

BASIC FINANCIAL STATEMENTS

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WASHOE COUNTY, NEVADA
STATEMENT OF NET ASSETS
JUNE 30, 2012

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Assets			
Cash and investments (Note 3)	\$ 209,073,988	\$ 109,616,666	\$ 318,690,654
Restricted cash and investments (Notes 3, 4)	808,800	2,609,530	3,418,330
Accounts receivable	9,408,865	4,986,721	14,395,586
Consolidated tax receivable	13,558,745	-	13,558,745
Property taxes receivable	4,288,535	-	4,288,535
Other taxes receivable	15,236,782	-	15,236,782
Interest receivable	811,492	391,921	1,203,413
Due from other governments	13,796,719	1,587,659	15,384,378
Internal balances	(10,007,420)	10,007,420	-
Inventory	401,552	197,095	598,647
Deposits and other assets	4,644,105	43,987	4,688,092
Notes receivable	1,500,000	-	1,500,000
Long-term restricted cash and investments (Notes 3, 4)	2,058,000	11,043,883	13,101,883
Long-term assets (Notes 5, 15)	8,103,575	558,278	8,661,853
Capital Assets: (Note 6)			
Nondepreciable	151,827,244	20,752,820	172,580,064
Other capital assets, net of depreciation	459,805,986	358,113,411	817,919,397
Total Assets	<u>885,316,968</u>	<u>519,909,391</u>	<u>1,405,226,359</u>
Liabilities			
Accounts payable	8,649,734	802,264	9,451,998
Accrued salaries and benefits	7,918,950	263,300	8,182,250
Contracts/retention payable	2,928,803	207,808	3,136,611
Tax refunds payable	4,824,685	-	4,824,685
Interest payable	4,546,591	1,230,150	5,776,741
Due to other governments	8,015,353	862,396	8,877,749
Other liabilities (Note 7)	3,193,113	1,123,673	4,316,786
Unearned revenue (Note 8)	3,821,488	119,222	3,940,710
Noncurrent Liabilities: (Notes 9, 10, 11, 15, 16)			
Due within one year	31,758,468	3,460,306	35,218,774
Due in more than one year, payable from restricted assets	2,058,000	-	2,058,000
Due in more than one year	199,126,631	61,077,029	260,203,660
Total Liabilities	<u>276,841,816</u>	<u>69,146,148</u>	<u>345,987,964</u>
Net Assets (Note 13)			
Invested in capital assets, net of related debt	476,222,159	315,153,223	791,375,382
Restricted for:			
General government	4,383,591	-	4,383,591
Judicial	5,480,271	-	5,480,271
Public safety	33,253,446	380,624	33,634,070
Public works	1,886,573	-	1,886,573
Health and sanitation	3,916,042	-	3,916,042
Welfare	2,316,981	-	2,316,981
Culture and recreation	1,167,193	-	1,167,193
Debt service	20,575,251	12,423,263	32,998,514
Capital projects	53,085,818	-	53,085,818
Claims	22,344,029	-	22,344,029
Unrestricted	<u>(16,156,202)</u>	<u>122,806,133</u>	<u>106,649,931</u>
Total Net Assets	<u>\$ 608,475,152</u>	<u>\$ 450,763,243</u>	<u>\$ 1,059,238,395</u>

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

**WASHOE COUNTY, NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Interest, Contributions	Capital Grants, Interest, Contributions
Primary Government				
Governmental Activities:				
General government	\$ 108,032,039	\$ 32,901,760	\$ 2,071,852	\$ 145,006
Judicial	55,468,703	10,056,469	3,263,416	178,347
Public safety	150,039,830	13,467,486	13,775,593	2,944,106
Public works	39,675,376	1,544,827	4,865,422	20,460,873
Health and sanitation	18,428,765	3,625,046	8,104,133	192,872
Welfare	68,136,741	3,116,568	31,776,796	-
Culture and recreation	24,988,892	1,774,904	3,117,021	3,425,067
Community support	308,800	-	-	-
Interest on long-term debt	7,174,695	-	-	-
Total Governmental Activities	472,253,841	66,487,060	66,974,233	27,346,271
Business-type Activities:				
Utilities	32,874,755	32,925,877	109,127	2,145,284
Golf courses	874,220	1,090,359	870	-
Building permits	1,371,831	1,400,870	-	-
Total Business-type Activities	35,120,806	35,417,106	109,997	2,145,284
Total Primary Government	\$ 507,374,647	\$ 101,904,166	\$ 67,084,230	\$ 29,491,555

General Revenues:

Ad valorem taxes

Unrestricted intergovernmental revenues:

Consolidated taxes

LGTA sales taxes

Infrastructure sales tax

Other intergovernmental revenues

Other miscellaneous

Unrestricted investment earnings

Gain on sales of capital assets

Special Item: (Note 17)

Truckee River Flood Management Authority

Transfers

Total General Revenues, Special Item, and Transfers

Change in Net Assets

Net Assets, July 1

Net Assets, June 30

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

**Net (Expense) Revenue and
Changes in Net Assets**

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (72,913,421)	\$ -	\$ (72,913,421)
(41,970,471)	-	(41,970,471)
(119,852,645)	-	(119,852,645)
(12,804,254)	-	(12,804,254)
(6,506,714)	-	(6,506,714)
(33,243,377)	-	(33,243,377)
(16,671,900)	-	(16,671,900)
(308,800)	-	(308,800)
(7,174,695)	-	(7,174,695)
(311,446,277)	-	(311,446,277)
-	2,305,533	2,305,533
-	217,009	217,009
-	29,039	29,039
-	2,551,581	2,551,581
(311,446,277)	2,551,581	(308,894,696)
187,712,923	-	187,712,923
76,688,716	-	76,688,716
9,793,123	-	9,793,123
6,733,105	-	6,733,105
3,168,235	-	3,168,235
9,016,163	-	9,016,163
3,402,765	3,486,602	6,889,367
53,490	-	53,490
(67,831,905)	-	(67,831,905)
(45,369)	45,369	-
228,691,246	3,531,971	232,223,217
(82,755,031)	6,083,552	(76,671,479)
691,230,183	444,679,691	1,135,909,874
\$ 608,475,152	\$ 450,763,243	\$ 1,059,238,395

**WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2012**

	<u>General Fund</u>	<u>Special Assesment Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets				
Cash and investments (Note 3)	\$ 35,931,838	\$ 1,932,127	\$ 130,747,366	\$ 168,611,331
Restricted cash and investments (Notes 3, 4)	750,000	58,800	-	808,800
Accounts receivable	1,420,054	-	5,041,109	6,461,163
Consolidated tax receivable	12,536,153	-	1,022,592	13,558,745
Property taxes receivable	3,170,498	-	1,118,037	4,288,535
Other taxes receivable	2,350,608	10,080,603	2,805,571	15,236,782
Interest receivable	314,901	6,303	352,868	674,072
Due from other governments	1,644,661	-	12,099,880	13,744,541
Inventory	-	-	221,957	221,957
Deposits and prepaid items	425	-	2,814,635	2,815,060
Notes receivable	1,500,000	-	-	1,500,000
Total Assets	\$ 59,619,138	\$ 12,077,833	\$ 156,224,015	\$ 227,920,986
Liabilities				
Accounts payable	\$ 2,039,388	\$ 9,486	\$ 5,557,333	\$ 7,606,207
Accrued salaries and benefits	5,774,064	-	2,065,874	7,839,938
Contracts/retention payable	66,203	-	2,862,600	2,928,803
Tax refunds payable	3,769,762	-	1,054,923	4,824,685
Interest payable	2,345,473	-	667,381	3,012,854
Due to other governments	502,623	-	5,734,516	6,237,139
Other liabilities (Note 7)	2,613,805	128,934	245,076	2,987,815
Deferred/unearned revenue (Note 8)	6,185,193	10,080,603	5,931,611	22,197,407
Total Liabilities	23,296,511	10,219,023	24,119,314	57,634,848
Fund Balances (Note 13)				
Nonspendable	425	-	289,132	289,557
Restricted	750,000	1,858,810	110,571,032	113,179,842
Committed	4,718,229	-	17,808,380	22,526,609
Assigned	6,008,895	-	3,559,071	9,567,966
Unassigned	24,845,078	-	(122,914)	24,722,164
Total Fund Balances	36,322,627	1,858,810	132,104,701	170,286,138
Total Liabilities/Fund Balances	\$ 59,619,138	\$ 12,077,833	\$ 156,224,015	\$ 227,920,986

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

**WASHOE COUNTY, NEVADA
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2012**

Fund Balances - Governmental Funds		\$ 170,286,138
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets and long-term assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Governmental capital assets	\$ 1,182,838,956	
Less accumulated depreciation	<u>(577,142,224)</u>	605,696,732
Other assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Deferred bond costs	2,120,287	
Net OPEB asset	<u>4,362,602</u>	6,482,889
Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in governmental funds.		
Governmental bonds payable	(182,714,803)	
Bond premiums, discounts and deferred charge on refundings	(1,250,509)	
Accrued interest payable	(1,533,737)	
Net OPEB obligation	(832,181)	
Remediation obligation	(8,928,409)	
Compensated absences	(23,388,838)	
Accrued claims and judgments	<u>(591,975)</u>	(219,240,452)
Deferred revenues that were not available to fund current expenditures and therefore are not reported in governmental funds.		
		18,375,919
Internal service funds are used by management to charge the costs of certain activities to individual funds. Net assets of internal service funds are reported with governmental activities.		
Total net assets of internal service funds	36,881,346	
Internal balances receivable from business-type activities	<u>1,355,142</u>	38,236,488
Governmental funds report allocations of indirect expenses to enterprise funds. However, in the statement of activities indirect expenses are eliminated.		
		<u>(11,362,562)</u>
Total Net Assets of Governmental Activities		<u>\$ 608,475,152</u>

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

WASHOE COUNTY, NEVADA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>General Fund</u>	<u>Special Assessment Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes:				
Ad valorem	\$ 139,914,423	\$ -	\$ 48,382,900	\$ 188,297,323
Car rental fee	-	-	1,152,133	1,152,133
Other taxes	272,061	-	68,027	340,088
Special assessments	-	1,359,056	1,694,213	3,053,269
Licenses and permits	7,945,072	-	1,246,261	9,191,333
Intergovernmental revenues	88,329,779	-	84,656,743	172,986,522
Charges for services	14,809,036	-	11,565,818	26,374,854
Fines and forfeits	8,153,540	-	1,845,380	9,998,920
Miscellaneous	5,805,258	409,549	7,943,163	14,157,970
Total Revenues	265,229,169	1,768,605	158,554,638	425,552,412
Expenditures				
Current:				
General government	81,596,018	-	2,888,229	84,484,247
Judicial	48,472,630	-	5,345,113	53,817,743
Public safety	101,692,235	-	46,349,646	148,041,881
Public works	2,777,620	-	11,981,803	14,759,423
Health and sanitation	-	-	17,658,655	17,658,655
Welfare	17,126,988	-	51,917,854	69,044,842
Culture and recreation	12,293,677	-	7,180,716	19,474,393
Community support	308,800	-	-	308,800
Intergovernmental	3,353,839	-	4,889,051	8,242,890
Capital outlay	-	-	23,390,013	23,390,013
Debt Service:				
Principal	-	727,812	36,386,601	37,114,413
Interest	-	254,414	7,334,056	7,588,470
Debt service fees and other fiscal charges	-	163,796	480,703	644,499
Total Expenditures	267,621,807	1,146,022	215,802,440	484,570,269
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,392,638)</u>	<u>622,583</u>	<u>(57,247,802)</u>	<u>(59,017,857)</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	172,641	-	22,156	194,797
Refunding bonds issued	-	-	29,925,000	29,925,000
Special assessment bonds issued	-	-	8,592,787	8,592,787
Transfers in	20,043,146	-	35,197,420	55,240,566
Transfers out	<u>(20,272,007)</u>	<u>-</u>	<u>(16,921,059)</u>	<u>(37,193,066)</u>
Total Other Financing Sources (Uses)	(56,220)	-	56,816,304	56,760,084
Special Item: (Note 17)				
Truckee River Flood Management Authority	<u>-</u>	<u>-</u>	<u>(17,786,844)</u>	<u>(17,786,844)</u>
Net Change in Fund Balances	(2,448,858)	622,583	(18,218,342)	(20,044,617)
Fund Balances, July 1	38,771,485	1,236,227	150,323,043	190,330,755
Fund Balances, June 30	\$ 36,322,627	\$ 1,858,810	\$ 132,104,701	\$ 170,286,138

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

**WASHOE COUNTY, NEVADA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Net Change in Fund Balances - Governmental Funds \$ (20,044,617)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 20,266,499	
Less current year depreciation/amortization	<u>(39,508,383)</u>	(19,241,884)

Net OPEB assets reported in governmental activities are not a current financial resource in governmental funds.

Change in Net OPEB Asset		(3,907,764)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Donated capital assets	5,101,482	
Change in unavailable deferred revenue	<u>5,940,940</u>	11,042,422

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which bonds issued exceeded repayments:

Bonds issued	(38,517,787)	
Bond principal payments	37,114,413	
Issuance costs	439,891	
Deferred change on refunding	<u>53,002</u>	(910,481)

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.

Amortization of bond premium	352,044	
Amortization of bond discount	(2,706)	
Amortization of deferred charge on refunding	(15,664)	
Amortization of bond issuance costs	(468,691)	
Change in compensated absences	2,355,661	
Change in net OPEB obligation	(302,893)	
Change in remediation obligation	122,808	
Change in accrued interest payable	2,241,689	
Change in accrued claims and judgments	14,826,347	
Transfer of capital assets to internal service funds	(31,431)	
Disposition of capital assets	<u>(53,639,185)</u>	(34,562,021)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.

Change in net assets of internal service funds	(13,599,769)	
Internal charges reported in business activities	<u>(1,530,917)</u>	<u>(15,130,686)</u>
Change in Net Assets of Governmental Activities		<u>\$ (82,755,031)</u>

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

**WASHOE COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes:				
Ad valorem	\$ 140,672,556	\$ 140,672,556	\$ 139,914,423	\$ (758,133)
Other taxes	805,000	265,000	272,061	7,061
Licenses and permits	8,814,350	8,814,350	7,945,072	(869,278)
Intergovernmental revenues	91,200,505	85,290,505	88,329,779	3,039,274
Charges for services	14,332,779	14,380,214	14,809,036	428,822
Fines and forfeits	8,581,591	8,581,591	8,153,540	(428,051)
Miscellaneous	4,715,855	4,819,209	5,805,258	986,049
Total Revenues	<u>269,122,636</u>	<u>262,823,425</u>	<u>265,229,169</u>	<u>2,405,744</u>
Expenditures by Function and Activity				
Current:				
General Government:				
Legislative	491,562	492,362	481,556	10,806
Executive	2,526,103	2,486,886	2,461,148	25,738
Elections	1,685,120	1,624,320	1,180,518	443,802
Finance	10,712,339	10,927,123	10,484,043	443,080
Other General Government	55,885,030	70,950,416	66,988,753	3,961,663
Total General Government	<u>71,300,154</u>	<u>86,481,107</u>	<u>81,596,018</u>	<u>4,885,089</u>
Judicial:				
District Courts	15,577,997	15,366,500	14,608,551	757,949
District Attorney	16,283,359	16,241,522	16,067,475	174,047
Public Defense	10,209,414	10,910,872	10,845,586	65,286
Justice Courts	6,841,976	6,973,469	6,803,366	170,103
Incline Constable	218,452	145,559	147,652	(2,093)
Total Judicial	<u>49,131,198</u>	<u>49,637,922</u>	<u>48,472,630</u>	<u>1,165,292</u>
Public Safety:				
Sheriff and Detention	83,736,555	84,922,676	84,087,293	835,383
Medical Examiner	1,866,985	1,962,320	1,871,453	90,867
Fire Suppression	258,131	232,337	165,477	66,860
Juvenile Services	13,330,993	13,090,721	12,440,311	650,410
Protective Services	3,008,988	3,091,572	3,127,701	(36,129)
Total Public Safety	<u>102,201,652</u>	<u>103,299,626</u>	<u>101,692,235</u>	<u>1,607,391</u>
Public Works:				
Public Works	14,593,563	2,881,789	2,777,620	104,169
Welfare:				
Social Services	18,326,569	18,299,897	17,126,988	1,172,909
Culture and Recreation:				
Library	8,255,299	7,851,000	7,712,231	138,769
Regional Parks and Open Space	4,820,902	4,632,698	4,581,446	51,252
Total Culture and Recreation	<u>13,076,201</u>	<u>12,483,698</u>	<u>12,293,677</u>	<u>190,021</u>
Community Support	515,722	411,554	308,800	102,754

(CONTINUED)

**WASHOE COUNTY, NEVADA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance to Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Budget Shortfall Reduction	\$ (7,463,019)	\$ -	\$ -	\$ -
Intergovernmental	3,340,635	3,340,635	3,353,839	(13,204)
Total Expenditures	<u>265,022,675</u>	<u>276,836,228</u>	<u>267,621,807</u>	<u>9,214,421</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,099,961</u>	<u>(14,012,803)</u>	<u>(2,392,638)</u>	<u>11,620,165</u>
Other Financing Sources (Uses)				
Proceeds from asset disposition	-	-	172,641	172,641
Transfers in	7,759,400	24,109,400	20,043,146	(4,066,254)
Transfers out	(19,860,144)	(20,502,817)	(20,272,007)	230,810
Contingency	<u>(1,775,000)</u>	<u>(235,935)</u>	<u>-</u>	<u>235,935</u>
Total Other Financing Sources (Uses)	<u>(13,875,744)</u>	<u>3,370,648</u>	<u>(56,220)</u>	<u>(3,426,868)</u>
Net Change in Fund Balances	(9,775,783)	(10,642,155)	(2,448,858)	8,193,297
Fund Balances, July 1	<u>37,905,113</u>	<u>38,771,485</u>	<u>38,771,485</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 28,129,330</u>	<u>\$ 28,129,330</u>	<u>\$ 36,322,627</u>	<u>\$ 8,193,297</u>

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

**WASHOE COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2012**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water Resources Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Activities Internal Service Funds</u>
Assets				
Current Assets:				
Cash and investments (Note 3)	\$ 93,188,430	\$ 16,428,236	\$ 109,616,666	\$ 40,462,657
Restricted cash and investments (Notes 3.4)	2,609,530	-	2,609,530	-
Accounts receivable	4,491,251	495,470	4,986,721	2,947,702
Interest receivable	339,298	52,623	391,921	137,420
Due from other governments	1,587,659	-	1,587,659	52,178
Inventory	189,434	7,661	197,095	179,595
Other assets	15,207	28,780	43,987	1,829,045
Total Current Assets	<u>102,420,809</u>	<u>17,012,770</u>	<u>119,433,579</u>	<u>45,608,597</u>
Noncurrent Assets:				
Restricted cash and investments (Notes 3,4)	11,043,883	-	11,043,883	2,058,000
Long-term receivables and other assets (Note 5)	217,792	-	217,792	1,620,686
Deferred issuance cost (Note 5)	340,486	-	340,486	-
Capital Assets: (Note 6)				
Nondepreciable:				
Land	13,611,676	997,758	14,609,434	-
Plant capacity	-	825,150	825,150	-
Construction in progress	5,318,236	-	5,318,236	-
Depreciable:				
Land improvements	1,403,338	3,841,255	5,244,593	-
Buildings and improvements	64,098,706	1,571,414	65,670,120	24,990
Infrastructure	356,894,253	26,557,598	383,451,851	-
Equipment	1,207,110	1,231,749	2,438,859	22,925,392
Software	1,060,942	78,183	1,139,125	72,210
Plant, well capacity	10,030,729	-	10,030,729	-
Less accumulated depreciation	<u>(92,434,725)</u>	<u>(17,427,141)</u>	<u>(109,861,866)</u>	<u>(17,086,094)</u>
Total Noncurrent Assets	<u>372,792,426</u>	<u>17,675,966</u>	<u>390,468,392</u>	<u>9,615,184</u>
Total Assets	<u>475,213,235</u>	<u>34,688,736</u>	<u>509,901,971</u>	<u>55,223,781</u>
Liabilities				
Current Liabilities:				
Accounts payable	787,768	14,496	802,264	1,043,527
Accrued salaries and benefits	211,223	52,077	263,300	79,012
Compensated absences (Notes 9,10)	495,703	121,958	617,661	197,352
Contracts/retention payable	168,825	38,983	207,808	-
Interest payable	1,230,150	-	1,230,150	-
Due to other governments	861,495	901	862,396	1,778,214
Unearned revenue (Note 8)	72,966	46,256	119,222	-
Other liabilities (Note 7)	1,088,788	34,885	1,123,673	205,298
Notes, bonds, leases payable (Notes 9,10,11)	2,842,645	-	2,842,645	-
Pending claims (Note 16)	-	-	-	5,609,764
Total Current Liabilities	<u>7,759,563</u>	<u>309,556</u>	<u>8,069,119</u>	<u>8,913,167</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 JUNE 30, 2012**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities Internal Service Funds</u>
	<u>Water Resources Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	
Noncurrent Liabilities: (Notes 9,10,11,16)				
Compensated absences	\$ 165,858	\$ 40,808	\$ 206,666	\$ 66,032
Notes, bonds, leases payable	60,870,363	-	60,870,363	-
Pending claims	-	-	-	7,305,236
Pending claims payable from restricted cash	-	-	-	2,058,000
Total Noncurrent Liabilities	<u>61,036,221</u>	<u>40,808</u>	<u>61,077,029</u>	<u>9,429,268</u>
Total Liabilities	<u>68,795,784</u>	<u>350,364</u>	<u>69,146,148</u>	<u>18,342,435</u>
Net Assets (Note 13)				
Invested in capital assets, net of related debt	297,477,257	17,675,966	315,153,223	5,936,498
Restricted for public safety	-	380,624	380,624	-
Restricted for debt service	12,423,263	-	12,423,263	-
Restricted for claims	-	-	-	22,344,029
Unrestricted	<u>96,516,931</u>	<u>16,281,782</u>	<u>112,798,713</u>	<u>8,600,819</u>
Total Net Assets	<u>\$ 406,417,451</u>	<u>\$ 34,338,372</u>	<u>440,755,823</u>	<u>\$ 36,881,346</u>

Indirect expenses reported in the Statement of Revenues,
 Expenses and Changes in Net Assets are not reported in
 the Statement of Activities to enhance comparability
 between governments that allocate indirect expenses
 and those that do not.

11,362,562

Adjustment to reflect the consolidation of internal
 service fund activities related to enterprise funds.

(1,355,142)

Net Assets of Business-type Activities

\$ 450,763,243

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

**WASHOE COUNTY
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Resources Fund	Other Enterprise Funds	Total	
Operating Revenues				
Charges for Services:				
Utility fees	\$ 30,465,820	\$ 2,460,057	\$ 32,925,877	\$ -
Golf course fees	-	1,090,359	1,090,359	-
Building permits and fees	-	1,400,599	1,400,599	-
Self insurance fees	-	-	-	50,488,014
Equipment service billings	-	-	-	6,669,228
Miscellaneous	-	271	271	1,417,556
Total Operating Revenues	30,465,820	4,951,286	35,417,106	58,574,798
Operating Expenses				
Salaries and wages	4,346,401	1,115,987	5,462,388	1,643,749
Employee benefits	2,213,591	511,459	2,725,050	798,825
Services and supplies	12,460,358	2,597,531	15,057,889	51,725,142
Depreciation/amortization	8,704,130	1,091,780	9,795,910	1,849,994
Total Operating Expenses	27,724,480	5,316,757	33,041,237	56,017,710
Operating Income (Loss)	2,741,340	(365,471)	2,375,869	2,557,088
Nonoperating Revenues (Expenses)				
Investment earnings	3,002,361	484,241	3,486,602	1,499,692
Miscellaneous	21,961	17,028	38,989	13,207
Federal grants	71,008	-	71,008	276,073
Gain (loss) on asset disposition	(17,376)	3,563	(13,813)	115,609
Interest/bond issuance costs	(2,505,300)	-	(2,505,300)	-
Connection fee refunds/credits	(1,091,373)	-	(1,091,373)	-
Total Nonoperating Revenues (Expenses)	(518,719)	504,832	(13,887)	1,904,581
Income (Loss) Before Capital Contributions, and Transfers	2,222,621	139,361	2,361,982	4,461,669
Capital Contributions				
Hookup fees	741,978	16,050	758,028	-
Contributions	792,180	208,150	1,000,330	31,431
Federal/State grants	386,926	-	386,926	-
Total Capital Contributions	1,921,084	224,200	2,145,284	31,431

(CONTINUED)

**WASHOE COUNTY
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-type Activities - Enterprise Funds			Governmental
	Water Resources Fund	Other Enterprise Funds	Total	Activities Internal Service Funds
Transfers				
Transfers in	\$ -	\$ 45,369	\$ 45,369	\$ 1,234,000
Transfers out	-	-	-	(19,326,869)
Total Transfers	-	45,369	45,369	(18,092,869)
Change in Net Assets	4,143,705	408,930	4,552,635	(13,599,769)
Net Assets, July 1	402,273,746	33,929,442		50,481,115
Net Assets, June 30	\$ 406,417,451	\$ 34,338,372		\$ 36,881,346
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			1,530,917	
Change in Net Assets of Business-type Activities			\$ 6,083,552	

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

**WASHOE COUNTY, NEVADA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Other</u>		<u>Activities</u>
	<u>Resources</u>	<u>Enterprise</u>	<u>Total</u>	<u>Internal Service</u>
	<u>Fund</u>	<u>Funds</u>		<u>Funds</u>
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows From Operating Activities:				
Cash received from customers	\$ 26,341,917	\$ 4,701,366	\$ 31,043,283	\$ 20,079,532
Cash received from other funds	2,080,902	19,563	2,100,465	37,157,601
Cash received from others	953,804	271	954,075	1,407,354
Cash payments for personnel costs	(6,635,739)	(1,636,405)	(8,272,144)	(2,445,494)
Cash payments for services and supplies:				
Paid to other funds	-	(1,520,749)	(1,520,749)	-
Paid to others	(12,450,114)	(1,162,829)	(13,612,943)	(50,140,471)
Cash payments for refund of hookup fees	(1,091,373)	-	(1,091,373)	-
Net Cash Provided (Used) by				
Operating Activities	<u>9,199,397</u>	<u>401,217</u>	<u>9,600,614</u>	<u>6,058,522</u>
Cash Flows From Noncapital Financing Activities:				
Federal grants	63,853	-	63,853	276,073
Contributions	-	870	870	-
Transfers from other funds	-	45,369	45,369	1,234,000
Transfers to other funds	-	-	-	(19,326,869)
Net Cash Provided (Used) by				
Noncapital Financing Activities	<u>63,853</u>	<u>46,239</u>	<u>110,092</u>	<u>(17,816,796)</u>
Cash Flows From Capital and Related				
Financing Activities:				
Proceeds from asset disposition	-	3,563	3,563	209,020
Cash received from federal/state grants	434,576	-	434,576	-
Contributions from others	735,308	16,050	751,358	-
Principal paid on financing	(3,503,465)	-	(3,503,465)	-
Interest paid on financing	(2,568,531)	-	(2,568,531)	-
Proceeds from insurance recoveries	-	-	-	13,207
**Acquisition of capital assets	(2,756,365)	(955,107)	(3,711,472)	(943,609)
Net Cash Provided (Used) by Capital				
and Related Financing Activities	<u>(7,658,477)</u>	<u>(935,494)</u>	<u>(8,593,971)</u>	<u>(721,382)</u>
Cash Flows From Investing Activities:				
Investment earnings	<u>3,121,111</u>	<u>507,422</u>	<u>3,628,533</u>	<u>1,437,226</u>
Net Increase (Decrease) in				
Cash and Cash Equivalents	4,725,884	19,384	4,745,268	(11,042,430)
Cash and Cash Equivalents, July 1	<u>102,115,959</u>	<u>16,408,852</u>	<u>118,524,811</u>	<u>53,563,087</u>
Cash and Cash Equivalents, June 30	<u>\$ 106,841,843</u>	<u>\$ 16,428,236</u>	<u>\$ 123,270,079</u>	<u>\$ 42,520,657</u>

(CONTINUED)

**WASHOE COUNTY, NEVADA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Other</u>	<u>Total</u>	<u>Activities</u>
	<u>Resources</u>	<u>Enterprise</u>		
	<u>Fund</u>	<u>Funds</u>		<u>Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 2,741,340	\$ (365,471)	\$ 2,375,869	\$ 2,557,088
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization	8,704,130	1,091,780	9,795,910	1,849,994
Construction in progress write off	8,540	-	8,540	-
Contributed inventory	3,750	-	3,750	-
Other nonoperating revenue	26,839	16,158	42,997	-
Hookup fee refunds	(1,091,373)	-	(1,091,373)	-
*Imputed rental expense	-	-	-	132,599
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(916,440)	(246,295)	(1,162,735)	54,713
Due from other governments	(229,224)	-	(229,224)	42,510
Notes receivable	(22,362)	-	(22,362)	-
Inventory	(106,071)	162	(105,909)	17,094
Other assets	-	(28,780)	(28,780)	243,452
Increase (decrease) in:				
Accounts payable	86,041	(38,195)	47,846	(204,807)
Accrued salaries and benefits	12,525	2,833	15,358	7,571
Compensated absences	(88,272)	(11,792)	(100,064)	(10,491)
Due to other governments	42,470	(19,234)	23,236	1,678,423
Other liabilities	27,504	51	27,555	205,298
Pending claims	-	-	-	(514,922)
Total Adjustments	6,458,057	766,688	7,224,745	3,501,434
Net Cash Provided (Used) by Operating Activities	\$ 9,199,397	\$ 401,217	\$ 9,600,614	\$ 6,058,522

***Noncash investing, capital and financing activities:**

The Equipment Services Fund lease deposits remaining from prior year rental agreements total \$3,173,365. These deposits are considered to be equivalent to noninterest bearing loans. Interest income and rental expense of \$132,599 have been imputed to give recognition to these transactions.

**Acquisition of Capital Assets Financed by Cash	\$ 2,756,365	\$ 955,107	\$ 3,711,472	\$ 943,609
Capital contributions received	788,430	208,150	996,580	-
Capital transferred from other funds	-	-	-	31,431
Increase/(decrease) in liabilities	135,528	38,983	174,511	112,217
Total Acquisition of Capital Assets	\$ 3,680,323	\$ 1,202,240	\$ 4,882,563	\$ 1,087,257

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

**WASHOE COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012**

	Investment Trust Fund	Agency Funds
Assets		
Cash and investments (Note 3)	\$ 80,401,313	\$ 27,914,298
Financial assurances	-	412,026
Accounts receivable	-	2,180,099
Property taxes receivable	-	7,790,277
Interest receivable	259,120	-
Other deposits	-	9,691
Due from other governments	-	17,112
	80,660,433	38,323,503
Liabilities		
Due to others/governments	-	38,323,503
	-	38,323,503
Net Assets		
Held in trust for pool participants	\$ 80,660,433	\$ -

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

**WASHOE COUNTY, NEVADA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012**

	Investment Trust Fund
Additions	
Investment earnings:	
Interest	\$ 1,801,187
Net increase (decrease) in the fair value of investments	652,630
Contributions to pooled investments	183,029,805
Total Additions	185,483,622
Deductions	
Distributions from pooled investments	186,340,743
Change in Net Assets	(857,121)
Net Assets, July 1	81,517,554
Net Assets, June 30	\$ 80,660,433

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