002,668		96.10%
TOTAL ASSESSED VALUATION	\$ 12,675,374		100.00%	\$ 10,408,837		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,			
	2003	2004	2005	2006
Washoe County				
Operating rate	0.9217	0.9167	0.9231	0.9231
Voter approved				
Child protective services	0.0400	0.0400	0.0400	0.0400
Regional animal services	-	0.0300	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	0.0800	0.0900	0.1000	0.1000
Capital acquisition	0.0500	0.0500	0.0500	0.0500
Youth services	0.0070	0.0084	0.0083	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	0.0778	0.0778	0.0715	0.0715
Total Washoe County direct rate	1.3453	1.3817	1.3917	1.3917
State of Nevada	0.1500	0.1700	0.1700	0.1700
Washoe County School District	1.1385	1.1385	1.1385	1.1385
Total, Washoe County unincorporated area	2.6338	2.6902	2.7002	2.7002
Cities				
City of Reno	0.9456	0.9456	0.9456	0.9456
City of Sparks	0.9361	0.9161	0.9161	0.9161
Fire Districts				
North Lake Tahoe Fire Protection District	0.5101	0.5227	0.4746	0.5118
Sierra Fire Protection District	0.4200	0.4200	0.4200	0.4200
Truckee Meadows Fire Protection District	0.4813	0.4813	0.4713	0.4713
General Improvement Districts				
Gerlach	-	-	-	-
Incline Village	0.0695	0.0741	0.0730	0.0702
Palomino Valley	0.3965	0.4230	0.4353	0.4168
South Truckee Meadows	0.1125	0.1007	-	-
Other Special Districts				
Lemmon Valley Underground Water Basin	-	0.0022	0.0020	0.0019
Sun Valley Water & Sanitation District	0.1137	0.1243	0.1329	0.1329
Truckee Meadows Underground Water	0.0005	0.0004	0.0005	0.0005

Source: Washoe County Comptroller's Office

Table 2.2

2007	2008	2009	2010	2011	2012
0.9401	0.9592	0.9629	0.9612	0.9611	0.9806
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
0.0950	0.0800	0.0800	0.0800	0.0750	0.0700
0.0500	0.0500	0.0500	0.0500	0.0500	0.0500
0.0077	0.0077	0.0077	0.0077	0.0088	0.0088
0.0774	0.0774	0.0774	0.0774	0.0774	0.0774
-	-	-	-	-	0.0050
0.0192	0.0192	0.0192	0.0192	0.0192	0.0192
0.0272	0.0272	0.0272	0.0272	0.0272	0.0272
0.0601	0.0560	0.0523	0.0540	0.0580	0.0385
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
0.5070	0.5142	0.5226	0.5275	0.5389	0.5525
0.4200	0.4200	0.5200	0.5200	0.5200	0.5200
0.4713	0.4713	0.4713	0.4713	0.4713	0.4713
-	-	-	0.2550	0.2500	0.2998
0.0687	0.0711	0.0741	0.0755	0.0806	0.1129
0.4270	0.4270	0.4885	0.4885	0.4885	0.4885
-	-	-	-	-	-
0.0017	0.0012	-	-	-	-
0.1329	0.1329	0.1329	0.1457	0.1736	0.1736
0.0004	0.0004	0.0005	0.0004	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 Value				Personal Property Assessed Value
	Residential	Commercial	Industrial	Other	
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
2012	9,729,511	3,306,237	996,407	265,595	636,409

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	
\$ 1,350,371	\$ 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	
2,258,785	12,675,374	36,215,354	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
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%	2,658	372,659	99.99%	43	0.01%
2006	404,224	401,305	99.28%	2,873	404,178	99.99%	46	0.01%
2007	446,362	442,446	99.12%	3,809	446,255	99.98%	107	0.02%
2008	480,945	472,860	98.32%	7,736	480,596	99.93%	349	0.07%
2009	514,531	504,268	98.01%	9,494	513,762	99.85%	769	0.15%
2010	504,823	495,281	98.11%	8,187	503,468	99.73%	1,355	0.27%
2011	458,717	451,994	98.53%	4,271	456,265	99.47%	2,452	0.53%
2012	422,799	416,849	98.59%	-	416,849	98.59%	5,950	1.41%

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
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%
2012	5,522,605	4.5%	2.60%

Source: State of Nevada Department of Taxation

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

General Bonded Debt

Fiscal Year Ended June 30,	General Obligation Bonds	Less Restricted for Debt Service	Net Bonded Debt	Ratio of Net Bonded Debt to Percentage Assessed Property Value ^(a)	Net Bonded Debt Per Capita ^(b)	Certificates of Participation and Notes Payable
2003	\$ 352,425,000	\$ 38,263,491	\$ 314,161,509	1.16%	\$ 846.27	\$ 17,429,798
2004	385,090,000	38,048,160	347,041,840	1.17%	909.97	23,131,681
2005	427,205,000	44,202,858	383,002,142	1.22%	979.89	22,255,576
2006	433,985,000	47,470,268	386,514,732	1.13%	970.57	21,272,256
2007	474,945,000	55,405,942	419,539,058	1.07%	1,032.50	20,709,619
2008	500,380,000	63,170,179	437,209,821	1.01%	1,031.56	21,395,235
2009	515,520,000	72,729,891	442,790,109	0.90%	1,062.78	18,507,845
2010	524,700,000	68,161,066	456,538,934	1.06%	1,093.82	16,713,729
2011	482,900,000	54,302,016	428,597,984	1.10%	1,016.62	16,209,523
2012	506,175,000	18,344,826	487,830,174	1.35%	1,137.77	9,861,713

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

(c) Total Primary Government is the sum of Net Bonded Debt and Capital Lease Obligations

Table 3.1

Other Governmental Activities Debt

	Total Primary Government ^(c)	Percentage of Personal Income ^(b)	Per Capita ^(b)
\$	331,591,307	2.39%	\$ 893.22
	370,173,521	2.38%	970.62
	405,257,718	2.43%	1,036.83
	407,786,988	2.33%	1,023.98
	440,248,677	2.40%	1,083.46
	458,605,056	2.36%	1,082.04
	461,297,954	2.49%	1,107.21
	473,252,663	2.72%	1,133.87
	444,807,507	2.48%	1,055.06
	497,691,887	2.66%	1,160.77

**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
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%
2012	1,939,391,752	508,287,716	1,431,104,036	26.21%

Legal debt margin calculation for fiscal year ended June 30, 2012

Current assessed valuation for 2011/2012 tax year	\$ 12,675,374,294
Redevelopment agencies	253,904,054
Total assessed value	<u>12,929,278,348</u>
General obligation debt limit (15%)	1,939,391,752
Outstanding general obligation debt	<u>508,287,716</u>
Legal debt margin	<u><u>\$ 1,431,104,036</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, 2012
(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	\$ 516,037	\$ -	100%	\$ 516,037
Overlapping				
Washoe County-Governmental Activity Bonds	128,820	-	100%	128,820
Washoe County-Special Assessment Bonds ¹	10,675	10,675	100%	-
Reno/Sparks Convention Visitor's Authority	124,675	124,675	100%	-
City of Reno	44,976	-	100%	44,976
City of Reno-supported by specific revenues	383,120	383,120	100%	-
Reno-Special Assessment Bonds ¹	20,303	20,303	100%	-
City of Sparks	4,770	-	100%	4,770
Sparks-Sewer/Utility Bonds	51,838	51,838	100%	-
Incline Village General Improvement District	16,621	16,621	100%	-
State of Nevada	<u>2,015,945</u>	<u>590,730</u>	14.7%	<u>209,507</u>
Total overlapping debt	<u>2,801,743</u>	<u>1,197,962</u>		<u>388,073</u>
Total direct and overlapping debt	<u>\$ 3,317,780</u>	<u>\$ 1,197,962</u>		<u>\$ 904,110</u>

Source: Washoe County Comptroller's Office

Based on fiscal year 2011-2012 assessed valuation in the respective jurisdiction.

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
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	423,833	46	36.5	63,628	19,392,856	6.8%
2009	416,632	45	36.4	63,287	18,550,337	11.6%
2010	417,379	47	37.5	62,445	17,421,365	13.6%
2011	421,593	49	36.4	62,323	17,944,975	13.2%
2012	428,761	51	37.0	62,217	18,680,875	12.3%

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
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	996,615	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
225,481	67,721	55	5,282,935	751,467	3,795,421
222,532	95,876	83	5,522,605	738,152	3,561,557



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

Table 4.2

<u>Employer</u>	<u>December, 2011</u>			<u>December, 2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total County Employment</u>
Washoe County School District	8000-8499	1	4.49%	7500-7999	1	4.03%
University of Nevada, Reno	4000-4499	2	2.31%	4000-4499	2	2.21%
Washoe County	2500-2999	3	1.50%	2500-2999	3	1.43%
Renown Medical Center	2500-2999	4	1.50%	2500-2999	4	1.43%
Peppermill Hotel Casino - Reno	2000-2499	5	1.22%	-	-	-
Integrity Staffing Solutions	2000-2499	6	1.22%	-	-	-
International Game Technology	2000-2499	7	1.22%	2000-2499	5	1.17%
Silver Legacy Resort Casino	1500-1999	8	0.95%	2000-2499	6	1.17%
Atlantis Casino Resort	1500-1999	9	0.95%	-	-	-
St. Mary's Hospital	1500-1999	10	0.95%	1500-1999	9	0.91%
Reno Hilton	-	-	-	1500-1999	7	0.91%
Eldorado Hotel & Casino	-	-	-	1500-1999	8	0.91%
Sparks Nugget	-	-	-	1500-1999	10	0.91%
Total County covered employment	<u>183,770</u>			<u>192,102</u>		

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

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

Fiscal Year Ended June 30,	Enrollment	Governmental Funds Operating Expenditures (b)	Cost per Pupil	Percentage Change	Primary Government Expenses (c)	Cost per Pupil
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
2012	62,217	522,899,508	8,404	3.19%	565,394,273	9,087

(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; CAFR Tab: Gov Stmt of R,E&FB

(c) Based on expenses reported in the government-wide 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)
-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
-0.89%	3,441	18.1	24,587	39.52%	5,362,756

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

Table 5.2

Fiscal Year Ended June 30,	Minimum Salary	Maximum salary
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
2012	32,289	69,553

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,			
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Function				
Instruction	3,885	3,842	3,968	4,070
Student support	237	255	300	305
Instructional staff support	246	226	205	224
General administration	44	40	44	46
School administration	331	346	367	383
Business administration	158	158	181	197
Operation and maintenance	478	489	495	494
Student transportation	392	318	330	321
Other support	1	2	1	-
Nutrition services operations	252	252	231	233
Community services operations	14	15	13	12
Land & building acquisition, improvement	<u>8</u>	<u>5</u>	<u>6</u>	<u>13</u>
Total full time equivalent employees	<u>6,046</u>	<u>5,948</u>	<u>6,141</u>	<u>6,298</u>

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

Source: Washoe County School District Business Office

Table 5.3

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
4,161	4,149	4,260	3,936	3,557	3,730
303	327	423	498	455	489
240	263	279	313	295	271
47	57	60	63	81	84
390	403	371	370	366	384
185	192	198	198	196	209
534	562	532	522	492	483
338	371	337	317	312	361
1	2	-	-	-	-
253	249	211	231	229	230
16	14	17	19	21	19
<u>17</u>	<u>15</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>16</u>
<u><u>6,485</u></u>	<u><u>6,604</u></u>	<u><u>6,705</u></u>	<u><u>6,484</u></u>	<u><u>6,021</u></u>	<u><u>6,276</u></u>

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

	2003	2004	2005	2006
Elementary Schools				
Sites	62	62	62	62
Square feet	2,619,151	2,656,829	2,661,149	2,664,029
Base capacity	28,441	29,761	30,080	30,080
Middle Schools				
Sites	11	11	12	12
Square feet	1,003,680	1,005,120	1,128,911	1,128,911
Base capacity	8,300	8,300	8,300	9,233
High Schools				
Sites	13	13	14	14
Square feet	2,266,868	2,506,623	2,508,063	2,518,197
Base capacity	15,236	15,236	16,244	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	299	254	279
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	163,715	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

2007	2008	2009	2010	2011	2012
64	65 *	64 ^	64	64	64
2,822,459	2,813,816	2,845,877	2,854,743	2,854,461	2,858,781
31,286	31,286	32,105	32,105	31,179	32,214
13	13	13	14	14	14
1,266,428	1,258,676	1,259,306	1,453,875	1,445,669	1,456,689
10,279	10,279	11,544	12,954	12,544	12,893
14	16 **	15	15	15	14
2,574,892	2,754,294	2,565,478	2,635,603	2,635,603	2,638,484
16,244	16,244	20,016	20,016	20,175	19,939
9	8	8	8	8	8
88,701	91,981	90,572	97,095	106,816	106,816
3	3	3	3	3	3
60,645	60,645	48,020	48,020	48,020	48,020
293	300	300	301	321	340
1	1	1	1	1	1
28,746	28,746	26,997	26,997	26,997	26,997
3	3 **	3	3	3	3
163,715	130,045	132,854	127,451	127,451	127,451



Compliance and Controls

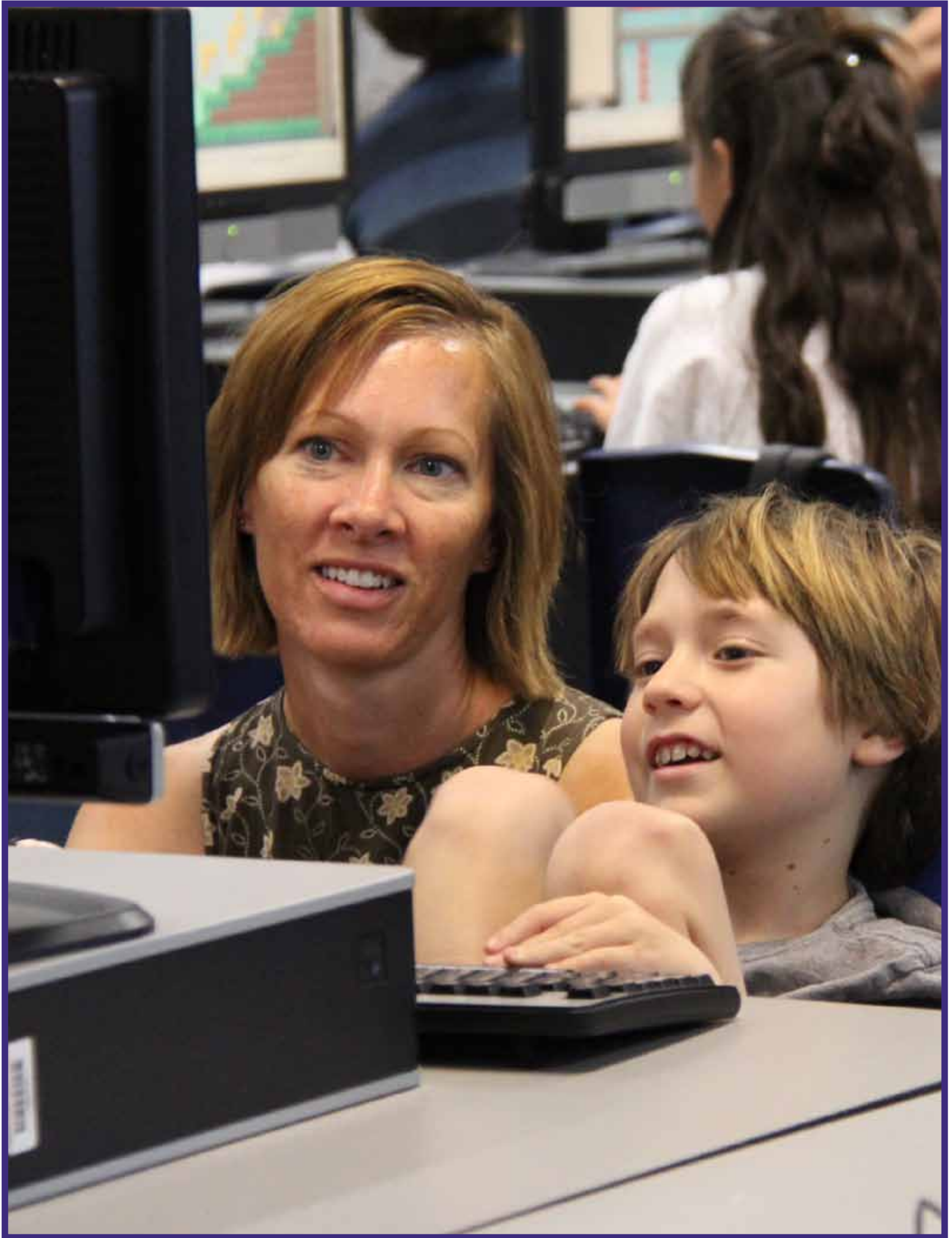


*Washoe County
School District*

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, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 23, 2012. 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

Management of the District is responsible for establishing and maintaining effective 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 certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as findings 12-1 and 12-2 that we consider to be significant deficiencies 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 23, 2012

**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, 2012. 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, 2012.

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 23, 2012

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

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	\$ 186,584
Total Impact Aid Cluster			<u>186,584</u>
Teacher Incentive Fund Cluster			
Teacher Incentive Fund (TIF)	84.374	S374A100051	1,683,278
Total Teacher Incentive Fund Cluster			<u>1,683,278</u>
Title IX, Indian Education	84.060	S060A111031	<u>283,897</u>
Fund for the Improvement of Education - Teaching American History	84.215	U215X100063	297,049
Fund for the Improvement of Education - Instructional Coaches	84.215	U215K100037	64,221
Fund for the Improvement of Education - Mentor Teachers	84.215	U215K100033	16,589
			<u>377,859</u>
Fund for the Improvement of Education - Arts Educators	84.351	U351C090017	<u>319,317</u>
High School Graduation Initiative	84.360	S360A100024	<u>2,556,513</u>
Total Direct			<u>5,407,448</u>
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
Title I Part A Cluster			
Title I Grants to Local Education Agencies			
Title I, Part A, Basic	84.010	12-633-16000	13,531,581
Title I, Part A, 1003 Differentiated Consequences	84.010	12-624-16000	105,231
Title I, Part A, 1003 Differentiated Consequences	84.010	11-624-16001	104,227
Total Title I Part A Cluster			<u>13,741,039</u>
Special Education Cluster (IDEA)			
Special Education, Grants to States - IDEA Local Plan	84.027	12-639-16000	10,327,824
Special Education, Grants to States - District Initiative	84.027	12-641-16000	218,066
Special Education, Grants to States - Immersion Training	84.027	12-667-16000	9,000
Special Education, Grants to States - Mentor Teacher	84.027	12-667-16000	77,672
			<u>10,632,562</u>
Special Education, Preschool Grants - Early Childhood Education	84.173	12-665-16000	<u>323,929</u>
ARRA Special Education, Grants to States - IDEA Local Plan	84.391	10-620-16000	<u>139,951</u>
ARRA Special Education, Preschool Grants - Early Childhood Education	84.392	10-621-16000	1,509
Total Special Education Cluster (IDEA)			<u>11,097,951</u>
Education Technology State Grants Cluster			
Education Technology State Grants - Title II, Part D, Formula	84.318	11-766-16000	6,704
Education Technology State Grants - Title II, Part D, Competitive	84.318	11-765-16000	248,724
			<u>255,428</u>
ARRA Educational Technology State Grants - Title II, Part D, Formula	84.386	10-742-16000	31,298
Total Education Technology State Grants Cluster			<u>286,726</u>

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

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	12-688-16000	\$ 120,859
Total Homeless Education Cluster			<u>120,859</u>
School Improvement Grants Cluster			
School Improvement Grants, Title I, Part G, Focused, Loder	84.377	12-623-16-020A	25,000
School Improvement Grants, Title I, Part G, Focused, Veterans	84.377	12-623-16-220A	15,442
			<u>40,442</u>
ARRA School Improvement Grants, Title I, Part G, District	84.388	12-743-16000	161,939
ARRA School Improvement Grants, Title I, Part G, Clayton	84.388	12-743-16301	450,846
ARRA School Improvement Grants, Title I, Part G, Dilworth	84.388	12-743-16306	363,372
ARRA School Improvement Grants, Title I, Part G, Duncan	84.388	12-743-16204	529,399
ARRA School Improvement Grants, Title I, Part G, Loder	84.388	12-743-16202	404,897
ARRA School Improvement Grants, Title I, Part G, O'Brien	84.388	12-743-16308	398,373
ARRA School Improvement Grants, Title I, Part G, Smithridge	84.388	12-743-16218	441,863
ARRA School Improvement Grants, Title I, Part G, Veterans	84.388	12-743-16220	400,207
ARRA School Improvement Grants, Title I, Part G, Focused, Duncan	84.388	12-743-16-204A	23,154
ARRA School Improvement Grants, Title I, Part G, Focused, O'Brien	84.388	12-743-16-308A	23,851
			<u>3,197,901</u>
Total School Improvement Grants Cluster			<u>3,238,343</u>
Title I, Part C, Migrant Education	84.011	12-629-16000	<u>26,024</u>
Title I, Part D, Delinquent	84.013	12-630-16000	<u>202,258</u>
Career & Vocational Education - Carl D Perkins, Basic	84.048	12-631-16000	693,685
Career & Vocational Education - Carl D Perkins, Reserve Health	84.048	12-634-16000	119,278
			<u>812,963</u>
Safe and Drug-Free Schools and Communities State Grants	84.186	11-720-16000	<u>6,585</u>
Title I, Part B, Even Start	84.213	11-651-16000	<u>134,701</u>
21st Century Community Learning Centers, District	84.287	12-770-16000	328,610
21st Century Community Learning Centers, Cannan ES	84.287	12-770-16000	97,901
21st Century Community Learning Centers, Desert Heights ES	84.287	12-770-16000	94,986
21st Century Community Learning Centers, Duncan ES	84.287	12-770-16000	91,084
21st Century Community Learning Centers, Lincoln Park ES	84.287	12-770-16000	116,458
21st Century Community Learning Centers, Loder ES	84.287	12-770-16000	100,819
21st Century Community Learning Centers, Mathews ES	84.287	12-770-16000	88,290
21st Century Community Learning Centers, Maxwell ES	84.287	12-770-16000	115,103
21st Century Community Learning Centers, Mitchell ES	84.287	12-770-16000	111,783
21st Century Community Learning Centers, Natchez ES	84.287	12-770-16000	88,607
21st Century Community Learning Centers, Donner Springs ES	84.287	12-770-16000	88,937
21st Century Community Learning Centers, Risley ES	84.287	12-770-16000	82,153
21st Century Community Learning Centers, Sierra Vista ES	84.287	12-770-16000	92,831
21st Century Community Learning Centers, Kate Smith ES	84.287	12-770-16000	92,837
21st Century Community Learning Centers, Smithridge ES	84.287	12-770-16000	108,448
21st Century Community Learning Centers, Stead ES	84.287	12-770-16000	91,023
21st Century Community Learning Centers, Sun Valley ES	84.287	12-770-16000	136,473
21st Century Community Learning Centers, Veterans ES	84.287	12-770-16000	90,832
21st Century Community Learning Centers, Warner ES	84.287	12-770-16000	91,785
21st Century Community Learning Centers, Clayton MS	84.287	12-770-16000	104,932
21st Century Community Learning Centers, Dilworth MS	84.287	12-770-16000	100,829
21st Century Community Learning Centers, Pine MS	84.287	12-770-16000	100,444
21st Century Community Learning Centers, Sparks MS	84.287	12-770-16000	97,256
21st Century Community Learning Centers, Traner MS	84.287	12-770-16000	91,983
			<u>2,604,404</u>
Special Education, State Personnel Development, DIG	84.323	12-763-16000	<u>74,449</u>
Title I, Part G, Advanced Placement - Fee Payment Program	84.330	11-640-16000	<u>11,589</u>

WASHOE COUNTY SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
Gaining Early Awareness and Readiness for Undergraduate Programs - GEAR UP, Wooster HS & Hug HS	84.334	12-610-16000	\$ 139,841
Title III, English Language Acquisition Grants	84.365	12-658-16000	1,272,133
Title II, Part B, Mathematics and Science Partnerships	84.366	12-706-16000	14,729
Title II, Part A Improving Teacher Quality State Grants	84.367	12-709-16000	2,018,262
P.L. 111-226 Education Jobs Fund, EduJobs	84.410	11-753-16000	5,153,832
Total U.S. Department of Education funding passed through the State of Nevada Department of Education			40,956,688
Total U.S. Department of Education			46,364,136

U.S. DEPARTMENT OF AGRICULTURE:

DIRECT PROGRAMS:

Forest Service Schools and Roads Cluster			
Schools and Roads Grants to States - Forest Reserve	10.665	n/a	30,214
Total Forest Service Schools and Roads Cluster			
Child Nutrition Cluster			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION:</i>			
National School Lunch Program (Commodities) **	10.555	n/a	1,313,239
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF EDUCATION:</i>			
National School Lunch Program	10.555	n/a	9,948,735
			11,261,974
School Breakfast Program	10.553	n/a	3,629,957
Special Milk Program	10.556	n/a	-
Total Child Nutrition Cluster			14,891,931
Fresh Fruit and Vegetable Program	10.582	n/a	836,150
Total U.S. Department of Agriculture			15,758,295

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

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DIRECT PROGRAM:

Volunteers in Service to America			
Americorps VISTA	94.013	09VSPN005	5,860
Total Direct			5,860
<i>PASS THROUGH FROM THE NEVADA FFA FOUNDATION:</i>			
Learn & Serve America	94.004	n/a	20,131
Total Corporation for National and Community Service			25,991

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. ENVIRONMENTAL PROTECTION AGENCY:			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DIVISION OF ENVIRONMENTAL PROTECTION:</i>			
State Clean Diesel Grant Program	66.040	n/a	\$ <u>393,174</u>
Total U.S. Environmental Protection Agency			<u>393,174</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES:</i>			
Title IV-B, Promoting Safe and Stable Families - Family Support	93.556	SFY-12-13-046	<u>105,424</u>
Title XX Social Services Block Grant - FRC	93.667	n/a	<u>181,528</u>
Total U.S. Department of Health & Human Services funding passed through the State of Nevada Department of Health & Human Services			<u>286,952</u>
Head Start Cluster			
<i>PASS THROUGH FROM THE UNIVERSITY OF NEVADA, RENO:</i>			
Early Head Start Expansion	93.600	UNR-12-38	<u>266,666</u>
Total Head Start Cluster			<u>266,666</u>
Total U.S. Department of Health and Human Services			<u>553,618</u>
U.S. DEPARTMENT OF HOMELAND SECURITY:			
Emergency Food and Shelter Program Cluster			
<i>PASS THROUGH FROM THE UNITED WAY OF NORTHERN NEVADA AND THE SIERRA:</i>			
Emergency Food and Shelter National Board Program, FRCs	97.024	n/a	<u>5,595</u>
Total Emergency Food and Shelter Program Cluster			<u>5,595</u>
Total U.S. Department of Homeland Security			<u>5,595</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>18,159</u>
Total CDBG - Entitlement Grants Cluster			<u>18,159</u>
Total U.S. Department of Housing and Urban Development			<u>18,159</u>
U.S. DEPARTMENT OF THE INTERIOR:			
<i>PASS THROUGH FROM THE NATIONAL FISH AND WILDLIFE FOUNDATION:</i>			
Fish & Wildlife Management Assistance, Pine MS	15.608	F10AC00886	<u>1,467</u>
Total U.S. Department of the Interior			<u>1,467</u>

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	AGENCY OR PASS-THROUGH NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF JUSTICE:			
<i>DIRECT PROGRAM:</i>			
Public Safety Partnership and Community Policing Grants			
COPS Secure Schools, #1	16.710	2009CKWX0725	\$ 152,108
COPS Secure Schools, #2	16.710	2011CKWX0020	<u>313,862</u>
Total Direct			<u>465,970</u>
<i>PASS THROUGH FROM THE CITY OF RENO:</i>			
Edward Byrne Memorial Competitive Grant Program, Smart Policing	16.751	n/a	<u>16,035</u>
Total U.S. Department of Justice			<u>482,005</u>
U.S. DEPARTMENT OF LIBRARIES AND ARCHIVES:			
<i>PASS THROUGH FROM THE STATE OF NEVADA, DEPARTMENT OF CULTURAL AFFAIRS:</i>			
Grants to States			
LSTA Galena HS	45.310	2010-22	<u>27,529</u>
Total U.S. Department of Libraries and Archives			<u>27,529</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>25,453</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>90,361</u>
Total Highway Planning and Construction Cluster			<u>115,814</u>
Total U.S. Department of Transportation			<u>115,814</u>
NATIONAL ENDOWMENT FOR THE HUMANITIES:			
<i>PASS THROUGH FROM NEVADA HUMANITIES:</i>			
Promotion of the Humanities, Federal/State Partnership	45.129	2012-24	<u>3,375</u>
Total National Endowment for the Humanities			<u>3,375</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 63,749,158</u></u>

See accompanying notes.

WASHOE COUNTY SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

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, 2012. 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	\$ 216,798
Special Revenue Funds	47,804,279
Enterprise Fund – Nutrition Services	<u>15,728,081</u>
	<u>\$63,749,158</u>

WASHOE COUNTY SCHOOL DISTRICT
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2012

Section I - 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, 2012.
- Significant deficiencies, not identified as material weaknesses, were disclosed during the audit of the financial statements.
- 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 six major programs for the year ended June 30, 2012, as follows:

CFDA Number	Program Name
84.287	21 st Century Community Learning Centers
84.360	High School Graduation Initiative
84.367	Title II, Part A, Improving Teacher Quality State Grants
84.374	Teacher Incentive Fund
	School Improvement Grants Cluster:
84.377	School Improvement Grants
84.388	ARRA – School Improvement Grants, Recovery Act
84.410	P.L. 111-126 Education Jobs Fund

- The dollar threshold used for distinguishing between Type A and Type B programs for the year ended June 30, 2012, was \$1,912,474.
- Washoe County School District qualified as a low risk auditee for the year ended June 30, 2012 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, 2012

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

Finding 12-1

Significant Deficiency:

Criteria and Condition: Generally Accepted Accounting Principles require that inventories be recorded at cost and commodities inventories be recorded at fair value at the date of donation. Cost is determined by applying current invoice prices to physical counts. Fair value is determined by applying the United States Department of Agriculture (USDA) rate, plus processing and shipping costs.

During our testing of Nutrition Services' inventory, we noted that the ending inventory balance, at cost, was determined using incomplete counts and inaccurate prices. Commodity inventory excluded costs for processing and shipping and were valued based on an incorrect system report. Because the ending commodity inventory values are 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 stated at cost were overstated, commodity inventories were understated, and expenses and revenues were understated.

Cause: Adequate internal controls were not in place in the Nutrition Services Department to determine that accurate counts and pricing were used in the calculation of ending inventories and to timely detect errors in system generated reports used for related adjustments to commodities revenue and expense.

Recommendation: We recommend that the Nutrition Services Department enhance procedures to determine that accurate counts and pricing are used in the value of inventories and timely detect errors in system generated reports used for related adjustments to commodities revenue and expense.

Management's Response: Inventory, both purchased and commodity, is an integral part of the Department cost. Tightening controls over the existing paper and pencil process has been a significant focus for the Nutrition Services Department. The Department started the implementation of an automated perpetual inventory process for all sites. As of September 1, 2012, all Washoe County Elementary schools (63) are fully automated in their inventory system and are no longer reporting by paper and pencil or spreadsheets. The remaining school sites, Secondary Schools, will be fully automated before the end of this school year. This process will reduce the number of pieces of paper that inventory is currently being recorded on from 2,040 separate pages to one final rollup page by site for a total of 102 pages. This

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

alone will reduce the possibility of over or under statements and will no longer require additional data entry since the final page will be a compiled number.

As of June 30, 2012, Access was still the main rollup software for the full inventory and commodity process. As of October 1, 2012, that will no longer be the case. Since Access is an antiquated system that requires multiple reports to deliver the necessary information and is difficult to analyze and identify system errors the Department has moved all site rollup information to the new Websmartt system and the department warehouse inventory will be calculated using excel spreadsheets until such time as the Websmartt system is fully integrated to include the warehouse.

Since the interim price check system worked this past year, we will be adding the same control process to include the count items and Access rollup data sheets. The initial step is that the accounts payable technician will check all line item pricing and verify the counts and access data sheets. Then, the Department manager will double check all pricing and counts that the accounts payable technician has entered and reviewed. Finally, the Department Director or Assistant Director will triple check line item pricing, counts and data sheets. This system will insure that mistakes will be caught prior to the closing of the monthly inventories and year-end reporting.

Additionally, we have taken the steps to have each quarterly Department financial and inventory report reviewed by additional finance and accounting teams at ARAMARK. At year end, all final reports will be reviewed in detail with the Business Office and ARAMARK to insure that all parties are in agreement with the valuation of inventory before any posting is made. This interim process, along with the continuing full automation and perpetual inventory process will help to insure that the entire inventory is recorded properly.

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Finding 12-2

Significant Deficiency:

Criteria and Condition: The District is responsible for calculating an accurate liability for compensated absences. The accrued liability should be based on the benefit at which the District will compensate the employee at termination or retirement. In calculating the liability, compensated absences should be reduced to the maximum amount allowed, and amounts in excess of the maximum for which payment is not allowed at termination or retirement should be excluded.

The compensated absences calculation did not exclude sick leave balances related to employees with individual balances in excess of the maximum allowed benefit of 190 days for Certified employees and 1,520 hours for Classified employees. Accordingly, a significant adjustment was required to properly state the District's financial statements.

Effect: The District's financial statements were initially misstated by amounts that were significant to the District's financial statements. The compensated absences liability and related expenses were initially overstated by \$4,015,757. As a result of the audit process, the District recalculated the balance and adjusted the financial statements.

Cause: Adequate internal controls for calculating and reviewing compensated absences were not in place to ensure that the balances and underlying calculations were accurate.

Recommendation: We recommend that the District enhance procedures for calculating and reviewing compensated absences to ensure that the balances and underlying calculations are accurate.

Management's Response: The District has had a very good history of calculating the estimated liability of compensated absences over the years. This year, we requested the report but did not check it as closely as we should have given our reliance on this process. Simply stated, we had a communication misunderstanding that resulted in the report not coming back the way we expected. Working with the external auditor, we quickly identified the error in the report, corrected it and the related government-wide financial statements. There was no impact to the fund financial statements as a result of this error. We will also further enhance our review efforts to verify the accuracy of this report in future years to help prevent errors like this from occurring again.

WASHOE COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Section III - *Findings and Questioned Costs for Major Federal Award Programs:*

There were no such findings for the year ended June 30, 2012.

WASHOE COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Prior Year Findings and Questioned Costs for Federal Awards:

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

**WASHOE COUNTY SCHOOL DISTRICT
AUDITOR'S COMMENTS
JUNE 30, 2012**

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, 2011.

PRIOR YEAR RECOMMENDATIONS

Finding 11-1, included in the prior year report; was not corrected at June 30, 2012. This prior year finding is repeated in 12-1. As reported in the Summary Schedule of Prior Year Findings and Questioned Costs, there were no findings for Federal awards for the year ended June 30, 2011.

CURRENT YEAR RECOMMENDATIONS

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

