

AUDITOR'S COMMENTS AND REPORTS

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Independent Accountant's Report on
Nevada Revised Statute 354.6241

To the Honorable Board of Commissioners of
Washoe County, Nevada

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

- The identified funds are being used expressly for the purposes for which they were created,
- The funds are administered in accordance with accounting principles generally accepted in the United States of America,
- The fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2011 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau),
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements,
- The funds conform to significant statutory and regulatory constraints on their financial administration during the year ended June 30, 2011 (except as previously noted under statute compliance),
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of Washoe County, Nevada.

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

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

Kafoury, Armstrong & Co.

Reno, Nevada
October 19, 2010

AUDITOR'S COMMENTS

STATUTE COMPLIANCE

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

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The following action was taken during 2010-2011 relating to statute violations reported in the June 30, 2010 audit report:

- A plan to transfer and commit funds collected by the Courts pursuant to NRS 176.059 and NRS 176.0611 has been developed. Progress was made during the year relative to prior year balances, but the potential violation is reported for 2011 in Note 2 to the financial statements.

PRIOR YEAR RECOMMENDATIONS

Corrective action was taken on all findings included in the prior year report.

CURRENT YEAR RECOMMENDATIONS

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

NRS 354.6115

- The Stabilization Fund has been combined with the General Fund due to the implementation of GASB 54 *Fund Balance Reporting*. The financial statements of the General Fund are located in this report.
- As noted above, compliance with Nevada Revised Statutes is contained in Note 2 to the financial statements.



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